



Anatara Lifesciences Limited
ACN 145 239 872

Non-Renounceable Entitlement Offer Booklet

A Non-Renounceable Pro-Rata Entitlement Offer of two (2) New Shares for every five (5) Shares held by Shareholders at the Record Date at an Issue Price of \$0.022 per New Share (Entitlement Offer) to raise up to approximately \$1.055 million before costs

The Entitlement Offer opens at 9:00 a.m. (Melbourne time) on Monday, 13 November 2023

The Entitlement Offer closes at 5:00 p.m. (Melbourne time) on Friday, 1 December 2023

The Entitlement Offer is partially underwritten by Taylor Collison Limited (ACN 008 172 450, AFSL 247083).

NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

This Offer Booklet dated Monday, 13 November 2023 and the accompanying personalised Entitlement Form contain important information. Please read both the Offer Booklet and the personalised Entitlement Form carefully and in their entirety and call your professional adviser or Anatara Lifesciences Limited ACN 145 239 872 (**Anatara** or **Company**) if you have any queries. In particular, Eligible Shareholders should refer to the risk factors set out in Section 5 of this document. If you do not understand these documents, or are in doubt as to how to act, you should consult your financial or other professional adviser before making any investment decision.

The Offer Booklet is not a prospectus prepared in accordance with the Corporations Act and has not been lodged with ASIC. Accordingly, this Offer Booklet does not necessarily contain all of the information which a prospective investor may require to make an investment decision and it does not contain all of the information which would otherwise be required to be disclosed in a prospectus or other disclosure document. As the Company is a listed disclosing entity which meets the requirements of section 708AA of the Corporations Act, the Entitlement Offer will be made without a prospectus. Neither ASIC nor ASX, nor any of their officers or employees takes responsibility for this Entitlement Offer or the merits of the investment to which this Entitlement Offer relates.

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Important information

Not a prospectus, not investment advice or financial product advice

The information in this Offer Booklet is not a prospectus, product disclosure statement, disclosure document or other offering document under the Corporations Act (or any other law) and has not been lodged with ASIC.

This Offer Booklet does not purport to contain all the information that you may require to evaluate a possible Application for New Shares, nor does it contain all the information which would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act (or any other law). It should be read in conjunction with the Company's other periodic statements and continuous disclosure announcements lodged with ASX.

It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. The Company is not licensed to provide financial product advice in respect of the New Shares. Neither ASIC nor the ASX take responsibility for the contents of this Offer Booklet.

The information in this Offer Booklet does not take into account the investment objectives, financial situation or needs of you or any particular investor. The potential tax effects of the Entitlement Offer will vary between individual investors. Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. You should conduct your own independent review, investigation and analysis of Shares the subject of the Entitlement Offer. If, after reading this Offer Booklet, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other independent and appropriately licensed professional adviser.

By paying for your New Shares and any Additional Shares through BPAY® or EFT in accordance with the instructions on the Entitlement Form, you acknowledge that you have read this Offer Booklet and you have acted in accordance with and agree to the terms of the Entitlement Offer detailed in this Offer Booklet.

You should also consider the key risks which is included Section 5 of this Offer Booklet.

References to 'you' and 'your Entitlement'

In this Offer Booklet, references to 'you' are references to Eligible Shareholders and references to 'your Entitlement' (or 'your Entitlement Form') are references to the Entitlement Form of Eligible Shareholders.

No Entitlement trading

Entitlements are non-renounceable and will not be tradable on the ASX or otherwise transferable. Accordingly, you cannot, in most circumstances, withdraw your Application for New Shares once it has been accepted.

Defined terms and time

Defined terms and abbreviations used in this Offer Booklet are defined and explained in the Glossary at Section 7 of this Offer Booklet.

Notwithstanding any references to the contrary, all references to time in this Offer Booklet are to **Melbourne time**.

This Offer Booklet should be read in its entirety

No person is authorised to give any information or make any representation in connection with the Entitlement Offer other than as contained in this Offer Booklet. Any information or representation in connection with the Entitlement Offer not contained in this Offer Booklet is not, and may not be relied upon as having been, authorised by the Company or any of its officers.

This Offer Booklet should be read in its entirety before you decide to participate in the Entitlement Offer.

If you have any questions about your Entitlement to New Shares, please contact either the Company using the contact details provided in the Corporate Directory in Section 8 of this Offer Booklet or your stockbroker or professional adviser.

Jurisdictions

This Offer Booklet does not, and is not intended to, constitute an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue. This Offer Booklet has not been, nor will it be, lodged, filed or registered with any regulatory authority under the securities laws of any country.

No action has been taken to register or qualify the Entitlement Offer, the Entitlements, the New Shares, or otherwise permit a public offering of the New Shares, in any jurisdiction outside of Australia and New Zealand. See the foreign selling restrictions set out in Section 3.19 of this Offer Booklet for more information.

Financial forecasts and forward-looking statements

Some of the statements appearing in this Offer Booklet may be in the nature of forward-looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. These may be identified by words such as 'may', 'could', 'believes', 'estimates', 'expects', or 'intends' and other similar such words that involve risks or uncertainties.

You should be aware that such statements are not statements of fact or guarantees and there can be no certainty of outcome in relation to the matters to which the statements relate. Forward looking statements are subject to many inherent risks and uncertainties before actual outcomes are achieved. These risk factors are discussed further in Section 5 of this Offer Booklet. Actual outcomes may differ materially from the events, intentions or results expressed or implied in any forward-looking statement in this Offer Booklet.

To the maximum extent permitted by law, none of the Company or any person named in this Offer Booklet or any person involved in the preparation of this Offer Booklet makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any intentions or outcomes expressed or implied in any forward looking statement and disclaim all responsibility and liability for such forward looking statements (including, without limitation, liability for negligence). 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 Offer Booklet, except where required by law. You are cautioned not to place undue reliance on any forward-looking statement having regard to the fact that the outcome may not be achieved.

Any pro forma financial information (including past performance information) provided in this Offer Booklet is for information purposes only and is not a forecast of operating results to be expected in any future period. Except as required by law, and only then to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Offer Booklet.

Privacy Act

If you complete an Entitlement Form by payment in BPAY® or EFT), you will be providing personal information to the Company (directly or to the Company's Share Registry). The Company collects, holds and uses that information to assess your Application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons lawfully entitled to inspect the register, 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 Company's Share Registry.

You can access, correct and update the personal information that we hold about you by contacting the Company or its Share Registry. Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the

Corporations Act and certain rules such as the ASX Settlement Operating Rules.

Risks

You should consider Section 5 of this Offer Booklet for a summary of general and specific risk factors that may affect the Company.

Publicly available information

The Offer Booklet should be read in conjunction with the Company's continuous disclosure announcements made to the ASX available from the ASX website (at www.asx.com.au - ASX Code: ANR). The Company may release further announcements after the date of this Offer Booklet which may be relevant to your consideration of the Entitlement Offer.

Past performance

Investors should note that past performance, including past Share price performance, cannot be relied on as an indicator of, and provides no guidance as to, future Company performance, including future Share performance.

Underwriting

The Underwriter is acting as lead manager to the Entitlement Offer. The Entitlement Offer is also partially underwritten by the Underwriter, subject to the terms of an agreement between the Company and the Underwriter. See Sections 6.11 and 6.12 of this Offer Booklet for full particulars.

Neither the Underwriter, its affiliates, related bodies corporate (as that term is defined in the Corporations Act), nor their directors, employees, officers, representatives, agents, partners, consultants and advisers (together, the **Underwriter Parties**), nor the advisers to Anantara or any other person, have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Offer Booklet (or any other materials released by Anantara) and none of them make or purport to make any statement in this Offer Booklet and there is no statement in this Offer Booklet which is based on any statement by any of them.

The Underwriter may, from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from Anantara.

Disclaimer

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Anantara and the Underwriter. To the maximum extent permitted by law, Anantara and the Underwriter and each of their respective affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion. To the maximum extent permitted by law, the Underwriter Parties disclaim all liability for any

expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and the information in this Offer Booklet being inaccurate or due to information being omitted from this Offer Booklet, whether by way of negligence or otherwise, and make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of the information in this Offer Booklet.

The Underwriter takes no responsibility for any part of the Offer Booklet or liability for any loss or damage whatsoever arising from the use of any part of the Offer Booklet or otherwise arising in connection with it.

The Underwriter Parties make no recommendation as to whether you or your related parties should participate in the Entitlement Offer nor do they make any representations or warranties, express or implied, to you concerning the Entitlement Offer or any such information, and by returning an Entitlement Form or otherwise paying for your New Shares through BPAY® or EFT in accordance with the instructions on the Entitlement Form, you represent, warrant and agree that you have not relied on any statements made by the Underwriter Parties in relation to the New Shares or the Entitlement Offer generally.

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Letter from the Chair

Dear Shareholder,

On behalf of the Board of Anantara Lifesciences Limited (**Anantara** or the **Company**) I invite you to participate in the Company's partially underwritten non-renounceable pro-rata entitlement offer of 2 (two) New Shares for every 5 (five) Shares held at the Record Date, at an Issue Price of \$0.022 per New Share to raise up to \$1.055 million (before costs) (**Entitlement Offer**).

The Entitlement Offer

On Friday, 3 October 2023, the Company announced that it would proceed with the Entitlement Offer.

The New Shares under the Entitlement Offer will be issued under exceptions 1 and 2 of ASX Listing Rule 7.2 and exception 1 of ASX Listing Rule 10.12 which means that Shareholder approval under ASX Listing Rule 7.1 and 10.11 (respectively) will not be required for the issue.

Under the Entitlement Offer, Eligible Shareholders who are on the Company's share register at 7:00p.m. (Melbourne time) on Wednesday, 8 November 2023 (**Record Date**) will be entitled to subscribe for 2 (two) New Shares for every 5 (five) Shares (**Entitlement**), at an Issue Price of \$0.022 per New Share (**Offer**) to raise up to approximately \$1.055 million, on the terms set out in this Offer Booklet.

Eligible Shareholders who subscribe for their full Entitlement may also apply for New Shares in excess of their Entitlement (**Additional Shares**) in accordance with the Shortfall Offer.

The Entitlement Offer is partially underwritten by Taylor Collison Limited (ACN 008 172 450 AFSL 247083) up to of \$359,549 (**Underwritten Amount**).

Directors, David Brookes and John Michailidis have committed to take up their full Entitlement and sub-underwrite the Entitlement Offer to an additional \$33,000 and \$5,500 respectively.

The Issue Price equates to a discount of approximately 26.7% based on the Share price of \$0.03 at the close of trading on Tuesday, 31 October 2023 and a discount of approximately 27.0% to the 5-day volume weighted average price (in which trades were recorded) up to and including Tuesday, 31 October 2023 of \$0.0301.

