

20 April 2022

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Fully underwritten Entitlement Offer to raise approximately A\$20m plus Institutional Placement to raise a minimum of A\$5m with the ability to accept oversubscriptions

Universal Biosensors, Inc. (ASX:UBI) ("UBI" or "Company") is pleased to announce a fully underwritten pro-rata non-renounceable rights issue of new CHESS depositary interests over fully paid ordinary shares in UBI ("New CDIs") to raise approximately A\$20 million ("Entitlement Offer") at a ratio of 1 New CDI for every 6.85 existing CDIs held at the record date, being Tuesday, 26 April 2022.

UBI is also in the process of undertaking a non-underwritten placement of New CDIs to institutional and sophisticated investors to raise a minimum of A\$5 million ("Placement"), with the ability to accept oversubscriptions. The results of the Placement are expected to be announced on Thursday, 21 April, until which time the Company will remain in trading halt.

HIGHLIGHTS

- A\$25 million capital raising - Fully Underwritten Entitlement Offer and non-underwritten Placement, with the ability to accept oversubscriptions under the Placement
- New CDIs to be issued at A\$0.77 per New CDI representing a 2% discount to the last closing price and a 5% discount to the 5 day VWAP up to and including 14 April 2022
- Up to 25,983,723 New CDIs may be issued to Eligible Securityholders via the Entitlement Offer and 6,493,506 New CDIs may be issued to new institutional and sophisticated investors via the Placement (assuming a raising of A\$5.0 million), any oversubscriptions will be outlined in an announcement following completion of the Placement
- Eligible Securityholders who take up their full entitlement may apply for up to an additional 100% of their entitlement at the Offer Price of \$0.77 under a top up facility
- Net proceeds raised will be used to support new product development, provide working capital to support growth and allow additional investment in UBI's manufacturing capability

The Offer Price of A\$0.77 per new CDI for the Entitlement Offer and Placement represents a discount of:

- 2% to the Company's last close of A\$0.79 on the ASX; and
- 5% to the Company's 5-day volume weighted average price (VWAP) of A\$0.81

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Net proceeds of the Entitlement Offer and Placement shall be applied to:

- accelerate existing product development initiatives;
- scale up of UBI's manufacturing and R&D capability; and
- provide working capital to support:
 - in-market sales growth of existing products;
 - expansion of specialist laboratory services; and
 - marketing and business development.

John Sharman, CEO said *"We are delighted with the support for the capital raising and welcome strong participation in the Placement from new and existing institutional and sophisticated investors. We also welcome the support of our major shareholder Viburnum in underwriting the entitlement offer."*

We are at an exciting point in the Company's history, with extensive work completed to date in designing a unique pipeline of products, each with Company changing addressable market opportunities. We look forward to putting investors' money to work".

The CEO, the CFO and all Directors who are Eligible Securityholders intend to participate in the Entitlement Offer (either directly or through Eligible Securityholders with which they are associated).

Viburnum Funds Pty Ltd is acting as sole underwriter to the Entitlement Offer. Petra Capital Pty Limited acted as sole lead manager and sole bookrunner to the Placement. The Placement is not underwritten.

The Entitlement Offer will be offered to securityholders registered at the Record Date of Tuesday, 26 April 2022 with a registered address in Australia and New Zealand ("Eligible Securityholders"). Placement participants will not rank for participation in the Entitlement Offer. Eligible Securityholders who take up their full Entitlement may also participate in a top-up facility by applying for additional New CDIs in excess of their Entitlement at the Offer Price, up to a maximum of 100% of their Entitlement subject to scale back at the Company's discretion. All New CDIs issued will rank equally with existing CDIs on issue and the Company will apply for quotation of the New CDIs.

The Entitlement Offer is fully underwritten by existing shareholder Viburnum Funds Pty Ltd ("Viburnum"), being an associate of Mr. Craig Coleman (the Non-Executive Chairman of UBI who is also the Executive Chairman of Viburnum and a substantial shareholder in Viburnum). Viburnum, as an investment manager for its associated funds, currently holds a beneficial interest and voting power in approximately 16% of UBI's CDIs. In the event all the New CDIs are

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taken up by Viburnum under the Entitlement Offer, its voting power in UBI would increase to approximately 26.77%. Viburnum's securityholding will be diluted by the Placement.

Subject to receipt of shareholder approval for the purposes of ASX Listing Rule 10.11, proposed to be sought at a general meeting of UBI in May 2022, Viburnum will receive 3,840,000 unlisted options, in two tranches, as its underwriting fee (**Underwriter Options**), equal in value to 3.4% of the underwritten amount of A\$20 million. The Underwriter Options will vest upon issue, and have an expiry date of 3 years from their date of issue. The exercise price in respect of half (1,920,000 options) of the Underwriter Options shall be an amount equal to the Offer Price plus 20%, with the remaining Underwriter Options (1,920,000 options) being exercisable for an exercise price of the Offer Price plus 30%. In the event that shareholder approval for the issue of the Underwriter Options is not obtained by 30 June 2022, or where UBI does not issue the Underwriter Options within 1 month of receipt of shareholder approval, UBI shall pay Viburnum a cash underwriting fee of 4.5% of the underwritten amount of A\$20 million (being \$900,000).

