

# 4DS MEMORY LIMITED

## ACN 145 590 110

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## PROSPECTUS

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For the offers of:

- (a) 166,666,666 Options exercisable at \$0.036 each on or before 28 February 2028 (**Placement Options**) to sophisticated and professional investors who subscribed for Shares under the Placement (**Placement Options Offer**);
- (b) 55,555,555 Shares at an issue price of \$0.036 per Share (**SPP Shares**), together with one free-attaching Option on the same terms as the Placement Options (**SPP Options**) for every one SPP Share subscribed for by Eligible Shareholders under the Share Purchase Plan to raise \$2,000,000 (**SPP Offer**);
- (c) 12,000,000 Options to Bell Potter Securities Limited, on the same terms as the SPP and Placement Options (**Broker Options**) (**Broker Options Offer**); and
- (d) up to 38,888,889 Shares at an issue price of \$0.036 per Share together with one free-attaching Option on the same terms as the Placement Options and SPP Options to which comprise the shortfall under the SPP Offer (**SPP Shortfall Offer**),

(together the **Offers**).

### SECURITY PURCHASE PLAN INFORMATION

The SPP Offer is currently scheduled to close at 5:00pm (AEST) on Friday, 14 February 2025. Valid applications must be received by that time. Details of how to apply for Securities are set out in the Application Form accompanying this Prospectus.

### 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.**

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## CORPORATE DIRECTORY

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### **Directors**

David McAuliffe  
*Executive Chairman*

Dr Guido Arnout  
*Non-Executive Director*

Howard Digby  
*Non-Executive Director*

### **Company Secretary**

Peter Webse

### **Registered Office**

Level 2, Kings Park Road  
West Perth WA 6005

Telephone: +61 8 6377 8043  
Email: [info@4dsmemory.com](mailto:info@4dsmemory.com)  
Website: [www.4dsmemory.com](http://www.4dsmemory.com)

### **ASX Code**

4DS

### **Auditor**

PKF Perth  
Level 8, 905 Hay Street  
Perth WA 6005

### **Share Registry\***

Automatic Registry Services  
Level 5, 191 St Georges Terrace  
Perth WA 6000

Telephone: +61 8 9324 2099

### **Legal Advisers**

Steinepreis Paganin  
Lawyers and Consultants  
Level 14, QV1 Building  
250 St Georges Terrace  
Perth WA 6000

### **Lead Manager**

Bell Potter Securities Limited  
Level 29, 101 Collins St  
Melbourne VIC 3000

\*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. TIMETABLE AND IMPORTANT NOTES

### 1.1 Timetable

<b>ACTION</b>	<b>DATE*</b>
<b>Record Date for the SPP (5:00pm (AEST))</b>	Thursday, 16 January 2025
<b>Announcement of Placement and SPP and lodgement of Appendix 3B with ASX</b>	Friday, 17 January 2025
<b>Issue of Shares under Placement and lodgement of Cleansing Statement and Appendix 2A with ASX</b>	Thursday, 23 January 2025
<b>Lodgement of Prospectus for the Offers with ASIC and ASX and Opening Date of Offers</b>	Friday, 24 January 2025
<b>Closing Date of Offers</b>	Friday, 14 February 2025
<b>Announcement of results of SPP</b>	Thursday, 20 February 2025
<b>Issue of Issue of SPP Shares, Placement Options, SPP Options and Broker Options</b>	Friday, 21 February 2025

**Note:**

1. The above dates are indicative only and may change without prior notice.

### 1.2 Important Notes

This Prospectus is dated 24 January 2025 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.

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.

### 1.3 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.

#### **1.4 Forward-looking statements**

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

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

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

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

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

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

#### **1.5 Overseas shareholders**

The 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 Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, Offers are not being extended to 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 2.10.

#### **1.6 Continuous disclosure obligations**

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

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

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

Please refer to Section 6.2 for further details.

## **1.7 Target Market Determination**

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offers of Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website ([www.4dsmemory.com](http://www.4dsmemory.com)). By accepting the Options under the SPP Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

## **1.8 Electronic Prospectus**

A copy of this Prospectus can be downloaded from the website of the Company at [www.4dsmemory.com](http://www.4dsmemory.com). If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 6377 8043 during office hours or by emailing the Company at [info@4dsmemory.com](mailto:info@4dsmemory.com).

## **1.9 Company Website**

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

## **1.10 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.

## **1.11 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.

## **1.12 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 8.

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

## **1.13 Privacy statement**

The Company may collect, hold and use information provided by you to 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.