As at the date of this Offer Booklet, firm commitments have been received for approximately \$365,000 under the Entitlement Offer (**Firm Commitments**) (prior to any allocation under the underwriting or sub-underwriting arrangements). With the underwriting and sub-underwriting arrangements in place plus the Firm Commitments, Anantara has a total of approximately \$725,000 committed under the Entitlement Offer.

Proceeds of the Entitlement Offer

The Entitlement Offer will raise up to approximately \$1.055 million. The proceeds of the Entitlement Offer will be used to progress to Stage 2 clinical validation trial of the GaRP for Irritable Bowel Syndrome including associated capital expenditures as well as general working capital requirements.

Non-tradable rights

Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferrable. Eligible Shareholders who do not take up their Entitlement will not receive any value in respect of those Entitlements.

Low-docs offer

The Entitlement Offer is to be made under s708AA of the Corporations Act and the Offer Booklet has been lodged with the ASX. A copy of that document can be accessed on the ASX website or the Company's website (<https://anataralifesciences.com/asx-announcements/>) and is anticipated to be despatched to Eligible Shareholders on or before Monday, 13 November 2023.

How to apply

The Entitlement Offer is scheduled to close at 5:00p.m. (Melbourne time) on Friday, 1 December 2023. To participate in the Entitlement Offer, you must have applied for New Shares so that your BPAY® or EFT payment is received by this time (and your Entitlement Form is deemed to have been submitted). Shareholders recorded on the share register with an address outside Australia or New Zealand are not eligible to participate in the Entitlement Offer.

Shareholders with a Registered Address in New Zealand must note the selling restrictions set out in Section 3.19 of this Offer Booklet.

I encourage you to read this document before deciding whether or not to take up your Entitlement. You should read the key risk information included in Section 5 of this Offer Booklet.

If you have any questions in respect of the Entitlement Offer please consult your stockbroker, accountant or other professional adviser or call the Share Registry, Computershare Investor Services Pty Limited, on 1300 850 505 (within Australia) and +61 3 9415 4000 (outside Australia) at any time between 8:30a.m. and 5:00p.m. (Melbourne time) on Monday to Friday during the Entitlement Offer period.

Conclusion

As a Board, we appreciate the support of our existing Shareholders and we have been mindful of providing existing Shareholders the opportunity to increase their investment in the Company. This Entitlement Offer represents an opportunity for Shareholders to participate directly in an exciting new growth phase for the Company, and, on behalf of my fellow Directors, I look forward to welcoming your participation in the Entitlement Offer.

David Brookes
Executive Chair

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1 Key Offer details

Key Status	
Issue Price	\$0.022 per New Share
Ratio	2 New Shares for every 5 Shares held
Shortfall Offer	Eligible Shareholders, who apply for their full Entitlement, may apply for 'Additional Shares', provided that the issue of those Additional Shares will not result in a breach of the Listing Rules or any applicable law.
Maximum number of New Shares to be issued under Entitlement Offer	Up to 47,969,594 (approximately)
Maximum amount to be raised under Entitlement Offer	Up to \$1,055,331 (approximately)
Maximum number of Shares on issue following the Entitlement Offer	Up to 167,893,579 (approximately)

The above figures assume that no Existing Options over Shares will be exercised prior to the Record Date. There are 28,340,546 Existing Options.

Indicative Timetable for the Entitlement Offer	
Activity	Date
Announcement of the Entitlement Offer and lodgement of Appendix 3B and 708AA cleansing notice with the ASX	Friday, 3 November 2023 Before market open
Trading on ex basis	Tuesday, 7 November 2023
Record Date for the Entitlement Offer (7:00 p.m. Melbourne time)	Wednesday, 8 November 2023
Dispatch of Offer Booklet and Letter to Eligible and Ineligible Shareholders regarding the Entitlement Offer	Monday, 13 November 2023
Offer Booklet and Entitlement Form sent to Eligible Shareholders	Monday, 13 November 2023
Entitlement Offer opens	Monday, 13 November 2023
Last day to extend the Closing Date	Tuesday, 28 November 2023
Closing Date for acceptances under the Entitlement Offer (5:00 p.m. Melbourne time)	Friday, 1 December 2023
ASX notified of Shortfall	Thursday, 7 December 2023
Allotment of New Shares issued under the Entitlement Offer and lodgement of Appendix 2A.	Friday, 8 December 2023
Expected despatch of Holding Statement and normal ASX trading for New Shares issued under the Entitlement Offer	Monday, 11 December 2023

The above dates are indicative only and may be subject to change. Subject to the Corporations Act, the Listing Rules and other applicable laws, the Directors reserve the right:

- (a) to vary the dates of the Entitlement Offer in consultation with the Underwriter;

- (b) not to proceed with the whole or part of the Entitlement Offer at any time prior to issue of the New Shares.

In the event the Directors decide not to proceed with the whole or part of the Entitlement Offer, Application Money (without interest) will be returned in full to the Applicants.

An extension of the Closing Date for the Entitlement Offer will delay the anticipated date for issue of the New Shares. The commencement of quotation of New Shares is subject to confirmation from ASX.

Eligible Shareholders wishing to participate in the Entitlement Offer are encouraged to pay their Application Money as soon as possible after the Entitlement Offer opens.

You cannot, in most circumstances, withdraw an Application once it has been accepted. No cooling-off rights apply to the Entitlement Offer.

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2 Summary of options available to you

If you are an Eligible Shareholder, you may take one of the following actions:

- (a) take up all of your Entitlement only;
- (b) take up all of your Entitlement and also apply for Additional Shares under the Shortfall Offer;
- (c) take up part of your Entitlement and allow the balance to lapse; or
- (d) do nothing, in which case your entire Entitlement will lapse and you will receive no value for those lapsed Entitlements.

The Entitlement Offer closes at **5.00pm (Sydney time) on Friday, 1 December 2023**.

If you are a Shareholder that is not an Eligible Shareholder, you are an '**Ineligible Shareholder**'. Ineligible Shareholders are not entitled to participate in the Entitlement Offer.

Options available to you	Key considerations
1 Take up all of your Entitlement	- You may elect to purchase New Shares at the Issue Price for your full Entitlement (see Section 4.2 for instructions on how to take up your Entitlement). - The New Shares will rank equally in all respects with Existing Shares. - Your percentage shareholding in the Company will not be diluted.
2 Take up all of your Entitlement and also apply for additional New Shares (Additional Shares) in excess of your Entitlement under the Shortfall Offer	- If you take up <u>all</u> of your Entitlement, Eligible Shareholders (excluding the Underwriter, sub-underwriters and their associates, and any Listing Rule 10.11 parties) may also apply for Additional Shares under the Shortfall Offer at the Issue Price (see Section 4.2 for instructions on how to apply for Additional Shares). There is no guarantee that you will be allocated any Additional Shares under the Shortfall Offer. - Your percentage shareholding in the Company will not be diluted.
3 Take up part of your Entitlement	You may elect to purchase some New Shares at the Issue Price, being less than your full Entitlement. If you do not take up your Entitlement in full: - those Entitlements not taken up will lapse and you will not receive any payment or value for them. Your Entitlement to participate in the Entitlement Offer is non-renounceable, which means your Entitlements that are not taken up are non-transferrable and cannot be sold, traded on ASX or any other exchange, nor can they be privately transferred; - you will not be entitled to apply for Additional Shares under the Shortfall Offer; and - you will have your percentage holding in Anantara reduced as a result of not participating in the Entitlement Offer to the fullest allowable extent. See Sections 4.3 for further information, including instructions on how to apply for part of your Entitlement.
4 Do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements	If you do not take up your Entitlement: you will not be allocated New Shares and your Entitlements will lapse. Your Entitlement to participate in the Entitlement Offer is non-renounceable, which means your Entitlements are non-transferrable and cannot be sold, traded on ASX or any

Options available to you	Key considerations
	other exchange, nor can they be privately transferred; and • you will have your percentage holding in Anantara reduced as a result of not participating in the Entitlement Offer. See Section 4.6 for further information.

Please also note that if you are an Eligible Shareholder who is a 'related party' in relation to Anantara (as that term is defined in the ASX Listing Rules) or are otherwise a person to whom ASX Listing Rule 10.11 applies, you may apply to take up your Entitlement in part or in full without Shareholder approval being required, but may not apply for any Additional Shares under the Shortfall Offer.

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3 Details of the Entitlement Offer

3.1 The Entitlement Offer

The Company is conducting a partially underwritten non-renounceable pro rata offer of New Shares to Eligible Shareholders.

Eligible Shareholders who are recorded on the Company's share register at 7:00 p.m. (Melbourne time) on Wednesday, 8 November 2023 (**Record Date**) will be entitled to subscribe for 2 (two) New Shares for every 5 (five) Shares held on the Record Date. The Issue Price for each New Share is \$0.022, which is payable in full on Application.

Fractional Entitlements are being rounded up to the next whole New Share.

To participate in the Entitlement Offer, Eligible Shareholders need to ensure that payment of Application Money is received by the Company on or before the Closing Date, in accordance with the instructions in Section 4 of this Offer Booklet.

The maximum number of New Shares to be issued under the Entitlement Offer will be approximately 47,969,594, to raise up to approximately \$1.055 million (before costs). The details of the use of the proceeds of the Entitlement Offer are set out in Section 3.5 below.

All of the New Shares offered under this Offer Booklet will rank equally with the Shares on issue at the date of this Offer Booklet, on and from their date of issue.

The Directors may, at any time, decide to withdraw this Offer Booklet and the Entitlement Offer of New Shares made under it, in which case the Company will return all Application Money (without interest) within 28 days of giving such notice of withdrawal.

There is no minimum subscription.

3.2 Snapshot of the Entitlement Offer

A snapshot of the Entitlement Offer is detailed below:

Summary of Offer	
Issue Price per New Share	\$0.022 per New Share payable in full on application
Entitlement	2 (two) New Shares for every 5 (five) Shares held on the Record Date
Discount of the Issue Price to the closing price of \$0.03 on Tuesday, 31 October 2023	26.7%
Discount of the Issue Price to the 5-day volume weighted average price up to and including Tuesday, 31 October 2023 of \$0.0301	27.0%
Maximum number of New Shares to be issued under the Entitlement Offer ¹	47,969,594 (approximately)
Maximum amount to be raised under the Entitlement Offer	Up to \$1.055 million (approximately)
Maximum number of Shares on issue following the Entitlement Offer	Up to 167,893,579 (approximately)

The above figures assume that no Existing Options over Shares will be exercised prior to the Record Date. There are 28,340,546 Existing Options on issue.

¹ A small number of additional New Shares may be issued due to rounding of individual entitlements.

3.3 Eligibility to participate in Entitlement Offer

The Entitlement Offer is being offered to Eligible Shareholders only.

Eligible Shareholders are persons who are registered as a holder of Shares as at the Record Date that:

- (a) have a Registered Address in Australia or New Zealand; and;
- (b) are not in the United States and are not acting for the account or benefit of a person in the United States,

(Eligible Shareholders).

