

ACTIVEPORT GROUP LTD
ACN 636 569 634

ENTITLEMENT ISSUE PROSPECTUS

For a pro-rata renounceable entitlement issue of three (3) Shares for every four (4) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.02 per Share together with one (1) free New Option for every three (3) Shares applied for and issued to raise up to approximately \$5,301,623 (based on the number of Shares on issue as at the date of this Prospectus) (**Entitlement Offer**).

This Prospectus also contains secondary offers of New Options to Mahe Capital, Placement Participants, certain Directors of the Company and Bridge Street. Refer to Section 3.2 for further details.

IMPORTANT NOTICE

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

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

Lead Manager

Legal Adviser



Mahe Capital STEINEPREIS PAGANIN 

IMPORTANT NOTICE

This Prospectus is dated 9 October 2024 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

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

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

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

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

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

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

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

Company, the Directors and the Company's management.

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

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

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6.

Overseas shareholders

These Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

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

For further information on overseas Shareholders please refer to Section 3.10.

Continuous disclosure obligations

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

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

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

Please refer to Section 7.2 for further details.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under this Prospectus. The Company and the Lead Manager will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website www.activeport.com.au/.

Electronic Prospectus

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

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 6149 7550 during office hours or by emailing the Company at investor.relations@activeport.com.au.

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

Company Website

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

Financial forecasts

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

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

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

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account

statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

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

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 9.

All references to time in this Prospectus are references to Australian Western Standard Time.

Privacy statement

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

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

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

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

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on + 61 8 6149 7550.

CORPORATE DIRECTORY

Directors

Peter Christie
Chairman and CEO

Mark Middleton
Executive Director and Chief Technical Officer

Kathryn Soares
Executive Director

Chris Daly
Non-executive Director

Company Secretary

Jack Toby

ASX Code

ATV

Registered Office

Level 28
140 St Georges Terrace
PERTH WA 6000

Telephone: + 61 8 6149 7550

Email: investor.relations@activeport.com.au

Website: www.activeport.com.au/

Auditor*

RSM Australia Partners

Level 32
Exchange Tower
2, The Esplanade
PERTH WA 6000

Share Registry*

Computershare Registry Services Pty Ltd

Level 17
221 St Georges Terrace
PERTH WA 6000

Telephone: +61 1300 787 272

Facsimile: +61 8 9323 2033

Legal advisers

Steinepreis Paganin

Level 14, QV1 Building
250 St Georges Terrace
PERTH WA 6000

Lead Manager

Mahe Capital Pty Ltd

Level 8
99 St George's Terrace
PERTH WA 6000

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

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1. LETTER FROM THE CHAIR

Dear Shareholders

On behalf of Activeport Group Ltd, I am pleased to invite you to participate in a renounceable pro rata offer available to eligible shareholders on the basis of 3 new Shares for every 4 Shares held at an issue price of \$0.02 per new Share, to raise approximately \$5.3 million.

This Offer represents a discount of 50% to the 30 day volume weighted average price of \$0.04 for September 2024, prior to announcement. For every 3 new Shares subscribed, investors will receive 1 free New Option exercisable at \$0.10 each on or before 27 November 2027.

The rights are expected to start trading from 14 October 2024. Shareholders have the opportunity to apply for additional shares, in excess of their entitlement.

This fundraising is a major step in the value creation journey for the Company and we look forward to continued shareholder support as we advance Activeport to the next level and deliver value for shareholders. The funds raised will be used to strengthen our balance sheet and to advance new software projects to deliver strong recurring revenue growth and consistent positive free cash flow.

Since listing in 2021, Activeport has found product market fit for its orchestration software in the telecommunications and data centre sectors and is delivering to tier one customers throughout Asia, India, Africa and the Middle East with Europe and the America's on the horizon.

Our new and prospective customers are anxious to cloud-enable their networks and data centres quickly, to take advantage of the AI revolution. With a round of new projects underway and an extensive pipeline of opportunities awaiting us, now is the time to grow our business fast. This Entitlement Offer will facilitate that growth, providing the working capital we need to deliver into the significant demand we see in front of us for the foreseeable future.

Activeport's core software products are used by telecommunications carriers and data centre operators to automate delivery of network and cloud services to their enterprise and consumer customers. The four core domains our orchestration software automates are:

- (a) Data networks;
- (b) Data centres;
- (c) Cloud gaming; and
- (d) Artificial intelligence.

Telecommunications carriers license our software and operate it on their networks, delivering high value, high margin, long term, "sticky" recurring revenue to Activeport. This low-capex, enterprise license model allows us to generate high gross margins, above 92% and attain positive free-cash flow from a relatively low invested equity base.

The Activeport team has worked hard over the past year to deliver a maiden profit and positive cash flow for FY24. In Q1 of FY25 we have started some significant new projects and successful completion of this Entitlement Offer will provide a strong foundation for accelerated growth. Our focus in FY25 is to build on our recurring revenue growth from a stable fixed cost base, to reach consistent positive free cash flow and sustainable self-funding of our future growth.

While the Company is at an exciting stage of its development, risks remain, including economic conditions, technology competition and project delivery delays. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 6.

I'm excited by the opportunities in front of us and on behalf of your Directors, invite you to consider this opportunity and thank you for your continued support.

Yours sincerely

Peter Christie
Executive Chairman

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2. KEY OFFER INFORMATION

2.1 Timetable

Lodgement of Prospectus with the ASIC	Wednesday, 9 October 2024
Lodgement of Prospectus and Appendix 3B with ASX	Wednesday, 9 October 2024
Ex date	Monday, 14 October 2024
Rights start trading	Monday, 14 October 2024
Record Date for determining Entitlements	Tuesday, 15 October 2024
Offers opening date, Prospectus sent out to Shareholders and Company announces this has been completed	Friday, 18 October 2024
Rights stop trading	Friday, 25 October 2024
Securities quoted on a deferred settlement basis	Monday, 28 October 2024
Last day to extend the Closing Date	Tuesday, 29 October 2024
Closing Date as at 5:00pm (WST)*	Friday, 1 November 2024
ASX notified of under subscriptions	Friday, 8 November 2024
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Shares under the Entitlement Offer	Friday, 8 November 2024
Issue of New Options under the Entitlement Offer and Lead Manager Offer	Friday, 8 November 2024
Annual General Meeting	Wednesday, 27 November 2024
Issue of New Options under the Secondary Offers**	Wednesday, 27 November 2024
Issue of other Securities pursuant to the Annual General Meeting**	Wednesday, 27 November 2024

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

**Subject to Shareholder approval at the Annual General Meeting.

2.2 Key statistics of the Offers

Shares

	Full Subscription (\$5,301,623)¹
Entitlement Offer Price per Share	\$0.02
Entitlement Ratio (based on existing Shares)	3 for 4
Shares currently on issue	353,441,525
Shares to be issued under the Entitlement Offer	265,081,143
Other Shares proposed to be issued ²	2,500,000
Gross proceeds of the issue of Shares under the Entitlement Offer	\$5,301,623
Shares on issue Post-Offers	621,022,668

Notes:

1. Assuming the Full Subscription is achieved under the Entitlement Offer.

2. Subject to Shareholder approval at the Annual General Meeting, the Company will issue Directors, Mr Peter Christie and Mr Mark Middleton, 500,000 Shares and 2,000,000 Shares, respectively, for Messrs Christie and Middleton's participation in the August Placement.
3. Refer to Section 5.1 for the terms of the Shares.