#### **1.14 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 please call the Company Secretary on +61 8 6377 8043.

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## 2. DETAILS OF THE OFFERS

### 2.1 Background to the Offers

The Company announced on 17 January 2025 that it had received firm commitments from institutional and high net worth investors (**Placement Participants**), to subscribe for 166,666,666 Shares at an issue price of \$0.036 per Share (**Placement Shares**), together with one free-attaching option exercisable at \$0.036 on or before 28 February 2028 (**Placement Options**), to raise approximately \$6,000,000 (before costs) (**Placement**).

On 23 January 2025, the Company issued 152,777,777 Placement Shares to the Placement Participants pursuant to the Company's placement capacity under ASX Listing Rule 7.1A. It is intended that the balance of the Placement Shares, being 13,888,889 Placement Shares will be issued by 31 January 2025. For Placement Participants to receive Placement Options, they must accept the Placement Options Offer under this Prospectus.

In the same announcement, the Company announced that it would be offering Eligible Shareholders (defined below) the opportunity to apply for up to \$30,000 in Shares at an issue price of \$0.036 per Share (**SPP Shares**), together with one free-attaching Option for every one SPP Share subscribed for and issued, on the same terms as the Placement Options (**SPP Options**) (the **SPP**). This will mean that Eligible Shareholders can participate in the capital raising on the same terms as the Placement Participants.

Participation in the SPP is optional and open exclusively to Shareholders who were registered holders of Shares at the record date of 5:00pm (AEST) on 16 January 2025 (**Record Date**) and whose registered address is in Australia, New Zealand, Hong Kong or Singapore (**Eligible Shareholders**).

Bell Potter Securities Limited (ACN 006 390 772) (**Bell Potter**) has been engaged to act as lead manager to the Placement and SPP. In consideration for the services to be provided to the Company, Bell Potter will receive the following fees:

- (a) a management/selling fee of 6% of the total amount raised the Placement and SPP (plus GST); and
- (b) the issue of 12,000,000 Options on the same terms and conditions as the Placement and SPP Options (**Broker Options**).

Further details of the SPP and Placement are set out in the ASX announcement released on 17 January 2025.

The Company intends to apply the funds raised under the SPP and placement towards working capital requirements under the design and services agreement with Infineon Technologies LLC (**Infineon**), ongoing investment in development with imec, general working capital and costs of the Offers. For further details in respect of the design agreement with Infineon, refer to the ASX announcement released on 17 December 2024.

### 2.2 The Offers

#### 2.2.1 The Placement Options Offer

The Placement Options Offer is an offer of one Placement Option for every Share subscribed for and issued under the Placement.

Based on the number of Shares to be issued under the Placement, 166,666,666 Placement Options will be issued under the Placement Options Offer. No funds will be raised from the issue of the Placement Options.

All Placement Options will be issued on the terms set out in Section 4.1. All Shares issued on exercise of the Placement Options will rank equally with the Shares on issue at the date of this Prospectus.

#### 2.2.2 SPP Offer

The SPP Offer is an offer to each Eligible Shareholder to subscribe for SPP Shares up to a maximum value of \$30,000 at an issue price of \$0.036 per SPP Share. In addition, Eligible Shareholders will also receive one SPP Option for every Share subscribed for and issued



under the SPP Offer. Fractional entitlements will be rounded down to the nearest whole number.

All of the Shares offered under the SPP Offer pursuant to this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to the Shares.

The terms and conditions of the SPP Options are set out in Section 4.1. All of the Shares issued upon exercise of the SPP Options will rank equally with the Shares on issue at the date of this Prospectus.

The purpose of the SPP Offer is set out in Section 3.1. The SPP Offer is non-renounceable, meaning that Eligible Shareholders may not transfer their rights to any Securities offered under the SPP Offer.

### **2.2.3 The Broker Options Offer**

The Broker Options Offer is an offer of 12,000,000 Broker Options to Bell Potter. No funds will be raised from the Broker Options Offer as the Broker Options are being issued to Bell Potter in consideration for acting as lead manager to the SPP and Placement.

The terms and conditions of the Broker Options are set out in Section 4.1. All of the Shares issued upon exercise of the Broker Options will rank equally with the Shares on issue at the date of this Prospectus.

### **2.2.4 SPP Shortfall Offer**

The SPP Shortfall Offer is an offer of up to 38,888,889 Shares and 38,888,889 Options to raise up to \$1,400,000 (before costs) on the terms set out in this Section.

