

**ASX Announcement | 1 June 2020**  
**Visioneering Technologies (ASX:VTI)**

**Prospectus Lodgement**

**Atlanta, Georgia, USA, 31 May 2020 (1 June 2020 Sydney time): Visioneering Technologies, Inc. (ASX: VTI) (Visioneering or Company)** announces that it has today lodged the attached prospectus with the Australian Securities & Investments Commission (**Prospectus**).

As announced on 29 April 2020, the Prospectus is for the offer of a Security Purchase Plan (**SPP**) and the offer of the shortfall of the SPP (**Shortfall Offer**), to raise up to A\$1.0 million.

Pursuant to the SPP, holders of CHESS Depository Interests as at 7.00pm on 28 April 2020 with a registered address in Australia or New Zealand (**Eligible Holders**) are entitled to subscribe for up to A\$30,000 of CHESS Depository Interests (**New CDIs**) representing new fully paid shares of Class A common stock in the Company. For every two New CDIs subscribed for under the SPP, an Eligible Holder will also be issued one free new unlisted option with an exercise price of A\$0.028 and an expiry date of 30 June 2022 (**New Option**).

Any New CDIs and New Options (**New Securities**) not subscribed for under the SPP will form part of the shortfall and will be offered under the Shortfall Offer, which forms a separate offer under the Prospectus.

**The SPP opens on Wednesday, 3 June 2020 at 9.00am and is currently scheduled to close at 5.00pm (Australian Eastern Standard Time) on Friday, 19 June 2020.**

The Prospectus contains important information regarding the SPP (and the offer of any shortfall under the SPP) and Eligible Holders are encouraged to read the Prospectus carefully before making any investment decision. For further information regarding the SPP, please call Computershare Investor Services Pty Limited on 1300 850 505 (within Australia) or +61 3 9145 4000 (outside Australia) between 8.30am and 5.00pm (Australian Eastern Standard Time) on Business Days from Wednesday, 3 June 2020 to Friday, 19 June 2020.

**Key Dates**

<b>Event</b>	<b>Date</b>
Record Date <i>Date for determining Eligible Holders</i>	7.00pm on Tuesday, 28 April 2020
Opening Date <i>Offer under the SPP opens</i>	9.00am on Wednesday, 3 June 2020
Closing Date <i>Offer under the SPP closes</i>	5.00pm on Friday, 19 June 2020
Allotment Date <i>New CDIs under the SPP are issued</i>	Tuesday, 30 June 2020
Dispatch of holding statements	Wednesday, 1 July 2020

Dates and times are indicative only and subject to change. All dates and times are references to Australian Eastern Standard Time.

Authorised for release by Dr Stephen Snowdy, CEO.

For more information, please contact:

<i>Company</i>	<i>Investor and media relations</i>
Stephen Snowdy CEO, Visioneering Technologies, Inc. Email: <a href="mailto:ssnowdy@vtivision.com">ssnowdy@vtivision.com</a>	Julia Maguire The Capital Network M: +61 419 815 386 E: <a href="mailto:julia@thecapitalnetwork.com.au">julia@thecapitalnetwork.com.au</a>

### About Visioneering Technologies

Visioneering Technologies Inc. (ASX:VTI) is an innovative eye care company committed to redefining vision. Since its founding in 2008, Visioneering has brought together clinical, marketing, engineering, manufacturing and regulatory leaders from top vision care businesses to provide new solutions for presbyopia, myopia and astigmatism.

Headquartered in the US, Visioneering designs, manufactures, sells and distributes contact lenses. Its flagship product is the NaturalVue® Multifocal contact lens, and Visioneering has expanded its portfolio of technologies to address a range of eye care issues. The company has grown operations across the United States, Australia and Europe and is expanding into Asia with a focus on markets with high rates of myopia.

To learn more, please visit: [www.vtivision.com](http://www.vtivision.com)

### Foreign ownership restrictions

Visioneering's CHES Depositary Interests (**CDIs**) are issued in reliance on the exemption from registration contained in Regulation S of the US Securities Act of 1933 (**Securities Act**) for offers which are made outside the US. Accordingly, the CDIs have not been, and will not be, registered under the Securities Act or the laws of any state or other jurisdiction in the US. As a result of relying on the Regulation S exemption, the CDIs are 'restricted securities' under Rule 144 of the Securities Act. This means that you are unable to sell the CDIs into the US or to a US person for the foreseeable future except in very limited circumstances after the expiration of a restricted period, unless the re-sale of the CDIs is registered under the Securities Act or an exemption is available. To enforce the above transfer restrictions, all CDIs issued bear a 'FOR US' designation on the Australian Securities Exchange (**ASX**). This designation restricts any CDIs from being sold on ASX to US persons. However, you are still able to freely transfer your CDIs on ASX to any person other than a US person. In addition, hedging transactions with regard to the CDIs may only be conducted in accordance with the Securities Act.

### Forward-Looking Statements

This announcement contains or may contain forward-looking statements that are based on management's beliefs, assumptions and expectations and on information currently available to management. Forward-looking statements involve known and unknown risks, uncertainties,

contingencies and other factors, many of which are beyond the Company's control (including but not limited to the COVID-19 pandemic), subject to change without notice and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct.

All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. These include, without limitation, U.S. commercial market acceptance and U.S. sales of our product, as well as our expectations with respect to our ability to develop and commercialize new products.

Any forward-looking statements are provided as a guide only and should not be relied upon as an indication or guarantee of future performance. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. You should not place undue reliance on forward-looking statements because they speak only as of the date when made, and are subject to change without notice. Given the current uncertainties regarding the impact of the COVID-19 on the trading conditions impacting the Company, the financial markets and the health services world-wide, investors are cautioned not to place undue reliance on the current trading outlook.

Visioneering does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Visioneering may not actually achieve the plans, projections or expectations disclosed in forward-looking statements.



**PROSPECTUS**  
**VISIONEERING TECHNOLOGIES, INC.**  
**ARBN 616 156 248**

**Offer to Eligible Holders to participate in a Security Purchase Plan (SPP):** For the offer to Eligible Holders of up to 71,428,572 New CDIs at an issue price of \$0.014 per New CDI, together with one free attaching New Option for every two New CDIs issued, to raise up to \$1.0 million before costs. The SPP closes at 5.00pm (Australian Eastern Standard Time) on Friday, 19 June 2020 (unless extended).

**Shortfall Offer to Investors:** For the offer to Investors to acquire Shortfall CDIs forming any Shortfall from the SPP at an issue price of \$0.014 per Shortfall CDI, together with one free attaching New Option for every two Shortfall CDIs issued.

This Prospectus is also being issued in order to remove any trading restrictions on the sale of any CDIs issued upon the exercise of the New Options.

**This is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act.**

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE AN ELIGIBLE HOLDER YOU SHOULD READ THIS PROSPECTUS IN ITS ENTIRETY BEFORE DECIDING WHETHER TO APPLY FOR NEW CDIS.

IF YOU DO NOT UNDERSTAND ANY PART OF THIS PROSPECTUS, OR ARE IN ANY DOUBT AS TO HOW TO DEAL WITH IT, YOU SHOULD CONSULT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

SECURITIES OFFERED UNDER THIS PROSPECTUS SHOULD BE CONSIDERED SPECULATIVE.

**THIS DOCUMENT IS IMPORTANT AND SHOULD BE READ IN ITS ENTIRETY**

**Not for release to US wire services or distribution in the United States**

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## Important Information

### About this document

This Prospectus contains information relating to a proposed security purchase plan to be undertaken by Visioneering Technologies, Inc. ARBN 616 156 248 (**VTI** or **Company**). This Prospectus is important and requires your immediate attention. This Prospectus is dated 1 June 2020 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. The expiry date of the Prospectus is 5.00pm (Australian Eastern Standard Time) on the date that is 13 months after the date of this Prospectus (**Expiry Date**). No securities will be issued on the basis of this Prospectus after the Expiry Date.

This Prospectus is a 'transaction-specific' prospectus to which the special content rules under section 713 of the *Corporations Act 2001* (Cth) (**Corporations Act**) apply. This allows the issue of a concise prospectus in relation to an offer of securities, or options to acquire securities, in a class which has been continuously quoted by the Australian Securities Exchange (**ASX**) in the three months prior to the date of the prospectus. This Prospectus does not include all of the information that would be included for an initial public offering of securities. ASX maintains a database of publicly available information issued by VTI as a disclosing entity. None of ASIC, ASX or their respective officers, take any responsibility for the contents of this Prospectus or the merits of the securities to which this Prospectus relates.

This Prospectus is also being issued to remove any secondary trading restrictions on the sale of CDIs issued on exercise of the New Options.

### Offers

The Offers contained in this Prospectus are: (i) an invitation to Eligible Holders to acquire up to \$30,000 of New CDIs, together with one free attaching New Option for every two New CDIs issued to Eligible Holders under this Prospectus, at an issue price of \$0.014 (1.4 cents) per New CDI (**Issue Price**), to raise up to \$1,000,000 (before costs) (**SPP**); and (ii) an offer to Investors to acquire Shortfall CDIs forming part of the Shortfall under the SPP at an issue price of \$0.014 per Shortfall CDI, together with one free attaching New Option for every two Shortfall CDIs issued (**Shortfall Offer**).

Each New Option issued pursuant to this Prospectus will have an exercise price of \$0.028 (2.8 cents) and an expiry date of 30 June 2022.

### No exposure period

No exposure period applies to this Prospectus by operation of *ASIC Corporations (Exposure Period) Instrument 2016/74*.

### Obtaining a Prospectus and Application Form

Applications for New CDIs and New Options (collectively, **New Securities**) offered pursuant to this Prospectus can be submitted on an original Application Form. Paper copies of this Prospectus and an Application Form can be obtained free of charge during the Offer Period by calling VTI's CDI Registry, Computershare Investor Services Pty Ltd (**CDI Registry**), from 8.30am to 5.00pm, Monday to Friday (Melbourne time) on 1300 850 505 or +61 3 9145 4000.

### Electronic prospectus

This Prospectus is also available electronically at [www.asx.com.au](http://www.asx.com.au) or [www.investorcentre.com/au](http://www.investorcentre.com/au). The Application Form accompanying the electronic version of this Prospectus must only be used within Australia and New Zealand. An Application Form cannot be downloaded without also downloading this Prospectus. Electronic versions of this Prospectus should be downloaded and read in their entirety.

Applications for New Securities may only be made on the Application Form accompanying this Prospectus or in its paper copy form downloaded in its entirety from [www.investorcentre.com/au](http://www.investorcentre.com/au).

### Investor warning

The Offers contained in this Prospectus do not take into account the investment objectives, financial position and particular needs of individual investors. It is important that you read this Prospectus carefully and in full before deciding to apply for New Securities. In particular, you should consider the risk factors that could affect the financial performance of VTI in light of your personal circumstances and seek professional advice from your accountant, tax adviser, stockbroker, lawyer or other professional adviser before deciding to invest.

### **No representation other than in this Prospectus**

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

Except as required by law, and only to the extent so required, neither VTI nor any other person warrants or guarantees the future performance of VTI or any return on any investment in New Securities made pursuant to this Prospectus, or on the exercise of the New Options issued under this Prospectus.

### **Risk Factors**

Potential investors should be aware that subscribing for the New Securities and exercising any New Options involves a number of risks. The key risk factors which investors should be aware are set out in Section 8 of this Prospectus. These risks, together with other general risks applicable to all investments in listed and unlisted securities, which are not specifically referred to, may affect the value of the New Securities in the future.

### **Forward-looking statements**

This Prospectus contains or may contain forward-looking statements that are based on management's beliefs, assumptions and expectations and on information currently available to management. Forward-looking statements involve known and unknown risks, uncertainties, contingencies and other factors, many of which are beyond VTI's control (including but not limited to the COVID-19 pandemic), subject to change without notice and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct.

All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. These include, without limitation, U.S. commercial market acceptance and U.S. sales of our product, as well as our expectations with respect to our ability to develop and commercialise new products.

Any forward-looking statements are provided as a guide only and should not be relied upon as an indication or guarantee of future performance. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. You should not place undue reliance on forward-looking statements because they speak only as of the date when made, and are subject to change without notice. Given the current uncertainties regarding the impact of the COVID-19 on the trading conditions, VTI, the financial markets and the health services world-wide, investors are cautioned not to place undue reliance on the current trading outlook. VTI does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. VTI may not actually achieve the plans, projections or expectations disclosed in forward-looking statements.

### **Foreign jurisdictions**

The Offers are not being extended to CDI holders in jurisdictions outside Australia and New Zealand and no action has been taken to register, or otherwise permit, the offer of New Securities to be made under the laws of any jurisdiction outside of Australia and New Zealand. In particular, the New Securities offered under the Offers have not been, and will not be registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States. It is your responsibility to ensure that you comply with any laws of your jurisdiction which are applicable to you and which are relevant to your applying for New Securities under the Offers.

The distribution by you of this Prospectus (including an electronic copy) outside Australia and New Zealand may be restricted by law. You should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities law.

This Prospectus has been prepared for publication in Australia and New Zealand and may not be released or distributed in the United States. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this Prospectus have not been, and will not be, registered under the US Securities Act, or any state securities laws, and until so registered, may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the US Securities Act and applicable state securities laws. Hedging transactions involving any securities described in this Prospectus may not be conducted unless in compliance with the US Securities Act.

In order to enforce the above transfer restrictions whilst ensuring that Eligible Holders can still trade their New CDIs on ASX, the New CDIs will bear a "FOR US" designation on ASX. As a result of the imposition of the "FOR US" designation, all holders of CDIs in VTI will be restricted from selling their CDIs on ASX to United States persons.

### **No recommendation**

The Offers are not a recommendation to acquire New Securities. This Prospectus does not constitute financial product advice and does not take into account the individual investment objectives, financial situation or particular needs of each Eligible Holder or Investor. Eligible Holders wanting to participate in the SPP should obtain independent advice in relation to the taxation and other consequences of an investment under the SPP before making a decision as to whether to participate in the SPP. A cooling-off regime does not apply in relation

to the acquisition of New Securities under the SPP. Investors wanting to participate in the Shortfall Offer (if any) should obtain independent advice in relation to the taxation and other consequences of an investment under the Shortfall Offer before making a decision as to whether to participate. A cooling-off regime does not apply in relation to the acquisition of New Securities under the Shortfall Offer.

#### **Definitions and references to time**

Capitalised words and expressions in this Prospectus have the meanings given in Section 11.

A reference to time in this Prospectus is to Australian Eastern Standard Time, unless otherwise stated.

All financial amounts in this Prospectus are references to Australian currency, unless otherwise stated.

#### **Photographs and diagrams**

Any photographs used in this Prospectus without descriptions are only for illustration. Any diagrams used in this Prospectus may not be drawn to scale. Any assets depicted in photographs in this Prospectus are not assets of VTI unless otherwise stated.

#### **Privacy**

If you apply for New Securities, you will provide personal information to VTI and the CDI Registry. VTI and the CDI Registry collect, hold and use your personal information in order to assess your application, service your needs as a holder of the CDIs and Options, provide facilities and services that you request and carry out appropriate administration. Company and tax laws require some of the information to be collected. If you do not provide the information requested, your application may not be able to be processed efficiently, or at all.

Each of VTI and the CDI Registry may disclose your personal information for purposes related to your CDI and Option holding to each other and to their respective agents and services providers including those listed below or as otherwise authorised under the *Privacy Act 1988* (Cth) (**Privacy Act**):

- in the case of VTI, to the CDI Registry for ongoing administration of the CDI and Option registers; and
- in the case of VTI and the CDI Registry, to printers and mailing houses for the purposes of preparation and distribution of Securityholder information and for handling of mail.

Under the Privacy Act, you may request access to your personal information held by (or on behalf of) VTI or the CDI Registry. You can request access to your personal information by emailing or writing to VTI through the CDI Registry as follows:

Visioneering Technologies, Inc.  
c/- Computershare Investor Services Pty Limited  
Yarra Falls, 452 Johnston Street  
Abbotsford, Victoria 3067  
Australia

#### **Date of this document**

This Prospectus is dated 1 June 2020.