Options

	Full Subscription (\$5,301,623) ²
Entitlement Offer Price per New Option	nil
Option Entitlement Ratio (based on Shares subscribed for)	1 for 3
Options currently on issue	20,130,000
New Options to be issued under the Entitlement Offer	88,360,381
New Options to be issued under the Lead Manager Offer	10,603,246
New Options to be issued under Placement Option Offer	17,750,000
New Options to be issued under Director Placement Option Offer	1,250,000
New Options to be issued to Bridge Street Option Offer	12,400,000
Other Options proposed to be issued ³	26,000,000
Options on issue Post-Offers	176,493,627

Notes:

1. Assuming the Full Subscription is achieved under the Entitlement Offer.
2. Refer to Section 5.2 for the terms of the New Options.
3. Subject to Shareholder approval at the Annual General Meeting, the Company proposes to issue an aggregate of 26,000,000 zero exercise price Options (**ZEPOs**) to the Directors and other senior management of the Company. A notice of Annual General Meeting containing further information for these ZEPOs will be dispatched to Shareholders shortly after the date of this Prospectus.

2.3 Key Risk Factors

Prospective investors should be aware that subscribing for Securities involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 6.

2.4 Directors' Interests in Securities

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

Director	Shares	Options ¹	Voting Power	New Shares	New Options	Entitlement \$	Percentage Full Subscription, Fully Diluted ²
Peter Christie ³	45,303,971	250,000	12.82%	34,477,978 ⁴	17,575,992 ⁵	679,560	12.24%
Christopher Daly ⁶	2,928,017	250,000	0.83%	2,196,012	1,732,004 ⁷	43,920	0.89%
Kathryn Soares ⁸	20,453,415	Nil	5.79%	15,340,061	7,113,535 ⁹	306,801	5.38%

Director	Shares	Options ¹	Voting Power	New Shares	New Options	Entitlement \$	Percentage Full Subscription, Fully Diluted ²
Mark Middleton ¹⁰	21,532,158	250,000	6.09%	18,149,118 ¹¹	15,383,039 ¹²	322,982	6.94%

Notes:

1. Exercisable at \$0.20 and expiring 30 November 2026.
2. Assuming all New Options offered under this Prospectus are issued.
3. Securities held by Herdsman Lake Capital Asia Pte Ltd, Pacczilla Pty Ltd and Herdsman Lake Capital Nominees Pty Ltd. Peter Christie is a shareholder of Herdsman Lake Capital Asia Pte. Ltd and is a director and shareholder of both Herdsman Lake Capital Nominees Pty Ltd and Pacczilla Pty Ltd. Peter Christie is a potential beneficiary of the Pacczilla Super Fund A/C and of the Herdsman Lake Capital Trust. Peter Christie has provided the Company with an undertaking that, if necessary, he will reduce his subscription and the subscription of entities he controls under the Entitlement Offer such that his total relevant interest in the Company will not increase beyond 19.9% at the completion of the Entitlement Offer (**Undertaking**).
4. Comprising of:
 - (a) 33,977,978 Shares as per Mr Christie's Entitlement under the Entitlement Offer; and
 - (b) 500,000 Shares for Mr Christie's participation in the August Placement, subject to Shareholder approval at the Annual General Meeting.
5. Comprising of:
 - (a) 11,325,992 New Options as per Mr Christie's Entitlement under the Entitlement Offer;
 - (b) 250,000 New Options under the Director Placement Option Offer, subject to Shareholder approval at the Annual General Meeting; and
 - (c) proposed issue of an aggregate 6,000,000 ZEPOs, subject to Shareholder approval at the Annual General Meeting.
6. The Securities are held by Claude L. Daly & Sons Pty Ltd ATF Chris Daly Family Trust A/C and Ulster Capital Pty Ltd ATF Ulster Super Fund A/C. Christopher Daly is a director and shareholder of both Claude L. Daly & Sons Pty Ltd and Ulster Capital Pty Ltd and a potential beneficiary of both the Chris Daly Family Trust and the Ulster Super Fund.
7. Comprising of:
 - (a) 732,004 New Options as per Mr Daly's Entitlement under the Entitlement Offer; and
 - (b) proposed issue of an aggregate 1,000,000 ZEPOs, subject to Shareholder approval at the Annual General Meeting.
8. Shares are held by 101C Pty Ltd, Kathryn Soares and Vizstone Holdings Pty Ltd.
9. Comprising of:
 - (a) 5,113,353 New Options as per Ms Soares' Entitlement under the Entitlement Offer; and
 - (b) proposed issue of an aggregate 2,000,000 ZEPOs, subject to Shareholder approval at the Annual General Meeting.
10. Securities are held by Mr Mark Scott Middleton and Ms Andrea Jane Middleton ATF Middleton Family A/C.
11. Comprising of:
 - (a) 16,149,118 Shares as per Mr Middleton's Entitlement under the Entitlement Offer; and
 - (b) 2,000,000 Shares for Mr Middleton's participation in the August Placement, subject to Shareholder approval at the Annual General Meeting.
12. Comprising of:
 - (a) 5,383,039 New Options as per Mr Middleton's Entitlement under the Entitlement Offer;
 - (b) 1,000,000 New Options under the Director Placement Option Offer, subject to Shareholder approval at the Annual General Meeting; and
 - (c) proposed issue of an aggregate 9,000,000 ZEPOs, subject to Shareholder approval at the Annual General Meeting.

The Board recommends all Shareholders take up their Entitlements. The Directors reserve the right to take up their respective Entitlement in whole or in part at their discretion.

2.5 Details of Substantial Holders

Based solely on notices provided under section 671B of the Corporations Act unless otherwise noted, as at the date of this Prospectus, there are five Substantial Holders of Shares.

The relevant holding of those Substantial Holders (together with their associates) are set out below:

Shareholder	Shares	Voting Power
Herdsmen Lake Capital Nominees Pty Ltd and Herdsmen Lake Capital Asia Pte Ltd and Pacczilla Pty Ltd and Peter Christie ²	45,303,971	12.82%
Pine Street Pty Ltd	18,160,000	7.34%
1011C Pty Ltd	21,286,749	7.33%
Leonie May Lin Chan & Kathryn Soares & Vizstone Holdings Pty Ltd & Benjamin Chan	20,430,867	7.04%
Mr Mark Scott Middleton and Ms Andrea Jane Middleton	21,532,158	6.09%

Notes:

1. Based on number of Shares and voting power disclosed in each of the most recent notices provided under section 671B of the Corporations Act.
2. Peter Christie has provided the Company with an undertaking that, if necessary, he will reduce his subscription and the subscription of entities he controls under the Entitlement Offer such that his total relevant interest in the Company will not increase beyond 19.9% at the completion of the Entitlement Offer.

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

2.6 Lead Manager

Mahe Capital Pty Ltd (AFSL 517246) (**Lead Manager**) has been appointed as the lead manager of the Entitlement Offer. Terms of the lead manager mandate and total fees payable are set out in Section 7.4.1 below.

2.7 Effect on Control

Based on current shareholding and Entitlements of Shareholders (including substantial Shareholders) as at the date of this Prospectus and the Undertaking provided by Peter Christie, regardless of the amount raised under the Entitlement Offer, no Shareholder will increase their holding, to an amount in excess of 19.9% through applying for their Entitlements.