The Company will not issue Securities under the SPP Shortfall Offer to the extent that the Company does not have the capacity to do so under ASX Listing Rules 7.1 and 7.1A. The number of Securities which may be issued by the Company within its capacity under ASX Listing Rules 7.1 and 7.1A is unknown at this time, as it depends on the number of Shares issued under the SPP Offer.

Subject to the ASX Listing Rule constraint described above, in the event that Eligible Shareholders subscribe for an amount less than \$2,000,000, SPP Shares and Options to the value of the difference between the subscription amount and the \$2,000,000 will be subscribed for by Trading Capital Management (HK) Ltd A/C Trafalgar Trading (**Trafalgar**) or placed to third party investors identified by Bell Potter.

The Shortfall Offer is only available to Trafalgar and third party investors identified by Bell Potter (in consultation with the Company).

The SPP Shortfall Offer will remain open for up to three (3) months from the Closing Date and may be closed at any time by the Directors in their sole discretion.

## **2.3 Eligibility to participate in SPP Offer**

Only Eligible Shareholders may participate in the SPP Offer. 'Eligible Shareholders' for the purpose of the SPP Offer are Shareholders:

- (a) who were registered holders of Shares on the Record Date; and
- (b) whose registered address is in Australia, New Zealand, Hong Kong or Singapore.

If you are the only registered Shareholder of a holding of Shares, but you receive more than one SPP Offer (for example because you hold Shares in more than one capacity), you may only apply for one parcel of Shares with a value of up to \$30,000. The Company reserves the right to reject any application for Shares under this Prospectus to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

In the event that the SPP is oversubscribed by the Closing Date, the Directors may, in their absolute discretion, scale-back applications. The Directors may also, in their absolute discretion, resolve to accept oversubscriptions up to an additional \$600,000, which would result in the Company raising up to \$2,600,000 under the SPP Offer. Participation in the SPP Offer is optional and is subject to the terms and conditions set out in this Prospectus.

## 2.4 Minimum subscription

The minimum subscription to the SPP Offer is \$1,000,000.

There is no minimum subscription in respect of the Placement Options Offer, Broker Options Offer and SPP Shortfall Offer.

## 2.5 Not underwritten

The Offers are not underwritten.

However, the Company has received a binding commitment (**SPP Shortfall Commitment**) from Trafalgar to subscribe for up to 27,777,778 SPP Shares (**SPP Shortfall Shares**), in the event the SPP is undersubscribed and there is a shortfall.

If there is a shortfall and the Company determines to issue the SPP Shortfall Shares to Trafalgar, those SPP Shortfall Shares and attaching Options will be issued pursuant to the SPP Shortfall Offer.

To the extent the Company issues any SPP Shortfall Shares to Trafalgar or third party investors identified by Bell Potter, the issue price per SPP Shortfall Share will be the same as the issue price per SPP Share (i.e. \$0.036 per SPP Shortfall Share), which would result in the Company receiving up to \$1,400,000.

No SPP Shortfall Shares will be issued to the extent that \$2,000,000 is raised under the SPP Offer.

## 2.6 Applications

### 2.6.1 SPP Offer

Eligible Shareholders may apply under the SPP Offer by following the instructions outlined on their personalised Application Form. Pursuant to the SPP Offer, Eligible Shareholders may apply for Shares with a maximum value of \$30,000. Eligible Shareholders may participate by selecting one of the following options to purchase Shares under the SPP Offer:

	SPP APPLICATION AMOUNT	NUMBER OF SHARES WHICH MAY BE PURCHASED	NUMBER OF OPTIONS TO BE RECEIVED
Offer A	\$2,000	55,555	55,555
Offer B	\$5,000	138,888	138,888
Offer C	\$10,000	277,777	277,777
Offer D	\$15,000	416,666	416,666
Offer E	\$20,000	555,555	555,555
Offer F	\$30,000	833,333	833,333

Where the amount applied for results in a fraction of a Share the number of Shares issued will be rounded down to the nearest whole Share.

To participate in the SPP Offer, payment of the application monies must be made per the instructions set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (AEST) on the Closing Date**.

The Company reserves the absolute discretion to scale back applications under the Offer to the extent and in the manner it sees fit. If the Company undertakes a scale back, you will receive the number of Shares determined by the Company in its absolute discretion which may be less than the number of Shares applied for. In this case, the difference between the application monies received and the number of Shares allocated to you multiplied by the issue price per Share may be refunded to you by direct credit (to your nominated account recorded on the Company's share register) as soon as practicable, without interest.

If you require assistance in accepting the SPP Offer, please contact the Company on +61 8 6377 8043.