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# Chairman's Letter

1 June 2020

Dear Securityholders

## Offer of CHESS Depository Interests and Options under Security Purchase Plan

On behalf of the Board, I am pleased to invite you to participate in the VTI Security Purchase Plan (**SPP**) which was announced on 29 April 2020. The SPP forms part of a capital raising that also includes a A\$5.03 million placement to sophisticated and professional investors (**Placement**), which is expected to complete on 4 June 2020.

The SPP provides Eligible Holders the opportunity to invest up to approximately A\$30,000 in new CHESS Depository Interests (**New CDIs**) representing new fully paid shares of Class A common stock in VTI (**Shares**) without paying any brokerage, commissions or other transaction costs. For every two New CDIs subscribed for under the SPP, an Eligible Holder will also be issued one free new unlisted option with an exercise price of A\$0.028 and an expiry date of 30 June 2022 (**New Options**).

The offer price of the New CDIs issued under the SPP is A\$0.014 per CDI (**Issue Price**), the same as the issue price under the Placement.

### Amount to be raised and use of proceeds

The SPP aims to raise A\$1.0 million however, VTI may determine to raise a higher amount or scale back applications at its absolute discretion. The SPP is not underwritten.

As announced to the market on 29 April 2020, the funds raised under the SPP and Placement will be used for preparation for additional international expansion and new product launches, completion of clinical trials currently in progress and to meet general working capital purposes.

### Who is eligible to participate?

Participation in the SPP is optional. To be eligible to participate in the SPP, you must have been a registered holder of CDIs at 7.00pm (Australian Eastern Standard Time) on Tuesday, 28 April 2020, and have a registered address in Australia or New Zealand.

Persons who hold CDIs on behalf of persons residing outside Australia or New Zealand, who are in the United States, or who act for the account or benefit of a person in the United States, are not entitled to participate in the SPP.

### Action you should take

**The SPP opens on Wednesday, 3 June 2020 at 9.00am and is currently scheduled to close at 5.00pm (Australian Eastern Standard Time) on Friday, 19 June 2020.** If you wish to subscribe for New CDIs (and free attaching New Options) under the SPP, you must ensure that your application and payment is received by this time in accordance with the instructions set out in Section 4.3.

For further information regarding the SPP, please call Computershare Investor Services Pty Limited on 1300 850 505 (within Australia) or +61 3 9145 4000 (outside Australia) between 8.30am and 5.00pm (Australian Eastern Standard Time) on Business Days during the Offer Period.

## Prospectus


This Prospectus contains important information regarding the SPP (and the offer of any Shortfall under the SPP), and I encourage you to read it carefully before making any investment decision, having particular regard to the “Risk Factors” outlined in Section 8 of this Prospectus.

This Prospectus is a “transaction-specific” prospectus to which the special content rules under section 713 of the Corporations Act apply. This allows the issue of a concise prospectus in relation to an offer of securities, or options to acquire securities, that are in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. This Prospectus does not include all of the information that would be included for an initial public offering of securities. Accordingly, you should have regard to VTI’s recent announcements on ASX (available at [www.asx.com.au](http://www.asx.com.au)).

If you have any questions, you should consult your financial or other professional adviser.

We welcome your participation in the SPP and, on behalf of the board of VTI, I thank you for your ongoing support.

Yours sincerely

A handwritten signature in black ink, appearing to read 'David J Mazzo', with a stylized flourish at the end.

Dr. David J Mazzo  
Chairman

## Key Dates for SPP

Event	Date
Record Date <i>Date for determining Eligible Holders</i>	7.00pm on Tuesday, 28 April 2020
Opening Date <i>Offer under the SPP opens</i>	9.00am on Wednesday, 3 June 2020
Closing Date <i>Offer under the SPP closes</i>	5.00pm on Friday, 19 June 2020
Allotment Date <i>New CDIs under the SPP are issued</i>	Tuesday, 30 June 2020
Dispatch of holding statements	Wednesday, 1 July 2020

Dates and times in this Prospectus are indicative only and subject to change. All dates and times are references to Australian Eastern Standard Time.

VTI reserves the right to amend any or all of these dates and times, subject to the Corporations Act, the ASX Listing Rules and other applicable laws and regulations.

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## 1 Important Notes

This Prospectus is dated 1 June 2020 and was lodged with ASIC on that date. 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 VTI in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The securities that are the subject of this Prospectus should be considered speculative.

Applications for New CDIs (and free attaching New Options) offered pursuant to this Prospectus can only be submitted on an original 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. In making representations in this Prospectus regard has been had to the fact that VTI is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

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## 2 Company Update

### 2.1 Background

VTI is an innovative eye care company committed to redefining vision. Since its founding in 2008, VTI has brought together clinical, marketing, engineering, manufacturing and regulatory leaders from top vision care businesses to provide new solutions for presbyopia, myopia and astigmatism.

Headquartered in the US, VTI designs, manufactures, sells and distributes contact lenses. Its flagship product is the NaturalVue® Multifocal contact lens, and VTI has expanded its portfolio of technologies to address a range of eye care issues. VTI has grown operations across the United States, Australia and Europe and is expanding into Asia with a focus on markets with high rates of myopia.

### 2.2 Impact of COVID-19 and other company updates

The COVID-19 pandemic has resulted in new regulations, government policies, legislation and significantly to VTI, changes to eye care providers' (**ECPs**) practices and how companies and patients interact with practitioners in healthcare. As COVID-19 accelerated in March 2020, most ECPs either chose or were forced to temporarily close their physical practices. In mid-March 2020, VTI ordered its field staff to also work from home, and to increase use of electronic and telephonic means of communications with ECPs. VTI expects that these changes to our marketplace, combined with the general economic decline caused by COVID-19, will have material effects on VTI's abilities to sell its products in the near term.

At this point, it is impossible to predict the depth and length of the decline in VTI's US and international markets, or the timing and trajectory of the recovery. However, VTI is seeing pockets of improvement in our US market, with many ECPs either reopening or planning to reopen their practices in May and June 2020. These re-openings will likely entail enduring changes that include social distancing, such as slowed patient throughput, and continued reliance on electronic and telephonic communication between ECPs and product suppliers like VTI. These changes to ECP operations will likely slow VTI's revenue growth in the near term.

In order to position VTI for the impacts of COVID-19, on 2 April 2020, VTI undertook changes to minimise its cash outflows. First, the Company reduced its workforce by 22 employees (out of a total of 42). The Company retained 11 of its 30 sales and marketing employees. The Company also retained all personnel and systems necessary to maintain regulatory and quality compliance, ensuring critical sales and support to the Company's current ECPs, patients, and its international partners.

Second, VTI has delayed the launches of new products, delayed clinical projects, and has reduced cash salaries company wide. The Company will reconsider launches of new products and clinical projects as capital markets and international economies recover. The Company plans to continue its development of sales and distribution partners for international territories, such as Singapore, Malaysia and Hong Kong.

Third, VTI has received commitments totalling approximately A\$5.03M for a placement of VTI's CDIs to Investors. This financing is expected to close in the first week of June 2020. Additionally, VTI has received loan proceeds (part of which is forgivable) under the Paycheck Protection Program (**PPP**) (see announcement on 21 April 2020 for details). Together, with the changes to personnel, projects, the Placement, the PPP loan, and this SPP, VTI expects that it will be able to fund its current scale of operations until approximately September 2021. If the COVID-19 impacts are deeper or last longer than VTI anticipates, the Company would need to

access additional funding sooner than September 2021 or make additional changes to its operational scale.

VTI's partners outside the United States are also being heavily impacted by COVID-19. Menicon, with whom VTI has partnered for sales and distribution in Europe, has not yet launched VTI's products. VTI expects that Menicon will launch VTI's products as commerce returns to normal in Europe, timing that is difficult to predict at this time. In other geographies, such as Southeast Asia and Hong Kong, VTI continues to develop partnerships that will be required to enable product launches in those territories and expects to formalise at least one of those partnerships in 2020. VTI also expects to launch in Canada in 2020, as VTI recently received regulatory clearance there, and leading this launch will be our US-based sales staff and logistics partners.

With regard to VTI's supply chain, VTI has experienced no interruptions in supply, and does not foresee interruptions in its ability to deliver its products to practitioners and patients.

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### **3 Key SPP Information**

#### **3.1 What is the SPP?**

The SPP provides Eligible Holders with the opportunity to subscribe for \$30,000 worth of New CDIs together with free attaching New Options without paying any brokerage or other charges.

New CDIs issued under the SPP will be listed and will rank equally in every respect with the existing CDIs quoted on ASX, with the same voting rights, distribution rights and other entitlements from the issue date.

The choices available to Eligible Holders in respect of the SPP are described in Sections 4.2 to 4.4.

The SPP is not underwritten.

The SPP opens at 9.00am (Australian Eastern Standard Time) on Wednesday, 3 June 2020 and is currently scheduled to close at 5.00pm (Australian Eastern Standard Time) on Friday, 19 June 2020.

#### **3.2 Why is VTI issuing New CDIs?**

VTI is issuing New CDIs under the Offers and the Placement in order to raise funds to be applied towards international expansion, in preparation for new product launches, completion of clinical trials currently in progress, and to meet other costs and working capital.

#### **3.3 Am I an Eligible Holder?**

Eligible Holders are all holders of CDIs as at the Record Date with a registered address in Australia or New Zealand.

The SPP is also being extended to Eligible Holders who are Custodians or nominees for them to participate in the SPP on behalf of certain eligible beneficiaries (who are Australian or New Zealand residents) on the terms and conditions provided in this Prospectus.

Persons who hold CDIs on behalf of persons residing outside Australia or New Zealand, who are in the United States, or who act for the account or benefit of a person in the United States, are not entitled to participate in the SPP on behalf of those persons.

#### **3.4 Do I have to participate in the SPP?**

Participation in the SPP is optional. If you do not want to participate, then you are not required to take any further action.

The offer under the SPP is non-renounceable which means that you cannot transfer your right under the SPP to purchase New CDIs to anyone else.

#### **3.5 What is the Issue Price?**

The Issue Price is \$0.014 per New CDI, which is the same price at which CDIs were offered to Investors under the Placement. The Issue Price is a 15% discount to the 15-day VWAP of CDIs ending on Wednesday, 22 April 2020 (the last trading date before announcement of the SPP and Placement).

The New Options will be issued for nil consideration.

There is a risk that the market price of CDIs may rise or fall between the Record Date, the date of this Prospectus, the date on which an Eligible Holder makes a payment for the New CDIs or sends in an Application Form and at the time of issue of the New CDIs under the SPP. This means that the price you pay for the New CDIs issued to you may be less than or more than the market price of CDIs at the date of this Prospectus or the time of issue of the New CDIs.

Subject to the Corporations Act, your application is unconditional and may not be withdrawn even if the market price of CDIs is less than the Issue Price.

The current CDI price can be obtained from ASX under the ticker code "VTI".

### **3.6 How much can I invest under the SPP and how many New CDIs and New Options will I receive?**

Eligible Holders may apply for a certain dollar value of CDIs under the SPP with one of the application amounts set out in the table below. The minimum application amount is A\$1,000 or 71,428 New CDIs (together with 35,714 free attaching Options). The maximum application amount under the SPP is \$30,000 or 2,142,857 New CDIs (together with 1,071,428 free attaching New Options). VTI will divide your application amount by the Issue Price in order to determine the number of New CDIs for which you have applied, rounded down to the nearest whole number of CDIs, as follows (assuming no Scale Back):

<b>Application amount (A\$)</b>	<b>Number of New CDIs</b>	<b>Number of free attaching New Options</b>
\$1,000	71,428	35,714
\$2,000	142,857	71,428
\$5,000	357,142	178,571
\$10,000	714,285	357,142
\$15,000	1,071,428	535,714
\$20,000	1,428,571	714,285
\$25,000	1,785,714	892,857
\$30,000	2,142,857	1,071,428

If applicable, the number of New Options will be rounded down to the nearest whole number after dividing the number of New CDIs by two.

### **3.7 What costs are associated with the SPP?**

No brokerage, commissions or other transaction costs are payable by Eligible Holders in relation to the application for, and the issue of, New CDIs and New Options under the SPP.

### **3.8 What are the New Options and what is my entitlement to them?**

The New Options are free attaching options, issued to participants under the SPP who subscribe for New CDIs.

Eligible Holders will be issued one New Option for every two New CDIs subscribed for under the SPP. The New Options will be issued for nil consideration and will be exercisable at \$0.028, expiring on 5.00pm (Australian Eastern Standard Time) on 30



June 2022. Each New Option gives the holder the right to subscribe for one CDI upon exercise. The terms of the New Options offered under this Prospectus are set out in Section 9.7.

### **3.9 What to do I do if I receive more than one Application Form?**

Eligible Holders who receive more than one Application Form under the SPP or who are able to participate in the SPP as an underlying beneficial owner of an eligible Custodian (e.g. where Eligible Holder holds CDIs in more than one capacity), may apply on different Application Forms for CDIs, however the total aggregate amount that is applied for must not exceed \$30,000.

### **3.10 How do I apply?**

#### Option 1: Pay by BPAY®

This is the fastest and easiest way to apply.

To make a payment by BPAY®, you must use the unique Reference Number printed on your Application Form. If you make your payment by BPAY®, you do not need to return your Application Form, but you will be taken to have given the representations set out in your Application Form. Once payment is submitted, you will not be able to withdraw, revoke or amend your application or the BPAY® payment.

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. You may also have your own limit on the amount you can pay via BPAY®. It is your responsibility to check the amount you wish to pay via BPAY® does not exceed your limit.

#### Option 2: Pay by cheque, bank draft or money order

You can complete the Application Form enclosed with this Prospectus and return it together with a cheque, bank draft or money order in payment for the CDIs in the enclosed reply paid envelope to:

Visioneering Technologies, Inc.  
c/- Computershare Investor Services Pty Limited  
GPO Box 505  
Melbourne VIC 3001

Payments must be made in Australian dollars.

Cheques, bank drafts or money orders should be payable to "Visioneering Technologies, Inc." and crossed "Not Negotiable".

Eligible Holders in New Zealand will need to affix the appropriate postage to the reply envelope.

All payments and applications must be received no later than 5.00pm (Australian Eastern Standard Time) on 19 June 2020.

### **3.11 What transfer restrictions will apply to CDIs issued under the SPP?**

The SPP is being made available to Eligible Holders in reliance on the exemption from registration contained in Regulation S of the US Securities Act for offers which are made outside the United States.

You will not be able to sell the New CDIs issued to you under the SPP into the United States or to a US person for a period of one year after the date of allotment unless the re-sale of securities is registered under the US Securities Act or an exemption is available.

**3.12 How will the transfer restrictions on New CDIs issued under the SPP be enforced?**

All New CDIs will bear a “FOR US” designation on ASX. This designation effectively automatically prevents any CDIs from being sold on ASX to US persons.

You will still be able to freely transfer your CDIs on ASX to any person other than a US person.

**3.13 What is the Shortfall Offer?**

If the SPP is not fully subscribed, VTI may offer any New CDIs not subscribed for by Eligible Holders under the SPP (the **Shortfall CDIs**) to Investors under the Shortfall Offer. The Shortfall Offer is a separate placement to professional or sophisticated investors at the discretion of the Directors to acquire Shortfall CDIs at an issue price of \$0.014 per Shortfall CDI, together with one free attaching New Option for every two Shortfall CDIs issued.

See Section 5 for further details.

**3.14 Who do I contact with further questions?**

If you have any other queries in relation to the SPP, please call Computershare Investor Services Pty Limited between 8.30am and 5.00pm (Australian Eastern Standard Time) Monday to Friday during the Offer Period, on 1300 850 505 if calling from within Australia or +61 3 9145 4000 if calling from outside Australia.

**3.15 Important information**

This Prospectus contains important information regarding the SPP, and investors should read it carefully before making any investment decision, having particular regard to the “Risk Factors” outlined in Section 8 of this Prospectus.