Shareholders who are not Eligible Shareholders are Ineligible Shareholders.

The Company has decided that it is unreasonable to make offers under the Entitlement Offer to Shareholders who have a Registered Address outside Australia or New Zealand having regard to the number of such holders in those places and the number and the value of the New Shares that they would be offered, and the costs of complying with the relevant legal and regulatory requirements in those places. The Company may (in its absolute discretion) extend the Entitlement Offer to Shareholders who have Registered Addresses outside of Australia or New Zealand in accordance with applicable law.

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal requirements, logistical and registry constraints, and the discretion of the Company. The Company and the Underwriter disclaim any liability in respect of the exercise or otherwise of that determination and discretion, to the maximum extent permitted by law.

Shareholders with a Registered Address in New Zealand must note the selling restrictions set out in Section 3.19 of this Offer Booklet.

Eligible Shareholders will receive a personalised letter containing links to an Entitlement Form setting out their Entitlement which will accompany an electronic copy of the Offer Booklet. Shareholders who are not Eligible Shareholders, will not be entitled to participate in the Entitlement Offer or to subscribe for New Shares.

3.4 Shortfall Offer

Eligible Shareholders, who apply for their full Entitlement, may apply for New Shares in excess of their Entitlement (**Additional Shares**), provided that the issue of those Additional Shares will not result in a breach of the Listing Rules or any applicable law.

Any Additional Shares will be limited to the extent that there are sufficient New Shares available after satisfying all Applications received from Eligible Shareholders pursuant to the Entitlement Offer (i.e. there is a Shortfall between the number of New Shares applied for under the Entitlement Offer and the total number of New Shares offered to Eligible Shareholders under the Entitlement Offer).

The Board has an absolute discretion in regards to the allocation of Additional Shares. Please note that no Additional Shares will be issued to a holder where the effect of issuing Additional Shares will result in the applicant's, or another person's, Voting Power in the Company increasing from 20% or below to more than 20%.

Following the allocation of the Additional Shares, any remaining Shares will be issued to the Underwriter or their nominees up to the Underwritten Amount in accordance with the Underwriting Agreement.

The Company's decision as to the number of Additional Shares to be allocated to you will be final and binding. If scaling back occurs, Application Money in relation to Additional Shares applied for but not issued will be refunded by cheque to your Registered Address as noted on the company's share register as soon as possible following the Closing Date, without interest.

Eligible Shareholders who wish to apply for Additional Shares must follow the instructions in the Entitlement Form in making payment via BPAY® or EFT. Any Additional Shares that are applied for must be paid for at the same time, and in the same way, that the New Shares to be issued pursuant to the acceptance of Entitlements are paid for.

There is no guarantee that Eligible Shareholders will receive any or all of the Additional Shares they apply for. New Shares, including Additional Shares issued under the Shortfall Offer will rank equally with the Company's existing Shares.

3.5 Use of funds

Completion of the Entitlement Offer will result in an increase in cash at hand of up to approximately \$1.055 million (before the payment of the costs associated with the Entitlement Offer).

The Company intends to apply the funds raised under the Entitlement Offer (Up to \$1.055 million in total) as follows:

Use of funds under the Entitlement Offer	A\$
Progress the Stage 2 of the GaRP-IBS trial for clinical validation & further both regulatory and manufacturing considerations	\$700,000
General working capital requirements of the Company and costs associated with capital raise	\$355,000
TOTAL	\$1.055 million

The above is a statement of the Board's current intentions as at the date of this Offer Booklet. However, Shareholders should note that, as with any budget, the allocation of funds set out above may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

3.6 CHESS

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement Pty Ltd ACN 008 504 532, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of New Shares.

If you are registered in the Issuer Sponsored Sub-register, your statement will be despatched by Monday, 11 December 2023 and will contain the number of New Shares issued to you under this Offer Booklet and your Shareholder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their holding changes. Shareholders may request a statement at any other time; however, there may be a charge associated with the provision of this service.

3.7 Capital structure

The principal effect of the Entitlement Offer will be to increase the total number of Shares and to increase the cash reserves by up to \$1.055 million (before deducting the costs of the Entitlement Offer).

Capital structure (excluding Existing Options)

The following table shows the capital structure of the Company before, and after completion of the Entitlement Offer:

Shares	Number
Current issued Shares	
Shares on issue at the date of this Offer Booklet	119,923,985
The Entitlement Offer	
Maximum number of New Shares to be issued under the Entitlement Offer	Up to 47,969,594 (approximately)
Maximum number of Shares on issue following the Entitlement Offer	
Maximum number of Shares on issue following the Entitlement Offer	Up to 167,893,579 (approximately)

The above figures may vary slightly due to rounding of individual Entitlements. There are 28,340,546 Existing Options on issue as at the date of this Offer Booklet.

In the event any Existing Options are exercised, any proceeds raised will be applied in accordance with section 3.5.

Capital structure assuming Existing Options are exercised into Shares after the Record Date

The following table shows the capital structure of the Company before, and after completion of the Entitlement Offer and assuming exercise of the Existing Options into Shares after the Record Date:

Shares	Number
Current issued Shares	
Shares on issue at the date of this Offer Booklet	119,923,985
The Entitlement Offer	
Maximum number of New Shares to be issued under the Entitlement Offer	Up to 47,969,594 (approximately)
Existing Options	
Shares assuming exercise of all Existing Options	28,340,546
Maximum number of Shares on issue following the Entitlement Offer	
Maximum number of Shares on issue following the Entitlement Offer (assuming all Existing Options are exercised into Shares) ²	Up to 196,234,125 (approximately)

3.8 Offer partially underwritten

The Entitlement Offer is partially underwritten by the Underwriter up to \$359,549. Subject to the terms of the Underwriting Agreement, the Underwriter will lodge or cause to be lodged with the Company, Applications for any New Shares not subscribed for by Eligible Shareholders up to the Underwritten Amount. The Underwriter is entitled to nominate the Applicants for the New Shares not subscribed for by Eligible Shareholders.

A summary of the other material terms of the Underwriting Agreement is set out in Section 6.12.

² A small number of additional New Shares may be issued due to rounding of individual Entitlements.

Directors, David Brookes and John Michailidis have committed to take up their full Entitlement and sub-underwrite the Entitlement Offer to an additional \$33,000 and \$5,500 respectively.

3.9 Impact of the Entitlement Offer on your shareholding and possible dilutive effect

The dilutionary effect of the Entitlement Offer on your shareholding will depend on whether you are an Eligible Shareholder and if so, whether you elect to subscribe for some or all of your Entitlement.

If Eligible Shareholders take up all of their Entitlements under the Entitlement Offer, Eligible Shareholders will hold the same percentage interest in the Company as they did immediately prior to completion of the Entitlement Offer, or slightly higher depending on take-up under the Entitlement Offer, given it is partially and not fully underwritten.

If Eligible Shareholders take up all of their Entitlements under the Entitlement Offer and apply for Additional Shares in excess of their Entitlement under the Shortfall Offer (see Section 4.2 below), those Eligible Shareholders will increase their percentage interest in the Company.

However, to the extent that any Shareholder fails to take up their full Entitlement to New Shares under the Entitlement Offer, and Ineligible Shareholders are unable to participate in the Entitlement Offer, that Shareholder's percentage holding in the Company will be diluted.

You should note that if you do not participate in the Entitlement Offer, your holdings may be diluted by as much as approximately 28.6%, assuming the Entitlement Offer is fully subscribed (on the basis of the Underwriting and sub-underwriting).

The following are examples of how any dilution may affect you if you do not participate in the Entitlement Offer, assuming the maximum number of New Shares are issued under the Entitlement Offer and assuming no Existing Options are exercised:

Example Shareholder	Holdings as at Record Date	% as at Record Date	Entitlements Under the Entitlement Offer	On completion of the Entitlement Offer	
				% following allotment of New Shares (if full entitlement taken up)	% following allotment of New Shares (if entitlement not taken up)
Shareholder 1	10,000,000	8.34%	4,000,000	8.34%	5.96%
Shareholder 2	5,000,000	4.17%	2,000,000	4.17%	2.98%
Shareholder 3	1,000,000	0.83%	400,000	0.83%	0.60%
Shareholder 4	100,000	0.08%	40,000	0.08%	0.06%

Note:

The dilution in the above table is the maximum percentage on the assumption that the Entitlement is fully subscribed.

Please refer to Section 3.10 for detail of the effect of the Entitlement Offer on Voting Power in the Company.

3.10 Effect of Offer on Voting Power in the Company

As the acquisition of Shares under the Entitlement Offer and Shortfall Offer does not satisfy the requirements of exception 10 of section 611 of the Corporations Act, no person (including the Underwriter or any sub-underwriters) will be entitled to acquire Shares pursuant to the Entitlement Offer or Shortfall Offer if to do so would result in their, or another person's, Voting Power in the Company increasing from 20% or below to more than 20%, or from a starting point above 20% to below 90%, unless an exception to the restrictions contained in section 606 of the Corporations Act applies.

Accordingly, as there are currently no exceptions to the restrictions contained in section 606 of the Corporations Act and in light of the size of the Entitlement Offer, the Entitlement Offer is not expected to have any material effect or consequence on the control of the Company.

Directors, David Brookes and John Michailidis have committed to take up their full Entitlement and sub-underwrite the Entitlement Offer to an additional \$33,000 and \$5,500 respectively.

The following table set out the possible effects of the Entitlement Offer on the Existing Shareholders and Underwriter's or any sub-underwriter's Voting Power in the Company on completion of the Entitlement Offer, under three potential scenarios (depending on the level of Acceptances received pursuant to the Entitlement Offer and Shortfall Offer).

The below table assumes that:

- no Shareholder takes up any New Shares under the Shortfall Offer; and
- there are no Existing Options that are exercised into Shares before the Record Date.

Voting Power	No Shortfall Amount		50% Shortfall Amount*		85% Shortfall Amount*	
	Number of Shares	Shares %	Number of Shares	Shares %	Number of Shares	Shares %
RTL Group Investments Pty Ltd ³	17,560,000	10.46%	17,560,000	10.46%	17,560,000	11.14%
Thorney Investment Group ⁴	11,892,731	7.08%	11,892,731	7.08%	11,892,731	7.55%
Scintilla Strategic Investments Limited ⁵	8,899,999	5.30%	8,899,999	5.30%	8,899,999	5.65%
David Brookes (and associates) ⁶	3,030,002	1.80%	4,469,357	2.66%	4,530,002	2.87%
John Michailidis ⁷	699,999	0.42%	939,891	0.56%	949,999	0.60%
Existing Shareholders (with the exception of the Shareholders listed above)	125,810,848	74.93%	123,695,433	73.67%	113,289,407	71.89%
Sub Underwriters (not existing holders)	Nil	0%	436,168	0.26%	454,545	0.29%
Total	167,893,579	100%	167,893,579	100%	157,576,	100%

³ This assumes that RTL Group Investments Pty Ltd takes up all New Shares under the Entitlement Offer.

