

ZOONO GROUP LIMITED
ACN 006 645 754

ENTITLEMENT ISSUE PROSPECTUS

For a pro-rata non-renounceable entitlement issue of 1 Shares for every 4 Shares held by those Shareholders registered at the Record Date at an issue price of \$0.05 per Share together with 1 free New Options for every 3 Shares applied for and issued to raise up to \$2,102,289 (based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Securities offered by this Prospectus should be considered as highly speculative.

IMPORTANT NOTICE

This Prospectus is dated 26 April 2023 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, 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 this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be made by an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives,

financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

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.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

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

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

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 5.

Overseas shareholders

This Offer does not, and is not intended to, constitute an offer 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.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

For further information on overseas Shareholders please refer to Section 2.9.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

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

Please refer to Section 6.1 for further details.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has

determined the target market for the offer of [Options] issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (www.zoono.com.au). By making an application under the Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.zoono.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 2 8042 8481 during office hours or by emailing the Company at info@zoono.com.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 7.

All references to time in this Prospectus are references to Australian Eastern Daylight Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate

communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offer please call the Company Secretary on +61 2 8042 8481.

CORPORATE DIRECTORY

Directors

Paul Hyslop (Managing Director)
Don Clarke (Non-Executive Director)
Elissa Hansen (Non-Executive Director)

Share Registry*

Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000

Company Secretary

Elissa Hansen

Telephone: +61 2 9290 9600

Key Management Personnel

Paul Ravlich (Chief Financial Officer)

Lew MacKinnon (Chief Operating Officer)

Registered Office

Level 12, 225 George Street
Sydney NSW 2000

Telephone: + 61 2 8042 8481

Email: info@zoono.com

Website: www.zoono.com.au

Legal Advisers

Steinepreis Paganin
Level 6
99 William Street
Melbourne VIC 3000

Auditor*

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

TABLE OF CONTENTS

1.	KEY OFFER INFORMATION	5
2.	DETAILS OF THE OFFER	10
3.	PURPOSE AND EFFECT OF THE OFFER.....	17
4.	RIGHTS AND LIABILITIES ATTACHING TO SECURITIES.....	21
5.	RISK FACTORS	26
6.	ADDITIONAL INFORMATION.....	36
7.	GLOSSARY.....	43

1. KEY OFFER INFORMATION

1.1 Timetable

Lodgement of Prospectus with the ASIC	26 April 2023
Lodgement of Prospectus and Appendix 3B with ASX	26 April 2023
Ex date	1 May 2023
Record Date for determining Entitlements	2 May 2023
Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	5 May 2023
Last day to extend the Closing Date	23 May 2023
Closing Date as at 5:00pm*	26 May 2023
Shares quoted on a deferred settlement basis	29 May 2023
ASX notified of under subscriptions	2 June 2023
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Shares	2 June 2023
Quotation of Shares issued under the Offer**	5 June 2023

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Shares are expected to commence trading on ASX may vary.

1.2 Key statistics of the Offer

Shares

	Full Subscription (\$2,102,289)¹
Offer Price per Share	\$0.05
Entitlement Ratio (based on existing Shares)	1 New Share for every 4 Existing Shares (1 for 4)
Shares currently on issue ²	168,183,083
Shares to be issued under the Offer	42,045,771
Gross proceeds of the issue of Shares	\$2,102,289
Shares on issue Post-Offer	210,228,854

Notes:

1. Assuming the Full Subscription of \$2,102,289 is achieved under the Offer.
2. Refer to Section 4.1 for the terms of the Shares.

Options

	Full Subscription (\$2,102,289)¹
Offer Price per New Option	nil
Option Entitlement Ratio (based on Shares subscribed for)	1 free attaching New Option for every 3 New Shares (1 for 3)
Options currently on issue ²	10,400,000
New Options to be issued under the Offer	14,015,257
Gross proceeds of the issue of Options	\$1,401,526
Options on issue Post-Offer	24,415,257

Notes:

- Assuming the Full Subscription of \$2,102,289 is achieved under the Offer.
- Comprising:
 - 3,500,000 Options, with an exercise price of \$0.35 expiring on or before 30 June 2025;
 - 4,700,000 Options, with an exercise price of \$0.35 expiring on or before 30 June 2026;
 - 300,000 Options, with an exercise price of \$0.25 expiring on or before 16 December 2023; and
 - 1,900,000 Options, with an exercise price of \$0.65 expiring on or before 1 November 2025.
- Refer to Section 4.2 for the terms of the New Options.

