



Acrux Limited

ACN 082 001 152

OPTIONS PROSPECTUS

For the offer of:

- (a) up to 38,243,646 New Options to SPP Participants on the basis of 1 New Option for every Share subscribed for under the SPP (**SPP Options Offer**);
- (b) up to 75,714,259 New Options to Placement Participants on the basis of 1 New Option for every Share subscribed for under the Placement (**Placement Options Offer**); and
- (c) 50,000,000 New Options in aggregate to the Lead Managers as part consideration for the provision of lead managerial and bookrunner services in connection with the Placement (**Lead Manager Options Offer**),

(together, the **Offers**).

No application monies are payable for the grant of New Options. No funds will be raised by the Company in connection with the Offers unless and until the New Options are exercised in due course.

The Offers are not underwritten. The Offers close at 5:00 pm (AEDT) on 17 February 2025.

Important notice

This Prospectus is a transaction-specific prospectus issued under section 713 of the Corporations Act. This document is important and should be read in its entirety.

The securities offered in connection with this Prospectus are of a speculative nature. If you are in doubt about what to do, you should consult your stockbroker or professional adviser without delay.

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

1 Important information

1.1 General

This Prospectus is dated 17 January 2025 and was lodged with ASIC on that date with the consent of all Directors.

Neither ASIC, ASX nor their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No New Options will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

A copy of this Prospectus is available for inspection at the registered office of the Company during normal business hours. The Company will provide a copy of this Prospectus to any person on request.

1.2 Continuously quoted securities

This Prospectus is a transaction-specific prospectus for an offer of New Options to acquire 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 the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to potential investors and professional advisers whom potential investors may consult.

1.3 Exposure period

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

1.4 ASIC Instrument 2016/80

This Prospectus has been prepared, in part, to ensure that the relief provided under *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 (Instrument 2016/80)* is available in respect of the New Options. Instrument 2016/80 provides relief from the on-sale provisions of section 707 of the Corporations Act and will relieve the need for any further disclosure to be made prior to the on-sale of Shares issued following the exercise of New Options, within 12 months of their date of issue. Shares issued on exercise of the New Options will be able to be immediately traded on ASX (subject to the grant of quotation).

1.5 Foreign jurisdictions

This Prospectus does not, and is not intended to, constitute an offer in any place which, or to any person to whom, it would be unlawful to make such an offer or to issue this Prospectus.

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 these restrictions. Failure to comply with these restrictions may violate securities laws. The Company recommends you seek your own advice on such restrictions and disclaims all liability to such persons.

This Prospectus may not be released or distributed in the United States. The New Options have not been and will not be registered under the US Securities Act of 1933 (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States. The New Options may not be offered, sold or otherwise transferred in the United States or to any person acting for the account or benefit of a person in the United States except in a transaction exempt from, or not

subject to, the registration requirements of the Securities Act and the applicable securities laws of any state or other jurisdiction in the United States.

1.6 Nominees and custodians

Nominees and custodians may not distribute this document, or permit any beneficial Shareholder to participate in the Offers, in any country outside Australia and New Zealand, except with the consent of the Company.

1.7 Forward-looking statements

This Prospectus contains forward-looking statements which may be identified by words such as 'may', 'will', 'expect', 'anticipate', 'estimate', 'would be', 'believe', 'continue' or the negative or other variations of comparable terminology and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risks associated with an investment in the Company are detailed in section 7 of this Prospectus. These and other factors could cause actual results to differ materially from those projected in any forward-looking statements.

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

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

1.8 Publicly available information

No document or information included on the Company's website is incorporated by reference to this Prospectus.

1.9 Risk factors

Refer to section 7 of this Prospectus for details of the risks attached to an investment in the Company. These risks, together with other general risks applicable to all investments in securities not specifically referred to, may affect the value of New Options or Shares issued on exercise of New Options in the future. Accordingly, investment in the Company should be considered speculative and investors should be aware that they may lose some or all of their investment.

1.10 Electronic Prospectus

If you have received this Prospectus as an electronic prospectus together with an Application Form, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you another copy free of charge.

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

1.11 **Investment advice**

This Prospectus does not consider the financial circumstances, financial objectives or particular needs (including financial or taxation issues) of any specific investor. This Prospectus does not constitute investment advice nor advice regarding the taxation consequences of applying for New Options under this Prospectus. Potential investors should obtain professional advice before applying for New Options under this Prospectus. The Company, its advisers and its officers do not accept any responsibility or liability for any such investment or taxation consequences to Shareholders.

1.12 **Disclaimer of representations**

No person is authorised to provide any information or to make any representation in connection with this Prospectus or the Offers that are not contained in this Prospectus. Any information or representations not contained in this Prospectus may not be relied upon as having been authorised by the Company, any of its related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees and agents in connection with the Offers.