⁴ This assumes that Thorney Investment Group (and associated entities) takes up all New Shares under the Entitlement Offer.

⁵ This assumes that Scintilla Strategic Investments Limited takes up all New Shares under the Entitlement Offer.

⁶ This assumes that David Brookes (and his associates) takes up all New Shares under the Entitlement Offer and the relevant related bodies corporate of David Brookes take-up New Shares in his capacity as sub-underwriter.

⁷ This assumes that John Michailidis takes up all New Shares under the Entitlement Offer and John Michailidis takes-up New Shares in his capacity as sub-underwriter.

Voting Power	No Shortfall Amount		50% Shortfall Amount*		85% Shortfall Amount*	
	Number of Shares	Shares %	Number of Shares	Shares %	Number of Shares	Shares %
					683	

*The Shortfall Amount being equal to the Entitlement Offer less the Firm Commitments.

Whether the Underwriter (and consequently sub-underwriters) are required to subscribe for New Shares pursuant to the Underwriting Agreement and, therefore, any consequential increase in their Voting Power in the Company on the close of the Entitlement Offer, is dependent on the size of the Shortfall (if any), the extent to which Eligible Shareholders subscribe for Additional Shares pursuant to the Shortfall Offer, the number of New Shares subscribed for by any sub-underwriters and whether the Underwriter or any sub-underwriters increase their Voting Power in the Company between the date of this Offer Booklet and Completion of the Entitlement Offer.

3.11 Directors' intentions and participation

The Directors who hold Shares intend to participate in the Entitlement Offer for all of their respective Entitlements.

3.12 Entitlements and acceptance

Details of how to apply under the Entitlement Offer and Shortfall Offer are set out in Section 4 of this Offer Booklet.

The Entitlement of Eligible Shareholders to participate in the Entitlement Offer will be determined on the Record Date. Your Entitlement is shown on the Entitlement Form accompanying the Offer Booklet that will be posted to Eligible Shareholders.

3.13 No rights trading

The right to subscribe for New Shares pursuant to the Entitlement Offer is non-renounceable. Accordingly, there will be no trading of rights on the ASX and you may not dispose of your rights to subscribe for New Shares under the Entitlement Offer to any other party. If you do not take up your Entitlement to New Shares by the Closing Date, your Entitlement will lapse.

3.14 Risks

There are various risks associated with investing in the Company, as with any stock market investment, and, specifically, because of the nature of the Company's business and the present stage of development of the Company's operations. Potential investors should consider whether the securities are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out in Section 5 of this Offer Booklet. Many of those risk factors are outside the control of the Company.

3.15 Issue and dispatch

New Shares issued pursuant to this Offer Booklet will be issued in accordance with the ASX Listing Rules and the indicative timetable set out in Section 1 of this Offer Booklet.

Pending the issue of New Shares or the payment of refunds pursuant to this Offer Booklet, all Application Money will be held in trust for the relevant Applicants in a separate bank account as required by the Corporations Act. The Company will, however, be entitled to retain all interest that accrues on the bank account and each Applicant of New Shares waives the right to claim interest by making payment by BPAY® or EFT in accordance with the Entitlement Form.

The expected dates for the issue of New Shares offered by this Offer Booklet and dispatch of Holding Statements is expected to occur on the dates specified in the indicative timetable set out in Section 1 of this Offer Booklet. It is the responsibility of Applicants for New Shares to

determine the allocation prior to trading in the New Shares. Applicants who sell New Shares before they receive their Holding Statements will do so at their own risk.

3.16 **Taxation matters**

It should not be inferred or implied that the Company, Directors or its officers purport to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under this Offer Booklet. The Company, including its advisers, Directors and officers, do not accept any responsibility or liability for any such taxation consequences to Eligible Shareholders. Eligible Shareholders should consult their professional tax adviser in connection with the tax consequences of subscribing for any New Shares under this Offer Booklet.

3.17 **Continuous disclosure**

The Company is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

The Company is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, the Company has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of the Company's Shares. That information is available to the public from ASX.

This Offer Booklet 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 information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to subscribe for New Shares. All announcements made by the Company are available from its website <https://anataralifesciences.com/asx-announcements/> or the ASX at www.asx.com.au (ASX Code: ANR).

3.18 **Ineligible Shareholders**

The restrictions upon eligibility to participate in the Entitlement Offer arise because the Company has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3)(a) of the Corporations Act, that it would be unreasonable to extend the Entitlement Offer to Ineligible Shareholders. This decision has been made after taking into account the relatively small number of Shareholders in the jurisdictions in which the Ineligible Shareholders are located, the relatively small number and value of New Shares to which those Shareholders would otherwise be entitled to subscribe for and the potential costs of complying with legal and regulatory requirements in the jurisdictions in which the Ineligible Shareholders are located.

The Company, in its absolute discretion, may extend the Entitlement Offer to any Shareholder if it is satisfied that the Entitlement Offer may be made to the Shareholder in compliance with all applicable laws. The Company may determine whether a Shareholder is an Eligible Shareholder or an Ineligible Shareholder. To the maximum extent permitted by law, the Company disclaims all liability in respect of such determination.

3.19 **Foreign Jurisdictions**

This Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia.

This Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia.

The distribution of this Offer Booklet (including an electronic copy) outside Australia and New Zealand may be restricted by law. If you come into possession of this Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions.

Any non-compliance with these restrictions may contravene applicable securities laws.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with Registered Addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013*. 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.

United States

None of the information in this Offer Booklet, or the Entitlement Form that will accompany this Offer Booklet when it is despatched to Eligible Shareholders, constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States of America (**United States**). Neither this Offer Booklet (or any part of it), the accompanying ASX announcements nor the Entitlement Form when that is to be made available, may be released or distributed directly or indirectly, to persons in the United States.

The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up by persons in the United States or by persons (including nominees or custodians) who are acting for the account or benefit of a person in the United States, and the New Shares may not be offered, sold or resold in the United States or to, or for the account or benefit of, a person in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction in the United States.

Ineligible Shareholders are not entitled to participate in the Entitlement Offer.

3.20 ASX quotation

The Company will apply to ASX for quotation of the New Shares on ASX. If ASX does not grant official quotation of the New Shares, the Company will not issue any New Shares and all Application Money will be refunded, without interest. The Company disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares before the New Shares are listed on the official list of ASX or receiving their confirmation of issue, whether on the basis of confirmation of the allocation provided by the Company or the Share Registry.

3.21 Enquiries

If you have any questions, please contact the Company using contact details provided in the Corporate Directory in Section 8 of this Offer Booklet during the Entitlement Offer period. If you are in any doubt as to whether you should participate in the Entitlement Offer you should consult your stockbroker, accountant, solicitor or other professional adviser.

4 What Eligible Shareholders may do

4.1 Overview

Eligible Shareholders will receive a personalised letter containing links to an Entitlement Form setting out their Entitlement which will accompany an electronic copy of the Offer Booklet. Shareholders, who are not Eligible Shareholders, will not receive an Entitlement Form.

Eligible Shareholders' Entitlements to New Shares will be shown on the Entitlement Form accompanying the paper copy of this Offer Booklet sent to them. Before taking any action in relation to the Entitlement Offer, you should read this Offer Booklet in its entirety, and seek professional advice from your professional adviser.

You may:

- (a) take up all of your Entitlement to New Shares (see Section 4.2 below);
- (b) take up all of your Entitlement to New Shares and apply for Additional Shares in excess of your Entitlement (see Section 4.2 below);
- (c) take up part of your Entitlement to New Shares and allow the balance to lapse, in which case you will receive no value for those lapsed Entitlements (see Section 4.3 below); or
- (d) do nothing and allow all of your Entitlement to New Shares to lapse, in which case you will receive no value for those lapsed Entitlements (see Section 4.6 below).

Eligible Shareholders who do not participate in the Entitlement Offer, or participate for an amount that is less than their full Entitlement, will have their percentage shareholding in the Company reduced or diluted.

Please note that the allocation and issue of Additional Shares is at the sole discretion of the Company and any scale back may be applied in its discretion, having regard to the circumstances as at the time of the close of the Entitlement Offer and the terms set out in this Offer Booklet. Any scale back in the event of an oversubscription, will be had:

- (a) having regard to the pro-rata Entitlements of the applicants; and
- (b) to ensure compliance with the ASX Listing Rules, the Corporations Act and all other applicable laws.

Please also note that if you are an Eligible Shareholder who is a 'related party' in relation to the Company (as that term is defined in the ASX Listing Rules) or are otherwise a person to whom Listing Rule 10.11 applies, you may apply to take up your Entitlement in part or in full, but may not apply for Additional Shares.

4.2 If you wish to take up all of your Entitlement to New Shares (with or without Additional Shares)

If you wish to:

- (a) accept your Entitlement in full (without taking up Additional Shares), you should note your Entitlement and requisite Application Money specified in the Entitlement Form, and make a payment by BPAY® or EFT for the total Application Money in accordance with the instructions contained in this Offer Booklet and detailed on the Entitlement Form (calculated at \$0.022 per New Share accepted under the Entitlement Offer). Please read the instructions carefully.
- (b) accept your Entitlement in full and apply for Shares in excess of your Entitlement by applying for Additional Shares, you should note your Entitlement and requisite Application amount specified in the Entitlement Form, and make a payment by BPAY® or EFT for the total Application Money in accordance with the instructions contained in this Offer Booklet and detailed on the Entitlement Form. This payment should be

inclusive of the New Shares you wish accept under your Entitlement as well as those you wish to apply for under the Shortfall Offer (calculated at \$0.022 per New Share accepted under the Entitlement Offer and applied for under the Shortfall Offer).

The Company will not allocate or issue Additional Shares where it is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant legislation or law. Eligible Shareholders wishing to apply for Additional Shares must consider whether or not the issue of the Additional Shares to them would breach the Corporations Act or Listing Rules having regard to their own circumstances.

Please refer to the Entitlement Offer website at www.computersharecas.com.au/anrentitlementoffer for further details.

4.3 **If you wish to take up part of your Entitlement to New Shares and allow the balance to lapse**

If you wish to accept part of your Entitlement and allow the balance to lapse, you should note your Entitlement and requisite Application Money specified in the Entitlement Form, and make a payment by BPAY® or EFT for the total Application Money relating to the portion of Shares you do wish to apply for in accordance with the instructions contained in this Offer Booklet and detailed on the Entitlement Form (calculated at \$0.022 per New Share accepted under the Entitlement Offer). Please read the instructions carefully.

Please refer to the Entitlement Offer website at www.computersharecas.com.au/anrentitlementoffer for further details.