### 2.6.2 Placement Options Offer

The Placement Options Offer will only be extended to the participants who participated in the Placement. Application Forms will only be provided to these participants on invitation by the Directors.

No subscription monies are payable for the Placement Options offered pursuant to this Prospectus under the Placement Options Offer as the Placement Options are being issued on the basis of one free Option for every one Share subscribed for and issued under the Placement.

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (AEST) on the Closing Date.**

### 2.6.3 Broker Options Offer

The Broker Options Offer will only be extended to Bell Potter. An Application Form will only be provided to Bell Potter on invitation by the Directors.

No subscription monies are payable for the Broker Options offered pursuant to this Prospectus under the Broker Options Offer as the Broker Options are being issued Potter in consideration for acting as lead manager to the SPP and Placement.

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (AEST) on the Closing Date.**

### 2.6.4 SPP Shortfall Offer

The SPP Shortfall Offer will only be extended to third parties identified by Bell Potter (in consultation with the Company). Application Forms will only be provided to these participants on invitation by Bell Potter (in consultation with the Company).

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by no later than the date specified by Bell Potter when providing applicants with a copy of this Prospectus and an Application Form.

### 2.7 Payment – SPP Offer

For payment by EFT or BPAY®, please follow the instructions on the Application Form.

You can only make a payment via:

- (a) EFT if you are a holder of an account that supports EFT transactions to an Australian bank account; or
- (b) 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 EFT or BPAY®:

- (a) you do not need to submit the Application Form but are taken to have made the declarations on that Application Form; and
- (b) you will be deemed to have applied for such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your EFT or BPAY® payment is received by the share registry by no later than 5:00pm (AEST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

## **2.8 Issue of Securities**

Securities issued under the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus. Application monies will be held in a separate subscription account until the Securities are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application monies will be for the benefit of the Company and will be retained by the Company irrespective of whether any Securities are issued and each Applicant waives the right to claim any interest. The Directors will determine the recipients of all the Securities and/or the number of Securities issued under the Offers.

The Directors reserve the right to reject any application or to allocate any Applicant fewer Securities than the number applied for.

Where the number of Securities issued is less than the number applied for, the surplus monies will be returned by direct credit to your nominated bank account as soon as practicable after the Closing Date. Where no issue of Securities is made, the amount tendered on application will be returned in full by direct credit to your nominated bank account as soon as practicable after the Closing Date. Interest will not be paid on monies refunded.

## **2.9 ASX listing**

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out in Section 1.1.

If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 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 offered under this Prospectus within the time prescribed under the Corporations Act, without interest.

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

The Company does not intend to apply to the ASX to have the Options offered under this Prospectus quoted at this point in time.

## **2.10 Overseas Shareholders**

The 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.

The distribution of this Prospectus in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those outlined below. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that you have complied with these restrictions.

### **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.

These Offers and the content of the Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under the Corporations 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 the Offers. If you need to make a complaint about the Offers, 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: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the Securities may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Securities may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

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

### **Singapore**

This document and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of 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 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this document 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 in Singapore. On-sale restrictions in Singapore 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.

## **2.11 Enquiries**

Any questions concerning the Offers should be directed to the Company on +61 8 6377 8043.

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### 3. PURPOSE AND EFFECT OF THE OFFERS

#### 3.1 Purpose of the Offers

##### 3.1.1 Placement

The Company will raise \$6,000,000 under the Placement (before costs). The purpose of the Placement Options Offer is to offer Placement Participants one free attaching Placement Option for every one Share subscribed for under the Placement.

##### 3.1.2 SPP Offer

The Company is seeking to raise a further \$2,000,000 from Eligible Shareholders under the SPP Offer.

##### 3.1.3 Broker Options Offer

The purpose of the Broker Options Offer is to satisfy the Company's agreement to issue the Broker Options to Bell Potter (or its nominee).

#### 3.2 Use of Funds

The funds raised from the SPP Offer and Placement are planned to be used in accordance with the table set out below:

PROCEEDS OF THE PLACEMENT AND SPP	\$	%	\$	%
Design and services agreement with Infineon <sup>1</sup>	\$4,830,000	69.00%	\$4,830,000	60.38%
Ongoing investment in development with imec	\$1,660,000	23.71%	\$1,798,000	22.48%
General working capital	\$63,690	0.91%	\$862,000	10.76%
Expenses of the Offers	\$446,310	6.38%	\$510,000	6.38%
<b>Total</b>	<b>\$7,000,000<sup>2</sup></b>	<b>100%</b>	<b>\$8,000,000<sup>3</sup></b>	<b>100%</b>

**Notes:**

1. Under the terms of the design and services agreement, Infineon will provide technical expertise and resources to design a custom ReRam memory test chip.
2. Assuming only the SPP Shortfall Commitment is taken up under the SPP, resulting in the Company raising \$1,000,000 under the SPP.
3. Any oversubscriptions up to \$600,000 will be applied by the Company towards general working capital.