1.3 Key Risk Factors

Prospective investors should be aware that subscribing for Securities involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 5.

1.4 Directors' Interests in Securities

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below:

Director	Shares	Options	Share Entitlement	New Option Entitlement	\$
Paul Hyslop	59,558,000 ¹	Nil	14,889,500	4,963,167	\$744,475

Director	Shares	Options	Share Entitlement	New Option Entitlement	\$
Don Clarke	270,000 ²	Nil	67,500	22,500	\$3,375
Elissa Hansen	276,000 ³	Nil	69,000	23,000	\$3,450

Notes:

- 59,558,000 Shares held jointly by Paul Hyslop, Margaret Morgan and NPT MEG Trustees Limited <MEG Trust>. Mr Hyslop is a beneficiary of the MEG Trust.
- 270,000 Shares indirectly held by Soldon Investments Pty Ltd <Clarke Super Fund A/C>. Mr Clarke is both a director of Soldon Investments Pty Ltd and a beneficiary of the Clarke Super Fund A/C.
- 267,000 Shares indirectly held by Market Capital Group Pty Ltd <Market Cap Super Fund>. Ms Hansen is both a director of Market Capital Group Pty Ltd and a beneficiary of the Market Cap Super Fund.

The Board recommends all Shareholders take up their Entitlements. The Board advises that Mr Hyslop, Mr Clarke and Ms Hansen intend to take up their full Entitlements.

The key management personnel will also be taking up their full Entitlements.

1.5 Details of Substantial Holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Paul Hyslop, Margaret Morgan and NPT MEG Trustees Limited	59,558,000 ¹	35.79%
Regal Funds Management Pty Ltd	19,120,728	11.49%

Notes:

- 59,558,000 Shares held jointly by Paul Hyslop, Margaret Morgan and NPT MEG Trustees Limited <MEG Trust>. Mr Hyslop is a beneficiary of the MEG Trust. Mr Hyslop is a Director of the Company.

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

1.6 Effect on Control

The table below details various scenarios based on Mr Hyslop and his associates taking up their full Entitlement under the Offer. Each scenario is based on the assumption no Shortfall is placed where the take up under the Offer is below 100%, which would dilute Mr Hyslop's voting power.

Voting power of Mr Hyslop and his associates				
At date of this Prospectus	At completion of the Offer			
	100% take up (Full Subscription)	75% take up by Eligible Shareholders	50% take up by Eligible Shareholders	Less than 25% take up by Eligible Shareholders
		(other than Mr Hyslop)	(other than Mr Hyslop)	(other than Mr Hyslop)
35.79%	35.79%	36.59%	37.86%	39.21%

Notes:

1. In this table:

- (a) "100% take up" assumes that Mr Hyslop and his associates take up 100% of their Entitlement (14,889,500 Shares) and Eligible Shareholders other than Mr Hyslop and his associates take up 100% of their Entitlement (27,156,271 Shares);
- (b) "75% take up" assumes that Mr Hyslop and his associates take up 100% of their Entitlement (14,889,500 Shares) and Eligible Shareholders other than Mr Hyslop and his associates take up 75% of their Entitlement (20,367,204 Shares);
- (c) "50% take up" assumes that Mr Hyslop and his associates take up 100% of their Entitlement (14,889,500 Shares) and Eligible Shareholders other than Mr Hyslop and his associates take up 50% of their Entitlement (13,578,136 Shares); and
- (d) "25% take up" assumes that Mr Hyslop and his associates take up 100% of their Entitlement (14,889,500 Shares) and Eligible Shareholders other than Mr Hyslop and his associates take up 25% of their Entitlement (6,789,068 Shares); and

In the event of a Shortfall under the Offer, Mr Hyslop and his associates' interest is likely to be diluted as a result of the issue of Shortfall Shares under the Shortfall Offer. Mr Hyslop and his associates will not apply for Shares under the Shortfall Offer.

As set out in Section 2.6, on the basis of the allocation policy, no person will acquire, through participation in the Shortfall Offer a holding of Shares of, or increase their holding to, an amount in excess of 19.9% of all the Shares on issue on completion of the Offer.