4.4 **Payment by BPAY®**

Eligible Shareholders (other than New Zealand Shareholders) should note:

- (a) You should make your payment in respect of your Application Money via BPAY® for the number of New Shares you wish to subscribe for (being the Issue Price of \$0.022 multiplied by the number of New Shares you are applying for, including any Additional Shares).
- (b) Please follow the instructions on your personalised Entitlement Form (which includes the Biller Code and your unique Reference Number).
- (c) Your BPAY® payment must be received by no later than 5:00 p.m. (Melbourne time) on the Closing Date. Applicants should be aware that their own financial institution may impose earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. It is the responsibility of the applicant to ensure that funds submitted through BPAY® are received by this time.
- (d) You do not need to submit your Entitlement Form but, by making a payment through BPAY®, you will be taken to have applied for the New Shares (and any Additional Shares) and made the declarations set out in the Entitlement Form.
- (e) Please make sure to use the specific Biller Code and unique Reference Number on your personalised Entitlement Form.

Eligible Shareholders may not pay via cheque and must not forward cash by mail. Receipts for payment will not be issued.

If you have more than one holding of Shares you will be sent more than one personalised Entitlement Form and you will have separate Entitlements for each separate holding. If you receive more than one personalised Entitlement Form, please only use the Reference Number specific to the Entitlement on that form. If you inadvertently use the same Reference Number for more than one of your Entitlements, you will be deemed to have applied only for your Entitlements to which that Reference Number applies.

If the amount of your BPAY® payment for Application Money is insufficient to pay in full for the number of New Shares (and any Additional Shares) you have applied for, you will be taken to

have applied for such lower whole number of New Shares as your cleared Application Money will pay for. Alternatively, your Application will be rejected (at the discretion of the Company).

The Company will treat you as applying for as many New Shares as your payment will pay for in full, subject to any scale back it may determine to implement, in its absolute discretion, in respect of any Additional Shares. Amounts received in excess of the Application Money for your Entitlement (**Excess Amount**) may be treated as an Application to apply for as many Additional Shares as your Excess Amount will pay for in full.

Any Application Money received by the Company in excess of your final allocation of New Shares (and Additional Shares as the case may be) will be refunded by EFT as soon as practicable after the close of the Entitlement Offer. It is not practical to refund any amount of less than \$5.00 to Shareholders and any refunds owing for less than this amount will be retained by the Company. No interest will be paid to Applicants on any Application Money received or refunded.

If you take no action or you fail to take any action prior to the Closing Date, your Entitlement under the Entitlement Offer will lapse.

Please refer to the Entitlement Offer website at www.computersharecas.com.au/anrentitlementoffer for further details.

4.5 **Payment by EFT**

Any Eligible Shareholder that is a New Zealand Shareholder, can only pay by EFT.

For payment by EFT, please follow the instructions on the personalised Entitlement Form which includes your unique reference number. The unique reference number is used to identify your holding. Eligible Shareholders who have multiple holdings will have multiple unique reference numbers. You must use the unique reference number shown on each Entitlement Form to pay for each holding separately. Please note that should you choose to pay by EFT:

- (a) You do not need to submit your Entitlement Form but, by making a payment through EFT, you will be taken to have applied for the New Shares and made the declarations set out in the Entitlement Form.
- (b) If you apply for more New Shares than your maximum Entitlement, you will only be issued New Shares reflecting your maximum Entitlement.

Any Application Money received by the Company in excess of your Entitlement of New Shares will be refunded by EFT as soon as practicable after the close of the Entitlement Offer. It is not practical to refund any amount of less than \$5.00 to Shareholders and any refunds owing for less than this amount will be retained by the Company. No interest will be paid to Applicants on any Application Money received or refunded.

If you take no action or you fail to take any action prior to the Closing Date, your Entitlement under the Entitlement Offer will lapse.

Please refer to the Entitlement Offer website at www.computersharecas.com.au/anrentitlementoffer for further details.

4.6 **Entitlement to New Shares not taken up**

If you decide not to take up all or any part of your Entitlement to New Shares, do not take any further action and your Entitlement will lapse. In this instance, the New Shares to which you would have been entitled to subscribe for shall become Additional Shares and will be issued pursuant to the Shortfall Offer or pursuant to the Underwriting Agreement. You will receive no payment for your lapsed Entitlements. You cannot sell or transfer your Entitlements to another person. Your holding of Shares will, however, be diluted because the issue of New Shares will increase the total number of Shares on issue.

4.7 Entitlement Form is binding

Payment made through BPAY® or EFT constitutes a binding and irrevocable offer to apply for New Shares (plus any Additional Shares) on the terms and conditions set out in this Offer Booklet and, once lodged or paid, cannot be withdrawn.

Your Application will be considered to be for as many New Shares as your payment will cover.

By making payment by BPAY® or EFT, you will also be deemed to have acknowledged, represented and warranted on your own behalf and on behalf of each person on whose account you are acting that:

- (a) for the benefit of the Company, the Underwriter and each of their respective related bodies corporate and affiliates, you are an Eligible Shareholder and that the Entitlement Offer can be made to you in accordance with this Offer Booklet, in accordance with applicable securities laws;
- (b) you have read and understood this Offer Booklet and your Entitlement Form in their entirety and provide the authorisations contained in this Offer Booklet and Entitlement Form;
- (c) you agree to be bound by the terms of the Entitlement Offer, provisions of the Offer Booklet and the Company's constitution;
- (d) you declare that you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the Entitlement Form;
- (e) all details and statements in the Entitlement Form are complete and accurate;
- (f) you authorise the Company to register you as the holder of New Shares issued to you;
- (g) once the Company (or the Share Registry) receives the Entitlement Form or any payment of Application Money via BPAY® or EFT, you may not withdraw it except as allowed by law;
- (h) you agree to apply for the number of New Shares (including any Additional Shares) specified in the Entitlement Form, or for which you have submitted payment of any Application Money via BPAY® or EFT, at the Issue Price per New Share;
- (i) you agree to be issued the number of New Shares (including any Additional Shares) that you apply for in the Entitlement Form and that potentially (in the case of an application in excess of your Entitlement) a lesser number of Additional Shares may be issued to you than that applied for;
- (j) if you apply for Additional Shares, you declare that you are not a 'related party' (as that term is defined in the ASX Listing Rules) or a person to whom Listing Rule 10.11 applies;
- (k) you authorise the Company, the Underwriter, the Share Registry and their respective officers or agents, to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Entitlement Form;
- (l) you authorise the Company to correct any errors in your Entitlement Form or other form provided by you;
- (m) you declare that you were the current registered holder(s) on the Record Date of that number of Shares as indicated on the Entitlement Form as being held by you;
- (n) you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of Shares on the Record Date;

- (o) you acknowledge that the information contained in this Offer Booklet and the Entitlement Form is not investment advice or a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs, and that the Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
- (p) you acknowledge the statement of risks in the Risk Factors detailed in Section 5 of this Offer Booklet, and that investments in the Company are subject to investment risk;
- (q) you acknowledge that none of the Company, the Underwriter and their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers guarantees the performance of the Company, nor do they guarantee the repayment of capital;
- (r) you acknowledge and agree that:
 - (i) determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company and the Underwriter; and
 - (ii) each of the Company and the Underwriter, and each of their respective affiliates, disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- (s) you will also be deemed to have acknowledged, represented and warranted on your behalf and on behalf of and in relation to each person on whose account you are acting that:
 - (i) you are not in the United States and are not acting for the account of or benefit of a person in the United States;
 - (ii) you will not send any materials relating to the Entitlement Offer to any person in the United States or any other country outside Australia or New Zealand; and
 - (iii) you agree that the allotment of New Shares (including, if applicable, Additional Shares) to you constitutes acceptance of your Application.

4.8 **Brokerage and stamp duty**

No brokerage is payable for the issue of New Shares pursuant to this Offer Booklet. No stamp duty is payable for subscribing for New Shares under the Entitlement Offer or for Additional Shares under the Shortfall Offer.

4.9 **Notice to nominees and custodians**

Nominees and custodians may not distribute this document, and may not permit any beneficial shareholder to participate in the Entitlement Offer, in any country outside Australia and New Zealand except, with the consent of the Company, to beneficial shareholders resident in certain other countries where the Company may determine it is lawful and practical to make the Entitlement Offer.

4.10 **Withdrawal of the Entitlement Offer**

Subject to applicable law, the Company reserves the right to withdraw the Entitlement Offer at any time before the issue of New Shares, in which case the Company will refund any Application Money already received in accordance with the Corporations Act and will do so without interest being payable to applicants.

To the fullest extent permitted by law, you agree that any Application Money paid by you to the Company will not entitle you to receive any interest and that any interest earned in respect of Application Money will belong to the Company.

4.11 **Risks**

Eligible Shareholders should be aware that an investment in the Company involves risks. The key risks identified by the Company are set out in Section 5 of this Offer Booklet.

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5 Risk Factors

5.1 Introduction

The New Shares offered under this Offer Booklet should be considered speculative because of the nature of the Company's business. There are numerous risk factors involved with the Company's existing business and participation in the Entitlement Offer. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which securities will trade.

The following is a summary of some of the more material matters to be considered. However, this summary is not exhaustive and potential investors should examine the contents of this Offer Booklet in its entirety and consult their professional advisors before deciding whether to apply for the New Shares.

5.2 Industry and Company specific risks

(a) Uncertainty over GaRP-IBS trial and other investments

There is a risk of failure of any future Company investments in projects and assets, including but not limited to a failure of the GaRP-IBS trial to complete or achieve significance on analysis review and therefore be of no interest to commercial partners.

(b) Uncertainty of future revenue and profitability

Future efficacy, research and development, commercialisation and sales of products, including but not limited to GaRP (including any white-labelled versions or products derived from them), by the Company and the Company's future profitability are contingent on, amongst other things,

- (i) the results of further research and clinical trials in relation to GaRP and gastrointestinal tract health issues;
- (ii) the results of further research and clinical trials in relation to other product pipelines of the Company for both animals and humans;
- (iii) the ability of trials to show efficacy and the ability of the Company to find product opportunities in the human area;
- (iv) the ability of the products to meet market expectations and be licensable;
- (v) the cost of goods such that research, trial, commercialisation, manufacture and distribution, of the products remains viable;
- (vi) the market demand for products being sold and the products not becoming obsolete;
- (vii) certainty of supply including of manufacturing components for products; and
- (viii) general economic conditions.

(c) Sufficiency of funding and future capital requirements:

The Company has provided an indication of how it intends to apply funds raised under the Entitlement Offer in Section 3.5. There is a risk that the costs of operations may be higher than anticipated or increase as a result of unforeseen circumstances (which may include circumstances related to other key risk factors set out in this Section 5).

The Company may be required to raise additional equity or debt capital in the future. There is no assurance that it will be able to raise the necessary capital when it is required, or where the capital is available, whether the terms will be satisfactory to the Company.

If the Company is unsuccessful in obtaining funds when they are required, it may need to delay or increase its research and development, commercialisation, manufacturing activities, or other components of its business. In the event of insufficient capital, the Company may also have to licence or sell its technologies on unfavourable terms, or scale down or cease its operations. No assurance can be given that future funding will be available to the Company, on any particular terms, or at all.