Further as set out in Section 3.7, on the basis of the allocation policy, no person will acquire, through participation in the Shortfall Offer a holding of Shares of, or increase their holding to, an amount in excess of 19.9% of all the Shares on issue on completion of the Offer.

Further there will be no change to any Shareholder's voting power as a result of the issue of the New Options. Where New Options are exercised into Shares, the voting power of the Shareholders who exercise the New Options will increase. The likelihood of New Options being exercised is dependent on the price of Shares from time to time until the New Options expire.

2.8 Potential dilution on non-participating Shareholders

In addition to potential control impacts set out in Section 2.7, Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 43.09% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus and assuming the 2,500,000 Shares which the Company is seeking shareholder approval to issue at the Annual General Meeting are issued).

No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Entitlement Offer, are likely to be diluted by an aggregate of approximately 52.96% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

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

HOLDER	HOLDING AS AT RECORD DATE	% AT RECORD DATE	ENTITLEMENT SHARES UNDER THE ENTITLEMENT OFFER	HOLDINGS IF ENTITLEMENTS NOT TAKEN UP	% POST ENTITLEMENT OFFER
Shareholder 1	10,000,000	2.83%	7,500,000	10,000,000	1.61%
Shareholder 2	5,000,000	1.41%	3,750,000	5,000,000	0.81%
Shareholder 3	1,500,000	0.42%	1,125,000	1,500,000	0.24%
Shareholder 4	400,000	0.11%	300,000	400,000	0.06%
Shareholder 5	50,000	0.01%	37,500	50,000	0.01%

Notes:

1. This is based on a share capital of 353,441,525 Shares as at the date of the Prospectus and the proposed issue of 2,500,000 Shares which the Company is seeking shareholder approval to issue at the Annual General Meeting are issued. Based on Full Subscription of the Entitlement Offer and does not account for the New Options to be issued under this Prospectus or the proposed ZEPs which the Company is seeking shareholder approval to issue at the Annual General Meeting.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

3. DETAILS OF THE OFFERS

3.1 The Entitlement Offer

The Entitlement Offer is being made as a pro-rata renounceable entitlement issue of three (3) Shares for every four (4) Shares held by Shareholders registered at the Record Date at an issue price of \$0.02 per Share together with one (1) New Option for every three (3) Shares subscribed for and issued. Fractional entitlements will be rounded down to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming no Shares are issued prior to the Record Date including on exercise or conversion of securities on issue) approximately up to 265,081,143 Shares and 88,360,381 New Options may be issued under the Entitlement Offer to raise up to approximately \$5,301,623. No funds will be raised from the issue of the New Options.

As at the date of this Prospectus the Company has 20,130,000 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Entitlement Offer. Please refer to Section 5.2 for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares. The New Options will be exercisable at \$0.10 on or before 27 November 2027, and otherwise on the terms set out in Section 5.2.

The purpose of the Entitlement Offer and the intended use of funds raised are set out in Section 4.

3.2 Secondary Offers

This Prospectus also contains the following secondary offers for the issue of:

- (a) up to 10,603,246 New Options to Mahe Capital (or its nominees) under the Lead Manger Offer;
- (b) subject to receipt of Shareholder approval at the Company's upcoming Annual General Meeting:
 - (i) 17,750,000 New Options to institutional and sophisticated investors (**Placement Participants**) who participated in the Company's placement announced on 9 August 2024 (**August Placement Placement Option Offer**); and
 - (ii) 1,250,000 New Options to Directors of the Company (**Director Placement Option Offer**), comprising of:
 - (A) 250,000 New Options to be issued to Peter Christie or his nominee(s); and
 - (B) 1,000,000 New Options to be issued to Mark Middleton or his nominee(s),
 - (iii) 12,400,000 New Options to Bridge Street Capital Partners Pty Ltd (**Bridge Street**) for lead manager services provided to the Company (**Bridge Street Option Offer**),

(together, the **Secondary Offers**).

The terms and conditions of the Secondary Offers are detailed below.

3.2.1 Details of Secondary Offers

The issue of the New Options under the Secondary Offers are subject to receipt of Shareholder approval at the Annual General Meeting. If Shareholder approval is not received, the Company will not issue any New Options under the Secondary Offers.

The purpose of the Secondary Offers is to remove any trading restrictions attaching to Shares issued on exercise of the Options to be issued under the Secondary Offers, given

that the Securities offered under the Secondary Offers are being issued with disclosure under this Prospectus. The Secondary Offers will open on the Opening Date and remain open until the Closing Date, unless closed earlier by the Company, in its sole discretion.

The Secondary Offers are only available for application by the Placement Participants, Directors and Bridge Street (or their nominees). An application form and instructions on how to apply in relation to the Secondary Offers will only be provided to the relevant parties by the Company. Applications for Securities under the Secondary Offers must only be made using the application form to be provided by the Company and attached to, or accompanying this, Prospectus.

The Shares issued upon the future exercise of New Options issued under the Secondary Offers will rank equally with the Shares on issue at the date of this Prospectus. The New Options to be issued under the Secondary Offers will be issued on the terms and conditions set out in Section 5.2.

No payment is required to subscribe for Securities under the Secondary Offers. Accordingly, no funds will be raised pursuant to the Secondary Offers. The Company reserves all discretions in relation to applications under the Secondary Offers.

3.3 What Eligible Shareholders may do

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form which accompanies this Prospectus. Eligible Shareholders may choose any of the options set out in the table below.

OPTION	KEY CONSIDERATIONS	FOR MORE INFORMATION
Take up all of your Entitlement	<ul style="list-style-type: none"> Should you wish to accept all of your Entitlement, then your application for Securities under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which accompanies this Prospectus. Please read the instructions carefully. Payment can be made by the methods set out in Section 3.4. As set out in Section 3.4, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form. 	Section 3.4 and Section 3.5.
Take up all of your Entitlement and also apply for Shortfall Securities	<ul style="list-style-type: none"> Should you wish to accept all of your Entitlement and apply for Shortfall Securities, then your application for your Entitlement and additional Shortfall Securities under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which accompanies this Prospectus. Please read the instructions carefully. Payment can be made by the methods set out in Section 3.4. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying. If you apply for Shortfall Securities beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Securities is at the Company's absolute discretion as per the allocation policy set out in Section 3.7. Accordingly, your application for additional Shortfall Securities may be scaled-back. The Company's decision on the number of Shortfall Securities to be allocated to you will be final. 	Sections 3.4, 3.5 and 3.7.
Sell all of your Entitlement on ASX	<ul style="list-style-type: none"> The Entitlements under the Entitlement Offer are renounceable which means that all or part of an Eligible Shareholder's rights to subscribe for Securities under the Entitlement Offer may be traded on ASX. If you wish to sell all of your Entitlement on ASX, provide instructions to your stockbroker regarding the Entitlement you wish to sell on ASX. Trading of Entitlements will commence on ASX on 14 October 	N/A