1.7 Potential dilution on non-participating Shareholders

In addition to potential control impacts set out in Section 1.8, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 20% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Offer, are likely to be diluted by an aggregate of approximately 25% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	5.95%	2,500,000	10,000,000	4.76%
Shareholder 2	5,000,000	2.97%	1,250,000	5,000,000	2.38%
Shareholder 3	1,500,000	0.89%	375,000	1,500,000	0.71%
Shareholder 4	400,000	0.24%	100,000	400,000	0.19%
Shareholder 5	50,000	0.03%	12,500	50,000	0.02%

Notes:

1. This is based on a share capital of 168,183,083 Shares as at the date of the Prospectus and assumes no Options currently on issue including New Options are exercised or other Shares are issued.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

2. DETAILS OF THE OFFER

2.1 The Offer

The Offer is being made as a pro-rata non-renounceable entitlement issue of 1 Shares for every 4 Shares held by Shareholders registered at the Record Date at an issue price of \$0.05 per Share together with 1 New Option for every 3 Shares subscribed for and issued. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, approximately 42,045,771 Shares and 14,015,257 New Options may be issued under the Offer to raise up to \$2,102,289. No funds will be raised from the issue of the New Options.

As at the date of this Prospectus the Company has 10,400,000 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to Section 4.2 for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares. The New Options will be exercisable at \$0.10 on or before the date that is three (3) years following the date of issue and otherwise on the terms set out in Section 4.2.

The purpose of the Offer and the intended use of funds raised are set out in Section 3.

2.2 What Eligible Shareholders may do

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form can be accessed at www.investorserve.com.au. Eligible Shareholders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
Take up all of your Entitlement	<ul style="list-style-type: none">Should you wish to accept all of your Entitlement, then your application for Securities under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which can be accessed at www.investorserve.com.au. Please read the instructions carefully.Payment can be made by the methods set out in Section 2.3. As set out in Section 2.3, if you pay by BPAY, you do not need to return the Entitlement and Acceptance Form.	Section 2.3 and Section 2.4.
Take up all of your Entitlement and also apply	<ul style="list-style-type: none">Should you wish to accept all of your Entitlement and apply for Shortfall Securities, then your application for	Sections 2.3, 2.4 and 2.6.

Option	Key Considerations	For more information
for Shortfall Securities	<p>your Entitlement and additional Shortfall Securities under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which can be accessed at www.investorserve.com.au. Please read the instructions carefully.</p> <ul style="list-style-type: none"> • Payment can be made by the methods set out in Section 2.3. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying. • If you apply for Shortfall Securities beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Securities is at the Company's absolute discretion as per the allocation policy set out in Section 2.6. Accordingly, your application for additional Shortfall Securities may be scaled-back. • The Company's decision on the number of Shortfall Securities to be allocated to you will be final. 	
Take up a proportion of your Entitlement and allow the balance to lapse	<ul style="list-style-type: none"> • If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which can be accessed at www.investorserve.com.au for the number of Securities you wish to take up and making payment using the methods set out in Section 2.3 below. As set out in Section 2.3, if you pay by BPAY, you do not need to return the Entitlement and Acceptance Form. 	Section 2.3 and Section 2.4
Allow all or part of your Entitlement to lapse	<ul style="list-style-type: none"> • If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Offer to you will lapse. 	N/A

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

2.3 Payment options

(a) By BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by no later than 5:00 pm (AEST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

Guidance where you have more than one CRN (Shareholding of Shares)

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. **Do not use the same CRN for more than one of your Shareholdings.** This can result in your Application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any Application in respect of your remaining Shareholdings will not be valid).

(b) By Electronic Funds Transfer (New Zealand applicants)

For payment by Electronic Funds Transfer (EFT) by Eligible Shareholders resident in New Zealand (**New Zealand Shareholders**), please follow the instructions on the letter accompanying your personalised Entitlement and Acceptance Form. You can only make a payment via EFT if you are a New Zealand Shareholder and the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;

- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

2.4 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® (or EFT for New Zealand Shareholders) will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® (or EFT for New Zealand Shareholders) payment instruction is given in relation to any Application monies, the application may not be varied or withdrawn except as required by law.

2.5 Minimum subscription

There is no minimum subscription.

2.6 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer (**Shortfall Securities**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.05 being the price at which Shares have been offered under the Offer.

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Offer and potentially be allocated to other Eligible Shareholders or other third parties as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of Shares proposed to be issued under the Offer.

Eligible Shareholders who wish to subscribe for Securities above their Entitlement are invited to apply for Shortfall Securities under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Securities in accordance with Sections 2.3.

The Board presently intends to allocate Shortfall Securities as follows:

- (a) to Eligible Shareholders who apply for an excess of their full Entitlement, so long as the issue of Shortfall Securities to that Eligible Shareholder would not take their voting power to in excess of 19.99%; and then
- (b) to other parties identified by the Directors, which may include parties who are not currently Shareholders.

No Shares will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.99%.