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## 4 Overview of the SPP

### 4.1 SPP offer to Eligible Holders

By this Prospectus, all Securityholders who are registered as holders of VTI's CDIs as at 7.00pm (Australian Eastern Standard Time) on Tuesday, 28 April 2020 (**Record Date**) with a registered address in Australia or New Zealand, (**Eligible Holders**) are invited to participate in the SPP. CDI holders with a registered address outside Australia or New Zealand are considered ineligible CDI holders and cannot participate in the SPP.

If you are an Eligible Holder, your rights under the SPP are personal to you and cannot be transferred to another person.

Under the SPP, VTI offers Eligible Holders the opportunity to purchase up to \$30,000 worth of New CDIs at the Issue Price of \$0.014 per New CDI. Eligible Holders who subscribe for New CDIs will also be issued one free attaching New Option, on the basis of one New Option for every two New CDIs validly subscribed for under the SPP. The SPP offer is subject to the terms and conditions set out in this Prospectus.

### 4.2 Your choices

Before taking any action, you should read this Prospectus in its entirety and, if you have any questions, consult your financial or other professional adviser.

If you are an Eligible Holder, the following choices are available to you:

Option	See Section
Participate in the SPP	4.3
Take no action	4.4

### 4.3 How to participate in the SPP

Participation in the SPP by Eligible Holders is optional.

Eligible Holders may participate in the SPP by applying to purchase a parcel of New CDIs (and free attaching New Options) in the following amounts, up to a maximum amount of \$30,000 per Eligible Holder:

Application amount (A\$)	Number of New CDIs	Number of free attaching New Options
\$1,000	71,428	35,714
\$2,000	142,857	71,428
\$5,000	357,142	178,571
\$10,000	714,285	357,142
\$15,000	1,071,428	535,714
\$20,000	1,428,571	714,285
\$25,000	1,785,714	892,857
\$30,000	2,142,857	1,071,428

The number of New CDIs issued to an applicant will be rounded down to the nearest whole number after dividing the application monies by the Issue Price. If applicable, the number of New Options issued to an applicant will also be rounded down to the nearest whole number after dividing the number of New CDIs by two.

To subscribe for the New CDIs and New Options offered under the SPP, please complete the accompanying Application Form according to the instructions on the form.

The Issue Price of \$0.014 per New CDI is payable in full on application.

Payments must be received by 5.00pm (Australian Eastern Standard Time) on the Closing Date and must be in Australian currency and made by:

- (a) cheque drawn on and payable at any Australian bank;
- (b) bank draft or money order drawn on and payable at any Australian bank; or
- (c) BPAY®.

If you wish to pay by BPAY®, you do not need to return the Application Form. You simply need to follow the instructions on the Application Form. Different financial institutions may implement earlier cut-off times with regards to electronic payment, so please take this into consideration when making payment by BPAY®. It is your responsibility to ensure that funds submitted through BPAY® are received by no later than 5.00pm (Australian Eastern Standard Time) on the Closing Date.

VTI will treat you as applying for as many New CDIs as your payment will pay for in full up to a maximum \$30,000, subject to any Scale Back that VTI may implement.

Cheques, bank drafts and money orders must be made payable to "Visioneering Technologies, Inc." and crossed "Not Negotiable". Cash payments will not be accepted. Receipts for payment will not be provided.

VTI will not be responsible for any postal or delivery delays or delay in the receipt of your BPAY® payment.

Application monies will be held in trust in a subscription account until New CDIs are issued. Any interest earned on application monies will be for the benefit of VTI and will be retained by VTI irrespective of whether any issue of New CDIs takes place.

Unless you are paying by BPAY®, completed Application Forms and payment of application monies should be forwarded to the CDI Registry by mail in the enclosed prepaid envelope or, if you are outside of Australia or do not use the prepaid envelope, by mail addressed to:

Visioneering Technologies, Inc.  
c/ - Computershare Investor Services Pty Limited  
GPO Box 505  
Melbourne VIC 3001

Completed Application Forms and payments must be received by 5.00pm (Australian Eastern Standard Time) on the Closing Date.

Please note that all acceptances, once received, are irrevocable.

#### **4.4 If you do nothing**

If you do not wish to participate in the SPP, you do not need to take any action.

If you do not apply for New CDIs under the SPP, your percentage ownership in VTI will be diluted because the issue of New CDIs under the Offers and Placement will increase the total number of CDIs on issue. See Section 7 for further details on the effect of the Offers on VTI.

#### **4.5 Representations you will make by acceptance**

By completing and returning your Application Form or making a payment by BPAY®, you will be deemed to have:

- (a) represented and warranted that the total application price for the following does not exceed \$30,000:
  - (i) the New CDIs the subject of your application;
  - (ii) any other CDIs issued to you under an arrangement similar to the SPP in the 12 months before the date of the application under the SPP (for the avoidance of doubt, an entitlement offer is not an arrangement similar to the SPP);
  - (iii) any other New CDIs which you have instructed a Custodian or nominee to acquire on your behalf under the SPP; and
  - (iv) any other CDIs issued to a Custodian or nominee under an arrangement similar to the SPP in the 12 months before the date of your application for New CDIs (and free attaching New Options) as a result of an instruction given by you to the Custodian or nominee and which results in you holding beneficial interests in such CDIs, even though you may have received more than one offer or received offers in more than one capacity;
- (b) represented and warranted that there has been no breach by you of the laws of the country which apply to you and are relevant to you applying for New CDIs (and free attaching New Options) under the SPP;
- (c) acknowledged that you have fully read and understood this Prospectus and the Application Form in their entirety and you acknowledge the matters and make the warranties and representations and agreements contained in this Prospectus and the Application Form;
- (d) agreed to be bound by the terms of the SPP, the provisions of this Prospectus and VTI's bylaws and certificate of incorporation;
- (e) authorised VTI to register you as the holder of the New CDIs allotted to you;
- (f) declared that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the SPP;
- (g) acknowledged that once VTI receives your Application Form or any payment of application monies via BPAY®, you may not withdraw your application or funds provided except as allowed by law;
- (h) agreed to apply for and be issued up to the number of New CDIs (and free attaching New Options) specified in the Application Form, or for which you have submitted payment of any application monies via BPAY®, at the Issue Price per New CDI;

- (i) authorised VTI, the CDI Registry and their respective officers, employees or agents to do anything on your behalf necessary for New CDIs and New Options to be issued to you;
- (j) declared that you were the registered holder at the Record Date;
- (k) acknowledged that the information contained in this Prospectus and your Application Form is not investment advice nor a recommendation that the New CDIs (and free attaching New Options) are suitable for you given your investment objectives, financial situation or particular needs;
- (l) acknowledged the statement of risks in the 'Risk Factors' Section of this Prospectus and that investments in VTI are subject to risk;
- (m) acknowledged that none of VTI or its related bodies corporate, affiliates and none of its or their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of VTI, nor do they guarantee the repayment of capital;
- (n) agreed to provide any requested substantiation of your eligibility to participate in the SPP and your holding of CDIs on the Record Date; and
- (o) authorised VTI to correct any errors in your Application Form.

#### **4.6 VTI's discretion with regard to application**

VTI may accept or reject any application under the SPP, including where:

- (a) you are not making a BPAY® payment, your Application Form is incorrectly completed, incomplete or the application is otherwise determined by VTI to be invalid;
- (b) you made a payment by cheque or money order and the cheque or money order is dishonoured or has otherwise not been completed correctly;
- (c) the amount of your BPAY® payment or cheque or money order is not equal to \$1,000, \$2,000, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000 or \$30,000. If this occurs, VTI may either:
  - (i) refund in full your application monies and not allot any New CDIs and New Options to you; or
  - (ii) allot you the number of New CDIs and New Options that would have been allotted had you applied for the highest designated amount that is less than the amount of your payment and refund to you the excess of your application monies;
- (d) it appears that you are applying to purchase more than \$30,000 worth of New CDIs in aggregate (including as a result of any CDIs you hold directly, jointly or through a Custodian or nominee arrangement);
- (e) your Application Form, BPAY® payment, cheque or money order is received after 5.00pm (Australian Eastern Standard Time) on Friday, 19 June 2020;
- (f) payment of the application monies is not submitted in Australian currency or, if payment is made by cheque or money order, the cheque or money order is not drawn on an Australian financial institution;

- (g) VTI reasonably believes that you are not eligible to participate in the SPP (subject to compliance with any applicable ASIC or ASX requirements).

#### **4.7 No cooling off rights**

Cooling off rights do not apply to an investment in New CDIs. Subject to the Corporations Act, you cannot withdraw your application once it has been made.

#### **4.8 Refunds**

If you are entitled to a refund of all or any of your application monies (and the refund amount is greater than \$2.00), the refund will be paid, without interest, as soon as practicable:

- (a) by direct debit to your nominated bank account (as recorded by the CDI Registry) or by cheque sent to your registered address; or
- (b) by returning the Eligible Holder's Application Form and cheque, bank draft or money order, if not processed, to your registered address.

In all cases, the payment method will be at VTI's election.

#### **4.9 Scale Back**

If applications under the SPP exceed \$1.0 million, VTI may undertake a Scale Back at its absolute discretion (or raise a higher amount under the SPP to reduce or eliminate the need for a Scale Back). Whilst VTI retains the discretion to undertake a Scale Back in any manner it sees fit, it currently expects that any Scale Back would be applied on a pro rata basis to all participants having regard to their existing securityholding. If the Scale Back produces a fractional number of CDIs when applied to a parcel of CDIs, the number of New CDIs allocated will be rounded down to the nearest whole number of CDIs.

If VTI undertakes a Scale Back, the difference between the application monies received, and the number of New CDIs issued to you multiplied by the Issue Price, will be refunded to you (without interest) in accordance with Section 4.8.

Whilst VTI is aiming to raise A\$1.0 million under the SPP, the Company reserves the right to raise more or less than this amount.

#### **4.10 Issue of New Securities**

VTI currently expects that the New Securities will be issued by 30 June 2020 and that holding statements will be posted by 1 July 2020.

#### **4.11 Ranking of New CDIs**

When issued, the New CDIs will be fully paid and will rank equally with all other outstanding CDIs.

#### **4.12 Overseas Securityholders**

This Prospectus is only intended to be distributed and made available to existing Securityholders of VTI and personal to each Securityholder to whom it has been delivered. 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 VTI to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Securityholders, the number and value of securities these Securityholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the offer to participate in the SPP is not being extended and securities will not be issued to Securityholders outside Australia and New Zealand.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the securities the subject of this Prospectus or otherwise permit a public offering of the securities the subject of this Prospectus in any jurisdiction outside Australia and New Zealand.

If you are outside Australia and New Zealand it is your responsibility to obtain all necessary approvals for the issue of securities pursuant to this Prospectus. The return of a completed Application Form will be taken by VTI to constitute a representation and warranty by you that all relevant approvals have been obtained.

#### **4.13 Notice to Custodians**

The SPP is being extended to Eligible Holders who are Custodians and who wish to apply for New CDIs (and New Options) on behalf of certain Eligible Beneficiaries.

The SPP is being offered to Custodians as the registered CDI holder. Custodians are not required to participate on behalf of their Eligible Beneficiaries. Custodians may choose whether or not to extend the SPP to their Eligible Beneficiaries.

If you wish to apply as a Custodian under the SPP to receive New CDIs and New Options for one or more Eligible Beneficiaries, you must complete and submit an additional custodian certificate before your application will be accepted. Applications by Custodians that are not accompanied by a duly completed custodian certificate will be rejected. By applying as a Custodian on behalf of Eligible Beneficiaries to purchase New CDIs (and New Options), you certify (amongst other things) that each Eligible Beneficiary has not exceeded the A\$30,000 limit.

Custodians may not distribute this Prospectus in any country outside Australia and New Zealand.

#### **4.14 Withdrawal of SPP**

VTI reserves the right to withdraw all or part of the SPP, and this Prospectus, at any time, subject to applicable laws. In that case, VTI will refund application monies in relation to New CDIs not already issued in accordance with the Corporations Act and without payment of interest.

#### **4.15 Dispute resolution**

VTI may settle in any manner it thinks fit, and any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP whether generally or in relation to any participant, application, or securities and the decision of VTI shall be conclusive and binding on all participants and other persons to whom the determination relates.



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## 5 Shortfall Offer

Any New CDIs (and free attaching New Options) that are not purchased under the SPP will form the Shortfall CDIs (along with the applicable New Options) and may be offered to Investors as a separate placement at the discretion of the Directors under the Shortfall Offer. The issue price for each Shortfall CDI to be issued under the Shortfall Offer will be \$0.014 (the same issue price as under the SPP) and each investor will receive one free attaching New Option for every two Shortfall CDIs subscribed for.

The Shortfall Offer is a separate offer made pursuant to this Prospectus, on the same terms and conditions as the SPP (except as otherwise set out in this Prospectus) and will remain open after the Closing Date.

The Board reserves the right to issue the Shortfall CDIs (and free attaching New Options) at their discretion to third party Investors (which may include Eligible Holders). In exercising their discretion to issue the Shortfall CDIs (and free attaching New Options), the Board will take into consideration a number of factors including the possible dilution to existing Securityholders, the financial needs of VTI, the issue price of the Shortfall CDIs (which will be the Issue Price) and the proposed use of funds.

Application forms in respect of the Shortfall Offer will only be provided to Investors who are invited by VTI to participate in the Shortfall Offer. Such Investors will need to follow the procedure advised to them by VTI for applications under the Shortfall Offer.

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## 6 On-sale of CDIs

In addition to making the offer to Eligible Holders to participate in the SPP and Investors to participate in the Shortfall Offer, this Prospectus will also be relied on to ensure that the on-sale of the underlying CDIs to be issued upon the exercise of the New Options is in accordance with *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

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## 7 Effect of SPP on VTI

This Section considers the effect of the SPP on the Company and also takes into account the effect of the Placement where applicable. The Placement is expected to complete on Thursday, 4 June 2020 and will raise \$5.03 million (before costs).

Unless otherwise stated, this Section assumes that the SPP is fully subscribed, in which case all New CDIs and New Options will be issued under the SPP and none will be issued pursuant to the Shortfall Offer. The position will not be materially different from that set out below if some New CDIs and New Options are issued under the SPP and some under the Shortfall Offer.

### 7.1 Purpose and use of funds

VTI is raising capital under the SPP (and the Placement) for the following purposes:

- (a) preparation for additional international expansion;
- (b) preparation for new product launches;
- (c) completion of clinical trials currently in progress; and
- (d) general working capital requirements.

Along with the implementation of cost saving measures (including the reduction in VTI's work force) as announced by VTI on 2 April 2020 and the loan for approximately A\$1.6 million under the PPP from the United States government (announced by VTI on 21 April 2020), VTI expects that cash raised under the SPP and Placement should fund VTI until approximately September 2021, assuming recovery from the impact of the COVID-19 pandemic begins in the third quarter of the 2020 Fiscal Year.

### 7.2 Effect of the SPP and Placement

The principal effect of the SPP will be to issue a maximum of 71,428,572 New CDIs and 35,714,286 New Options (assuming the SPP is fully subscribed for).

The principal effect of the SPP and the Placement (including the issue of CDIs and Options to the Non-Executive Directors in conjunction with the Placement) will be to:

- (a) increase the total number of CDIs on issue by a maximum 436,362,137 CDIs (assuming the SPP is fully subscribed for);
- (b) increase the total number of Options on issue by 218,181,061 Options (assuming the SPP is fully subscribed for);
- (c) increase cash reserves by approximately \$6.1 million immediately after completion of the SPP and Placement (before costs);<sup>1</sup> and
- (d) if all 218,181,061 Options are issued and exercised, provide the Company with exercise proceeds of \$6,109,069 (before costs) and an additional 218,181,061 CDIs will be issued.

Section 7.4 provides further details on the effect of the SPP and Placement on the capital structure of VTI.

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<sup>1</sup> Includes the Non-Executive Directors fees (\$79,070) which are being used to subscribe for CDIs and Options in conjunction with the Placement.