OPTION	KEY CONSIDERATIONS	FOR MORE INFORMATION
	<p>2024 and will cease on 25 October 2024.</p> <ul style="list-style-type: none"> There is no guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on ASX or that any particular price will be paid for the Entitlements sold on ASX. 	
<p>Take up a proportion of your Entitlement and sell the balance on ASX</p>	<ul style="list-style-type: none"> If you wish to take up only part of your Entitlement, your application must be made by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus for the number of Securities you wish to take up and making payment using the methods set out in Section 3.4 below. As set out in Section 3.4, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form. Subsequently, provide instructions to your stockbroker regarding the proportion of your Entitlement you wish to sell on ASX. 	<p>Section 3.4 and Section 3.5</p>
<p>Take up a proportion of your Entitlement and allow the balance to lapse</p>	<ul style="list-style-type: none"> If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus for the number of Securities you wish to take up and making payment using the methods set out in Section 3.4 below. As set out in Section 3.4, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form. 	<p>Section 3.4 and Section 3.5</p>
<p>Sell all or a proportion of your Entitlement other than on ASX</p>	<ul style="list-style-type: none"> You may elect to transfer all or a proportion of your Entitlement to another person other than on ASX. If the purchaser of your Entitlement is an Ineligible Shareholder or a person that would be an Ineligible Shareholder if they were a registered holder of Shares, that purchaser will not be able to take up the Entitlement they have purchased. If you are a Shareholder on the issuer sponsored subregister and you wish to transfer all or a proportion of your Entitlement to another person other than on ASX, you can obtain a Standard Renunciation and Acceptance Form (obtainable from the Share Registry). The transferee must submit payment by EFT in accordance with the instructions provided, so that the completed Standard Renunciation and Acceptance Form and payment is received by the Share Registry no later than the Closing Date. If you wish to transfer all or a proportion of your Entitlement to or from another person on the CHES subregister you must engage your CHES controlling participant (usually your stockbroker). If the transferee wants to exercise some or all of the Entitlement, you should follow your stockbroker's instructions as to the most appropriate way to take up the Entitlement on their behalf. The Application monies for Shares the transferee of the Entitlement wants to acquire must be received by Share Registry. 	<p>N/A</p>
<p>Allow all or part of your Entitlement to lapse</p>	<ul style="list-style-type: none"> Shareholders should be aware that their Entitlement may have value. Entitlement are renounceable, which enable Eligible Shareholders who do not wish to take up part or all of their Entitlement to seek to sell or trade all or some of their Entitlement on ASX or otherwise. If you do not wish to accept or trade any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement or dispose of your Entitlement by the Closing Date, the 	<p>N/A</p>

OPTION	KEY CONSIDERATIONS	FOR MORE INFORMATION
	Entitlement Offer to you will lapse.	

3.4 Payment options

(a) **By BPAY®**

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

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

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 3:00pm (WST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

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

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

(b) **By Electronic Funds Transfer (overseas applicants)**

For payment by Electronic Funds Transfer (EFT) for overseas Eligible Shareholders, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

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

(c) **Payment by offset of debt**

If, as at the date of this Prospectus, the Company owes you money (e.g. through debt agreements, financing facilities or as any other creditor), you are permitted

to pay for your Entitlement by way of offset of the Application monies against those amounts owing to you by the Company.

To elect to satisfy the Application monies in respect of your Entitlement by converting some of all of the existing debt owed to you by the Company your Entitlement and Acceptance Form, you will need to complete the appropriate section in the Entitlement and Acceptance Form.

This will require you specifying the total amounts owing to you by the Company for which you intend to offset payment under the Entitlement Offer, which will be based on an issue price of \$0.02 per Share. For clarity, the payment by way of offsetting does not enable any creditor Shareholders to take up more Securities under the Entitlement Offer than if the facility was not available. That is, creditor Shareholders may only convert the amount owed to them (including interest accrued on debt) by the Company for Application monies in respect of application of Securities under their Entitlement for Shortfall Securities.

The offset will be undertaken on a dollar for dollar basis (subject to foreign exchange conversion) at the issue price of the Entitlement Offer (being A\$0.02 per Share), and, in the case of any fractional entitlements, the number of Securities arising from the conversion of the debt shall be rounded down to the nearest whole number.

To the extent that Entitlements are taken up through the use of the offsetting debt facility, the debt payable to creditor relevant Shareholders will reduce by the equivalent amount from the effective cash proceeds of the Entitlement Offer.

(d) **By Cheque**

Payment by cheque or cash will not be accepted.

3.5 Implications of an acceptance

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

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

3.6 Minimum subscription

There is no minimum subscription.

3.7 Shortfall Offer

Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer (**Shortfall Securities**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.02 being the price at which Shares have been offered under the Entitlement Offer.

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

Eligible Shareholders who wish to subscribe for Securities above their Entitlement are invited to apply for Shortfall Securities under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Securities in accordance with Section 3.4.

The Board presently intends to allocate Shortfall Securities as follows:

- (a) to Eligible Shareholders who apply for an excess of their full Entitlement, so long as the issue of Shortfall Securities to that Eligible Shareholder would not take their voting power to in excess of 19.9%; and then
- (b) to other parties identified by the Directors, which may include parties who are not currently Shareholders.

No Shares will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.9%.

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

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

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

3.8 ASX listing

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

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

3.9 Issue of Securities

Securities issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at Section 2.

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

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

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

3.10 Overseas shareholders

These Offers do not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value

of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Entitlement Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia, New Zealand, Hong Kong or Singapore.

New Zealand

This Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This Offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Hong Kong

WARNING: The contents of this Prospectus have not been reviewed or approved by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Offer. If you are in any doubt about any of the contents of this Prospectus, you should obtain independent professional advice.

Singapore

This Prospectus or any other offering material relating to the Securities has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document relating to the Securities may not be issued, circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**),

or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are an existing holder of the Company's Shares. If you are not such a Shareholder, please return this Prospectus immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Nominees and custodians

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

3.11 Appointment of Nominee

Pursuant to ASX Listing Rule 7.7, the Company has appointed a nominee, Mahe Capital, to sell the Entitlements to which Ineligible Shareholders are entitled. The nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale.

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

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

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

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

4. PURPOSE AND EFFECT OF THE OFFERS

4.1 Purpose of the Offers

The purpose of the Entitlement Offer is to raise up to approximately \$5,301,623 before costs.

The purpose of the Secondary Offers is set out in Sections 3.2.

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

ITEM	PROCEEDS OF THE ENTITLEMENT OFFER	FULL SUBSCRIPTION (\$)	%
1.	Repayments of loans and creditors ¹	1,472,289	27.77%
2.	Research and development ²	1,217,099	22.96%
3.	Expansion of business ³	1,413,275	26.66%
4.	Working capital	1,033,816	19.50%
5.	Expenses of the Offers ⁴	165,144	3.11%
	Total	5,301,623	100%

Notes:

1. The Company intends to repay outstanding loans and creditors, including liabilities owed to Wentworth Williams Auditing Pty Ltd (\$300,000), SK Advisory Pty Ltd (\$71,454) and R4 Trading (\$283,000).
2. Estimated research and development costs between November 2024 and June 2025.
3. Estimated costs for additional business growth as part of the Company's rollout strategy from December 2024 to June 2025.
4. Refer to Section 7.8 for further details relating to the estimated expenses of the Offers.

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

In addition, it should be noted that the Company's budgets and forecasts will be subject to modification on an ongoing basis depending on the results achieved from its business activities and operations.

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

4.2 Effect of the Offers

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

- (a) increase the cash reserves by \$5,136,479 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer;
- (b) increase the number of Shares on issue from 353,441,525 as at the date of this Prospectus to 618,522,668 Shares; and
- (c) increase the number of Options on issue from 20,130,000 as at the date of this Prospectus to 150,493,627 Options.