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

##### 3.2.1 Placement Options Offer and Broker Options Offer

The Placement Options Offer and Broker Options Offer are being made such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, if the Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised under the Placement Options Offer and Broker Options Offer (other than funds raised if the Options are subsequently exercised).

### 3.3 Effect of the Offers

The principal effect of the Offers (assuming the Company raises \$2,000,000 under the SPP Offer) will be to:

- (a) increase the cash reserves by \$2,000,000 (before deducting the estimated expenses of the Offers) immediately after completion of the SPP Offer;
- (b) increase the number of Shares on issue from 1,916,212,695 to 1,985,657,139 Shares following completion of the Offers;
- (c) increase the number of Options on issue from 49,607,184 to 283,829,405 Options following completion of the Offers; and
- (d) remove any trading restrictions attaching to the Options and to enable the on-sale of any Shares issued on exercise of the Options issued under this Prospectus.

### 3.4 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Securities are issued under this Prospectus and no existing convertible securities are converted into Shares after the date of this Prospectus, is set out below.

#### Shares

SHARES	NUMBER
Shares currently on issue	1,916,212,695
Shares to be issued under the Placement	13,888,889
Shares to be issued under the SPP Offer	55,555,555
<b>Total Shares on issue on completion of the Offers</b>	<b>1,985,657,139</b>

#### Options

OPTIONS	NUMBER
Options currently on issue <sup>1</sup>	49,607,184
Options to be issued under the Placement Options Offer	166,666,666
Options to be issued under the SPP Offer	55,555,555
Options to be issued under the Broker Options Offer	12,000,000
<b>Total Options on issue after completion of the Offers<sup>2</sup></b>	<b>283,829,405</b>

#### Notes:

1. The rights attaching to the New Options are summarised in Section 4.1 of this Prospectus.
2. The above table does not contemplate the proposed issue of 20,000,000 Options to the Company's Chief Technical Officer, Ting Yen, which is subject to Shareholder approval at the Company's general meeting to be held around March 2025.

The capital structure on a fully diluted basis as at the date of this Prospectus is 1,965,819,879 Shares and on completion of the Offers (assuming the Company raises \$2,000,000 under the SPP Offer) would be 2,269,486,544 Shares.

### 3.5 Financial effect of the Offers

The audited balance sheet as at 30 June 2024 and the 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. T

he pro-forma balance sheet has been prepared assuming the maximum number of Securities offered under this Prospectus are issued (i.e. \$2,000,000 is raised under the SPP Offer), no existing Options are exercised 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 above. 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.

	<b>30 JUNE 2024 (AUDITED)</b>	<b>PLACEMENT AND SPP</b>	<b>PRO FORMA (\$8 MILLION)<sup>1</sup></b>
Cash and cash equivalents	7,884,294	(7,467,800)	15,352,094
Trade and other receivables	91,720		91,720
Other assets	54,999		54,999
<b>Total current assets</b>	<b>8,031,013</b>		<b>15,498,813</b>
Right-of-use assets	239,435		239,435
Property, plant and equipment	100,459		100,459
<b>Total non-current assets</b>	<b>339,894</b>		<b>339,484</b>
<b>Total Assets</b>	<b>8,370,907</b>		<b>15,838,707</b>
Trade and other payables	91,211		91,211
Lease liabilities	122,829		122,829
Employee benefits	55,938		55,938
<b>Total current liabilities</b>	<b>269,978</b>		<b>269,978</b>
Lease liabilities	128,403		128,403
Employee benefits	14,637		14,637
<b>Total non-current liabilities</b>	<b>143,040</b>		<b>143,040</b>
<b>Total Liabilities</b>	<b>413,018</b>		<b>413,018</b>
<b>Net Assets</b>	<b>7,957,889</b>		<b>15,425,689</b>
Issued capital	66,918,893	(7,467,800)	74,386,693
Reserves	6,474,427		6,474,427
Accumulated losses	(65,435,431)		(65,435,431)
<b>Total Equity</b>	<b>7,957,889</b>		<b>15,425,689</b>

**Notes:**

1. In the event that only \$7,000,000 is raised through the Placement and SPP Offer, the net adjustment (as set out in the third column above) will be \$6,469,800.