The Company reserves the right to issue an Eligible Shareholder a lesser number of Shortfall Securities than applied for or no Shortfall Securities at all. However, the Directors do not intend to refuse an application for Shortfall Securities from Eligible Shareholders other than in circumstances of oversubscription or where acceptance may result in a breach of the Corporations Act. If the number of Shortfall Securities applied for by Eligible Shareholders exceeds the total Shortfall, the Shortfall Securities will be allocated among applying Eligible Shareholders proportionate to their existing holdings.

All decisions regarding the allocation of Shortfall Securities will be made by the Directors and will be final and binding on all applicants under the Shortfall Offer; as such there is no guarantee that any Shortfall Securities applied for will be issued to Eligible Shareholders.

The Company will have no liability to any Applicant who receives less than the number of Shortfall Securities they applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Securities under the Shortfall Offer any Application monies will be returned (without interest) as soon as practicable.

2.7 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

The Company will not apply for Official Quotation of the New Options issued pursuant to this Prospectus.

2.8 Issue of Securities

Securities issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.

Securities issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Securities issued is less than the number applied for, or where no issue is made surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all Application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Securities issued under the Offer will be mailed as soon as practicable after the issue of Securities and for Shortfall Securities issued under the Shortfall Offer as soon as practicable after their issue.

2.9 Overseas shareholders

This Offer does not, and is not intended to, constitute an offer 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.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

New Zealand

The Securities 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 transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

This Prospectus 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.

Nominees and custodians

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia and New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

2.10 Appointment of Broker

The Company has appointed CCZ Equities Australia Pty Limited (ACN 104 843 370) (**Broker**) as broker to the Offer. The Broker will receive 5% of the total amount raised through Regal Funds Management Pty Ltd's (a substantial holder of the Company) participation in the Offer and taking up its entitlements under the Offer. The Broker will also be paid for nominee services provided in accordance with section 615 of the Corporations Act on standard industry terms and conditions.

2.11 Appointment of Nominee

Pursuant to section 615 of the Corporations Act, the Company has appointed a nominee, CCZ Equities Australia Pty Limited (ACN 104 843 370), to sell the Entitlements to which Ineligible Shareholders are entitled. The nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale. The Company will seek to obtain ASIC approval for the appointment of the nominee, as required by section 615 of the Corporations Act.

The proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the relevant Ineligible Shareholders as described below.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the nominee must sell Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds. In this regard, the nominee will not be required to sell Ineligible Shareholders' Entitlements at a particular price.

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

3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose of the offer

The purpose of the Offer is to raise up to \$2,102,289 before costs.

The funds raised from the Offer are intended to be applied in accordance with the table set out below:

Item	Proceeds of the Offer	Full Subscription (\$)	%
1.	Douglas Pharmaceuticals JV	500,000	24
2.	China expansion	400,000	19
3.	Packaging for extension of shelf life	100,000	5
4.	Working capital	1,009,822	48
5.	Expenses of the Offer ¹	92,467	4
	Total	2,102,289	100

Notes:

1. Refer to Section 6.6 for further details relating to the estimated expenses of the Offer.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives. In the event the Offer is not fully subscribed, operational objectives are likely to be modified, which may result in delay or substantial changes to the Company's future plans.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

3.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, will be to:

- (a) increase the cash reserves by \$2,009,822 (after deducting the estimated expenses of the Offer excluding GST) immediately after completion of the Offer;
- (b) increase the number of Shares on issue from 168,183,083 as at the date of this Prospectus to 210,228,854 Shares; and
- (c) increase the number of Options on issue from 10,400,000 as at the date of this Prospectus to 24,415,257 Options.

3.3 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, is set out below.

Shares

	Number
Shares currently on issue	168,183,083
Shares offered pursuant to the Offer	42,045,771
Total Shares on issue after completion of the Offer	210,228,854

Options

	Number
Options currently on issue:	
Unquoted Options exercisable at \$0.35 on or before 30 June 2025 (ZNOAO)	3,500,000
Unquoted Options exercisable at \$0.35 on or before 30 June 2026 (ZNOAP)	4,700,000
Unquoted Options exercisable at \$0.25 on or before 16 December 2023 (ZNOAA)	300,000
Unquoted Options exercisable at \$0.65 on or before 1 November 2025 (ZNOAN)	1,900,000
Total Options on issue as at the date of this Prospectus	10,400,000
New Options to be issued pursuant to the Offer	14,015,257
Total Options on issue after completion of the Offer	24,415,257

The capital structure on a fully diluted basis as at the date of this Prospectus would be 178,583,083 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date) would be 234,644,111 Shares.

No Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

3.4 Pro-forma balance sheet

The unaudited balance sheet as at 31 March 2023 and the unaudited pro-forma balance sheet as at 31 March 2023 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Options or convertible securities are exercised prior to the Record Date and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	UNAUDITED March 2023	PROFORMA
	NZD	NZD
CURRENT ASSETS		
Cash	136,573	2,282,007
Trade receivables, Inventory and Other assets	12,891,895	12,901,811
TOTAL CURRENT ASSETS	13,028,468	15,183,818
NON-CURRENT ASSETS		
Property, Plant and equipment/ROU	1,555,956	1,555,956
Intangibles	2,247	2,247
TOTAL NON-CURRENT ASSETS	1,558,203	1,558,203
TOTAL ASSETS	14,586,671	16,742,021
CURRENT LIABILITIES		
Trade, leases and other payables	1,359,346	1,359,346
TOTAL CURRENT LIABILITIES	1,359,346	1,359,346
NON-CURRENT LIABILITIES		
Lease Liabilities	870,154	870,154
Provisions	1,450,199	1,450,199
TOTAL NON-CURRENT LIABILITIES	2,320,353	2,320,353

	UNAUDITED March 2023 NZD	PROFORMA NZD
TOTAL LIABILITIES	3,679,699	3,679,699
NET ASSETS (LIABILITIES)	10,906,972	13,062,322
EQUITY		
Issued capital	13,802,591	15,957,941
Reserves	283,878	283,878
Accumulated losses	(3,179,497)	(3,179,497)
TOTAL EQUITY	10,906,972	13,062,322

Notes:

1. The funds raised from the Offer of AU\$2,102,289 has been converted at an exchange rate of 1.07241.
2. The expenses of the Offer of AU\$92,467 has been converted at an exchange rate of 1.07241.

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

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

(a) General meetings

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

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution 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 such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

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

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of

the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

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

(d) **Winding-up**

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

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

(e) **Shareholder liability**

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

(f) **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 and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, 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 as they shall, in their absolute discretion, determine.

(h) **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 the rights attaching to Shares.

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

(i) **Alteration of constitution**

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

4.2 Terms of New Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the New Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.10 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AEST) on 2 June 2026 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The New Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The New Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the New Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the New Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.

(k) **Change in exercise price**

A New Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Option can be exercised.

(l) **Transferability**

The New Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

5. RISK FACTORS

5.1 Introduction

The Securities offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

5.2 Company specific

Risk Category	Risk
Potential dilution for	<p>In addition to potential control impacts set out in Section 1.8, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 20% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).</p> <p>No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Offer, are likely to be diluted by an aggregate of approximately 25% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).</p> <p>It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.</p>

Risk Category	Risk
	<p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.052 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.</p>
<p>Control risk</p>	<p>Mr Paul Hyslop and his associated entities is currently the largest Shareholder of the Company and has a relevant interest in approximately 35.79% of the Shares in the Company. Paul Hyslop is a Director of the Company and a beneficiary of the MEG Trust. Assuming Mr Hyslop takes up its full Entitlement and no other Shareholders accept their entitlements, Paul Hyslop's voting power in the Company could be as high as 40.67%.</p> <p>Mr Hyslop's significant 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.</p> <p>Mr Hyslop holds a relevant interest in more than 25% of the Company which means that it has the potential to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote on the resolution). Special resolutions are required in relation to approve certain Company matters including potentially seeking the delisting of the Company, amending the Constitution, 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.</p>
<p>Additional requirements for capital</p>	<p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
<p>Going Concern</p>	<p>The Company's Annual Financial Report for the financial year end 30 June 2022 and Half Year Financial Report for 31 December 2022 (Financial Reports) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>Notwithstanding the 'going concern' included in the Financial Reports, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current business activities and short-term working capital</p>