4.3 Effect on capital structure

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

Shares

	Full Subscription
Shares currently on issue	353,441,525
Shares offered pursuant to the Entitlement Offer	265,081,143
Other Shares proposed to be issued ¹	2,500,000
Total Shares on issue after completion of the Offers	621,022,668

Notes:

1. Subject to Shareholder approval at the Annual General Meeting, the Company will issue Directors, Mr Peter Christie and Mr Mark Middleton, 500,000 Shares and 2,000,000 Shares, respectively, for Messrs Christie and Middleton's participation in the August Placement.

Options

	Full Subscription
Options currently on issue ¹	20,130,000
New Options to be issued under the Entitlement Offer	88,360,381
New Options to be issued under the Lead Manager Offer	10,603,246
New Options to be issued under Placement Option Offer	17,750,000
New Options to be issued under Director Placement Option Offer	1,250,000
New Options to be issued to Bridge Street Option Offer	12,400,000
Other Options proposed to be issued ³	26,000,000
Total Options on issue after completion of the Offers	176,493,627

Notes:

1. Comprising of:
 - (a) 630,000 unquoted Options exercisable at \$0.35 on or before 31 October 2024.
 - (b) 19,500,000 unquoted Options exercisable at \$0.20 on or before 30 November 2026.
2. Refer to Section 5.2 for the terms of the New Options.
3. Subject to Shareholder approval at the Annual General Meeting, the Company proposes to issue an aggregate of 26,000,000 ZEPs to the Directors and other senior management of the Company. A notice of Annual General Meeting containing further information for these ZEPs will be dispatched to Shareholders shortly after the date of this Prospectus.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 373,571,525 Shares and on completion of the Offers (assuming all Entitlements are accepted, all Securities the Company is seeking shareholder approval to issue at the Annual General Meeting are issued, and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date) would be 797,516,295 Shares.

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

4.4 Pro-forma balance sheet

The balance sheet as at 30 June 2024 which has been extracted from the Company's audited financial report for the year ended 30 June 2024 (**Audited Balance Sheet**) and the unaudited pro-forma balance sheet as at 30 June 2024 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

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

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

	AUDITED 30 JUNE 2024 \$	SUBSEQUENT EVENTS TO 30 JUNE 2024 \$	FULL SUBSCRIPTION \$	PROFORMA \$
CURRENT ASSETS				
Cash and cash equivalents	1,271,811	1,649,600	5,136,479	8,057,890
Trade and other receivables	5,338,452			5,338,452
Income tax receivables	75,642			75,642
Contract assets	2,083,556			2,083,556
Inventories	61,772			61,772
Financial assets at fair value through profit or loss	792,129			792,129
Financial asset at amortised cost	186,699			186,699
Total current assets	9,810,061	1,649,600	5,136,479	16,596,140
NON-CURRENT ASSETS				
Property, plant and equipment	85,463			85,463
Right-of-use assets	95,116			95,116
Intangibles	21,243,487			21,243,487
Financial asset at amortised cost	748,476			748,476
Total non-current assets	22,172,542			22,172,542
TOTAL ASSETS	31,982,603	1,649,600	5,136,479	38,768,682
CURRENT LIABILITIES				
Trade and other payables	3,860,821			3,860,821
Contract liabilities	313,760			313,760
Borrowings	4,678,019			4,678,019
Lease liabilities	400,614			400,614
Employee benefits	709,888			709,888
Total current liabilities	9,963,102			9,963,102
NON-CURRENT LIABILITIES				
Borrowings	161,423			161,423
Lease liabilities	767,537			767,537
Provisions	50,000			50,000
Total non-current liabilities	978,960			978,960

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	AUDITED 30 JUNE 2024 \$	SUBSEQUENT EVENTS TO 30 JUNE 2024 \$	FULL SUBSCRIPTION \$	PROFORMA \$
TOTAL LIABILITIES	10,942,062			10,942,062
NET ASSETS	21,040,541	1,649,600	5,136,479	27,826,620
EQUITY				
Issued capital	43,265,326	1,649,600	5,136,479	50,051,405
Reserves	545,918			545,918
Accumulated losses	(22,770,703)			(22,770,703)
TOTAL EQUITY	21,040,541	1,649,600	5,136,479	27,826,620

Note:

1. Cash balance includes cash raised under August Placement for \$1,900,000 (gross) less fees of \$125,400 and less \$125,000 which relates to Directors' participation being subject to Shareholder approval at the Annual General Meeting.

5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

5.1 Rights and liabilities attaching to Shares

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

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

(a) General meetings

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

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

(b) Voting rights

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

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

(c) Dividend rights

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

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

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

- (d) Winding-up**
- If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.
- The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.
- (e) Shareholder liability**
- As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.
- (f) Transfer of shares**
- Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.
- (g) Future increase in capital**
- The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.
- (h) Variation of rights**
- Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.
- If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.
- (i) Alteration of constitution**
- In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5.2 Terms of New Options

- (a) Entitlement**
- Each New Option entitles the holder to subscribe for one (1) Share upon exercise of the New Option.
- (b) Exercise Price**
- Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.10 (**Exercise Price**)

- (c) **Expiry Date**
- Each New Option will expire at 5:00 pm (WST) on 27 November 2027 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **Quotation of New Options**
- The Company may, in its absolute discretion and subject to the requirements of ASX Listing Rule 2.5, apply for official quotation of the New Options on the ASX. In the event that the New Options are granted official quotation on the ASX in the future, the Company is under no obligation to maintain the quotation and may take any action that may result in termination of quotation of the New Options by the ASX.
- (e) **No offer of New Options or Shares issued on exercise if New Options are not quoted**
- If the New Options are not quoted on the ASX, the Optionholder must not offer any of the New Options, or the Shares issued on exercise of the New Options, for sale to any person (Secondary Offer) within 12 months from the respective date of issue of those New Options or Shares (as applicable) unless:
- (i) the Secondary Offer does not require disclosure as a result of sections 707 or 708 of the Corporations Act (excluding section 708(1) of the Corporations Act);
 - (ii) the Secondary Offer does not require disclosure as a result of section 708A or ASIC Class Order 04/671 or any variation or replacement of such Class Order;
 - (iii) the Secondary Offer is made pursuant to a disclosure document in accordance with the Corporations Act; or
 - (iv) the Secondary Offer is received by a person outside Australia.
- For the avoidance of doubt, paragraph (e) (iii) does not create any obligation on the Company to issue a disclosure document (whether at its cost or otherwise).
- (f) **Participation rights**
- There are no participation rights or entitlements inherent in the New Options and holders of the New Options will not be entitled to participate in new issues of capital that may be offered to Shareholders during the currency of the New Options without exercising the New Options.
- (g) **Reconstruction of capital**
- If at any time the issued capital of the Company is reconstructed, all rights of a Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (h) **Notice of exercise**
- The New Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Optionholder to exercise all or a specified number of New Options held by them accompanied by a New Option Certification and payment to the Company for the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company. An exercise of only some New Options shall not affect the rights of the Optionholder to the balance of the New Options held by them.
- (i) **Receipt of notice of exercise**
- The notice of exercise of New Options may be deemed by the Company to be received at the end of the calendar month in which it is actually received and the Company shall comply with the ASX Listing Rules with respect to the issue of resultant Shares and the issue of a statement of shareholding.