### 7.3 Financial impact

The pro-forma consolidated balance sheet has been prepared, assuming:

- (a) the issue of 359,285,709 CDIs under the Placement to raise gross proceeds of \$5.03 million;
- (b) the issue of 5,647,856 CDIs to Non-Executive Directors in conjunction with the Placement using a portion of their directors fees (to a total value of \$79,070);
- (c) the issue of a maximum 71,428,572 New CDIs under the SPP to raise gross proceeds of \$1.0 million;
- (d) that the costs and expenses of the SPP and Placement will range from approximately US\$383,000 to approximately US\$423,000, depending on the level of subscription for the SPP;
- (e) a foreign exchange rate of A\$1.00 to US\$0.6640 (being the exchange rate published by the Reserve Bank of Australia on 27 May 2020);
- (f) no Options or warrants as at the date of this Prospectus are exercised; and
- (g) no New Options are exercised following completion of the Placement and SPP.

The pro-forma consolidated balance sheet has been prepared to provide investors with information on the assets and liabilities of VTI and pro-forma assets and liabilities of VTI as noted below (on the basis of the accounting policies normally adopted by VTI). 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 US GAAP applicable to annual financial statements. It should be read in conjunction with the risk disclosures in Section 8.

**Pro-Forma Balance Sheet**  
(All amounts are in US\$)

(US\$000)	Actual 31 Dec 2019	Costs of the Offers and the Placement	Unaudited Pro forma 31 Dec 2019		
			Placement (including issue of CDIs to Non- Executive Directors)	Placement and partially subscribed SPP with 50% shortfall	Placement and fully subscribed SPP
<b>Current Assets</b>					
Cash and cash equivalents	\$1,919	\$(383) – (423)	\$4,926	\$5,238	\$5,550
Other Current Assets	\$3,241	\$-	\$3,241	\$3,241	\$3,241
<b>Total Current Assets</b>	\$5,160	\$(383) – (423)	\$8,167	\$8,479	\$8,791
<b>Total Non-Current Assets</b>	\$670	\$-	\$670	\$670	\$670
<b>Total Assets</b>	\$5,830	\$(383) – (423)	\$8,837	\$9,149	\$9,461
<b>Total Current Liabilities</b>	\$1,777	\$-	\$1,777	\$1,777	\$1,777
<b>Total Non-Current Liabilities</b>	\$3,071	\$-	\$3,071	\$3,071	\$3,071
<b>Total Liabilities</b>	\$4,848	\$-	\$4,848	\$4,848	\$4,848
<b>Net Assets</b>	\$982	\$(383) – (423)	\$3,989	\$4,301	\$4,613
<b>Total Equity</b>	\$982	\$(383) – (423)	\$3,989	\$4,301	\$4,613

Notes:

The pro forma balance sheet is illustrative as of 31 December 2019 and reflects the actual balance of cash and cash equivalents of US\$1.9 million as of that date. On a pro forma basis as of 31 December 2019, VTI's cash balance subsequent to the transactions contemplated under this Prospectus would be US\$4.9 million to US\$5.6 million. Management anticipates this funding will be sufficient to fund VTI's growth until approximately September 2021.

#### 7.4 Effect on capital structure

The following table sets out the number of CDIs on the date of this Prospectus (assuming that all Shares are held as CDIs) and the maximum number of CDIs that may be issued at the completion of the SPP and Placement (assuming that VTI raises \$1.0 million under the SPP and no Options are exercised).

CDIs	Number
CDIs on issue at the date of this Prospectus <sup>1</sup>	465,801,819
CDIs to be issued under the Placement (including to Non-Executive Directors in conjunction with the Placement)	364,933,565
New CDIs offered under the SPP	71,428,572
Maximum CDIs on issue on completion of the Placement and SPP	902,163,956

<sup>1</sup> This assumes all Shares are held as CDIs.

The following table sets out the number of issued Options on the date of this Prospectus and, subject to rounding, the maximum number of Options that may be on issue at the completion of the SPP and Placement (assuming that VTI raises \$1.0 million under the SPP and no Options are exercised, expire or are cancelled).

<b>Options</b>	<b>Number</b>
Options on issue at the date of this Prospectus	19,214,004
Options to be issued under the Placement (including to Non-Executive Directors in conjunction with the Placement)	182,466,775
New Options that may be issued under the SPP	35,714,286
Maximum Options on issue on completion of the Placement and SPP	237,395,065

The above tables do not include any Options, Shares or restricted shares that may be issued to Dr. Stephen Snowdy and other employees under the 2017 Equity Incentive Plan shortly after the date of this Prospectus as outlined in VTI's Notice of Annual Meeting of Stockholders released on 13 May 2020.

## **7.5 Effect on CDI holdings**

As at date of this Prospectus, VTI had 465,801,819 CDIs, 19,214,004 unquoted options and 3,000,000 convertible notes on issue. The issue of CDIs under the Placement (including to the Non-Executive Directors in conjunction with the Placement) will have the effect of diluting the percentage holdings of stockholders and CDI holders in VTI. The extent to which the SPP will have any further effect on the percentage holdings of stockholders and CDI holders will be dependent on the extent to which Eligible Holders participate in the SPP. Such holders' interests may be further diluted through the exercise of New Options that are issued under both the SPP and Placement.

The issue of Shortfall CDIs to Investors, or exercise of the New Options received as a result of their participation in the Shortfall Offer, will also have the effect of diluting the percentage holdings of stockholders and CDI holders in VTI.

## **7.6 Effect of the Offers on the Control of VTI**

The Board does not anticipate that the SPP or the Shortfall Offer (if any) will have a material effect on the control of VTI. However, given that Thorney and Regal are acquiring CDIs under the Placement, to a value of \$2.375 million and \$1.5 million respectively, the percentage holdings of both Thorney and Regal will increase as a result of the Placement. Thorney and Regal are not participating in the SPP.

The implications of this for VTI are considered in further detail below.

## **7.7 Potential increase in the CDI holdings of Thorney and Regal**

Regal and Thorney are VTI's two largest securityholders, holding approximately 12.40% and 15.17% respectively, of all CDIs on issue as at the date of this Prospectus.<sup>2</sup>

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<sup>2</sup> Based on substantial holding filings.

The table below shows the expected increase in the holdings of Regal and Thorney as a result of the Placement and the effect on their percentage holdings depending on the level of take-up by Eligible Holders under the SPP.

	Impact on Regal CDI holding	Impact on Thorney CDI holding
CDIs held prior to Placement	57,761,403 <sup>3</sup>	70,649,514 <sup>3</sup>
% holding prior to Placement	12.40%	15.17%
CDIs held following Placement	164,904,260	240,292,371
% holding following the Placement and SPP assuming no shortfall under the SPP	Approximately 18.28%	Approximately 26.64%
% holding following the Placement and SPP assuming 50% shortfall (35,714,286 CDIs) under the SPP	Approximately 19.03%	Approximately 27.73%
% holding following the Placement and SPP assuming 100% shortfall (71,428,572 CDIs) under the SPP	Approximately 19.85%	Approximately 28.93%

Note: Percentage holdings following the SPP and Placement also assumes completion of the issue of securities to Non-Executive Directors in conjunction with the Placement.

## 7.8 Certain provisions of Corporations Act do not apply

VTI is not subject to Chapters 6, 6A, 6B and 6C of the Corporations Act dealing with the acquisition of shares, including provisions that relate to substantial holdings and takeovers. Rather, the acquisition of securities in VTI is subject to Delaware law and applicable US securities laws.

## 7.9 Transfer restrictions

The SPP is being made available to Eligible Holders in reliance on the exemption from registration contained in Regulation S of the US Securities Act for offers which are made outside the United States. This means that the CDIs issued in the SPP are subject to restrictions under Regulation S of the US Securities Act.

In order to comply with the requirements of Regulation S of the US Securities Act, investors may not re-sell any CDIs (or underlying securities) into the United States to a United States person or for the account or benefit of a United States person for a period of one year after the date of issue of the securities unless the re-sale of the securities is registered under the US Securities Act or an exemption from registration is available.

Accordingly, in order to enforce the above transfer restrictions whilst ensuring that Eligible Holders can still trade their CDIs on ASX, the CDIs will bear a "FOR US" designation on ASX. As a result of the imposition of the "FOR US" designation, all holders of CDIs in VTI will be restricted from selling their CDIs on ASX to United States persons.

<sup>3</sup> Based on substantial holding filings.

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## 8 Risk factors

This Section identifies what the Directors regard as major risks, which may materially and adversely affect the future operating and financial position of VTI and the value of CDIs. You should carefully consider the following risk factors, as well as the other information contained in this Prospectus before making an investment decision.

The Directors' assessment of risks was based on the knowledge as at the date of this Prospectus and there is no assurance that the relative importance of the various risks will not change.

### 8.1 Company specific risks

In addition to the general risks noted in Section 8.3 of this Prospectus, investors should be aware of the specific risks of an investment in VTI. These specific risks include, but are not limited to, those risks referred to below.

#### 8.1.1 Business risks

In assessing VTI's business, Eligible Holders and Investors should consider the various risks and difficulties frequently encountered by companies early in their commercialisation, specifically companies that develop and sell medical devices. These risks include VTI's ability to:

- (a) implement and execute its business strategy;
- (b) improve the productivity of its sales team and marketing programs, with consideration of its recent reduction in force and costs that resulted in fewer sales personnel and planned marketing expenses;
- (c) increase awareness of its brand and products, and of the conditions that its products are intended to treat;
- (d) withstand pandemics, like COVID-19, which has resulted in new regulations, government policy and legislation and significantly changes traditional customer engagement norms in the healthcare sector. Whilst it is difficult to predict the level and duration of impact at this stage, and notwithstanding that there are a number of key aspects of VTI's operations that support continued use of VTI's products, VTI expects that COVID-19 will materially impact sales performance in the near-term, accordingly, VTI is actively implementing mitigation strategies to minimise the impact on business continuity;
- (e) manage the domestic and international expansion of operations; and
- (f) respond effectively to competitive pressures and developments.

#### 8.1.2 Business development and partnerships

In March 2020, most optometrists in the US were placed under stay-at-home orders due to COVID-19. As of the date of this Prospectus, some states in the US are contemplating or undergoing phased lifting of restrictions, and many optometrists have reopened their offices. However, the Company expects some optometrists to remain closed, and in the practices that do reopen, it is reasonable to expect slower traffic than normal as practices and patients adopt new guidelines designed to ensure proper social distancing measures are observed. As VTI disclosed in its business update on 2 April 2020, VTI expects a sharp decline in its business in the second quarter of the 2020 Fiscal Year, with the beginnings of a recovery in the third quarter

of 2020 Fiscal Year. At this point, VTI cannot predict the magnitude of the decline in the second quarter of 2020 Fiscal Year or the rate of subsequent recovery. However, VTI has a base of users that continues to order its products for home delivery, its core sales team continues to employ electronic means to communicate with practitioners, and VTI stands ready for the recovery.

VTI recently entered into a private-label agreement with Menicon.<sup>4</sup> The agreement grants Menicon non-exclusive rights to sell NaturalVue® Multifocal (**NaturalVue MF**) within Europe. Menicon plans to sell NaturalVue MF under the private label name Menicon Bloom Day (**MBD**). While Menicon intended to launch MBD in March 2020, the launch was delayed due to COVID-19 and VTI does not yet have an estimate of MBD's likely sales in 2020 and beyond. There are no assurances that MBD will contribute significantly to VTI's revenues, or that MBD's sales will be ongoing.

VTI recently completed the regulatory steps to enter Singapore and Hong Kong. VTI has begun selling product in Hong Kong and Singapore, but expansion of sales in these geographies will require partnerships for the sales and fulfillment functions. There can be no assurances that the necessary partnerships in Hong Kong and Singapore will be completed, or that if completed, they will be material or favourable to VTI. Failure of VTI to engage with appropriate partners in Hong Kong and Singapore would negatively affect VTI's short- and long-term prospects.

China represents the largest potential market for NaturalVue MF, though China is a very complex market to enter for Western companies. Entering China would most likely be through partnerships in clinical trials, sales and marketing, and distribution. While VTI has made material progress towards establishing these partnerships, the trade tensions between the US and China and the capital requirements associated with conducting these activities are significant obstacles. There is no certainty that VTI will successfully overcome these issues and enter the Chinese market.

### **8.1.3 Market adoption risk**

Eye care professionals (**ECPs**) play a significant role in influencing the type of contact lenses used by patients. To achieve commercial success, VTI is reliant on ECPs accepting and recommending its lead product, NaturalVue MF contact lenses, and its other current and future product lines. ECPs may be slow to adopt and recommend NaturalVue MF contact lenses to their patients for the following reasons (without limitation):

- (a) preference for the products of competitors due to familiarity with those products coupled with a belief that an existing product is sufficient for the patient's needs;
- (b) lack of long-term clinical data illustrating the benefits of NaturalVue MF contact lenses; and
- (c) lack of willingness to invest the time required to learn the fitting process for NaturalVue MF contact lenses.

VTI already has demonstrated good market adoption as evidenced by increasing its net revenue, the number of Active US Accounts and the number of international territories in which it is selling NaturalVue MF. However, these factors alone do not ensure the widespread or continued support of NaturalVue MF contact lenses among ECPs. If a significant number of ECPs in the US cease selling or do not agree to sell and recommend NaturalVue MF contact lenses to their patients, or if they promote

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<sup>4</sup> For more information, see VTI's announcement dated 30 September 2019.



the products of competitors, this would adversely impact or delay VTI's ability to generate revenue and achieve profitability.

#### **8.1.4 Competition**

The contact lens market is competitive. Globally, four companies control over 95% of the soft contact lens market; Johnson & Johnson Vision Care, Inc., Alcon (recently spun off from Novartis AG), CooperVision, and Bausch Health Companies, Inc. These companies have largely undifferentiated products and may engage in aggressive pricing competition, which may affect demand for VTI's products. These competitors have substantially greater financial resources, research and development budgets, sales forces, market penetration and manufacturing volumes than VTI. They also have broader product ranges and offer complementary eye care products that VTI does not offer, examples of which include contact lens care products and ophthalmic pharmaceuticals. This broader product offering may give them a competitive advantage in marketing their contact lenses. If VTI is unable to successfully respond to these competitive pressures and secure market share for its NaturalVue MF contact lenses, this could have a material adverse effect on its business, financial condition and results of operations.

CooperVision, one of the four companies noted above, recently received approval from the US Food and Drug Administration (**FDA**) for its myopia progression control contact lens, MiSight. This approval clears MiSight as the first FDA-approved product to slow the progression of myopia in children. NaturalVue MF is approved specifically for slowing myopia progression in Europe and several other markets, but is cleared in the US only for the correction of myopia (i.e. not specifically for the control of myopia progression). MiSight previously was not approved for sale in the US, and the new approval is limited to certain ages and optical powers. Additionally, MiSight faces significant clinical trial burdens and related expenses to maintain its clearance in the US. Despite the restricted approval for MiSight and the lack of approval for NaturalVue MF specifically for myopia progression control, the FDA allows ECPs to use medical devices such as contact lenses in an "Off-label" manner under certain conditions, meaning they use the product for a purpose not in the approved labelling. ECPs in the US currently prescribe NaturalVue MF for myopia progression control, and we expect that some ECPs will prescribe MiSight to children who are outside of the specific approval parameters. MiSight's entry into the US market means that NaturalVue MF will face competition from MiSight in the US market for paediatric use.

Although ECP attention will be shared between MiSight and NaturalVue, the addition of a larger, better financed competitor may benefit sales of NaturalVue MF through likely investment by CooperVision in marketing and the education of practitioners, parents, and patients in the importance of slowing the progression of myopia in children. While we believe these investments should benefit NaturalVue MF, practitioners may choose to use MiSight instead of NaturalVue MF. There can be no guarantee that the rise in awareness that may accompany CooperVision's entry into the US market will outweigh potential loss of VTI's current and future wearers to MiSight.

#### **8.1.5 Single manufacturer**

VTI's contact lenses are manufactured by Pegavision, an original equipment manufacturer (**OEM**) based in Taiwan. While Pegavision is a large and well-regarded OEM, reliance on a single outsourced contract manufacturer involves a number of risks. For example, should Pegavision fail to meet quality standards set by VTI or a regulatory authority, production may be interrupted while the cause is identified and rectified. If quality problems are not identified and rectified before the affected product is sold, VTI may incur recall and product liability costs as well as reputational damage. Any disruption of the OEM's operations could cause a significant business disruption

to VTI, including potentially impacting upon VTI's ability to obtain saleable products and harming customer goodwill.