Risk Category	Risk
	<p>requirements. However, it is highly likely that further funding will be required to meet the medium to long term working capital costs of the Company. Please refer to Section 3.4 for further details.</p> <p>In the event that the Offer is not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern which is likely to have a material adverse effect on the Company's activities.</p>
<p>Competition and Failure to Attract New Customers.</p>	<p>The Company's products and services need to find acceptance in a competitive market and the Company needs to demonstrate an ability to retain existing customers and attract new customers. Market acceptance and customer retention depend on many factors, including identifying and obtaining access to relevant markets, convincing users of the attractiveness of the Company's products and services, and its ability to enhance existing products and services and potentially develop new products and services to meet market demands and opportunities, customer service, competition and pricing.</p> <p>The market in which the Company operates is comprising many product and service offerings. As such, it is difficult to ascertain the knowledge and confidence of consumers in products and services like those of the Company and the estimate of market demand may not be accurate. In addition, the sales cycles for the types of customers which the Company is targeting can be slow and have been, or could reasonably be expected to be, affected by many factors including the COVID-19 pandemic.</p> <p>The Company's ability to develop and/or acquire additional product and service offerings could be adversely affected if it is unable to respond effectively and/or in a timely manner to the strategies and actions of competitors and potential competitors or the entry of new competitors into the market. This may in turn impede the financial condition and rate of growth of the Company.</p> <p>Key to the Company's ability to mitigate this competition risk is in achieving appreciable market share and differentiation from its key competitors. The Company has sought and will continue to seek to mitigate competition risk by maintaining key industry certifications and best practice, and by ongoing monitoring of existing and emerging competitors</p>
<p>Logistic Risk</p>	<p>There is a risk that the supply chain for the raw materials and finished goods could be materially disrupted with the result that sufficient quantities of raw materials or finished products are not delivered on time. This could result from the occurrence of a natural disaster that affects the delivery of raw materials or finished products to customers or an event that impacts the delivery of raw materials or finished products to customers, such as disruptions to</p>

Risk Category	Risk
	<p>airlines, sea-freight or trucking providers. The occurrence of such an event could result in the inability to sell and deliver the Company's products, with an associated loss of revenue and (potentially) brand damage, increased costs flowing from alternative transport and delivery arrangements, or a combination of both.</p> <p>Supply and distribution risk depends on third party service providers to transport and deliver its products, it is subject to the risk of delays in transportation of its products and/or any increase in the cost of such services. Accordingly, the Company's financial performance may be adversely affected if any delays with transportation cause loss of stock, impact consumer sentiment of the Company's products or entitle customers to compensation or if the Company is unable to pass on any increased freight costs to its customers.</p>
Manufacturing/Production Disruption	<p>Raw material prices are material operating expenses for the Company. There is a risk that there could be significant increases to raw material prices. Such increases could significantly increase the Company's cost of production and have a material adverse effect on the Company's financial performance. Further, any material disruptions in the manufacture and supply of raw materials to the Company, and the Company being unable to source alternative supplies on similar terms or at all, could have a material adverse effect on the Company's operations and financial performance.</p>
Business Strategy Risk	<p>The Company's future growth and financial performance is dependent on the Company's ability to successfully execute its business strategy. This will be impacted by a number of factors, including the Company's ability to expand through new channels.</p> <p>The Company seeks to identify desirable opportunities from time to time. Accordingly, the plans and strategies of the Company may evolve such that the existing operations of the Company may change. Such change could include, amongst other matters, acceleration of the development of one or more of the product and services of the Company, the acquisition of one or more products or services from another party or the disposal of one or more of the existing products or services of the Company.</p> <p>As a result, the current strategies, approaches and plans may not reflect the strategies, approaches and plans of the Company at a later date. Any such changes have the potential to expose the Company to heightened or additional risks.</p> <p>In addition to initiatives to drive future sales that have been detailed in prior ASX market announcements, the Company is also working on several other significant sales opportunities in China, India and Africa. While there is no guarantee that any these initiatives will come to fruition, the Company is confident of securing significant long-term</p>

Risk Category	Risk
	benefits for the Company if it is able to successfully finalise these opportunities.
Dependence on Key Customers	The Company is dependent on its ability to retain its existing customers. The Company has contractual obligations and rights with respect to a number of agreements it is a party to. These agreements may include provisions which allow for termination for convenience or otherwise. No assurance can be given that all such agreements will be fully performed by all contracting parties or that the Company will be successful in securing compliance with the terms of each agreement by the relevant contracting party. If a contracting party or parties were to breach or terminate an agreement, the Company's business, operations and financial performance could be adversely affected.
Inability to Retain Key Staff	The Company currently employs a number of key management personnel and the Company's future depends on retaining appropriately qualified and experienced personnel. The loss of any of these employee's services could materially and adversely affect the Company and may impede the achievement of its product development and commercialisation objectives. Furthermore, the successful development of the Company may require the services of additional appropriately qualified and experienced staff. There can be no assurance that the Company will be able to attract appropriately qualified and experienced additional staff and this may adversely affect the Company's prospects of success.
Climate Risk	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <p>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and</p> <p>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of</p>