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## 4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

### 4.1 Terms of Options

The terms and conditions of the Options to be issued under the Offers are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.036 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AWST) on 28 February 2028 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

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

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

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

- (h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (l) **Transferability**

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

#### **4.2 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 or which may be issued upon exercise of the Options on issue in the Company and offered under 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.

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## **5. RISK FACTORS**

### **5.1 Introduction**

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

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

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

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

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

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

### **5.2 Company specific**

#### **(a) Going concern risk**

The Company's annual financial report for the year ended 30 June 2024 includes notes on the financial condition of the Company showing the Company net assets of the Company and its subsidiaries totalled \$7,957,889, cash on hand at 30 June 2024 totalled \$7,884,294 and net operating cash outflow was \$4,707,364. The Group's ability to continue as a going concern and meet its debts and future commitments as and when they fall due is dependent on the Company's ability to raise sufficient working capital to ensure the continued implementation of the Group's business plan. Notwithstanding this, the Directors are satisfied that the Company will have sufficient cash resources to meet its working capital requirements in the future.

#### **(b) Development Risk**

The Company's products are the subject of continuous development and need to be substantially developed further in order to gain and maintain competitive and technological advantage, and to improve the products' usability, scalability and accuracy. There are no guarantees that the Company will be able to undertake such development successfully. Failure to successfully undertake such research and development, anticipate technical problems, or estimate research and development costs or timeframes accurately will adversely affect the Company's results and viability.

#### **(c) Competition**

The semiconductor memory industry in which the Company operates is subject to competition. Current or future competitors may come up with new, better or cheaper products and solutions. The Company's competitors include both small and medium enterprises and large, established corporations or multinationals. Those may decide to enter the Company's target markets and be able to fund aggressive marketing strategies. They may also have stronger financial capabilities than the Company which may negatively affect the operating and financial performance of the business.

(d) **Reliance on key management**

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.

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

(e) **Intellectual Property Risk**

There can be no assurance that the Company's patent portfolio will afford the Company commercially significant protection of the Company's technology, or that competitors will not develop competing technologies that circumvents such intellectual property. Although the Company will implement all reasonable endeavours to protect its intellectual property, there can be no assurance that these measures will be sufficient.

(f) **Data loss, theft or corruption**

The Company stores data in its own systems and networks and also with a variety of third party service providers. Corruption, theft or loss of the data as a result of misuse, exploitation or hacking of any of these systems or networks could lead to corruption, theft or loss of the data which could have a material adverse effect on the Company's business, financial condition and results. 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.

(g) **Security**

As with all technology companies, the Company is reliant on the security of its products and associated technologies. Breaches of security could impact user satisfaction and confidence in its products, and some breaches, including cyber-attacks, could render the services and related products unavailable through a disrupted denial of service or other disruption. Unavailability of the Company's services could impact the Company's financial performance. Further, it could hinder the Company's ability to retain existing customers.

(h) **Technology Risk**

The Company's market involves rapidly evolving products and technological change. The Company cannot guarantee that it will be able to engage in research and development at the requisite levels. The Company cannot assure investors that it will successfully identify new technological opportunities and continue to have the needed financial resources to develop new products in a timely or cost-effective manner. At the same time, products, services and technologies developed by others may render the Company's products and services obsolete or noncompetitive.

(i) **Legal proceedings**

Legal proceedings may arise from time to time in the course of the business of the Company including enforcing or defending its intellectual property rights against infringement and unauthorised use by the competitors or in relation to a contract dispute. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

### 5.3 Industry specific

#### (a) **Development and commercialisation of technologies**

While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of the Company's projects and business. For instance, new technologies could result in the Company's memory technology not being differentiated to other similar offerings.

The size and financial strength of some of the Company's competitors may make it difficult for it to maintain a competitive position in the technology market. In particular, the Company's ability to acquire additional technology interests could be adversely affected if it is unable to respond effectively and/or in a timely manner to the strategies and actions of competitors and potential competitors or the entry of new competitors into the market. This may in turn impede the financial condition and rate of growth of the Company.

#### (b) **Information technology risk**

With any technical project there are risks with the chosen technology, vendors and employees and in execution. Whilst the Company has employed and engaged subject-matter experts, employs experienced persons, standard security technologies and approaches there are risks that delivery will fail to meet expectations or deadlines, that technologies become obsolete, natural disasters occur, the Company is the subject of a fraud or malicious attack or platforms are compromised resulting in a negative impact on the Company's performance.

### 5.4 General risks

#### (a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

#### (b) **Market conditions**

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:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration 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.