(d) **Inability to enter into partner relationships**

The Company's ability to commercialise its products is dependent on the Company's ability to enter into appropriate partner relationships. There can be no guarantee that the Company will be able to enter into such relationships, and no guarantee that relationships with any partner or distributor will continue or be successful for the Company.

(e) **Failure to realise benefits from product research and development**

An important aspect of the Company's business is to continually invest in innovation and product development opportunities. The Company may not realise benefits from investments in research and development for several years, or may not realise benefits at all in some cases.

There is a risk that the data received from the Company's research and development activities is of poor quality.

The Company makes assumptions about the expected future benefits generated by investment in research and development and the expected timeframe in which the benefits will be realised. These assumptions are subject to change and involve both known risks and risks that are beyond the Company's control. Any change to the assumptions the Company has made about development of a certain product may have an adverse impact on the Company's ability to realise a benefit from investment in the development of that product.

(f) **Dependence of key personnel**

The Company's success depends, to a significant extent, on its ability to attract and retain suitably qualified key personnel. The loss of key management personnel, or any delay in their replacement could have a significant adverse effect on the management of the Company, its financial performance and future prospects.

(g) **Failure to retain existing customers and attract new business**

The Company's business is dependent on its ability to attract new customers.

The Company recognises that until such time that the usual regulatory and manufacturing pathways have been completed that there will not be sales representatives in any region that it operates. As such, the Company is at risk of not being able to extend its customer base to its full potential until such time as direct or indirect sales representatives are appointed and retained.

The above risk may have a negative impact on the Company's successful implementation of its business strategy, having an adverse impact on its business, financial performance, and operations.

(h) **Ownership and protection of intellectual property**

The business of the Company depends on its ability to commercially exploit its intellectual property. There is a risk that unauthorised use or copying of data or intellectual property will occur.

There is a risk that the Company may be unable to detect the unauthorised use of its intellectual property rights in all instances.

A breach of the Company's intellectual property may result in the need to commence legal action, which could be costly and time consuming. A failure or inability to protect the Company's intellectual property rights could have an adverse impact on operating and financial performance.

(i) **Regulatory risk**

The Company is subject to a range of regulatory controls imposed by government (federal and state) and regulatory authorities (for example, ATO, ASX and ASIC). The relevant regulatory regimes are complex and are subject to change over time, depending on changes in the laws and policies of the governments and regulatory authorities.

The Company is exposed to:

- (i) the risk of changes to applicable laws and/or the interpretation of existing laws, which may adversely impact the Company. This could include changes affecting the ability to leverage tax rebates in connection with research and development; or
- (ii) the risks associated with non-compliance with these laws (including reporting or other legal obligations).

Non-compliance may result in financial penalties being levied against the Company.

(j) **Changes in taxation laws and policies**

Tax laws are in a continual state of change which may affect the Company and its Shareholders.

Changes to rules relating to R&D tax incentives, including changes to the eligibility requirements or refund levels could adversely affect the Company's financial performance and cash flows.

R&D tax incentives, concessions and grants are subject to policy review and discretion and there can be no guarantee that any concession or grant will be awarded to the Company.

Changes to tax laws may adversely affect the Company's financial performance and/or the returns achieved by investors. Dividends paid to certain investors may not be recognised as frankable by the ATO.

There may be tax implications arising from ownership of the Shares, the receipt of franked and unfranked dividends (if any) from the Company receiving returns of capital and the disposal of the Shares.

The Company is not responsible for either taxation implications or penalties incurred by investors. These tax implications should be considered carefully and potential investors should obtain advice from an accountant or other professional tax advisor in relation to the application of the tax legislation to your investment in the Company.

(k) **Shareholder dilution**

In the future, the Company may elect to issue Shares to fund or raise proceeds for specific research and development, acquisitions, to repay debt, or for other reasons.

While the Company will be subject to the constraints of the Listing Rules regarding the percentage of capital raising that it is able to issue within a 12-month period (without obtaining Shareholder approval), Shareholder interests may be diluted and Shareholders may experience a loss in value of their equity as a result of such issues of Shares and fundraising.

(l) **Product risks and liability**

As the Company successfully develops and markets new products and obtains the relevant regulatory approvals, there is no assurance that unforeseen events or manufacturing defects will not arise. Adverse events or defects could expose the Company to product liability claims, litigation or withdrawal of regulatory approvals.

Adverse events or defects could result in damages being awarded against the Company, a requirement for further investment in improved manufacturing processes or withdrawal of products from the market. In such event, the Company's liability may exceed the Company's insurance coverage.

(m) **Insurance risks**

Although the Company maintains insurance, no assurance can be given that adequate insurance will continue to be available to the Company in the future on commercially acceptable terms.

(n) **Litigation risk**

In the ordinary course of business, the Company may be involved in litigation disputes from time to time. Litigation disputes brought by third parties, including but not limited to customers, suppliers, business partners, and employees, and may adversely impact the financial performance and industry standing of the Company.

(o) **Absence of dividends**

The ability of the Company to pay dividends in the future is dependent on many factors including the results of the Company's research and its ability to develop and commercialise its products. Where the Company is in a position to pay dividends, the amount, timing and payment of future dividends is dependent on a range of factors including future capital and research and development requirements, as well as the overall financial position of the Company. There will be factors outside the control of the Company and its Directors that may affect the ability of the Company to pay dividends. The Company does not expect to pay dividends in the short or medium term. The Directors are unable to give any assurance regarding the payment of dividends in the future.

5.3 **General investment risks**

(a) **Market price**

The market price of New Shares may rise or fall between the date of the Entitlement Offer and the issue date of the New Shares under the Entitlement Offer. The effect of this is that the Offer Price you pay for the New Shares may exceed the market price of Shares on the issue date.

(b) **Economic risk**

- (c) General economic conditions in Australia and internationally; movements in interest, inflation and currency exchange rates; variations in commodity prices; the global security situation and the possibility of terrorist disturbances; changes to government regulation, policy or legislation; changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws; and changes to dividend imputation in Australia may have an adverse effect on the Company's production activities and its ability to fund those activities.

(d) **Foreign exchange**

The Company has business operations in the United States which is also where its primary sales market is. As the Company is based in Australia and its functional reporting currency is in Australian dollars, a significant increase in the value of the

Australian dollar could have a material adverse impact on future profitability of the Company.

(e) Liquidity risk

There may be relatively few buyers or sellers of securities on the ASX at any given time. This may affect the volatility of the market price of the securities and the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the price paid under the Entitlement Offer.

(f) Investing in shares

Once the New Shares are quoted on the ASX, their price may rise or fall and they may trade at prices below or above the Issue Price. There also can be no assurance that the New Shares will be traded actively. In common with other listed entities, the Company's Shares can be affected by factors that are unrelated to the operating performance or underlying value of the Company, such as domestic and international economic conditions. These fluctuations may adversely affect the price of the Company's Shares, including the New Shares once issued.

(g) General economic conditions:

The Company's operation and financial performance is affected by general economic business conditions including inflation levels, interest rates, exchange rates, government fiscal and monetary policies, and changing healthcare policy and medical reimbursement in the jurisdictions in which the Company operates. A sustained decline in general economic condition, such as an increase in interest rates, could be expected to have a material adverse effect on the Company's operation and financial standing.

(h) Accounting standards

Australian accounting standards are set by the Australian Accounting Standards Board (**AASB**) and are therefore outside the Directors' and the Company's control. Changes to accounting standards issued by the AASB could materially adversely affect the way in which the Company's financial performance is perceived by the market.

(i) Taxation risks

Changes to tax law in Australia or other jurisdictions in which the Company and its Shareholders operate may affect the Company and its Shareholders. Personal tax liabilities are the responsibility of each individual investor and the Company has no responsibility for taxation or taxation penalties incurred by its Shareholders.

(j) Equity market conditions

Securities listed on the stock market can experience extreme price and volume fluctuations that are unrelated to the operating performances of such companies. The market price of Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. General factors that may affect the market price of Shares include economic conditions in both Australia and internationally (particularly Australian, US and Chinese economic conditions), investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(k) Business factors

The continuing economic viability of the Company will be dependent on managing risk factors normally found in conducting a business, including management of contractual risks, litigation due to breach of agreements or in relation to employees (through

personal injuries, industrial matters or otherwise), strikes, lockouts, loss of services of key management or operational personnel or change in tax and accounting laws. There can be no assurance that parties with whom the Company has entered into commercial arrangements will adhere to the terms of the contracts and arrangements. There is the potential of material failure by or insolvency of any contractor used by the Company in any of its activities. Such being the case, this could cause disruption to the operations of the Company. The Company is unable to predict the risk of insolvency or other managerial failure by any of its contractors or other service providers used by the Company. All of the mentioned business factors could have a material adverse effect on the results of the operations or the financial condition of the Company.

(l) **Data breaches and other data security incidents**

The Company collect a range of personal and other confidential and sensitive information in the ordinary course of business and stores that data electronically. Through the course of business the Company may be subject to cyber-attacks. The Company have systems in place to maintain the confidentiality and security of that data and prevent unauthorised access to, or disclosure of that data, however there can be no guarantee that the systems will completely protect against data breaches or other data security incidents.

5.4 **Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may materially affect the financial performance of the Company and the value of the New Shares offered under this Offer Booklet.

Therefore, the New Shares to be issued pursuant to this Offer Booklet carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares. Potential investors should consider that investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Shares pursuant to this Offer Booklet.

5.5 **Other**

Other risk factors include those normally found in conducting business, including litigation through breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, theft, fraud and other matters that may interfere with the Company's business or trade.

6 Additional information

6.1 General

This Offer Booklet and the Entitlement Form have been prepared by the Company.

This Offer Booklet is dated Monday, 13 November 2023.

You should read this Offer Booklet carefully and in its entirety before deciding to invest in New Shares. In particular you should consider the risk factors referred to in Section 5 of this Offer Booklet that could affect the performance of the Company or the value of an investment in the Company.

The past performance of the Company, and the past Share price of the Company should not be relied upon as (and is not) an indication of future performance.

No party other than the Company has authorised or caused the issue of this Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Offer Booklet.

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Offer Booklet. Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by the Company, or its related bodies corporate in connection with the Entitlement Offer.

6.2 Status of Offer Booklet

The Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow rights issues to be offered without a prospectus.

Neither this Offer Booklet nor the Entitlement Form are required to be lodged or registered with ASIC. This Offer Booklet is not a prospectus under the Corporations Act and no prospectus for the Entitlement Offer will be prepared. These documents do not contain, or purport to contain, all of the information that a prospective investor may require in evaluating an investment in the Company. They do not contain all the information which would be required to be disclosed in a prospectus.