Risk Category	Risk
	<p>extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</p>
<p>Coronavirus (COVID-19)</p>	<p>The coronavirus (COVID-19) is continuing to impact global markets, commodity prices and foreign exchange rates. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>The COVID-19 pandemic may also give rise to issues, delays or restrictions in product processing and packaging and the Company's ability to deliver products to customers which may cause delays or cost increases. In addition, the effects of COVID-19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.</p> <p>The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.</p>

5.3 Industry specific

Risk Category	Risk
<p>Dependence on Intellectual Property</p>	<p>Obtaining and protecting intellectual property rights over all the items connected with the Company's products, or offerings will be essential to realising its future growth potential. The prospects of the Company's products, and offerings generating a profit and increasing in value depend significantly on its ability to retain interests in all relevant intellectual property, maintain trade secret protection and operating without infringing the proprietary rights of third parties. In this regard, the Company and its Directors offer no assurance that any intellectual property which it develops or acquires will afford the Company or the holder commercially significant protection of its products or technologies, or that any of the projects that may arise from technologies will have commercial applications the Company expects. However, no assurance can be given that any measures taken to protect its interests in intellectual property will be sufficient. There is a risk that as yet unknown third parties may assert intellectual property claims in relation to the Company's products. Irrespective of the merit of any rights or claims</p>

Risk Category	Risk
	asserted by third parties, such claims may adversely affect the Company. There is also a risk that the Company's investment may be indirectly adversely affected if a third party claim or asserted right reduces confidence in the longer-run viability of the Company's products.
Infringement of Third Party Intellectual Property Rights	If a third party accuses the Company of infringing its intellectual property rights or if a third party commences litigation against the Company for the infringement of patent or other intellectual property rights, the Company may incur significant costs in defending such action, whether or not it ultimately prevails. Costs that the Company incurs in defending third party infringement actions would also include diversion of management's and technical personnel's time. In addition, parties making claims against the Company may be able to obtain injunctive or other equitable relief that could prevent the Company from further developing discoveries or commercialising its products and services. In the event of a successful claim of infringement against the Company, it may be required to pay damages and obtain one (1) or more licences from the prevailing third party. If it is not able to obtain these licences at a reasonable cost, if at all, it could encounter delays in product and service delivery and loss of substantial resources while it attempts to develop alternative products and services. Defence of any lawsuit or failure to obtain any of these licences could prevent the Company from commercialising available products and services and could cause it to incur substantial expenditure.
Trade Secrets Risks	The Company relies on its trade secrets, which include information relating to the production of its products. The protective measures that the Company employs may not provide adequate protection for its trade secrets. This could erode the Company's competitive advantage and materially harm its business. The Company cannot be certain that others will not independently develop the same or similar technologies on their own or gain access to trade secrets or disclose such technology, or that the Company will be able to meaningfully protect its trade secrets and unpatented know-how and keep them secret.

5.4 General risks

Risk Category	Risk
Economic	General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's research, development and production activities, as well as on its ability to fund those activities.
Market conditions	Share market conditions may affect the value of the Company's quoted securities regardless of the

Risk Category	Risk
	<p>Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and technology stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p> <p>In addition, the extent of the effects of COVID-19 is at this stage uncertain and continuing to evolve. The COVID-19 pandemic is having, and is expected to continue to have, a significant influence on the volatility of equity markets generally and may continue to impact and influence the value of the Company's quoted securities.</p>
Litigation risks	<p>The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.</p>
Dividends	<p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.</p>
Taxation	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.</p>

Risk Category	Risk
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.
Ukraine conflict	<p>The current conflict between Ukraine and Russia (Ukraine Conflict) is impacting global economies and financial markets. The nature and extent of the effect the Ukraine Conflict may have on the Company's operations remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the economic uncertainty caused by the Ukraine Conflict and the wider effect the conflict has on global economies and financial markets.</p> <p>The Directors are monitoring the potential secondary and tertiary macroeconomic impacts of the Ukraine Conflict, including the fluctuations in commodity and energy prices and the potential risk of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company is monitoring the situation closely and considers the impact of the Ukraine Conflict on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.</p> <p>Specifically, it should be noted that the current evolving conflict between Ukraine and Russia is impacting global macroeconomics and markets generally. The nature and extent of the effect of this conflict on the performance of the Company and the value of Shares remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the conflict between Ukraine and Russia and overall impacts on global macroeconomics. Given the situation is continually evolving, the outcomes and consequences are inevitably uncertain.</p>

5.5 Speculative investment

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Securities offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Securities.