1.13 **Defined terms**

Capitalised terms and abbreviations used in this Prospectus are defined in the glossary of terms contained in section 11 of this Prospectus.

1.14 **Currency**

All monetary amounts detailed in this Prospectus are expressed in Australian dollars, unless otherwise stated.

1.15 **Time**

All references to time in this Prospectus are references to Australian Eastern Daylight Time (**AEDT**), unless otherwise stated.

1.16 **Rounding**

Any discrepancies between totals and sums and components in tables detailed in this Prospectus are due to rounding.

1.17 **Withdrawal**

Subject to the Corporations Act, the Listing Rules and any other requirements of ASX or the law, the Directors may decide to withdraw this Prospectus and the Offers at any time prior to the allotment of New Options or to waive strict compliance with any provision of the terms and conditions of the Offers.

1.18 **Enquiries**

Questions regarding this Prospectus or the Offers may be directed to the Company Secretary, Ms Joanna Johnson, by emailing info@acrux.com.au or by phoning (03) 8379 0100 (Australia) or +61 3 8379 0100 (New Zealand) during normal business hours.

2 Corporate directory

Directors

Mr Ross Dobinson - Chair, Non-executive Director
Mr Michael Kotsanis - Managing Director and Chief Executive Officer
Dr Geoffrey Brooke - Non-executive Director
Mr Don Brumley - Non-executive Director
Dr Tim Oldham - Non-executive Director

Company Secretary

Ms Joanna Johnson

Registered office and principal place of business

103-113 Stanley Street
West Melbourne VIC 3003
Australia
Ph: (03) 8379 0100 (Australia) or +61 3 8379 0100 (New Zealand)
Email: info@acrux.com.au
Website: <https://www.acrux.com.au/>

Company's solicitors in relation to the Offers

Norton Rose Fulbright Australia
Level 38, Olderfleet, 477 Collins Street
Melbourne VIC 3000
Australia

Share Registry

Link Market Services Limited*
Level 13, Tower 4, 727 Collins Street
Docklands VIC 3008
Ph: 1300 554 474 (Australia Toll Free)
Email: capitalmarkets@linkmarketservices.com.au

**Link Market Services Limited has not been involved in the preparation of this Prospectus and is named for information purposes only*

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3 Proposed timetable and important dates

Event	Date*
Announcement of Offers – Placement and SPP	5 December 2024
Issue of Notice of Meeting	3 January 2025
Prospectus lodged with ASIC and ASX	17 January 2025
Application for quotation of New Options issued	Before 23 January 2025
Opening Date of Offers	23 January 2025
Meeting to be held to approve resolutions as outlined in the Notice of Meeting	3 February 2025
Closing Date of Offers	17 February 2025
Issue of New Options	19 February 2025

Note: These dates are indicative only and are subject to change. Subject to the requirements of the Corporations Act, the Listing Rules and other applicable law, the Company and the Directors reserve the right to amend these dates at any time, including extending the period for the Offers or accepting late Applications, either generally or in particular cases, without notice. The commencement of trading and quotation of New Options issued under the Offers is subject to confirmation from ASX. Material changes to these dates will be announced to ASX as soon as practicable.

4 Investment overview and frequently asked questions

This section 4 is intended to highlight key information for potential investors. It is an overview only and is not intended to be a substitute for reading the Prospectus in full. Potential investors should read this Prospectus in full before deciding to invest in New Options.

Question	Key information	Further information
What are the Offers being made under this Prospectus?	<p>By this Prospectus, the Company is offering:</p> <ul style="list-style-type: none"> • the SPP Options Offer, being an offer of up to 38,243,646 New Options to SPP Participants on the basis of 1 New Option for every Share subscribed for under the SPP; • the Placement Options Offer, being an offer of up to 75,714,259 New Options to Placement Participants on the basis of 1 New Option for every Share subscribed for under the Placement; and • the Lead Manager Options Offer, being an offer of 50,000,000 New Options in aggregate to the Lead Managers as part consideration for the provision of lead managerial and bookrunner services in connection with the Placement. 	Section 5
What is the purpose of the Offers?	<p>The purposes of the Offers under this Prospectus are to:</p> <ul style="list-style-type: none"> • issue the New Options under the Offers; • obtain official quotation of the New Options on ASX; • facilitate secondary trading of the New Options issued under the Offers; and • facilitate secondary trading of any Shares issued upon exercise of the New Options issued under the Offers. 	Section 6.1
Who is eligible to subscribe under the Offers	<p>Only the following persons are eligible to subscribe under the Offers:</p> <ul style="list-style-type: none"> • in respect of the SPP Options Offer, SPP Participants (being Eligible Shareholders who subscribed for SPP Shares under the SPP); • in respect of the Placement Options Offer, Placement Participants (being investors, including Directors, who participated in the Placement); and • in respect of the Lead Manager Options Offer, the Lead Managers. 	Section 5.3
Is there a limit on how many New Options an Eligible Participant may subscribe for?	<p>Yes, an Eligible Participant may apply for New Options as follows:</p> <ul style="list-style-type: none"> • an SPP Participant may apply for up to the number of New Options equal to the number of SPP Shares subscribed for by that SPP Participant under the SPP; • a Placement Participant may apply for up to the number of New Options equal to the number of Shares subscribed for by that Placement Participant under the Placement; and • the Lead Managers may apply for 50,000,000 New Options in aggregate. 	Section 5.8