Further details of the underwriting arrangements are provided in the Investor Presentation released to ASX today.

Entitlements are non-renounceable, meaning that Eligible Securityholders who do not take up their Entitlements will not be able to transfer or receive any value in respect of those Entitlements and their percentage shareholding in UBI will be diluted as a result of the Entitlement Offer. If you are not an Eligible Securityholder, you cannot participate in the Entitlement Offer and your percentage shareholding in UBI will be diluted as a result of the Entitlement Offer. To the extent that UBI undertakes a Placement, any existing Securityholders who do not participate in the Placement (including Viburnum) will have their percentage securityholdings in UBI diluted.

UBI will notify securityholders as to whether they are eligible to participate in the Entitlement Offer in accordance with ASX Listing Rule 7.7.1. Eligible Securityholders will receive an Offer Booklet including a personalised entitlement and acceptance form which will provide further details of how to participate in the Entitlement Offer.

Further details of the Entitlement Offer and Placement are set out in the Investor Presentation released to the ASX today. The presentation contains important information that shareholders and investors should consider.

An indicative timetable, which is subject to change, is set out below:

EVENT	EXPECTED DATE
Announcement of Capital Raising	20 April 2022

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Announcement regarding results of Institutional Placement, Trading Halt lifted	21 April 2022
Record Date (to determine entitlement of Eligible Securityholders to participate in the Entitlement Offer)	26 April 2022
Settlement Date Placement	28 April 2022
Allotment Date Placement	29 April 2022
Opening date of Entitlement Offer – Dispatch of the Entitlement & Acceptance Form to Eligible Securityholders	29 April 2022
Closing Date for acceptances under the Entitlement Offer	20 May 2022
General Meeting to seek approval for the issue of Underwriter Options	23 May 2022
Shortfall (if any) announced to the ASX	24 May 2022
Issue of New CDIs under the Entitlement Offer	27 May 2022
Issue of Underwriter Options (subject to receipt of shareholder approval)	27 May 2022
Quotation of New CDIs issued under the Entitlement Offer and trading commences on a normal basis	30 May 2022

The timetable is indicative only and may be changed at the absolute discretion of UBI, in compliance with the ASX listing rules and Corporations Act.

Enquiries:

Salesh Balak
Company Secretary

Announcement authorised by the Board of Directors of Universal Biosensors, Inc.

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States, its possessions and territories, or any state or the District of Columbia (United States), and may not be distributed, reproduced, published or released, in whole or in part, directly or indirectly, in the United States or in any jurisdiction in which such an offer would be illegal, or to any U.S. Person (as defined in Regulation S under the United States Securities Act of 1933, as amended (U.S. Securities Act)), or to any resident of the United States or to any other person to whom, such an offer would be illegal. The CDIs to be offered and sold have not been and will not be registered under the U.S. Securities Act, or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the CDIs may not be offered or sold, directly or indirectly, in or into the United States or to a U.S. Person or a resident of the United States except in compliance with the registration requirements of the U.S. Securities Act and any other applicable securities laws of the United States (which the Company has no obligation or intention to do or procure) or pursuant to an exemption from, or

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in a transaction exempt from or not subject to, such registration requirements and any other applicable securities laws. Hedging transactions involving the CDIs may not be conducted unless in compliance with the U.S. Securities Act.

Forward Looking Statements and Risks

This announcement contains certain forward-looking or hypothetical statements. The statements contained in this presentation that are not purely historical are forward-looking statements within the meaning of the U.S. Securities Exchange Act of 1934, as amended. Forward-looking statements in this presentation include statements regarding our expectations, beliefs, hopes, intentions or strategies. You can identify these forward-looking statements by the fact that they use words such as “anticipate”, “estimate”, “expect”, “project”, “should”, “can”, “could”, “propose”, “potential”, “outlook”, “future”, “illustration”, “predict”, “will”, “would”, “intend”, “plan”, “believe”, “target”, “may”, “assume” and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. All forward-looking statements included in this presentation are based upon information available to us as of the date hereof, and are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors are beyond the control of the Company, its directors and management. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of the Company, its representatives or advisers, and we assume no obligation to update any such forward-looking statement as a result of new information, future events or otherwise. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this Presentation. Our actual results could differ materially from our current expectations. All forward-looking statements are qualified in their entirety by the cautionary statements that UBI makes from time to time in its filings with the United States Securities and Exchange Commission and public communications. The Company is subject to a number of risks which may result in our actual results differing materially from our current expectations. These risks may be out of the control of, and unknown to, UBI and its officers, employees, advisors or agents. For a summary of key risks, refer to the Appendix B of the Investor Presentation released to ASX today, and the Company’s most recent Form 10-K filed with the United States Securities and Exchange Commission and the Australian Securities Exchange.

About Universal Biosensors

Universal Biosensors, founded in 2001, specialises in the design and development of

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electrochemical cells (strips) used in conjunction with point of use devices that are used in various industries such as healthcare (point of care), wine, food, and agriculture. UBI's ambition is to build a multi product stable of biosensors in large markets which generate ongoing revenue streams. For additional information regarding Universal Biosensors, Inc., refer to: <http://www.universalbiosensors.com>.

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