If VTI needed to replace Pegavision as its contract manufacturer for any reason, VTI would require approximately nine months to identify and establish arrangements with a new OEM, partly because VTI would need to change some non-optical design elements of its contact lenses if it were to use another OEM (see also the risk factor below regarding Toric and Multifocal Toric contact lenses). To limit the potential disruption to its business, VTI monitors the market for contact lens OEMs for suitable alternative suppliers in case it should need one. In addition, VTI intends to keep inventory in reserve in case of disruptions to supply. However, there is no guarantee that such reserve would be sufficient if there was a serious supply disruption.

#### **8.1.6 Innovation**

Although there has been little innovation in the optical design or functionality of Multifocal contact lenses over the last 20 years, new or competing contact lens products could emerge that might offer better clinical performance than NaturalVue MF contact lenses. VTI is not aware of any other multifocal contact lens products which it believes are comparable to NaturalVue MF contact lenses. However there have been, and there continues to be, a number of efforts made by competitors to offer new solutions for presbyopia, paediatric myopia, and other vision corrections.

Competitors may be able to commercialise contact lens products in the future that compete with NaturalVue MF contact lenses, even if they do not offer better vision performance or more effective myopia progression control than NaturalVue MF contact lenses. Such products could, if commercially successful, materially reduce the attractiveness of NaturalVue MF contact lenses, which could have a material adverse effect on VTI's business, financial condition and results of operations.

In addition, further research on the other soft contact lenses, hard contact lenses, and pharmaceuticals could find that such products are sufficiently effective at preventing or slowing myopia progression which would position those products as material competitive threats to NaturalVue MF contact lenses in any markets in which they and NaturalVue MF contact lenses are both sold.

#### **8.1.7 Limited sales, marketing and distribution resources**

In April 2020, VTI carried out several actions in order to preserve its cash reserves including reducing its workforce, delaying clinical trials and delaying or scaling back new product launches (see announcements on 2 April 2020 and 29 April 2020 for details).

VTI continues to have a small direct sales team in the United States, however the reduction in sales resources is expected to impede VTI's ability to compete for increased market share and grow its revenue streams in the US. To support future growth, VTI will need add significant resources to further develop its sales, marketing and distribution network in the United States and abroad. In all other markets outside of the US, VTI is using or plans to use third party distributors or strategic partnerships to market and sell its products.

If VTI is unable to expand its sales, marketing and distribution resources effectively or at all, its ability to grow its business, be competitive and generate sales of its contact lenses could be adversely affected. In addition, if VTI is not successful in entering and maintaining profitable partnerships outside the US, VTI's revenue could be adversely affected.

### **8.1.8 Regulatory risk**

VTI has received regulatory clearance, listing or registration to sell NaturalVue contact lenses in the US, Europe, Australia, New Zealand, Singapore, Hong Kong and Canada. VTI's international growth strategy is dependent on obtaining clearances or approvals from regulatory bodies in other jurisdictions. Despite receiving regulatory clearance, listing or registration in several markets, VTI is not assured of receiving all necessary regulatory clearances and approvals in additional jurisdictions, and cannot predict with certainty the timelines for such clearances and approvals, or other requirements that may be imposed by regulatory authorities (e.g. further clinical trials or other requirements to prove the safety and effectiveness of its contact lenses). In addition, future changes to NaturalVue MF contact lenses, that affect their safety or efficacy may require new regulatory clearances or approvals in some jurisdictions before VTI may sell the revised product. Additionally, once cleared, approved, or listed in a territory, VTI is subject to ongoing inspections and periodic submissions. While VTI makes every reasonable effort to comply with all government regulations, if VTI or one of its partners were to fail to meet a regulatory requirement, VTI's operations could be negatively impacted.

The European Union has established the Medical Device Regulation (**MDR**) as a replacement to the Medical Devices Directive (**MDD**). VTI earned its regulatory clearance for NaturalVue contact lenses in Europe under the requirements of MDD, and VTI's current NaturalVue MF will continue to be certified under MDD until the year 2024. MDR is a more complex regulation than MDD and will require VTI to expend more resources to certify future products in Europe under MDR. If VTI is unable to meet the requirements under MDR, it may lose its clearance in the European Union, which could have a material adverse effect on VTI's business model and potential revenues.

### **8.1.9 Research**

Some eye care professionals have published data on the effectiveness of NaturalVue MF in peer-reviewed medical literature. Although the published data and other data gathered to date by ECPs using the contact lenses on children is positive, this data may not necessarily be predictive of any future patient outcomes. In addition, even if the data continues to be positive, there is no guarantee that a sufficient number of ECPs will compile their data, or later seek to publish it. If VTI is unable to drive awareness of the efficacy of NaturalVue MF contact lenses through these means, the broader adoption of NaturalVue MF contact lenses for the correction of paediatric Myopia may be slower than VTI expects, which could have a material adverse effect on VTI's business model and potential revenues.

Eye care professionals and potential partners have differing views on what type of clinical trial data are most meaningful. VTI's current clinical data does not satisfy all users of the data, and VTI may or may not generate additional clinical data. If VTI does not generate additional clinical data, the appeal of its products to some users or potential partners could be diminished.

Certain of VTI's future products or improvements to current products require additional development and testing. There is no guarantee in product research and development that the technical and clinical goals will be achieved. Failure of research and development to result in new products or to continually improve existing products could negatively impact VTI's future sales.

### **8.1.10 Development and Commercialisation of products**

VTI is planning to broaden its product offerings with new products that VTI or its partners develop. Development of medical products is a complex process, and not

always successful. Even if these contemplated products are successfully developed, their commercial success will depend on many factors, including VTI's ability to:

- (a) demonstrate the efficacy of the products (which will involve collecting data from clinical studies); and
- (b) successfully position the new products against competitive products, and market the new products to practitioners and/or patients.

If VTI is unsuccessful in developing and commercialising new products, its ability to increase its revenues in the future may be impaired. Failure to develop new product offerings could have a material adverse effect on VTI's business and financial condition.

Some of VTI's products are being or may be developed in conjunction with development partners. Products developed with partners may result in shared intellectual property, and the sharing of intellectual property may prevent VTI from switching partners for a particular product, or from internalising a particular product. Additionally, VTI may be required to pay royalties on co-developed products, thus potentially reducing the profitability of products for which intellectual property is shared.

#### **8.1.11 Revenue source**

VTI generates the majority of its revenue from the sale of NaturalVue MF contact lenses in the US, and it expects that it will continue to generate a substantial part of its revenues from this product for the foreseeable future. Patients may decide not to purchase NaturalVue MF contact lenses, or ECPs may decide not to stock and promote NaturalVue MF contact lenses. Furthermore, demand for the NaturalVue MF contact lenses in the US and international markets may not increase as quickly as VTI anticipates. Even if VTI increases the use of NaturalVue MF contact lenses by ECPs and patients, VTI may not be able to generate sufficient revenues or product margins to achieve profitability.

#### **8.1.12 Protection and enforcement of Intellectual Property Rights**

The protection of the intellectual property relied upon by VTI is critical to its business and commercial success. If VTI is unable to protect or enforce the intellectual property rights embodied in its NaturalVue MF contact lenses, there is a risk that other companies will incorporate the intellectual property into their technology, which could adversely affect VTI's ability to compete in the contact lens market.

VTI's patent portfolio contains both issued and pending patents. No assurance can be given that the pending patent applications will result in issued patents. Furthermore, there is a risk that VTI's granted patents could be found by a court to be invalid or unenforceable or revoked before their planned expiry as a result of court action. There is also the risk that the granted patents may not provide VTI with sufficient protection against competitive products and therefore VTI may be unable to prevent competitors from copying its products and technology, marketing products similar to VTI's products or designing around VTI's products.

#### **8.1.13 Convertible notes**

In June 2019, VTI issued convertible notes to Thorney and some of its affiliates. The conversion price of these convertible notes is being lowered from 7.5 cents to 2.8 cents following stockholder approval at the 2020 Annual Meeting thereby increasing the number of CDIs that may be issued on conversion of the convertible notes. If converted, the convertible notes would have a dilutive effect on holders of VTI's securities. If the convertible notes are not converted, are not repaid, or if interest

payments are not satisfied as agreed, the convertible notes would be in default, and Thorney could take ownership of VTI's assets.

#### **8.1.14 Sufficiency of funding**

VTI is currently not profitable and does not expect to become profitable until it grows its sales revenue to a level sufficient to fund on-going company operations. Slower than anticipated market adoption, lower than expected product margins or factors that impact revenue, such as the COVID-19 pandemic, could affect the amount and timing of VTI's needs for additional cash.

VTI may need to finance its future cash needs through equity offerings, debt financing or corporate collaboration. Any additional funds that it obtains may not be on terms favourable to its stockholders and may dilute their ownership or require VTI to relinquish valuable rights. There is no assurance that additional funding would be available in the future or would be secured on acceptable terms.

#### **8.1.15 Paycheck Protection Program (PPP)**

VTI has received loan proceeds of approximately A\$1.6 million under the PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act. Part of the loan amount and accrued interest is forgivable provided VTI uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. While VTI currently believes that its use of the loan proceeds will meet the conditions for forgiveness for a portion of the loan, there can be no assurance that VTI will be eligible for forgiveness of the loan, in whole or in part. Furthermore, as the rules of the PPP are evolving, there is no certainty that VTI will continue to meet the relevant requirements for a PPP loan, meaning there is a risk that VTI could be required to return the loan.

#### **8.1.16 Key personnel**

VTI's long term growth and performance is dependent on attracting and retaining highly skilled staff. The contact lens industry has strong competition for highly skilled workers. There is a risk that VTI will be unable to attract and retain the necessary staff to pursue its business model. In particular, if Dr Stephen Snowdy, VTI's CEO, were to leave VTI, it would lose significant technical and business expertise, and VTI may not be able to find a suitable replacement. This would affect how efficiently VTI operates its business and its future financial performance could be impacted. VTI has structured incentive programs for its key personnel. Despite these measures, there is no guarantee that VTI will be able to attract and retain suitable qualified personnel, which could negatively affect VTI's ability to reach its goals.

#### **8.1.17 Third party intellectual property rights disputes**

VTI does not believe that its activities infringe any third party's intellectual property rights, or that its planned activities will do so. To date, no third party has made assertions to the contrary. However, in the future VTI may be subjected to infringement claims or litigation arising out of patents and pending applications of its competitors, or additional proceedings initiated by third parties or intellectual property authorities to re-examine the patentability of licensed or owned patents.

The defence and prosecution of intellectual property claims and litigation, and related legal and administrative proceedings, are costly and time consuming to pursue, and their outcome is uncertain. If VTI infringes the rights of third parties, it could be prevented from selling NaturalVue MF contact lenses or any future products and could be forced to defend against litigation and to pay damages.

### **8.1.18 Delaware company**

The rights attaching to Shares are subject to Delaware General Corporation Law and in some respects differ from the rights attaching to shares in an Australian company.

Provisions of VTI's certificate of incorporation, its bylaws and Delaware General Corporation law could make an acquisition of VTI, which may be beneficial to stockholders, more difficult and may prevent attempts by stockholders to replace or remove the current members of the Board and management.

Certain provisions of VTI's certificate of incorporation and bylaws could discourage, delay or prevent a merger, acquisition or other change of control that stockholders may consider favourable, including transactions in which stockholders might otherwise receive a premium for their CDIs. Furthermore, these provisions could prevent or frustrate attempts by stockholders to replace or remove members of the Board. These provisions could also limit the price that investors might be willing to pay in the future for the CDIs, thereby depressing the market price of the CDIs. Stockholders who wish to participate in these transactions may not have the opportunity to do so.

In addition, VTI is governed by the provisions of section 203 of the Delaware General Corporation Law, which may, unless certain criteria are met, prohibit large stockholders, in particular those owning 15% or more of the voting rights, from merger or combining with VTI for a prescribed period of time.

VTI will also incur costs and demands upon management as a result of complying with laws and regulations affecting public companies in the US as well as listing requirements on ASX, which may adversely affect its operations results, and failure to achieve and maintain effective internal control over financial reporting could cause investors to lose confidence in its operating results, potentially, having a material adverse effect on the price of VTI's Shares and the CDIs.

### **8.1.19 Reporting requirements**

VTI expects to become subject to the periodic reporting requirements of the US Exchange Act at some stage in the future which would require it to register the Shares with the US Securities and Exchange Commission (**SEC**) under the US Exchange Act. VTI will become a reporting company if, among other things, VTI has (i) assets of more than US\$10 million and (ii) either 2,000 or more holders of any class of equity securities or 500 or more holders of any class of equity securities who are not 'accredited' investors' as defined in Rule 501 of Regulation D of the US Securities Act.

This will involve VTI filing annual, quarterly and current reports on Forms 10-K, 10-Q and 8-K. In the absence of a waiver from the ASX Listing Rules, these SEC periodic reports will be in addition to VTI's periodic filings required by the ASX Listing Rules. The legal and accounting costs and management time that is required to comply with these reporting requirements are expected to be significant.

### **8.1.20 Speculative nature of investment**

Any potential investor should be aware that subscribing for CDIs involves various risks. The CDIs to be issued pursuant to the Offers carry no guarantee with respect to the payment of dividends, return of capital or market value. The success of VTI is largely dependent on US, European and Asian market adoption. An investment in VTI should therefore be considered speculative in nature.

### **8.1.21 No independent valuation**

No independent valuation has been carried out on VTI or its products. Valuations of medical device products in early commercial use are imprecise. The Directors do not believe that an independent valuation would be meaningful given the likely qualifications and limitations of such valuations and the difficulties in determining the full commercial potential of VTI and its products.

### **8.1.22 Exchange rates**

VTI may be subject to exchange rate risks with the proceeds of the Offers to be received in Australian Dollars, while VTI's functional currency is in US Dollars.

VTI does not intend to enter into hedging transactions. The CDIs will be listed on the ASX and priced in Australian dollars. However, VTI's reporting currency is US dollars. As a result, movements in foreign exchange rates may cause the price of VTI's securities to fluctuate for reasons unrelated to VTI's financial condition or performance and may result in a discrepancy between VTI's actual results of operations and the investor's expectations of the returns of VTI's securities expressed in Australian dollars.

### **8.1.23 Outbreak of COVID-19 and other health pandemics**

VTI's business is being adversely impacted by the effects of COVID-19. Many eye care practitioners have been impacted by stay-at-home orders, and even as the orders are lifted and practitioners return to work, VTI expects patient throughput to take an amount of time to recover that is impossible to predict. In addition, some practitioners may implement restrictions to limit the physical presence of non-patient visitors, such as sales representatives. While VTI makes extensive use of electronic means to communicate with practitioners, limitations on physical visits by VTI sales staff may negatively impact VTI's ability to sell its products. Additionally, some patients may not yet feel comfortable visiting a practitioner's office, or may not be willing to comply with a practitioner's requirements for social distancing or personal protective equipment.

At this point in time, there is uncertainty relating to the long-term effect of COVID-19 on VTI's business. Due to restrictions enforced by various governments, VTI's ability to sell its products may be impeded which would have a negative impact on VTI's business, financial condition and operating results. In addition, a further health pandemic or a worsening of the COVID-19 pandemic could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could affect demand for VTI's products which may then have an adverse effect on VTI's business, operating results and financial condition.

## **8.2 Industry specific risks**

### **8.2.1 Alternatives**

The contact lens industry competes with manufacturers of eyeglasses and with refractive surgical procedures that correct visual defects, such as LASIK. VTI believes that eyeglasses and laser vision correction are not significant threats to sales of contact lenses given the advantages contact lenses offer patients. However, it is possible that the demand for contact lenses may decrease in the future if other correction procedures grow in scope or applicability, or alternative technologies or procedures are developed that provide a practical alternative to vision correction with contact lenses. A decrease in demand for contact lenses could have a material adverse effect on VTI's business and financial condition.