Before deciding whether to subscribe for Securities under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

Litigation

Other than a dispute between the Company and its European distributor (refer to ASX Announcement dated 23 February 2023), as at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

6.1 Continuous disclosure obligations

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

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

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
26 April 2024	Quarterly Activities/Appendix 4C Cash Flow Report
23 February 2023	Interim Financial Report and Appendix 4D
2 February 2023	Cleansing Notice

Date	Description of Announcement
2 February 2023	Application for Quotation of Securities - ZNO
31 January 2023	Quarterly Activities/Appendix 4C Cash Flow Report
25 November 2022	Results of Annual General Meeting
25 November 2022	Zoono AGM Presentation
2 November 2022	Change of Registered Address
31 October 2022	Quarterly Activities/Appendix 4C Cash Flow Report
31 October 2022	Change of Registry Address
25 October 2022	Notice of Annual General Meeting/Proxy Form
17 October 2022	Zoono Develops New Nasal Spray Product
7 October 2022	Notification regarding United Securities - ZNO
6 October 2022	Cleansing Notice
6 October 2022	Application for quotation of Securities - ZNO
6 October 2022	Amended Appendix 3G
25 August 2022	Corporate Governance Statement
25 August 2022	Appendix 4G

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.zoono.com.au.

6.2 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

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

	(\$)	Date
Highest	\$0.099	[25 January 2023, 27 January 2023, 30 January 2023 and 31 January 2023]
Lowest	\$0.053	17 April 2023 and 18 April 2023
Last	\$0.052	24 April 2023

6.3 Interests of Directors

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

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

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

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

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set in Section 1.4.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$500,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 30 June 2022 Annual Report.

Director	FY ending 30 June 2021 ¹ (NZD)	FY ending 30 June 2022 ² (NZD)
Paul Hyslop	\$480,000 ³	\$465,000 ⁶
Don Clarke	\$84,913 ⁴	\$88,584 ⁷
Elissa Hansen	\$84,913 ⁵	\$88,584 ⁸

Notes:

1. Amounts included in New Zealand dollars.
2. Amounts included in New Zealand dollars.
3. Comprising Directors' fees/salary.
4. Comprising Directors' fees/salary.
5. Comprising Directors' fees/salary.
6. Comprising Directors' fees/salary.
7. Comprising Directors' fees/salary.
8. Comprising Directors' fees/salary.

6.4 Interests of experts and advisers

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

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

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

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

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

- (a) the formation or promotion of the Company; or
- (b) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding

GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has not received any fees from the Company.

CCZ Equities Australia Pty Limited has been appointed as Broker and the nominee under section 615 of the Corporations Act. The Company estimates it will pay CCZ Equities Australia Pty Limited \$51,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, CCZ Equities Australia Pty Limited has not received any fees from the Company for any other services.

6.5 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, 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;
- (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; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus.

CCZ Equities Australia Pty Limited has given its consent to be named as the Company's nominee under section 615 of the Corporations Act. CCZ Equities Australia Pty Limited has not caused or authorised the issue of this Prospectus, and expressly disclaims and takes no responsibility for, any part of this Prospectus.

6.6 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$92,467 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	8,833
Legal fees	10,000
Printing and distribution	9,428

Brokerage and Nominee fees	51,000
Miscellaneous	10,000
Total	92,467

6.7 Directors' Authorisation

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

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

A handwritten signature in blue ink, appearing to read 'P. Hyslop', is written over a light blue rectangular background.

Paul Hyslop
Managing Director
Zoono Group Limited

7. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

AEDT means Australian Eastern Daylight Time as observed in Melbourne, Victoria.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at Section 1 (unless extended).

Company means Zoono Group Limited (ACN 006 645 754).

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

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

CRN means Customer Reference Number in relation to BPAY®.

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a Shareholder as at the Record Date who is eligible to participate in the Offer.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Exercise Price means the exercise price of the New Options being \$0.10.

Ineligible Shareholder means a Shareholder as at the Record Date whose registered address is not situated in Australia or New Zealand.

New Option means an Option issued on the terms set out in Section 4.2.

New Zealand Shareholders means Eligible Shareholders resident in New Zealand.

Offer means the non-renounceable entitlement issue the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at Section 1.

Section means a section of this Prospectus.

Securities means Shares and/or Options as the context requires.

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

Shareholder means a holder of a Share.

Shortfall means the Securities not applied for under the Offer (if any).

Shortfall Application Form means the Shortfall Offer application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall Securities on the terms and conditions set out in Section 2.6.

Shortfall Securities means those Securities not applied for under the Offer (if any) and offered pursuant to the Shortfall Offer.