(j) **Shares issued on exercise**

Shares issued pursuant to an exercise of New Options shall rank, from the date of issue, equally with the existing Shares of the Company in all respects.

(k) **Application for quotation of Shares**

If admitted to the official list of ASX at the time, the Company shall make an application to have those Shares issued pursuant to an exercise of New Options listed for official quotation by ASX.

(l) **Bonus share issue**

If there is a bonus share issue to the holders of Shares, the number of Shares over which a New Option is exercisable will be increased by the number of Shares which the Optionholder would have received if the New Option had been exercised before the record date for the bonus issue.

(m) **No right to change exercise price**

There is no right to change the exercise price of the New Options nor the number of underlying Shares over which the New Options can be exercised.

(n) **Transferability**

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

6. RISK FACTORS

6.1 Introduction

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

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 6, together with all other information contained in this Prospectus.

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

The risks factors set out in this Section 6, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. This Section 6 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 6 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

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

6.2 Company specific

RISK CATEGORY	RISK
Potential for dilution	<p>In addition to potential control impacts set out in Section 2.7, Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 43.09% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus and assuming the proposed issue of 2,500,000 Shares at the Annual General Meeting are issued).</p> <p>No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Entitlement Offer, are likely to be diluted by an aggregate of approximately 52.96% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).</p> <p>It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Entitlement Offer being implemented and the Directors do not make any representation as to such matters.</p> <p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.049 is not a reliable indicator as to the potential trading price of Shares after implementation of the Entitlement Offer.</p>
Control risk	<p>Peter Christie (and entities he controls) is currently the largest Shareholder of the Company and has a relevant interest in approximately 12.82% of the Shares in the Company. Peter Christie has provided the Company with an undertaking that, if necessary, he will reduce his subscription and the subscription of entities he controls under the Entitlement Offer such that his total relevant interest in the Company will not increase beyond 19.9% at the completion of the Entitlement Offer.</p> <p>Assuming Peter Christie (and entities he controls) take up his full Entitlement and no other Shareholders accept their entitlements, Peter Christie's voting power in the Company could be as high as 19.9%, per the terms of the Entitlement Offer and the Undertaking.</p> <p>Peter Christie's significant interest in the capital of the Company means that it is in a position to potentially influence the financial decisions of the Company, and its interests may not align with those of all other Shareholders.</p>

RISK CATEGORY	RISK
Additional requirements for capital	<p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Entitlement Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its operations as the case may be.</p> <p>The Company believes that during the next 12 months, it will become cash flow positive, however, the Company may need to consider access to capital to further fund the development of the business to meet its strategic intentions.</p> <p>Additionally, the Company is currently contemplating raising additional funds via a debt facility, however, no determination on quantum of funds or agreements have been made.</p> <p>There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
Going Concern	<p>The Company's 2024 Annual Report (Financial Report) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>Notwithstanding the 'going concern' qualification included in the Financial Report, the Directors believe that upon the successful completion of the Entitlement Offer, the Company will have sufficient funds to adequately meet the Company's current operations and short term working capital requirements.</p> <p>In the event that the Entitlement Offer is not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern which is likely to have a material adverse effect on the Company's activities.</p>
Contractual Risk	<p>The Company enters into long term contracts to rent use of its information technology infrastructure to customers. This recurring revenue is fundamental to the ongoing ability for the Company to generate revenue.</p> <p>While the contracts typically have 3 to 5 year terms, customers can terminate for a range of reasons including non-performance and breach.</p> <p>Maintaining performance against contracts and retaining customers is essential to the ongoing ability of the Company to remain a going concern.</p>
Customer relationships	<p>The growth of the Company depends in part on increasing the number of its customers. The Company's ability to maintain levels of customer numbers, or to increase the number of customers further, in applicable business sectors and geographical areas is likely to be subject to limits.</p> <p>There is a risk that one or more customers may terminate their contracts early or that, upon expiration of their existing contracts, they may choose not to renew arrangements with the Company or that the subsequent terms may be less favourable to the Company.</p> <p>Failure to maintain customer relationships or renew agreements could result in the Company's revenues declining and operating results being materially and adversely affected.</p>
Supplier relationships	<p>The Company is dependent on ongoing mutually beneficial relationships with such key suppliers. Termination or failure to renew agreements with such suppliers could impact on the provision of services by the Company, which would be likely to have a material adverse effect on the Company's operations and financial position.</p> <p>In addition, any change to applicable rates and charges by key suppliers could impact on the Company's gross margin and profitability.</p>
Privacy and Data Collection Risk	<p>Whilst the Company's software is built with security management and management of cyber threats as a core part of its design capability, there is a risk that the Group's procedures and systems may not stop or detect cyberattacks, data theft and hacking from obtaining unauthorised access to confidential data collected by the Group. If such activities were successful, any data security breaches or the Group's failure to protect confidential information could result in loss of information integrity, and breaches of the Group's obligations under applicable laws or customer agreements.</p>

RISK CATEGORY	RISK
	<p>The collection, use, storage and disclosure of personal and sensitive information in Australia is governed by the <i>Privacy Act 1988</i> (Cth) (Privacy Act) and the Australian Privacy Principles contained at Schedule 1 of the Privacy Act (Australian Privacy Principles). Failures or breaches of data protection systems can result in reputational damage, regulatory impositions (such as for breaches of the Privacy Act or Australian Privacy Principles) and financial loss, including claims for compensation by customers or penalties by telecommunication regulators or other authorities.</p>
<p>Technological developments</p>	<p>If the Company fails to adapt to technological changes, this could have an adverse effect on the Company's business, operating results and financial position.</p> <p>The ability to improve the Company's existing products and services and develop new products and services is subject to risks inherent in the development process. The Company's products and services may be shown to be ineffective, not capable for adaptation to its customer's business, or unable to compete with superior or cheaper products or services marketed by third parties.</p> <p>There is no assurance that the Company will be successful in maintaining its market share or that it will be able to develop and introduce competitive technological advances in a timely and cost-effective way.</p>
<p>Protection of Intellectual Property Rights</p>	<p>The commercial value of the Company's intellectual property assets is dependent on any relevant legal protections. These legal mechanisms, however, do not guarantee that the intellectual property will be protected or that the Company's competitive position will be maintained. No assurance can be given that employees or third parties will not breach confidentiality agreements, infringe or misappropriate the Company's intellectual property or commercially sensitive information, or that competitors will not be able to produce non-infringing competitive products. Competition in retaining and sustaining protection of technologies and the complex nature of technologies can lead to expensive and lengthy disputes for which there can be no guaranteed outcome. There can be no assurance that any intellectual property which the Company (or entities it deals with) may have an interest in now or in the future will afford the Company commercially significant protection of technologies, or that any of the projects that may arise from technologies will have commercial applications.</p> <p>It is possible that third parties may assert intellectual property infringement, unfair competition or like claims against the Company under copyright, trade secret, patent, or other laws. While the Company is not aware of any claims of this nature in relation to any of the intellectual property rights in which it has or will acquire an interest, such claims, if made, may harm, directly or indirectly, the Company's business. If the Company is forced to defend claims of intellectual property infringement, whether they are with or without merit or are determined in the Company's favour, the costs of such litigation may be potentially significant and may divert management's attention from normal commercial operations.</p>
<p>Competition</p>	<p>The Company operates in a specialised field and enjoys an early-mover advantage in its software for telcos, software for Gaming and the Global Edge sector. However, the Company is also aware that other players in the software development industry including software-as-a-service may, at some time in the future, become direct competitors to the Company.</p> <p>There can be no assurance that the Company will be able to match or compete with the efforts of such competitors that release competing products to market.</p> <p>Rival product offerings by existing and new competitors as well as technology developments by competitors may have an adverse effect on the Company's business operations, financial performance and prospects as well as on the value and market price of the Company's shares. This risk may influence the Company's customer acquisition cost and customer lifetime value.</p>
<p>Risk of disruption</p>	<p>The Company has developed a unique service offering and recognises that the technology industry is continually evolving so there is a risk that other new technology may supersede or disrupt the Company's solution or early mover advantage.</p>
<p>Reputational Damage</p>	<p>The Company's reputation could be adversely impacted by a variety of factors including failure to meet customer service expectations, significant network issues, privacy or information security breaches, disputes or litigation with third parties or adverse media coverage. A significant</p>