### **8.2.2 Risks related to international operations**

As VTI's contact lenses are manufactured in Taiwan, VTI is exposed to risks of foreign regulations in Taiwan and national trade laws (including import and export laws, and customs regulations and laws), as well as potential geo-political risks.

In addition, there is uncertainty about future relationships between the United States and other countries, including China, Hong Kong and Taiwan, with respect to trade policies, government regulations and tariffs.

The US President has criticised certain trade agreements and has increased tariffs on certain goods imported into the United States from certain countries. If tariffs are added for contact lenses imported from Taiwan, this would increase VTI's cost of sourcing contact lenses from its current manufacturer. If current trade conflicts between the US and China continue, VTI's addressable markets outside the US could be reduced.

Furthermore, VTI intends to sell its products in other international markets. There can be high compliance costs associated with complying with overseas laws and regulations, and failure to comply with any applicable law or regulatory requirement could result in penalties and enforcement action.

## **8.3 General risks**

There are risks associated with any stock market investment. Some of these risks are listed below.

### **8.3.1 Stock market fluctuations**

Stock market fluctuations in Australia and other stock markets around the world may negatively impact the CDI price. Factors that may influence the investment climate in stocks (which may not relate to actual performance of VTI) include general economic outlook, movements in commodity prices, exchange rate movements, interest rates, inflation and political developments.

### **8.3.2 Liquidity and realisation risks**

There can be no guarantee that an active market for CDIs will develop or that the price of CDIs will increase. There may be relatively few buyers or a relatively high number of sellers of CDIs on the ASX at any given time. This may increase the volatility of the market price of CDIs. It may also affect the prevailing market price at which a stockholder is able to sell their CDIs. This may result in stockholders receiving a market price for their CDIs that is less than the price paid for their CDIs.

### **8.3.3 General economic conditions**

Australian and world economic conditions may negatively impact VTI's financial performance. These factors may include fluctuations in inflation, interest rates, rate of economic growth, taxation laws (and the application of existing laws by the courts or taxation authorities), consumer spending, unemployment rates, government fiscal, monetary and regulatory policies and consumer and business sentiment. Other factors include acts of terrorism, cyber hostilities, pandemics (including COVID-19), outbreaks of international hostilities, fire, floods, earthquakes, labour strikes, natural disasters, outbreaks of disease or other natural or manmade events or occurrences that may have an adverse demand for VTI's products or VTI's ability to conduct business. A prolonged deterioration in economic conditions could be expected to have a material adverse impact on VTI.



#### **8.3.4 Taxation**

Changes in tax legislation and regulation or their interpretation may adversely affect the value of an investment in CDIs and may affect stockholders differently.

#### **8.3.5 Accounting standards**

Changes in accounting standards or the interpretation of those accounting standards that occur after the date of this Prospectus may adversely impact VTI's reported financial statements.

#### **8.3.6 Absence of dividends**

The ability of VTI to pay any dividend is dependent on many factors including the outcome of VTI's clinical trials and commercialisation activities. Many of the factors that will affect VTI's ability to pay dividends and the timing of those dividends will be outside the control of VTI and its Directors. The Directors cannot give any assurance regarding the payment of dividends in the future.

#### **8.4 Other**

Other risks include those normally found in conducting business, including litigation resulting from breach of agreements or in relation to employees or any other cause.

The above list of risk factors should not to be taken as exhaustive of the risks faced by VTI or by investors in VTI. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of VTI and the value of the CDIs.

Therefore, the CDIs to be issued pursuant to the Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those CDIs.

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## **9 Information about the Securities**

### **9.1 What type of securities are being offered?**

The securities being offered under the Offers are CDIs and Options.

Each CDI represents a Share. Further details as to the rights and liabilities attaching to the CDIs are set out below.

### **9.2 What are CDIs?**

The ASX uses an electronic system, called CHESS, for the clearance and settlement of trades on the ASX. VTI is incorporated in the state of Delaware in the U.S., which does not recognise the CHESS system of holding securities or electronic transfer of legal title to Shares. To enable companies such as VTI to have their securities cleared and settled electronically through CHESS, depositary instruments called CDIs are issued. CDIs are units of beneficial ownership in Shares, where the underlying Share is registered in the name of a depositary nominee (see “What is a depositary nominee?” below), and are traded in a manner similar to shares of Australian companies listed on the ASX.

### **9.3 What is a depositary nominee?**

A depositary nominee holds the legal title to the shares on behalf of CDI holders. VTI has appointed CDN as the depositary nominee for its CDIs. CDN is authorised by its Australian Financial Services Licence to operate custodial and depositary services, other than investor directed portfolio services, to wholesale and retail clients. CDN does not receive any fees from investors for acting as the depositary for the CDIs.

The relationship between VTI, CDN and the holders of CDIs is governed in part by the ASX Listing Rules and the ASX Settlement Operating Rules (each of which has the force of law under the Corporations Act) in combination with VTI’s Bylaws.

### **9.4 Registers**

VTI operates three registers for the Shares and CDIs:

- (a) an uncertificated register of Shares;
- (b) an uncertificated issuer-sponsored sub-register of CDIs; and
- (c) an uncertificated CHESS sub-register of CDIs.

The register of Shares is the register of legal title.

The Shares will be uncertificated unless a stockholder requests a stock certificate from VTI’s US transfer agent, Computershare Trust Company, N.A., denoting the number of Shares owned.

VTI must ensure that at all times the total number of CDIs on the issuer-sponsored sub-register of CDIs and CHESS sub-register reconciles with the number of Shares registered in the name of CDN on the Share register.

VTI will make available for inspection the Share register and the CDI register as if those registers were registers of securities of an Australian listed public company.

## 9.5 What is the principal difference between holding CDIs and holding Shares?

The principal difference between holding CDIs and holding the underlying Shares is that the CDI holder will hold a beneficial interest in the Shares, but not the legal title. The legal title to the Share is instead held by a depository, CDN and is held on behalf of and for the benefit of the CDI holder. CDIs have been CHESS-approved from the date of the official quotation in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.

## 9.6 Rights and entitlements of CDI holders

The following is a broad summary of the rights and entitlements of CDI holders.

Item	Detail
<b>Title</b>	CDI holders hold the beneficial title to the Shares underlying the CDIs while CDN holds the legal title. CDI holders receive all direct economic and other benefits of the Shares. CDN may not dispose of any of the Shares unless authorised by the ASX Settlement Operating Rules, and is not able to create any interest that is inconsistent with the beneficial title held by CDI holders.
<b>Ratio</b>	Each CDI will represent one Share. To obtain one Share, an investor will need to convert one CDI.
<b>Conversion</b>	<p>A CDI holder may either leave their holdings in the form of CDIs (so that legal title remains in the name of CDN) or convert the CDIs to Shares and hold legal title in their own right. CDI holders can convert their ASX listed CDIs to Shares by instructing the CDI Registry, either:</p> <ul style="list-style-type: none"><li>• directly in the case of CDIs on the issuer sponsored sub-register operated by VTI. CDI holders will be provided with a “CDI Cancellation AU-US Register form” for completion and return to the CDI Registry; or</li><li>• through their “sponsoring participant” (usually your broker) in the case of CDIs which are sponsored on the CHESS subregister. In this case, the sponsoring broker will arrange for completion of the relevant form and its return to the CDI Registry.</li></ul> <p>The CDI Registry will then arrange for the transfer of the Shares from CDN to the former CDI holder and a new Statement of Account Holding will be issued. The Shares will be registered in the name of the holder on VTI’s share register and trading on the ASX will no longer be possible. The Shares are not and will not in the near future be quoted on any securities exchange. The Shares may bear restrictive legends on the register in accordance with US law.</p> <p>This process will normally be completed within three to five days once the CDI Registry receives a duly completed and valid instruction. However, the timeframe for conversion cannot be guaranteed.</p> <p>The CDI Registry will not charge an individual holder a fee for transferring their CDIs into Shares (although a fee may be payable by market participants). Stockholders can convert their holdings to CDIs by contacting the CDI Registry and completing a “CDI Issuance (United States Register to Australian CDI Register) form”. Again, the CDI Registry will not charge a fee for the conversion (although a fee may be payable by market participants).</p>

Item	Detail
	<p>The underlying Shares will then be transferred to CDN and a holding statement for the CDIs will be issued to the stockholder. No trading in the CDIs on the ASX can take place until this transfer process is complete.</p>
<p><b>Meetings and voting</b></p>	<p>CDI holders may attend and vote at VTI's general meetings. VTI must allow CDI holders to attend any meeting of stockholders unless relevant US law at the time of the meeting prevents CDI holders from attending those meetings. In order to vote at such meetings, CDI holders may:</p> <ul style="list-style-type: none"> <li>• instruct CDN, as the legal owner, to vote the Shares underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI holders with the notice of meeting or proxy statement for the meeting and this must be completed and returned to the CDI Registry before the meeting;</li> <li>• inform VTI that they wish to nominate themselves or another person to be appointed as CDN's proxy for the purposes of attending and voting at the general meeting; or</li> <li>• convert their CDIs into a holding of Shares and vote these at the meeting.</li> </ul> <p>Afterwards, if the former CDI holder wishes to sell their investment on the ASX it would need to convert the Shares back to CDIs. In order to vote in person, the conversion from CDIs to Shares must be completed before the record date for the meeting.</p> <p>One of the above steps must be undertaken before CDI holders can vote at stockholder meetings. CDI voting instruction forms and details of these alternatives will be included in each notice of meeting or proxy statement sent to CDI holders by VTI.</p>
<p><b>Communication with CDI holders</b></p>	<p>CDI holders will receive all notices and company announcements (such as annual reports) that stockholders are entitled to receive from VTI.</p>
<p><b>Dividends and other entitlements</b></p>	<p>Any dividend declared or other distribution paid in respect of the Shares underlying the CDIs will be distributed to CDI holders. The Directors do not however, envisage that VTI will pay dividends or make other distributions for the foreseeable future. VTI expects that any dividends declared in the future will be paid in US dollars. Holders of CDIs trading on the ASX will receive an equivalent amount in Australian currency based on the exchange rate on the record date for the dividend.</p>
<p><b>Transfer</b></p>	<p>CDI holders who wish to trade their CDIs will be transferring the beneficial interest in the Shares rather than the legal title. The transfer will be settled electronically through CHESS. Trading in CDIs is essentially the same as trading in other CHESS approved securities, such as shares in an Australian public company.</p>
<p><b>Corporate actions</b></p>	<p>VTI must administer all corporate actions (including bonus issues, rights issues, reconstructions and mergers) that result in the issue of additional or replacement Shares so that the benefits are generally distributed to CDI holders on the same terms as stockholders as though CDI holders are the holders of the relevant corresponding number of Shares.</p>

Item	Detail
<b>Takeovers</b>	If a takeover bid or similar transaction is made in relation to the Shares under which CDN is the registered holder, under the ASX Settlement Operating Rules CDN must not accept the takeover offer unless that acceptance is authorised by the relevant CDI holder. If a CDI holder instructs it to do so, CDN must ensure that the offeror processes the takeover acceptance.
<b>Winding up</b>	If VTI is in liquidation, dissolution or winding up, CDI holders will be entitled to the same economic benefits on their CDIs as stockholders receive on the Shares they hold.

### 9.6.1 **Certificate of Incorporation, Bylaws and rights attaching to Shares**

A summary of VTI's securities and provisions of its Certificate of Incorporation and Bylaws, is set out in the table below. This summary is not intended to be exhaustive.

Item	Detail
<b>Stock</b>	VTI is authorised to issue 2,500,000,000 Shares and 50,000,000 shares of preferred stock.
<b>Preferred Stock</b>	The Board has the authority, without further action by stockholders, to issue shares of preferred stock in one or more series. The Board may designate the rights, preferences, privileges and restrictions of the preferred stock, including dividend rights, conversion rights, voting rights, terms of redemption, liquidation preference and the number of shares constituting any series. The issuance of preferred stock could have the effect of restricting dividends on Shares, diluting the voting power of Shares, impairing the liquidation rights of Shares, or delaying or preventing a change of control. Even the ability to issue preferred stock could delay or impede a change of control.
<b>Options</b>	VTI has reserved an aggregate of 201,000,000 Shares for issue under its 2017 Equity Incentive Plan.
<b>Purchase of own shares</b>	Under Delaware law, the Directors may be able to cause VTI to buy-back its outstanding shares out of funds legally available without needing to obtain stockholder approval. A company generally is not permitted to buy back its shares if its liabilities exceed its assets. In addition, share buy-backs are subject to US securities laws.
<b>Acquisition / transfer of shares</b>	Under Delaware law, shares are freely transferable, subject to applicable federal and state securities laws, unless a transfer restriction is imposed by a company's certificate of incorporation, bylaws or an agreement signed with the holder of the shares at issue. Accordingly, a company is obligated to register a transfer of shares unless such transfer would violate federal or state securities laws or a valid transfer restriction would be imposed as described above. The Directors must not in any way prevent, delay or interfere with the registration of a transfer of quoted securities in VTI unless permitted by the ASX Listing Rules or the ASX Settlement Operating Rules.

Item	Detail
<b>Dividends</b>	<p>VTI's Certificate of Incorporation will entitle holders of Shares to receive rateably any dividends the Board declares out of funds legally available for that purpose. Under Delaware law, the Directors may declare and pay dividends generally out of:</p> <ul style="list-style-type: none"> <li>• the surplus of VTI, which is defined to be VTI's net assets less capital; or</li> <li>• if no surplus exists, out of the net profits of VTI for the Fiscal year in which the dividend is declared and/or the preceding Fiscal year.</li> </ul>
<b>Variation of class rights</b>	<p>Under Delaware law, any amendment to VTI's Certificate of Incorporation that would alter or change the special rights, powers or preferences of one or more classes or series of stock so as to affect them adversely must, in addition to any other vote required by law or under the Certificate of Incorporation, be approved by the adversely affected class or series by a majority of all votes entitled to be cast by the stockholders of that class or series. Except as otherwise provided in VTI's Certificate of Incorporation, the issuance of shares of any series of common stock or preferred stock (assuming there were a sufficient number of authorised and unissued shares of such series) would not require a separate vote of any class or series of stock of VTI. However, an amendment increasing the number of authorised shares of a class or series of stock must be approved by the holders of a majority of the votes entitled to be cast by the stockholders of that class or series, unless VTI's Certificate of Incorporation provides that such vote is not necessary. Under Delaware law and VTI's Certificate of Incorporation, amendments to VTI's Bylaws can be made with Board or stockholder approval. The Board is authorised to amend VTI's Bylaws at any time by a vote of the majority of the authorised number of Directors. In order for the stockholders to amend VTI's Bylaws, the amendment must be approved by the holders of at least 66 2/3% of the then-outstanding voting stock.</p>
<b>Nomination of Directors</b>	<p>Under VTI's Bylaws, for nominations for the election to the Board to be properly brought before an annual meeting by a stockholder, the stockholder must deliver written notice, which contains the information required by VTI's Bylaws, to the Secretary of VTI no later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that, in the event that the date of the annual meeting is advanced or delayed by more than 30 days of the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be received not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made. Under Delaware law and VTI's Bylaws, there is plurality voting for the election of Directors at annual meetings, which does not apply under Australian law. (In plurality voting, successful candidates are those that receive the highest number of votes at that meeting, irrespective of whether any such candidate has received a majority of the votes cast by stockholders at the meeting, as is required in Australia. Under this mechanism, stockholders are effectively not given the option to vote 'against' the proposed resolution.)</p>