(c) **Climate risk**

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its business viability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(d) **Global conflicts**

The current evolving conflict between Ukraine and Russia and Israel and Palestine (**Ukraine and Gaza Conflicts**) is impacting global economic markets. The nature and extent of the effect of the Ukraine and Gaza Conflicts on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine and Gaza Conflicts.

The Directors are continuing to closely monitor the potential secondary and tertiary macroeconomic impacts of the unfolding events, including the changing pricing of commodity and energy markets and the potential of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine and Gaza Conflicts, including limitations on travel and changes to import/export restrictions and arrangements involving the relevant countries may adversely impact the Company's operations and are likely to be beyond the control of the Company.

The Company is monitoring the situation closely and considers the impact of the Ukraine and Gaza Conflicts on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

(e) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally. 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 Shares under this Prospectus.

## 5.5 **Speculative investment**

The risk factors described above, and 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.

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 any return on capital, payment of dividends or increases in the market value of those Options.

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.

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## 6. ADDITIONAL INFORMATION

### 6.1 Litigation

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

### 6.2 Lead Manager Mandate

The Company has signed a mandate letter (**Mandate**) to engage Bell Potter to act as lead manager of the Placement and SPP, the material terms and conditions of which are summarised below:

<b>FEES</b>	As consideration for acting as lead manager, the Company has agreed to pay/issue Bell Potter:  (a) a management/selling fee of 6% of the total amount raised the Placement and SPP (plus GST); and  (b) 12,000,000 Broker Options.
<b>TERMINATION</b>	(a) The Mandate commenced on 8 January 2025 and will remain in place until the earlier of:  (i) completion of the Offers; and  (ii) 12 months from the date of the Mandate, unless terminated earlier in accordance with the Mandate.  (b) Either party may terminate the Mandate with or without cause by giving the other party 14 days' written notice at any time.
<b>RIGHT OF FIRST REFUSAL</b>	The Company agrees to offer Bell Potter the first right of refusal to act as lead manager in any equity capital raising undertaken by the Company within 12 months following completion of the Offers.

The Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

### 6.3 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
23 January 2025	Proposed issue of Securities – 4DS
23 January 2025	Cleansing Notice
23 January 2025	Application for quotation of securities - 4DS
17 January 2025	Successful Completion of \$6m Placement & Launch of \$2m SPP
17 January 2025	Proposed issue of securities - 4DS
17 January 2025	Proposed issue of securities - 4DS
15 January 2025	4DS Memory Successfully Completes Fifth Platform Lot
15 January 2025	Trading Halt
19 December 2024	Capital Raising Update
17 December 2024	Infineon Design Agreement and Company Update
17 December 2024	Trading Halt
17 December 2024	Pause in Trading
6 December 2024	S&P DJI Announces December 2024 Quarterly Rebalance
28 November 2024	Replacement Constitution
28 November 2024	Results of Annual General Meeting

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.4dsmemory.com](http://www.4dsmemory.com).

#### 6.4 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	\$0.097	23 October 2024
Lowest	\$0.041	8 January 2025
Last	\$0.034	23 January 2025

The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.034 per Share is not a reliable indicator as to the potential trading price of the Shares after closure of the Offers.

## 6.4 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, there are no persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue.

The Company confirms that no existing Shareholder will increase its Shareholding to above 19.9% as a result of the Offers.

## 6.5 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) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers pursuant to this Prospectus; or
- (c) the Offers,

and no amounts have been paid or agreed to paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offers.

### Security holdings

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

DIRECTOR	SHARES	OPTIONS
David McAuliffe	10,061,042 <sup>1</sup>	6,000,000 <sup>2</sup>
Howard Digby	6,688,629 <sup>3</sup>	1,000,000 <sup>4</sup>
Guido Arnout	8,000,000	-

#### Notes:

1. Comprising:
  - (a) 2,767,740 Shares held directly;
  - (b) 4,560,966 Shares held indirectly through David Jerimiah McAuliffe ATF The Lazy D9M Investment Trust (of which Mr McAuliffe is trustee and beneficiary); and
  - (c) 2,732,336 Shares held indirectly by Margaret Elizabeth Livingston (Mr McAuliffe's spouse).
2. Unlisted Options exercisable at \$0.037 each on or before 27 February 2028 held indirectly by Margaret Elizabeth Livingston.
3. Comprising:
  - (a) 2,037,004 Shares held directly; and
  - (b) 4,651,625 Shares held indirectly by Lamma Nominees Pty Ltd ATF XL Middleton A/C (of which Mr Digby is a director and beneficiary).
4. Unlisted Options exercisable at \$0.037 each on or before 27 February 2028 held indirectly by Lamma Nominees Pty Ltd ATF XL Middleton A/C.