RISK CATEGORY	RISK
	decline in reputation could have an adverse effect on the Company, its share price and financial performance.
Reliance on key personnel	<p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p> <p>The Company may not be able to replace its senior management or key personnel with persons of equivalent expertise and experience within a reasonable period of time or at all and the Company may incur additional expenses to recruit, train and retain personnel. Loss of such personnel may also have an adverse effect on the performance of the Company.</p>
Interruptions to operations	Some of the Company's services depend on software hosted on cloud platforms that the Company rents from suppliers including Google and Amazon. Outages of these services could lead to disruption of the Company's customers' services and lead to financial claims for lost revenue.
Global clients	The Company operates on the global stage with a focus on Asian and African regions. Providing services and support throughout various regions may impact the Company's ability to manage resources that meets the demands of its clients. Some of these clients may be subject to changes in their economic environment which may have an impact of the Company's business model.
Ability to attract and retain employees	The Company's business is dependent on attracting and retaining quality employees. The Company's ability to meet its labour needs while controlling costs associated with hiring and training new employees is subject to external factors such as unemployment rates, market rates for talent, prevailing wage legislation and changing demographics in its operating markets. Changes that adversely impact the Company's ability to attract and retain quality employees could materially adversely affect the Company's future financial performance and position.

6.3 Industry specific

RISK CATEGORY	RISK
Reliance on renewal and extension of contracts	The normal contract period with telcos is 3 to 5 years and there is a risk that Activeport is unable to secure an extension of key contracts which could have an adverse effect on future performance. Activeport monitors the performance of these current contracts and believes that extensions of contracts are likely to occur.
Changes to laws or regulations	<p>The Company is subject to local laws and regulations in each jurisdiction in which it provides its services. Future laws or regulations may be introduced concerning various aspects of the Company's business, all of which may impact its operations. Changes in or extensions of laws and regulations affecting the Company's business could restrict or complicate the Company's business and significantly increase its compliance costs.</p> <p>For example, the Company will need to consider and respond to ongoing changes to data retention laws and the impact these laws may have on The Company's business.</p>
Hacking and vandalism	The Company may be adversely affected by malicious third party applications that interfere with, or exploit, security flaws in the company's software and infrastructure. Viruses, worms and other malicious software programs could, among other things, jeopardise the security of information stored in a customer's or the Company's computer systems. If the Company's efforts to combat these malicious applications are unsuccessful, or if its software or infrastructure has actual or perceived vulnerabilities, the Company's business reputation and brand name may be harmed, which may result in a material adverse effect on the Company's operations and financial position.
Catastrophic loss	Computer viruses, fire and other natural disasters, break-ins, or a failure of power supply, information systems, hardware, software or telecommunication systems or other catastrophic events could lead to interruption, delays or cessation in service to the Company's customers. This may result in actual or consequential loss to the Company. The Company may be unable to operate its business, potentially putting The Company in breach of its contractual obligations, damaging its reputation and adversely affecting its ability to generate revenue.

RISK CATEGORY	RISK
	The Company may not have adequate disaster recovery plans to prevent or minimise loss. The Company also cannot guarantee that it will be able to obtain sufficient insurance to cover loss arising from a catastrophic event, the result of which could have a material adverse effect on the Company's business and financial performance.
Product liability	As with all products, there is no assurance that unforeseen adverse events or defects will not arise in the Company's products. Adverse events could expose the Company to product liability claims or litigation, resulting in the removal of regulatory approval for the relevant products and/or monetary damages being awarded against the Company. In such event, the Company's liability may exceed the Company's insurance coverage, if any.
Loss of Customers	The Company has established important relationships through development of its business to date. The loss of one or more customers through termination or expiry of contracts may adversely affect the operating results of the Company.
Data loss, theft or corruption	The Company stores all data, which includes both operational, informational and accounting data, in the "Cloud", reducing the risk on the data from the resilience and security of its own systems and networks. In the past, exploitation or hacking of any of the Company's systems or networks could lead to corruption, theft or loss of the data which could have had a material adverse effect on the Company's business, financial condition and results. This risk has now been minimised. Further, if the Company's systems, networks or technology are subject to any type of 'cyber' crime, its technology may be perceived as unsecure which may lead to a decrease in the number of customers. The Company has not been hacked, but it is possible that the Company may experience negative publicity if their systems are able to be hacked at some point in the future.
Foreign exchange	The Company will be operating in a variety of jurisdictions, outside of Australia and as such, expects to generate revenue and incur costs and expenses in foreign currencies. Consequently, movements in currency exchange rates may adversely or beneficially affect the Company's results or operations and cash flows. For example, the appreciation or depreciation of the US dollar relative to the Australian dollar would result in a foreign currency loss or gain. Any depreciation of currencies in foreign jurisdictions in which the Company operates may result in lower than anticipated revenue, profit and earnings of the Company.
Insurance coverage	<p>The Group has insured its operations in accordance with industry practice. The Group has also arranged and maintained insurance coverage for its employees, as well as directors' and officers' liability insurance, however it does not currently propose to arrange and maintain business interruption insurance or insurance against claims for certain property damage. The Group management reviews its insurance requirements periodically with the Board.</p> <p>There is a risk that, if the Company incurs substantial losses or liabilities and its insurance coverage is unavailable or inadequate to cover such losses or liabilities, the Company's financial position and financial performance may be adversely affected.</p>

6.4 General risks

RISK CATEGORY	RISK
Market conditions	<p>The Company operates on the global stage and is seeking to further expand its operations and is therefore exposed to effects of macroeconomic trends or effects of other negative events that may impact global economics. As a result, there is a risk that major global economic downturn could lead to slower rollout of sales of services or even termination of contracts which may have an impact on revenue and EBITDA of the Group.</p> <p>Additionally, share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors;

RISK CATEGORY	RISK
	<p>(e) the demand for, and supply of, capital; and (f) terrorism or other hostilities.</p> <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in and technology or defence stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Disputes	<p>The activities of the Company may result in disputes with third parties, including, without limitation, the Company's investors, competitors, regulators, partners, distributors, customers, directors, officers and employees, and service providers. The Company may incur substantial costs in connection with such disputes.</p> <p>Further, a change in strategy may involve material and as yet unanticipated risks, as well as a high degree of risk, including a higher degree of risk than the Company's strategy in place as of the date hereof.</p>
Litigation risks	<p>The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.</p> <p>The Company and its subsidiaries are not currently engaged in any material litigation.</p>
Dividends	<p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.</p>
Taxation	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.</p>
Economic conditions and other global or national issues	<p>General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations.</p> <p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p>