Item	Detail
<b>Casual vacancies</b>	Unless the Board determines by resolution that vacancies will be filled by the stockholders, vacancies on the Board will be filled only by the affirmative vote of a majority of the Directors then in office, even with less than a quorum of the Board, and not by the stockholders. Any Director elected in accordance with the preceding sentence will hold office for the remainder of the full term of the Director for which the vacancy was created or occurred and until such Director's successor will have been elected and qualified.
<b>Stockholder meetings</b>	<ul style="list-style-type: none"> <li>• Under Delaware law, VTI is required to have an annual meeting of stockholders and, if more than 13 months have passed since the last annual meeting, a stockholder or Director may petition the court for an order compelling the holding of the annual meeting.</li> <li>• Under VTI's Bylaws, notice of a meeting of VTI's stockholders must generally be given to stockholders entitled to vote at the meeting not less than 10 days, and not more than 60 days, prior to the date of the meeting.</li> <li>• Special meetings of VTI's stockholders may be called, for any purpose as is a proper matter for stockholder action under Delaware law, by: <ul style="list-style-type: none"> <li>• the Chairperson of the Board;</li> <li>• the CEO; or</li> <li>• the Board pursuant to a resolution adopted by a majority of the Directors then in office.</li> </ul> <p>There is no ability for stockholders to call a special meeting.</p> </li> <li>• At a meeting of VTI, every holder of Shares present in person or by proxy is entitled to one vote for each Share held on the record date for the meeting on all matters submitted to a vote of stockholders. Under VTI's Bylaws, the presence at the meeting (in person, by remote communication or represented by proxy) of the holders of a majority of the outstanding shares of stock entitled to vote will constitute a quorum for the transaction of business. Except as otherwise provided by statute or by applicable stock exchange rules, the affirmative vote of the majority of Shares present in person, by remote communication or represented by proxy at the meeting and entitled to vote generally on the subject matter will be the act of the stockholders. Directors will be elected by a plurality of the votes of the Shares (present in person, by remote communication or represented by proxy at the meeting) and entitled to vote on the election of Directors.</li> </ul>
<b>Stockholder approvals</b>	<ul style="list-style-type: none"> <li>• The types of transactions that require stockholder approval are governed by Delaware law and VTI's Certificate of Incorporation and Bylaws. Generally speaking, the following types of transactions will require stockholder approval by a majority of votes: <ul style="list-style-type: none"> <li>• amending the Certificate of Incorporation; and</li> <li>• fundamental corporate changes such as a merger or acquisition, the sale of all or substantially all of VTI's assets, or the dissolution of VTI.</li> </ul> </li> <li>• Under VTI's Certificate of Incorporation and Bylaws, the removal of Directors or the amendment of either the Bylaws or certain articles of the Certificate of Incorporation requires the affirmative vote of the holders of at least 66 2/3% of the shares entitled to vote on such matters. Unlike the Corporations Act, there are no statutory provisions under Delaware law allowing a stockholder to bring an action in cases of conduct which is either contrary to the</li> </ul>

Item	Detail
	<p>interests of stockholders as a whole, or oppressive to, unfairly prejudicial to, or unfairly discriminatory against, any stockholders in their capacity as stockholders, or themselves in a capacity other than as a stockholder. However, judicial remedies may be available to stockholders in comparable circumstances.</p>
<p><b>Derivative action</b></p>	<p>Under Delaware law, a stockholder may bring a derivative action on behalf of VTI where those in control of VTI have failed to assert a claim belonging to VTI. A stockholder must meet certain eligibility and standing requirements, including a requirement that the plaintiff has been a stockholder of VTI at the time of the act of which the plaintiff complains and a requirement that the plaintiff maintain his or her status as a stockholder throughout the course of the litigation. A derivative plaintiff must also have made a demand on the Directors of VTI to assert the corporate claim, unless such a demand would have been futile.</p>
<p><b>Forum</b></p>	<ul style="list-style-type: none"> <li>• VTI's Certificate of Incorporation provides that unless VTI consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for: <ul style="list-style-type: none"> <li>• any derivative action or proceeding brought on VTI's behalf;</li> <li>• any action asserting a claim of breach of a fiduciary duty owed by any of the Directors, officers or other employees of VTI to VTI or the stockholders;</li> <li>• any action asserting a claim against VTI arising pursuant to any provision of the Delaware General Corporation Law, the Bylaws or the Certificate of Incorporation; and</li> <li>• any action asserting a claim against VTI governed by the internal affairs doctrine in the US.</li> </ul> </li> <li>• Any person or entity purchasing or otherwise acquiring any interest in shares of VTI's capital stock (including holders of CDIs) will be deemed to have notice of, and consented to, this provision.</li> </ul>
<p><b>Takeovers</b></p>	<ul style="list-style-type: none"> <li>• As a foreign company registered in Australia, VTI is not subject to Chapters 6, 6A, 6B and 6C of the Corporations Act dealing with the acquisition of shares, including provisions that relate to substantial holdings and takeovers.</li> <li>• The acquisition of securities in VTI is subject to Delaware law and applicable US securities laws. ASX usually requires a foreign entity admitted to the Official List of the ASX to undertake to give information to the ASX (for release to the market) about the ownership of its securities.</li> <li>• The usual undertakings are to tell the market: <ul style="list-style-type: none"> <li>• immediately the entity becomes aware of any person becoming a substantial holder within the meaning of section 671B of the Corporations Act, and to disclose any details of the substantial holding of which the entity is aware; and</li> <li>• of subsequent changes in the substantial holdings of which the entity becomes aware.</li> </ul> </li> <li>• As a Delaware company, VTI is subject to section 203 of the Delaware General Corporation Law, which generally prohibits a Delaware company from engaging in any business combinations with any stockholder who at any time owned 15% or more of the company's outstanding voting stock, referred to as an interested stockholder, for a period of three years following the date on which the stockholder became an interested stockholder, subject to certain exceptions. In addition, under Delaware law, the Board will</li> </ul>



Item	Detail
	<p>have the ability to implement a broader range of takeover defence mechanisms than what is currently permitted under Australian takeovers legislation and policy. The availability of these mechanisms may be regarded as a potential disadvantage to the extent that they enable management to discourage or defeat a takeover bid which stockholders would otherwise like to consider. However, such actions may also advantage stockholders by providing protections against a takeover that is not in the short or long term interests of VTI. Defensive mechanisms could include, amongst other things:</p> <ul style="list-style-type: none"> <li>• adoption of a stockholders rights plan (or so-called 'poison pill'); and</li> <li>• issuance of stock (including preferred stock having disproportionate or blocking voting rights) to friendly hands.</li> <li>• While the Board will have substantial discretion to implement such provisions, its exercise of that discretion must comply with its fiduciary duties of loyalty and care. Under Delaware case law, in any litigation by stockholders challenging the adoption of 'defensive' provisions such as those described above, the Board will have the initial burden of demonstrating that it had reasonable grounds for believing that a threat to corporate policy and effectiveness existed and that the action taken was reasonable in relation to the threat posed.</li> </ul>
<b>Winding up</b>	<p>Under Delaware law, the Board can decide whether it is advisable to dissolve VTI, or sell any or all of its assets, and submit a resolution to approve dissolution or a sale of all or substantially all of its assets for stockholder approval. A majority of the voting shares outstanding must approve such resolution for it to be adopted. Dissolution may also be authorised without Director action if all the stockholders entitled to vote consent in writing and a certificate of dissolution is filed with the Secretary of State of Delaware. In the event of VTI's liquidation or dissolution, holders of Shares are entitled to share in all assets remaining after payment of all debts and other liabilities, subject to the prior rights of the outstanding preferred stock, if any. Holders of VTI's Shares have no pre-emptive, subscription, redemption or conversion rights.</p>

## 9.7 Terms and conditions of New Options

The New Options to be issued under the Prospectus pursuant to the Offers, entitle the holder to subscribe for CDIs on the following terms and conditions.

- (a) The New Options are exercisable in whole or in part on the last day of each month commencing on 31 July 2020 up until (and including) 30 June 2022 (the date of their expiry) (**New Option Exercise Dates**) at a price of A\$0.028 (2.8 cents) each, but not thereafter. If the last day of the month is not a business day (in Sydney), the New Option Exercise Date will be the first business day (in Sydney) after the last day of the month. New Options not exercised by 5.00pm (Sydney time) on 30 June 2022 will lapse.
- (b) Each New Option entitles the holder to subscribe for one CDI. Any CDIs issued as a result of exercising a New Option will be issued on the same terms and rank in all respects with existing CDIs.
- (c) The New Options will be unlisted options.
- (d) The New Options will be registered in the name of a Securityholder in an option register maintained by the CDI Registry. Instead of Option

certificates, holders will be provided with a holding statement that sets out the number of New Options allotted to them. The notice will also advise holders of their Security Holder Reference Number as well as:

- (i) the exercise price of the New Options; and
  - (ii) the date of issue of the New Options and the New Option Exercise Dates.
- (e) When exercising New Options, a New Option holder must give VTI or the CDI Registry a Notice of Exercise Form (the form of which will, on request, be provided by the CDI Registry), together with payment of the exercise monies payable to VTI in connection with the New Options being exercised (being A\$0.028 (2.8 cents) per New Option) on or prior to the relevant New Option Exercise Date.
- (f) If a New Option holder exercises less than the total number of its New Options, VTI must cancel the holding statement and issue the New Option holder a new holding statement for the remaining number of New Options held by the New Option holder.
- (g) VTI shall within five Business Days after the relevant New Option Exercise Date, subject to receipt of a Notice of Exercise Form and cleared funds, issue CDIs in respect of the New Options exercised and dispatch a holding statement to the holder. An application for official quotation of the CDIs allotted and issued as a result of the exercise of the New Options will be made within ten Business Days after the date of issue of the CDIs.
- (h) Subject to the Certificate of Incorporation, Bylaws and any applicable laws or regulations (including the ASX Listing Rules), the New Options will be fully transferrable.
- (i) A New Option holder is not entitled to participate in any new issue of securities to existing Securityholders unless the New Option holder has exercised its New Options before the record date for determining entitlements to the new issue of securities and participates as a result of holding CDIs.
- (j) If VTI makes a bonus issue to Securityholders and no CDI has been issued in respect of a New Option before the record date for determining entitlements to the issue, then the number of underlying CDIs over which the New Option is exercisable is increased by the number of CDIs which the New Option holder would have received if the holder had exercised the New Option before the record date for determining entitlements to the bonus issue, in accordance with the ASX Listing Rules.
- (k) If VTI makes a pro rata issue of securities (except a bonus issue) to Securityholders and no CDI has been issued in respect of a New Option before the record date for determining entitlements to the issue, the exercise price of each New Option is reduced in accordance with the ASX Listing Rules.
- (l) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the capital of VTI, then the rights of the New Option holder are to be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (m) Any calculations or adjustments which are required to be made under these terms and conditions will be made by VTI and will, in the absence of

manifest error, be final and conclusive and binding on VTI and the New Option holder.

- (n) VTI will give written notice to the New Option holder of any adjustment of the exercise price of the New Options and any increase or decrease in the number of New Options under these terms and conditions.
- (o) These terms and conditions and the rights and obligations of New Option holders are governed by the laws of New South Wales. Each New Option holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales.

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## **10 Additional Information**

### **10.1 Taxation**

Taxation implications of participating in the SPP will vary depending on the particular circumstances of individual Eligible Holders. Eligible Holders are advised to obtain their own professional taxation advice before making a decision in relation to participating in the SPP.

### **10.2 Information about VTI**

The information included in this Prospectus provides information about VTI's activities current as at 1 June 2020. It is information in a summary form and does not purport to be complete. It should be read in conjunction with VTI's other periodic and continuous disclosure announcements.

### **10.3 Future performance**

The words "anticipate", "believe", "expect", "project", "estimate", "likely", "intend", "should", "could", "may", "plan" and other similar expressions are intended to identify forward-looking statements. Forward-looking statements, opinions and estimates provided in this Prospectus are based on assumptions and contingencies which are subject to change without notice as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

An investment in VTI is subject to investment and other known and unknown risks, some of which are beyond the control of VTI. VTI does not guarantee any particular rate of return or the performance of VTI nor does it guarantee the repayment of capital from VTI or any particular tax treatment.

### **10.4 Past performance**

Past performance information given in this Prospectus is provided for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

### **10.5 Foreign holders of CDIs**

This Prospectus does not constitute an offer of CDIs or options in any jurisdiction in which it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the CDIs and options may not be offered or sold, in any country outside Australia except to the extent permitted below.

#### **10.5.1 New Zealand**

The offer to New Zealand investors under the SPP is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 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.

The Offers and the content of this Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the Offers 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 Offers 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.

### **10.5.2 United States**

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration. Securities described in this Prospectus have not been, and will not be, registered under the US Securities Act, or under the securities laws of any state or other jurisdiction of the United States, and may not be, offered or sold in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction in the United States. Accordingly, the New CDIs to be offered and sold to Eligible Holders will be sold only in “offshore transactions” (as defined in Rule 902(h) under the US Securities Act) in compliance with Regulation S under the US Securities Act.

## 10.6 Continuous disclosure obligations

VTI 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 companies listed on the ASX, VTI 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 VTI securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on VTI 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.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to VTI 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. You should therefore have regard to the other publicly available information in relation to VTI before making a decision whether or not to invest.

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.

VTI, 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 ASIC in relation to VTI (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of 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 VTI with ASIC; and
  - (ii) any continuous disclosure documents given by VTI to ASX in accordance with the ASX Listing Rules after lodgement of the financial statements referred to in paragraph (i) and before lodgement of this Prospectus with ASIC.

All requests for copies of the above documents should be addressed to the CDI Registry.

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

Announcements are also available through VTI's website: <https://vtivisioninvestors.com>.

Details of the documents lodged by VTI with ASX since the date of lodgement of VTI's latest annual financial report (being 3 March 2020) and before lodgement of this Prospectus with ASIC are set out in the table below.

<b>Date</b>	<b>Description of Announcement</b>
13/03/2020	VTI Obtains Canada Regulatory Approval
02/04/2020	Visioneering Market Update for COVID-19
20/04/2020	Appendix 4C and Cashflow Report Cover Note
21/04/2020	Visioneering approved to receive COVID-19 Relief Funding
23/04/2020	Trading Halt
29/04/2020	Visioneering Secures Commitments – A\$5.0M in New Capital
29/04/2020	Proposed issue of Securities – VTI
01/05/2020	Visioneering to Present at Virtual Health Conference
01/05/2020	Visioneering Investor Presentation
01/05/2020	Change in substantial holding
13/05/2020	Notice of Annual General Meeting/Proxy Form
13/05/2020	Annual Meeting and Online Meeting Guide
26/05/2020	Announcement of Extension of AGM Voting Period
29/05/2020	AGM MD Presentation
29/05/2020	Results of Annual Meeting
29/05/2020	Proposed issue of Securities – VTI

#### **10.7 Information excluded from continuous disclosure notices**

As at the date of this Prospectus, there is no information that has not been disclosed under this Prospectus and the continuous disclosure requirements of the ASX Listing Rules and which the Board considers an investor would reasonably require in order to assess VTI assets and liabilities, financial position and prospects and the rights and liabilities attaching the securities of VTI.

#### **10.8 Market price of CDIs**

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

The highest, lowest and last market sale prices of the CDIs on ASX during the three month period ending on 28 May 2020 and the respective dates of those sales were:

	<b>A\$</b>	<b>Date</b>
<b>Highest</b>	\$0.023	22 April 2020
<b>Lowest</b>	\$0.012	6 April 2020
<b>Last</b>	\$0.020	28 May 2020

## 10.9 Director's interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner or director, has or had within the 2 years before the date of this Prospectus, any interest in:

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

and no amounts have been paid or agreed to be paid (in cash, CDIs, Shares or otherwise) and no other benefit has been given or agreed to be given to any Director or to any entity in which a Director is a partner or a director, either to induce him or her to become, or to qualify him or her as, a Director for services rendered by him, her or the entity in connection with the formation or promotion of VTI or the Offers.

The Directors' relevant interests in securities of VTI as at the date of this Prospectus (but assuming completion of the issue of securities to the Non-Executive Directors in conjunction with the Placement) are as follows:

Director	CDIs	Shares	Options
Dr. David J Mazzo	1,195,357	Nil	597,678
Dr. Stephen Snowdy	Nil	Nil	8,067,773
Mr. Tom Dooley	1,125,071	Nil	562,535
Ms. Jean Franchi	1,196,500	Nil	598,250
Ms. Zita Peach	1,061,330 <sup>1</sup>	Nil	476,178
Ms Christine van Heek	1,178,571	424,548 <sup>2</sup>	711,785

Notes:

<sup>1</sup> 108,973 CDIs are held through Ms Peach's family self-managed super fund.