6.3 Rights issue exception not available

No nominee has been appointed for Ineligible Shareholders under section 615 of the Corporations Act and, as such, Eligible Shareholders will not be able to rely on the exception for rights issues in Item 10 of Section 611 of the Corporations Act. Accordingly, when an Eligible Shareholder applies for some or all of their Entitlement, they must have regard to section 606 of the Corporations Act. Eligible Shareholders who may be at risk of exceeding the 20% Voting Power threshold in section 606 of the Corporations Act as a result of acceptance of their Entitlement or subscribing for Additional Shares pursuant to the Shortfall Offer should seek professional advice before completing and returning the Entitlement Form.

6.4 Litigation

So far as the Company is aware, there are no legal or arbitration proceedings, active or threatened against, or being brought by, the Company which may have a material effect on the Company's financial position.

6.5 No cooling-off rights

Cooling-off rights do not apply to an investment in New Shares. You cannot, in most circumstances, withdraw your Application once it has been accepted.

6.6 Disclaimer and forward-looking statements

This Offer Booklet contains certain forward-looking statements. The words 'anticipate', 'believe', 'except', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward-looking statements.

Indications of, and guidance on, future earnings and financial position and performance are also forward looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, and its officers, employees, agents and associates, that may cause actual results to differ materially from those expressed or implied in such statements. Actual results, performance or outcomes may differ materially from any projections and forward-looking statements. You should not place undue reliance on forward-looking statements and neither the Company nor any of its Directors, employees, servants, advisers or agents assume any obligation to update such information.

To the maximum extent permitted by law, the Company and its officers, employees, agents, associates and advisers do not make any representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of such information or likelihood of fulfilment of any forward-looking statements (including, without limitation, liability for negligence).

Please refer to Section 5 of this Offer Booklet for a summary of certain risk factors which may affect the Company when considering this Offer Booklet. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. An investment in New Shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company.

The Company does not guarantee any particular rate of return or the performance of the Company nor does it guarantee the repayment of capital from the Company or any particular tax treatment.

6.7 **Governing law**

This Offer Booklet and the contracts formed on acceptance of the Entitlement Forms are governed by the law of South Australia, Australia. Each applicant submits to the non-exclusive jurisdiction of the courts of South Australia, Australia.

6.8 **Other interests**

Persons holding rights or interests in relation to Shares (such as options to subscribe for Shares), will not be entitled to participate in the Entitlement Offer in respect of those rights or interests unless they have become entitled to exercise their right or interest under the terms of their issue and do so such that they become the holder of Shares and an Eligible Shareholder in respect of those Shares.

6.9 **Taxation**

Eligible Shareholders should be aware that there may be taxation implications of participating in the Entitlement Offer and subscribing for Additional Shares. Eligible Shareholders should consult a professional taxation adviser to obtain advice in relation to the taxation laws and regulations applicable to their personal circumstances. Neither the Company, nor any of its Directors, officers, employees, agents or advisers accepts any liability or responsibility with respect to taxation consequences connected with participating in the Entitlement Offer or subscribing for Additional Shares.

6.10 **Alteration of terms**

The Company reserves the right, at its discretion, to vary all or part of the Entitlement Offer at any time, subject to the Corporations Act and ASX Listing Rules and any other law or regulation to which the Company is subject.

6.11 **Underwriter**

Neither the Underwriter nor any of their related bodies corporate and affiliates, nor any of their directors, officers, partners, employees, representatives, agents, consultants or advisers have authorised, permitted or caused the issue, despatch or provision of this Offer Booklet and they do not take responsibility for any statements made in this Offer Booklet or any action taken by you on the basis of such information. The Underwriter has not authorised, approved or verified

any forward-looking statements included in this Offer Booklet. To the maximum extent permitted by law, each Underwriter Party excludes and disclaims all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and this Offer Booklet being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise, and make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of the information in this Offer Booklet.

The Underwriter takes no responsibility for any part of the Offer Booklet or liability (including, without limitation, any liability arising from fault or negligence on the part of any person) for any direct, indirect, consequential or contingent loss or damage whatsoever arising from the use of any part of the Offer Booklet or otherwise arising in connection with it.

None of the Underwriter Parties make any recommendations as to whether you or your related parties should participate in the Entitlement Offer, nor do they make any representations or warranties, express or implied, to you concerning the Entitlement Offer or any such information and you represent, warrant and agree that you have not relied on any statements made by the Underwriter Parties in relation to the New Shares or the Entitlement Offer generally.

6.12 Underwriting Agreement

The Company has entered into an underwriting agreement with the Underwriter dated 3 November 2023 (**Underwriting Agreement**), pursuant to which the Underwriter has agreed to underwrite the Entitlement Offer up to \$359,549 by procuring Applications for any New Shares that are not subscribed for by Eligible Shareholders pursuant to the Entitlement Offer and Shortfall Offer.

The Company has agreed to pay to the Underwriter an aggregate fee of 6% of the total gross amount underwritten by the Underwriter.

The Company will also be required to indemnify the Underwriter for certain costs and expenses incurred by it in relation to the Entitlement Offer, including certain legal fees.

The Underwriting Agreement contains various representations, warranties, indemnities and undertakings in favour of the Underwriter that are not unusual for an underwriting arrangement of this sort. In particular, the Underwriting Agreement contains various representations and warranties by the Company relating to the Company and its business, including information provided to the Underwriter and disclosed to the ASX. The Underwriting Agreement also imposes various obligations on the Company, including undertakings to do certain things, including providing certain notices to the Underwriter and the ASX within prescribed periods. The Underwriting Agreement also places certain restrictions on the Company for a period of three months from the date of the Underwriting Agreement, including restrictions on disposing of the whole or a substantial part of its business or property and restrictions on the issue of Shares by the Company.

The obligation of the Underwriter to underwrite the Entitlement Offer is conditional on customary conditions including, amongst others, the dispatch of this Offer Booklet and certain events not occurring during the period the Entitlement Offer is open.

If certain events occur, the Underwriter has the right to terminate the Underwriting Agreement. In summary, these include:

(a) **Non-materiality qualified Termination Events:**

- (i) **(Listing)** The Company ceases to be admitted to the official list of ASX or the Shares are suspended from trading on, or cease to be quoted on ASX.
- (ii) **(Insolvency)** The Company or a subsidiary which represents 5% or more of the consolidated assets or earnings of the Anantara group becomes or is likely to become insolvent.
- (iii) **(Withdrawal)** The Company withdraws all or any part of the Entitlement Offer.

- (iv) **(Offer force majeure)** There is an event or occurrence which makes it illegal for the Underwriter to satisfy a material obligation of the Underwriting Agreement or to market, promote or settle the Entitlement Offer.
- (v) **(Unable to issue)** The Company is unable to issue or prevented from issuing any Entitlement Offer Shares as contemplated by the Entitlement Offer Shares by virtue of the ASX Listing Rules, applicable laws, a Governmental Agency or an order of a court of competent jurisdiction.
- (vi) **(Regulatory action in relation to Directors and senior executives)** a Director or the CEO or CFO of the Company is charged with an indictable offence or fraudulent conduct, is disqualified under the Corporations Act from managing a corporation or a regulatory body commences or intends to commence any public action against the Company, or any director or the CEO or CFO of the Company.
- (vii) **(Capital structure)** Except as disclosed in the information documents lodged with ASX on the Announcement Date or otherwise as a result of the exercise or conversion of equity securities issued prior to the Announcement Date, there is an alteration to the Company's capital structure without the prior consent of the Underwriter.
- (viii) **(Market fall)** The S&P/ASX Small Ordinaries Index falls to a level which is 10% or more below the level of that index on the close of trading on the business day before the date of the Underwriting Agreement and closes at or below that level on:
 - (A) any two consecutive business days after the date of the Underwriting Agreement and on or before the business day immediately prior to the Settlement Date; or
 - (B) at the close of trading on the business day immediately prior to the Settlement Date.
- (ix) **(ASIC action)** ASIC in relation to the Entitlement Offer, the issue of the Entitlement Offer Shares or any information document under the Corporations Act or the *Australian Securities and Investments Commission Act 2001* (Cth):
 - (A) applies for an order under Part 9.5 of the Corporations Act;
 - (B) holds, or gives notice of intention to hold, a hearing, inquiry or investigation;
 - (C) prosecutes or gives notice of an intention to prosecute, or commences proceedings against, or gives notice of an intention to commence proceedings against, the Company or any of its officers, employees or agents,
 - (D) except in circumstances where the existence of the application, hearing, inquiry, investigation, prosecution or notice has not become public and it has been withdrawn by the date that is the earlier of:
 - (E) the business day immediately preceding the Settlement Date; or
 - (F) the date that is 3 business days after the application, hearing, inquiry, investigation, prosecution or notice is commenced or received.
- (x) **(Application)** There is an application to a Governmental Agency (including the Takeovers Panel) for an order, declaration (including of unacceptable circumstances) or other remedy in connection with the Entitlement Offer (or any part of it), except in circumstances where the existence of the application has not become public and has been withdrawn, discontinued or terminated by the date that is the earlier of:

- (A) the business day immediately preceding the Settlement Date; or
 - (B) the date that is 3 business days after the application, hearing, inquiry, investigation, prosecution or notice is commenced or received.
- (xi) **(Determination under section 708AA)** ASIC makes a determination under subsection 708AA(3) of the Corporations Act.
- (xii) **(Corrective statement)** In the opinion of the Underwriter (acting reasonably), the Company becomes required to give a notice in accordance with subsection 708AA(12) of the Corporations Act, to correct a cleansing notice.
- (xiii) **(Authorisations)** Any:
 - (A) material licence, lease, permit, concession, tenement, authorisation or concession of the Group (Authorisation) is, or is likely to be, invalid, revoked or unenforceable, including as a result of the introduction of new legislation in the relevant jurisdiction; or
 - (B) Authorisation is breached or not complied with in a material respect;
- (xiv) **(ASX approval)** Unconditional approval (or conditional approval, provided it does not have a material adverse effect on the success of the Entitlement Offer) is refused or not granted by the time required or, if granted, is modified (in a manner which would have a material adverse effect on the Entitlement Offer) or withdrawn.
- (xv) **(Timetable)** Any event specified in the timetable is delayed other than in accordance with the Underwriting Agreement.
- (b) **Materiality qualified Termination Events**
 - (i) **(Breach)** The Company fails to perform or observe any of its obligations under the Underwriting Agreement.
 - (ii) **(Change in management)** There is a change (or a change is announced) in the CEO, CFO or chairman of the Company, other than one which has already been disclosed to the public or disclosed to the Underwriter before the date of the Underwriting Agreement.
 - (iii) **(Compliance)** The Company commits a breach of the Corporations Act, Listing Rules, the Constitution, or other applicable laws or its Constitution.
 - (iv) **(Representations and warranties)** A representation or warranty made or given by the Company under the Underwriting Agreement is breached untrue or incorrect or misleading or deceptive.
 - (v) **(Legal proceedings)** Legal proceedings against the Company, subsidiary, Directors or any regulatory body commences any enquiry or public action against a group member.
 - (vi) **(Conduct)** The Company or any of its Directors or officers engages in misleading or deceptive conduct or activity in connection with the Entitlement Offer.
 - (vii) **(Adverse change)** There is an adverse change, or an event occurs that is likely to give rise to an adverse change, in the business, assets, liabilities, financial position or performance, operations, management, outlook or prospects of the Company or the Company Group (in so far as the position in relation to any entity in the group affects the overall position of the Company).
 - (viii) **(Future matters)** Any expression of belief, expectation or intention, or statement relating to future matters (including any forecast or prospective financial statements, information or data) in an information document is or

becomes incapable of being met or, in the reasonable opinion of the Underwriter, is unlikely to be met in the projected timeframe.