6.5 Speculative investment

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

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

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

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

7. ADDITIONAL INFORMATION

7.1 Litigation

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

7.2 Continuous disclosure obligations

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

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

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

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

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

DATE	DESCRIPTION OF ANNOUNCEMENT
8 October 2024	Update - Proposed issue of securities - ATV
4 October 2024	ATV Share Cafe Webinar Presentation
4 October 2024	ATV Share Cafe Webinar
1 October 2024	Notification of cessation of securities - ATV
30 August 2024	ATV Announces its Maiden Operating Profit
30 August 2024	ATV ASX Appendix 4G

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

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

7.3 Market price of Shares

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

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

	(\$)	DATE
Highest	\$0.076	1 August 2024
Lowest	\$0.037	19 July 2024
Last	\$0.049	9 October 2024

7.4 Material Contracts

7.4.1 Lead Manager

The Company has signed a mandate letter to engage Mahe Capital to act as lead manager of the Entitlement Offer (**Lead Manager Mandate**), the material terms and conditions of which are summarised below:

Fees	<p>In consideration for acting as lead manager, the Company has agreed to:</p> <ul style="list-style-type: none"> (a) pay a management fee of cash equal to 1% of the funds raised under the Entitlement Offer (unless Mahe Capital elects to receive this fee in Securities subscribed for under the Shortfall Offer); (b) pay a placement fee equal to 5% of any shortfall placed, including any additional amount that might be placed under the Company's 7.1 and 7.1A placement capacity (if applicable); (c) pay a lead manager fee of \$60,000 in cash (unless Mahe Capital elects to receive this fee in Securities subscribed for under the Shortfall Offer); (d) issue Mahe Capital (or their nominees), 2 New Options for every \$1 raised under the Entitlement Offer. <p>In the event of termination of the Lead Manager Mandate, the Lead Manager will receive \$30,000 as a termination fee.</p> <p>The Company is also obligated to pay any reasonable disbursements and out of pocket expenses of the Lead Manager incurred and associated with the Entitlement Offer provided that the costs and expenses do not exceed \$1,500 (without the prior consent of the Company).</p>
Termination Events	<p>The Company may terminate the Lead Manager Mandate at any time before any offers have been made with two days' notice.</p> <p>Mahe Capital may terminate the Lead Manager Mandate at any time by giving two days' notice in writing of its intention to do so to the Company or if any of the following events occur:</p> <ul style="list-style-type: none"> (a) the Company defaults in relation to any term of the Lead Manager Mandate; (b) any information provided to Mahe Capital contains a false or a misleading statement; (c) the All Ordinaries Index as published by ASX falls 7% or more below the closing level on the date of the Lead Manager Mandate; (d) the price of COMEX gold or price of NYMEX WTI crude oil fall 7% or more below the closing level on the date of the Lead Manager Mandate; (e) any representations or warranties made by the Company are or become untrue; or

	(f) certain due diligence conditions and legal sign-offs are not satisfied by 30 November 2023.
Right of First Refusal	The Company agrees to offer Mahe Capital the lead role in any future capital raising undertaken by the Company within six months of completion of the Entitlement Offer.

7.5 Interests of Directors

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

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

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

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

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set in Section 2.4.

Remuneration

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

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

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 2024 Annual Report.

DIRECTOR	FY ENDING 30 JUNE 2025 ¹	FY ENDED 30 JUNE 2024
Peter Christie	\$269,784	\$268,584 ²
Christopher Daly	\$60,000	\$60,000 ³
Mark Middleton	\$308,809	\$308,734 ⁴

DIRECTOR	FY ENDING 30 JUNE 2025 ¹	FY ENDED 30 JUNE 2024
Kathryn Soares	\$251,734	\$250,884 ⁵

Notes:

1. Proposed director salary/fee estimates for this period.
2. Comprising Director salary of \$242,184 and \$26,400 in superannuation.
3. Director salary.
4. Comprising Director salary of \$278,484 and \$30,250 in superannuation.
5. Comprising Director salary of \$232,184 and \$18,700 in superannuation.

7.6 Interests of experts and advisers

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

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

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

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

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

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

Mahe Capital Pty Ltd has acted as the lead manager of the Entitlement Offer. The Company will pay the fees set out in Section 7.4.1 for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Mahe Capital Pty Ltd has not received any fees from the Company for any other services.

Steinepreis Paganin has acted as the legal advisers to the Company in relation to the Entitlement Offer. The Company estimates it will pay Steinepreis Paganin \$20,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$108,822 (excluding GST and disbursements) for legal services provided to the Company.

Fees paid or payable to RSM Australia Partners in connection with the audit and review of the financial reports of the Company for the year ended 30 June 2024 are \$103,500 (excluding GST). Fees paid or payable from the Company to RSM Australia Partners and related entities in the 24 months preceding lodgement of this Prospectus with the ASIC are \$577,917 (excluding GST).

7.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive

statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Mahe Capital Pty Ltd has given its written consent to being named as the lead manager to the Entitlement Offer in this Prospectus.

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

RSM Australia Partners has given its written consent to being named as auditor to the Company in this Prospectus and for the inclusion of the Audited Balance Sheet which has been extracted from the audited financial report of the Company for the year ended 30 June 2024 in Section 4.4.

7.8 Expenses of the Offers

In the event that all Entitlements are accepted, the total expenses of the Offers are estimated to be approximately \$165,144 (excluding GST) and are expected to be applied towards the items set out in the table below:

	(\$)
ASIC fees	3,206
ASX fees	16,922
Lead Manger fee	113,016 ¹
Legal fees	25,000
Printing and distribution	5,000
Miscellaneous	2,000
Total	165,144

Note:

1. Pursuant to the Lead Manager Mandate, Mahe Capital is entitled to a 5% placement fee on all shortfall allocated. In the case where the Entitlement Offer is not fully subscribed, Mahe Capital will receive additional fees. Please refer to Section 7.4.1 for further details regarding the Lead Manager Mandate.

8. DIRECTORS' AUTHORISATION

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

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

For personal use only

9. GLOSSARY

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

Annual General Meeting means the Company's 2024 annual general meeting to be held on 27 November 2024.

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

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

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

August Placement means the Company's placement announced on 9 August 2024.

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

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

Closing Date means the date specified in the timetable set out at Section 2 (unless extended).

Company means ActivePort Group Ltd (ACN 636 569 634).

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

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

CRN means Customer Reference Number in relation to BPAY@.

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

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

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

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

Entitlement Offer means the renounceable entitlement issue the subject of this Prospectus.

Full Subscription means full subscription of the Entitlement Offer.

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

Lead Manager Offer means the offer of up to 10,603,246 New Options to the Mahe Capital (or its nominees) under this Prospectus.

Mahe Capital or **Lead Manager** means Mahe Capital Pty Ltd (AFSL 517246)

New Option means an Option issued on the terms set out in Section 5.2.

Offers means the Entitlement Offer and the Secondary Offers.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at Section 2.

Secondary Offers has the meaning given in Section 3.2.

Section means a section of this Prospectus.

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

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

Shareholder means a holder of a Share.

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

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

Shortfall Offer means the offer of the Shortfall Securities on the terms and conditions set out in Section 3.7.

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

WST means Western Standard Time as observed in Perth, Western Australia.