<sup>2</sup> 158,500 held personally and 266,048 held jointly.

At the 2020 Annual Meeting, stockholder approval was obtained for the Company to issue 6,757,442 Shares, 7,349,455 restricted shares of Class A Common Stock and a total of 42,721,903 Options to Dr. Stephen Snowdy under the 2017 Equity Incentive Plan. As at the date of this Prospectus, these Shares, restricted shares and Options have not yet been issued to Dr. Snowdy, however the Company intends to issue the securities shortly after the date of this Prospectus.



## 10.10 Remuneration of Directors

Details of the remuneration of the Directors paid during the Fiscal Years ended 31 December 2018 and 31 December 2019 are set out in the following table:

Director	Year ended 31 December 2019			Year ended 31 December 2018	
	Fees earned or paid in cash (US\$)	Long Term Incentive	Short Term Incentive	Fees earned or paid in cash (US\$)	Option Awards (Number of Options)
Dr David J Mazzo <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
Dr Stephen Snowdy <sup>2</sup>	382,572	10,343,182 Options	\$23,282 cash 6,757,442 Shares 3,378,721 Options \$33,525 cash to cover tax related to the above Shares	371,942	1,758,125
Mr Tom Dooley	63,000	N/A	N/A	63,000	N/A
Ms Jean Franchi	67,000	N/A	N/A	67,000	N/A
Ms Zita Peach <sup>3</sup>	70,000	N/A	N/A	70,000	N/A
Ms Christine van Heek	66,000	N/A	N/A	66,000	N/A

Notes:

<sup>1</sup> Dr David J Mazzo was appointed to the board on 2 March 2020.

<sup>2</sup> Dr Snowdy's remuneration for the 2019 Fiscal Year comprises a base salary of US\$382,572, long term incentive Options and a short term incentive of US\$116,408. VTI paid 20% (US\$23,282) of the short term incentive (STI) in cash in the first quarter of 2020. VTI obtained stockholder approval at its 2020 Annual Meeting to grant the long term incentive Options and pay the remaining 80% of his unpaid STI as follows: 64% (US\$59,601) in the form of Shares and Options (under VTI's 2017 Equity Incentive Plan) and 36% (US\$33,525) in cash to cover tax on the equity component of the STI. Please see the Notice of Annual Meeting released on 13 May 2020 for more details.

<sup>3</sup> Excludes superannuation payments made on behalf of Ms Peach.

Please refer to the Annual Report for full details of the remuneration of VTI's Directors. The Annual Report was lodged with ASX on 4 March 2020 and is available on VTI's company announcement page on the ASX website: [www.asx.com.au](http://www.asx.com.au).

## 10.11 Related party transactions

From time to time VTI may be party to transactions with related parties including:

- (a) employment and service arrangements; and
- (b) payment of Directors fees.

VTI believes that it has made appropriate disclosures of past related party transactions, and other than specifically set out in this Prospectus, does not intend to make any further disclosure of such transactions which transactions have either proceeded on an arm's length basis, reasonable remuneration basis or have been approved by stockholders.

## 10.12 Interests of experts and advisers

Except as set out in this Prospectus, no person named as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus:

- (a) has any interest, or has had any interest during the last two years, in the formation or promotion of VTI, or in property acquired or proposed to be acquired by VTI in connection with its formation or promotion, or the Offers; and
- (b) no amount has been paid, or agreed to be paid, and no benefit has been given, or agreed to be given, to any such person in connection with the services provided in connection with the formation or promotion of VTI or the Offers.

Johnson Winter & Slattery has acted as the Australian legal adviser for VTI in relation to the Offers. VTI has paid, or agreed to pay, approximately \$80,000 in connection with the Offers. Further charges may be payable to Johnson Winter & Slattery in accordance with its normal time-based charges.

Thompson Coburn LLP has acted as the US legal adviser to VTI in relation to the Offers. VTI has paid, or agreed to pay, approximately \$7,500 in connection with the Offers. Further charges may be payable to Thompson Coburn LLP in accordance with its normal time-based charges.

Aurenda Partners Pty Ltd, which has acted as joint lead manager of the Offers. VTI has agreed to pay Aurenda Partners Pty Ltd a fee of 3% of the value of the proceeds raised under the SPP and Placement (representing a 50% share of the fees to be paid to Aurenda Partners Pty Ltd and Shaw and Partners Limited as Joint Lead Managers) plus such number of Options equal to 0.5% of the proceeds of the SPP and Placement divided by the Issue Price.

Shaw and Partners Limited which has acted as joint lead manager of the Offers. VTI has agreed to pay Shaw and Partners Limited a fee of 3% of the value of the proceeds raised under the SPP and Placement (representing a 50% share of the fees to be paid to Aurenda Partners Pty Ltd and Shaw and Partners Limited as Joint Lead Managers).

## 10.13 Consents

Each of the parties named below:

- (a) has not made any statement in this Prospectus or any statement on which a statement in this Prospectus has been based, other than set out at the end of this Section; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this Prospectus, other than a reference to its name and/or any statement or report included in this report with its consent, as specified at the end of this Section.

Each of the parties has given, and not withdrawn before the lodgement of this Prospectus with ASIC, its consent to be named in this Prospectus in the capacity described below:

- Johnson Winter & Slattery, which has acted as Australia legal adviser to VTI in relation to the Offers. In doing so, Johnson Winter & Slattery has placed

reasonable reliance upon the information provided to them by VTI. Johnson Winter & Slattery does not make any statement in this Prospectus.

- Thompson Coburn LLP, which has acted as the US legal adviser to VTI in relation to the Offers. In doing so Thompson Coburn LLP has placed reasonable reliance upon the information provided to them by VTI. Thompson Coburn LLP does not make any statement in this Prospectus.
- Aurenda Partners Pty Ltd, which has acted as joint lead manager of the SPP and Placement.
- Shaw and Partners Limited, which has acted as joint lead manager of the SPP and Placement.
- Computershare Investor Services Pty Limited which acts as the CDI Registry. It has no involvement in the preparation of any part of this Prospectus other than being named as CDI Registry to VTI.

#### 10.14 Litigation

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

#### 10.15 Expenses of SPP

The total expenses of the SPP are estimated to range from approximately \$113,706 to \$173,706 (US\$75,500 to US\$115,340) (excluding GST), and are expected to be applied towards the items set out in the table below:

<b>Expenses</b>	<b>\$A</b>
Joint Lead Managers fees	\$0 - \$60,000
Legal fees	\$87,500
ASIC lodgement fees	\$3,206
Registry and printing costs	\$23,000
<b>Total</b>	<b>\$113,706 - \$173,706</b>

#### 10.16 ASIC relief

ASIC has granted VTI the following relief:

- a declaration under subsection 601CK(7) of the Corporations Act allowing VTI to lodge its balance sheet, a cash flow statement and a profit and loss statement for each relevant financial year with ASIC, in such form and containing such particulars as VTI would be required to prepare if it were a reporting company in the US;
- a declaration under subsection 741(1)(b) of the Corporations Act modifying the definition of “continuously quoted securities” and paragraphs 708AA(2)(e) and 708A(5)(d) of the Corporations Act to allow VTI to use cleansing notices and transaction-specific prospectuses notwithstanding the relief described in (a); and
- a declaration under subsection 741(1)(b) of the Corporations Act modifying paragraph 708A(11) for the purpose of allowing the on-sale of the Options issued under the Placement (and to the Non-Executive Directors in

conjunction with the Placement) and the CDIs issued on exercise of such Options.

#### **10.17 Privacy**

By submitting an Application Form, you will be providing personal information to VTI (directly or through the CDI Registry). VTI collects, holds and will use that information to assess and process your application, administer your holding in VTI and to provide related services to you. VTI may disclose your personal information for purposes related to your holding in VTI, including to the CDI Registry, VTI's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies.

You can obtain access to personal information that VTI holds about you. To make a request for access to your personal information held by (or on behalf of) VTI, please contact VTI through the CDI Registry.

#### **10.18 Governing law**

This Prospectus, the Offers and the contracts formed on acceptance of the Offers are governed by the laws applicable in New South Wales, Australia.

#### **10.19 Authority of Directors**

The Directors have made all reasonable enquiries in the preparation of this Prospectus and on that basis have reasonable grounds to believe that any statements made by Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in this Prospectus by persons other than the Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with ASIC.

This Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to likely investors and their professional advisers.

Each of the Directors has consented to the lodgement of the Prospectus in accordance with section 720 of the Corporations Act and has not withdrawn that consent.

Dated 1 June 2020

By: Dr Stephen Snowdy

Director



For and on behalf of the Board of Visioneering Technologies, Inc.

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## 11 Glossary and Interpretation

### 11.1 Definitions

In this Prospectus, the following words have the following meanings unless the context requires otherwise:

<b>Term</b>	<b>Meaning</b>
<b>\$ or A\$</b>	Australian dollars.
<b>Application Form</b>	the personalised form accompanying this Prospectus which may be used to make an application for New CDIs (and attaching New Options) under the SPP.
<b>ASIC</b>	the Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited ACN 008 624 691 or, as the context requires, the financial market known as the Australian Securities Exchange operated by it.
<b>ASX Listing Rules</b>	the official listing rules of the ASX as amended or replaced from time to time.
<b>ASX Settlement Operating Rules</b>	the official settlement operating rules of the ASX as amended or replaced from time to time.
<b>Board</b>	the board of directors of VTI.
<b>BPAY®</b>	the electronic payment facility by that name.
<b>Business Day</b>	a day which is not a Saturday, Sunday or a public holiday in New South Wales.
<b>CDI</b>	a CHESS Depository Interest, being a unit of beneficial ownership of Shares (with each CDI representing a corresponding Share).
<b>CDI Registry</b>	Computershare Investor Services Pty Limited ABN 48 078 279 277.
<b>CDN</b>	CHESS Depository Nominees Pty Ltd ACN 071 346 506.
<b>CHESS</b>	Clearing House Electronic Subregister System.
<b>Closing Date</b>	the deadline for accepting applications under the SPP, being 5.00pm (Australian Eastern Standard Time) on Friday, 19 June 2020 (subject to change).
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Custodian</b>	has the meaning given in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (as modified by ASIC Class Order 14/827).
<b>Directors</b>	the directors of VTI.
<b>Eligible Beneficiary</b>	a person who would otherwise satisfy the definition of an Eligible Holder but for they hold a beneficial interest in CDIs and whose legal interest in CDIs is held by a Custodian.
<b>Eligible Holders</b>	Securityholders who are registered as holders of CDIs as at the Record Date with a registered address in Australia or New Zealand.

<b>Term</b>	<b>Meaning</b>
<b>Expiry Date</b>	the date that is 13 months after the date of this Prospectus.
<b>Fiscal Year</b>	the period starting on 1 January and ending on 31 December each year.
<b>Investor</b>	<ul style="list-style-type: none"> <li>• a person to whom an offer of New CDIs and New Options may lawfully be made in Australia without a disclosure document (as defined in the Corporations Act) on the basis that such a person is exempt from the disclosure requirements of Part 6D.2 in accordance with sections 708(8) or 708(11); or</li> <li>• a person to whom an offer of New CDIs and New Options may be made outside Australia without registration, lodgement of a formal disclosure document or other formal filing in accordance with the laws of that particular foreign jurisdiction (except to the extent which VTI is willing to comply with such requirements).</li> </ul>
<b>Issue Price</b>	the price payable for each New CDI under the SPP, being \$0.014.
<b>Joint Lead Managers or JLMs</b>	Shaw and Partners Limited and Aurenda Partners Pty Ltd.
<b>Menicon</b>	Menicon Co., Ltd. or any of its related bodies corporate.
<b>New CDIs</b>	the CDIs offered pursuant to this Prospectus.
<b>New Options</b>	the Options offered pursuant to this Prospectus and on the terms set out in Section 9.7,
<b>New Option Exercise Dates</b>	has the meaning given in Section 9.7.
<b>New Securities</b>	the New CDIs and the New Options.
<b>Offers</b>	the SPP and the Shortfall Offer.
<b>Offer Period</b>	the period from 9.00am (Australian Eastern Standard Time) on Wednesday, 3 June 2020 to the Closing Date.
<b>Option</b>	an option to subscribe for CDIs.
<b>Placement</b>	the offer of new CDIs (and free attaching Options) announced on Wednesday, 29 April 2020.
<b>Privacy Act</b>	<i>Privacy Act 1988</i> (Cth).
<b>Prospectus</b>	this Prospectus dated 1 June 2020, and includes the electronic prospectus.
<b>Record Date</b>	7.00pm (Australian Eastern Standard Time) on Tuesday, 28 April 2020.
<b>Regal</b>	Regal Funds Management Pty Ltd.
<b>SEC</b>	US Securities and Exchange Commission.
<b>Securityholder</b>	a holder of CDIs.

<b>Term</b>	<b>Meaning</b>
<b>Scale Back</b>	a reduction in the number of New CDIs issued to Eligible Holders to less than the number than they have applied for (which VTI may implement in its absolute discretion).
<b>Shares</b>	fully paid shares of Class A common stock in VTI.
<b>Shortfall or Shortfall CDIs</b>	those New CDIs under the SPP not applied for by Eligible Holders by the Closing Date.
<b>Shortfall Offer</b>	the offer of Shortfall CDIs pursuant to this Prospectus.
<b>SPP</b>	the security purchase plan outlined in this Prospectus.
<b>stockholder</b>	a holder of Shares.
<b>Thorney</b>	TIGA Trading Pty Ltd and Thorney Technologies Limited.
<b>US</b>	United States.
<b>USPTO</b>	United States Patent and Trademark Office.
<b>US Securities Act</b>	US Securities Act of 1933, as amended.
<b>VTI or Company</b>	Visioneering Technologies, Inc. ARBN 616 156 248.
<b>VWAP</b>	the volume weighted average price of trading over the relevant period, excluding block trades, large portfolio trades, permitted trades during the pre-trading hours period, permitted trades during the post-trading hours period, out of hours trades and exchange traded option exercises.

## 11.2 Interpretation

In this Prospectus, unless the context otherwise requires:

- (a) where fractions arise in the calculations, they will be rounded down to the nearest whole number;
- (b) the singular includes the plural, and vice versa;
- (c) words importing one gender include other genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this Prospectus have corresponding meanings;
- (e) terms used in this Prospectus and defined in the Corporations Act have the meanings ascribed to them in the Corporations Act;
- (f) other grammatical forms of a word or phrase defined in this Prospectus have a corresponding meaning; and
- (g) a reference to a Section is a reference to a section of this Prospectus.

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## 12 Corporate Directory

### DIRECTORS

Dr David J Mazzo – Chairman (Non-Executive)  
Dr Stephen Snowdy – Chief Executive Officer and Executive Director  
Mr Tom Dooley – Non-Executive Director  
Ms Jean Franchi – Non-Executive Director  
Ms Zita Peach – Non-Executive Director  
Ms Christine van Heek – Non-Executive Director

### JOINT LEAD MANAGERS

Aurenda Partners Pty Ltd  
32 Earl Street  
Roseville NSW 2069  
  
Shaw and Partners Limited  
Level 7, Chifley Tower  
2 Chifley Square, Sydney NSW 2000

### COMPANY SECRETARY

Mr Julian Rockett

### AU LEGAL ADVISER

Johnson Winter & Slattery  
Level 25, 20 Bond Street  
Sydney NSW 2000  
Australia

### HEADQUARTERS

Suite 200, 10745 Westside Way  
Alpharetta, GA 30009  
United States of America

### US LEGAL ADVISER

Thompson Coburn LLP  
One US Bank Plaza  
St. Louis, MO, 63101  
United States of America

### CDI REGISTRY

Computershare Investor Services Pty Limited  
Yarra Falls, 452 Johnston Street, Abbotsford,  
Victoria, 3067 Australia

### SPP INFORMATION LINE

Phone (within Australia): 1300 850 505  
Phone (outside Australia): +61 3 9415 4000  
Open 8.30am to 5.00pm on Business Days