### 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 \$300,000 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 the Directors.

DIRECTOR	REMUNERATION FOR THE YEAR ENDING 30 JUNE 2024 (Actual)	REMUNERATION FOR THE YEAR ENDED 30 JUNE 2025 (Proposed)
David McAuliffe	\$324,638	\$279,652 <sup>1</sup>
Howard Digby	\$45,288	\$35,331 <sup>2</sup>
Guido Arnout	\$286,806	\$286,806 <sup>3</sup>

**Notes:**

1. Comprising Director's salary (including annual and long-service leaves) of \$224,668, a superannuation payment of \$23,000 and share-based payments of \$31,984.
2. Comprising Director's salary of \$30,000 and share-based payments of \$5,331.
3. Comprising Director's salary of \$30,000 and consultancy fees as advisor to the Chairman of \$256,806.

## 6.6 Interests of experts and advisers

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

- 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;
- promoter of the Company; or
- 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:

- the formation or promotion of the Company;
- any property acquired or proposed to be acquired by the Company in connection with:
  - its formation or promotion; or
  - the Offers; or
- 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:

- the formation or promotion of the Company; or
- the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$15,000 (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 \$113,728 (excluding GST and disbursements) for legal services provided to the Company.

Bell Potter has acted as the lead manager to the SPP and Placement and underwriter to the SPP. The Company will pay Bell Potter the fees set out in Sections 2.1 and 6.2. During the 24 months preceding lodgement of this Prospectus with the ASIC, Bell Potter has received no fees from the Company.

## 6.7 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.

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

Bell Potter has given its written consent to being named as the lead manager to the SPP and Placement and underwriter to the SPP in this Prospectus.

PKF Perth has given its written consent to being named as auditor to the Company in this Prospectus and the inclusion of the 30 June 2024 audited balance sheet of the Company in Section 3.5. PKF Perth has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

## 6.8 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$510,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC Fees	3,206
ASX Fees	9,683
Legal Fees	15,000
Lead Manager Fees	480,000
Miscellaneous, printing and other expenses	2,111
<b>Total</b>	<b>510,000</b>

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**7. DIRECTORS' AUTHORISATION**

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

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



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## 8. GLOSSARY

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

**Application Form** means an application form accompanying this Prospectus in respect of the Placement Options Offer, SPP Options Offer or Broker Options Offer, as the context requires.

**ASIC** means the Australian Securities and Investments Commission.

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

**ASX Listing Rules** means the listing rules of the ASX.

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

**AEST** means Australian Eastern Standard Time as observed in Victoria.

**AWST** means Australian Western Standard Time as observed in Western Australia.

**Bell Potter** means Bell Potter Securities Limited (ACN 006 390 772) (AFSL 243480)

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

**Broker Options** has the meaning given in Section 2.1.

**Broker Options Offer** has the meaning on the covering page of this Prospectus.

**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 closing date for the Offers as specified in the timetable set out in Section 1.1.

**Company** means 4DS Memory Limited (ACN 145 590 110).

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

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

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

**Eligible Shareholder** are Shareholders with a registered address in Australia, New Zealand, Hong Kong or Singapore who were registered holders of Shares on the Record Date.

**Offers** has the meaning given on the covering page of this Prospectus.

**Option** means an option to acquire a Share including the Options offered under this Prospectus, the terms of which are set out in Section 4.1.

**Placement** has the meaning given in Section 2.1.

**Placement Options** has the meaning given in Section 2.1.

**Placement Options Offer** has the meaning on the covering page of this Prospectus.

**Placement Participants** has the meaning given in Section 2.1.

**Prospectus** means this prospectus.

**Record Date** means the date specified in the timetable set out at Section 1.1.

**Section** means a section of this Prospectus.

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

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

**SPP** has the meaning given in Section 2.1.

**SPP Options Offer** has the meaning given to that term on the cover page of this Prospectus.

**SPP Options** has the meaning given in Section 2.1.

**SPP Participants** has the meaning given in Section 2.2.2.

**SPP Shares** has the meaning given in Section 2.1.

**SPP Shortfall Commitment** has the meaning given in Section 2.5.

**SPP Shortfall Offer** has the meaning on the covering page of this Prospectus.

**SPP Shortfall Options** has the meaning given in Section 2.5.

**SPP Shortfall Shares** has the meaning given in Section 2.5.