- (ix) **(Information Documents misleading)** Any:
 - (A) statement in an information document is or becomes false, misleading or deceptive or likely to mislead or deceive; or
 - (B) information document does not contain all information required to comply with all applicable laws.
- (x) **(Information Documents issued or varied without approval)** The Company:
 - (A) issues an information document without the prior approval of the Underwriter (such approval not to be unreasonably withheld); or
 - (B) varies or withdraws an existing information document without the prior approval of the Underwriter (such approval not to be unreasonably withheld).
- (xi) **(Change in law)** There is introduced a new law or regulation which does or is likely to prohibit or regulate the Entitlement Offer or adversely affects the Anantara group.
- (xii) **(Disruption in financial markets)** Any of the following occurs:
 - (A) a general moratorium on commercial banking activities in Australia, New Zealand, the United States, Japan, Singapore, the United Kingdom, a member state of the European Union or the People's Republic of China (including Hong Kong) is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or
 - (B) trading in all securities quoted or listed on the ASX, the London Stock Exchange, the New York Stock Exchange, the Shanghai Stock Exchange, Euronext, the SGX, the Hong Kong Stock Exchange, the Shanghai Stock Exchange or the Tokyo Stock Exchange is suspended or limited in a material respect; or
 - (C) the occurrence of any other adverse change or disruption to financial, political or economic conditions, currency exchange rates or controls or financial markets in Australia, New Zealand, the United States, Japan, Singapore, the United Kingdom, a member state of the European Union Hong Kong or any change or development involving such a prospective adverse change in any of those conditions or markets.
- (xiii) **(Hostilities)** Major hostilities not existing at the date of the Underwriting Agreement commence or a major escalation in existing hostilities occurs involving any one or more of Australia, New Zealand, the United States, Japan, Singapore, the United Kingdom, a member state of the European Union or the Peoples Republic of China (including Hong Kong) or a national emergency is declared by any of those countries, or a major terrorist act is perpetrated anywhere in the world.
- (xiv) **(Prescribed Occurrence)** A prescribed occurrence in respect of the Company occurs during the Entitlement Offer period, other than:
 - (A) as contemplated by the Underwriting Agreement or pursuant to the Entitlement Offer:

- (B) in a manner described in the management questionnaire or the ASX release or any public information lodged with ASX on or before the date of the Underwriting Agreement;
- (C) the Company issuing securities pursuant to:
- (D) the exercise or conversion of any security on issue as at the date of the Underwriting Agreement;
- (E) any employee incentive scheme in operation as at the date of the Underwriting Agreement; or
- (F) any distribution reinvestment plan; or

as permitted in writing by the Underwriter.

6.13 **Disclaimer of representations**

No party other than the Company has authorised or caused the issue of this Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Offer Booklet.

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

Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by the Company, or its related bodies corporate in connection with the Entitlement Offer. Except as required by law, and only to the extent so required:

- (a) none of the Company, or any other person, warrants or guarantees the future performance of the Company or any return on any investment made pursuant to the Offer Booklet; and
- (b) the Company, its officers, employees and advisers disclaim all liability that may otherwise arise due to the Offer Booklet being inaccurate or incomplete in any respect.
- (c) No party other than the Company has authorised or caused the issue of this Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Offer Booklet.

7 Glossary

\$ or Dollars means dollars in Australian currency (unless otherwise stated);

Additional Shares has the meaning set out in Section 3.4;

Announcement Date means the date that the Entitlement Offer is announced;

Application means an application for New Shares pursuant to this Offer Booklet and the term **Applicant** means a person who has submitted an Application;

Application Money means the aggregate amount of money payable for New Shares applied for calculated by multiplying \$0.022 by the number of New Shares subscribed for;

ASIC means the Australian Securities and Investments Commission;

ASX means the Australian Securities Exchange;

ASX Limited means ASX Limited ACN 008 624 691;

Board means the Directors as at the date of this Offer Booklet;

CHESS means Clearing House Electronic Sub-register System of ASX Settlement Pty Ltd ACN 008 504 532;

Closing Date means 5:00 p.m. Melbourne time on the date specified in the timetable set out in Section 1 of this Offer Booklet or such other date as may be determined by the Directors;

Company or **Anatara** means Anatara Lifesciences Limited ACN 145 239 872;

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

Directors means the directors of the Company;

Eligible Shareholder has the meaning set out in Section 3.3;

Entitlement Form means the entitlement and acceptance form accompanying this Offer Booklet which sets out the entitlements of Eligible Shareholders under the Entitlement Offer;

Entitlement or **Entitlements** means the non-renounceable entitlement for Eligible Shareholders to subscribe for New Shares on the basis of 2 (two) New Shares for every 5 (five) Shares held on the Record Date;

Existing Options means the options on issue in Company as at the date of this Offer Booklet;

Firm Commitments means the firm commitments received for approximately \$365,000 under the Entitlement Offer.

Governmental Agency means any governmental, semi-governmental, administrative, judicial or quasi-judicial body, department, commission, authority, tribunal, agency or entity;

Holding Statement means a holding statement to be issued with respect to any New Shares;

Ineligible Shareholders means any Shareholder who is not an Eligible Shareholder;

Issue Price means \$0.022 per New Share;

Listing Rules means the official listing rules of ASX Limited, as amended from time to time;

New Share or **New Shares** means a new fully paid share in the capital of the Company to be issued pursuant to the Entitlement Offer or Shortfall Offer;

Offer or **Entitlement Offer** means the entitlement offer for New Shares set out in this Offer Booklet;

Offer Booklet means this offer booklet dated Monday, 13 November 2023 and includes any amended or replacement summary document;

Record Date means 7:00 p.m. Melbourne time on the date specified in the timetable set out in Section 1 of this Offer Booklet;

Registered Address means, in respect of a Shareholder, the address that is recorded in the Company's share register as being the address for the Shareholder;

Settlement Date means the date specified in the timetable set out in Section 1 of this Offer Booklet or such other date as may be determined by the Directors.

Share Registry means Computershare Investor Services Pty Limited;

Shareholder means a holder of a Share;

Share or **Shares** means a fully paid ordinary share in the capital of the Company;

Shortfall means the extent to which Eligible Shareholders do not subscribe for New Shares (including Additional Shares) pursuant to the Entitlement Offer;

Shortfall Offer means the Entitlement Offer to Eligible Shareholders to subscribe for Additional Shares in excess of their Entitlement in accordance with Section 3.4 of this Offer Booklet;

Underwriter means Taylor Collison Limited ABN 53 008 172 450, AFSL 247083;

Underwriter Parties means the Underwriter's affiliates, related bodies corporate (as that term is defined in the Corporations Act), and their respective directors, employees, officers, representatives, agents, partners, consultants and advisers;

Underwriting Agreement means the underwriting agreement between the Underwriter and the Company dated 3 November 2023, as summarised in Section 6.12;

Underwritten Amount means \$359,549;

U.S. Securities Act means the *United States Securities Act of 1933*, as amended; and

Voting Power has the meaning given to that term in the Corporations Act.

8 Corporate Directory

Board of Directors

Dr David Brookes
Mr Nicholas Haslam
Mr John Michailidis

Underwriter

Taylor Collison Limited
ACN 008 172 450, AFSL 247083
www.taylorcollison.com.au

Auditors

Grant Thornton Audit Pty Ltd
Collins Square
Level 3, 170 Frome Street
Adelaide SA 5000

Lawyers

Thomson Geer
Level 28, Waterfront Place
1 Eagle Street
Brisbane Qld 4000

Registered Office in Australia

Anatara Lifesciences Limited
c/- Perks, Level 8
81 Flinders Street
Adelaide SA 5000

Website: <https://anataralifesciences.com/>
ASX code: ANR

Share Registry

Computershare Investor Services Pty Ltd Limited
Level 1, 200 Mary Street
Brisbane Queensland 4000

Contact 1300 850 505 (within Australia) and +61 3 9415 4000 (outside Australia) at any time between 8:30a.m and 5:00p.m. (Melbourne time) on Monday to Friday during the Entitlement Offer period.



Anatara
LIFESCIENCES

Anatara Lifesciences Limited
ABN 41 145 239 872

For all enquiries:

Phone:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Online:
www.computersharecas.com.au/anrentitlementoffer

Make your payment:



See below Offer details and how to make your payment

Entitlement No:

**Your payment must be received by
5:00 pm (Melbourne time) Friday, 1
December 2023**

Non-Renounceable Entitlement Offer — Entitlement and Acceptance Form

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed on this Entitlement Form. If you are in doubt about how to deal with this Entitlement Form, please contact your financial or other professional adviser.

You can apply to accept either all or part of your Entitlement. If you accept your full Entitlement, you may apply for New Shares in excess of your Entitlement (**Additional Shares**) under the Shortfall Offer. You do not need to return this Entitlement Form when making payment by BPAY® or EFT. By making your payment you confirm that you agree to all of the terms and conditions as detailed in the offer booklet dated 13 November 2023 (**Offer Booklet**). Other than as detailed in this Entitlement Form, capitalised terms have the same meaning as defined in the Offer Booklet.

Details of the shareholding and entitlements for this Offer are shown on this Entitlement Form. Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your controlling participant to notify a change of address.

Details of your Entitlement

Existing shares entitled to participate as at 7:00 pm (Melbourne time) Wednesday, 8 November 2023:

Entitlement to New Shares on a 2 for 5 basis:

Amount payable on full acceptance at \$0.022 per New Share:

Make Your BPAY® Payment by 5:00 pm (Melbourne time) Friday, 1 December 2023

Neither Computershare Investor Services Pty Limited (CIS) nor Anatara Lifesciences Limited accepts any responsibility for loss incurred through incorrectly completed BPAY® payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY® are received by this time. Eligible Shareholders should use the customer reference number shown on this Entitlement Form when making a BPAY® payment.



Billers Code:
Ref No:

Entitlement taken up:

Number of Additional Shares
applied for:

Contact your financial institution to make your
payment from your cheque or savings account.

Amount enclosed at \$0.022 per
New Share:

A\$

Privacy Notice

The personal information you provide on this Entitlement Form is collected by CIS, as registrar for the securities issuer (the **issuer**), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuers administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at www.computershare.com/au/privacy-policies.