What is the issue price of the Offers?	<p>No issue price is payable for the grant of New Options.</p> <p>The New Options are being issued under the SPP Options Offer and the Placement Options Offer for no additional consideration as they are being issued on a free-attaching basis to SPP Participants and Placement Participants.</p> <p>The New Options are being issued under the Lead Manager Options Offer for no additional consideration as they are being issued as part consideration for services provided to the Company by the Lead Managers in connection with the Placement.</p>	Sections 5.6 and 6.2
What are the terms of the New Options?	The New Options have an exercise price of \$0.0525 (5.25 cents) and expire 2 years after issuance. The terms of the New Options to be issued under the Offers are the same. Refer to section 8.1 of this Prospectus for the full terms of the New Options.	Section 8.1
What will the funds raised through the Offers be used for?	<p>No funds will be raised by the Company in connection with the Offers unless and until the New Options are exercised in due course.</p> <p>Funds raised from the Placement, the SPP and any funds raised from the exercise of the New Options will be used to support the advancement of the Company's pipeline of topical pharmaceutical products. Specifically, the funds will be used to advance 4 key projects at the later stages of development at contract manufacturers prior to dossier submission to the FDA and to meet the ongoing working capital requirements of the Company.</p>	Section 6.2
What is the effect of the Offers on the Company's issued securities?	Assuming all New Options offered under this Prospectus are issued, the principal effect of the Offers will be that 163,957,905 New Options will be issued (being 38,243,646 New Options under the SPP Options Offer, 75,714,259 New Options under the Placement Options Offer and 50,000,000 New Options under the Lead Manager Options Offer). Further details of the impact of the Offers on the Company's capital structure are set out in section 6.4 of this Prospectus.	Sections 6.3 and 6.4
What is the effect of the Offers on control of the Company?	The Offers are not expected to have a material effect on control (as defined by section 50AA of the Corporations Act) of the Company.	Section 6.5
Are any Directors participating in the Offers?	As Placement Participants, all Directors will be eligible to participate in the Placement Options Offer, subject to receipt of Shareholder approval at the Meeting.	Section 9.6(c)
Are the Offers conditional upon receipt of any approval or consent?	<p>The Offers are subject to receipt of the following Shareholder approvals at the Meeting, to be held on 3 February 2025:</p> <ul style="list-style-type: none"> • the SPP Options Offer is subject to receipt of Shareholder approval to issue 38,243,646 New Options to SPP Participants under Listing Rule 7.1; • the offer to issue New Options to Placement Participants (other than Directors) is subject to receipt of Shareholder approval to issue 71,428,547 New Options under Listing Rule 7.1; • the offer to issue New Options to Placement Participants who are Directors is subject to receipt of Shareholder approval to issue 4,285,712 Shares under the Placement and 4,285,712 New Options to Directors under Listing Rule 10.11; and 	Sections 5.4 and 5.12

	<ul style="list-style-type: none"> the Lead Manager Options Offer is subject to receipt of Shareholder approval to issue 50,000,000 New Options under Listing Rule 7.1. <p>The Company will announce the results of the Meeting on ASX. In addition, quotation of the New Options is subject to satisfaction of the quotation requirements under the Listing Rules.</p>	
What happens if Shareholder approval is not obtained?	If any of the Shareholder approvals are not obtained, the Company will not issue New Options to the relevant Eligible Participants and the Company will instead pay the relevant Eligible Participants a cash payment equal to the value of the New Options they are entitled to apply for, determined by reference to the methodology described in section 5.4 of this Prospectus.	Section 5.4
Will the New Options be quoted on ASX?	The Company will apply to ASX for official quotation of the New Options offered pursuant to this Prospectus within 7 days after the date of this Prospectus. The New Options will only be admitted to official quotation if the quotation requirements under the Listing Rules are satisfied.	Section 5.12
What happens if the New Options cannot be quoted?	If the Application for official quotation of the New Options on ASX is refused (because, for example, the quotation requirements under the Listing Rules have not been satisfied), the Company intends to lodge a supplementary prospectus to change the terms of the Offers under this Prospectus to provide for the New Options to be unquoted. If this occurs, Eligible Participants will have 1 month to withdraw any Application they have made.	Section 5.12
What are the risks associated with an investment in the Company?	There are a number of risks associated with an investment in the Company. These include risks specific to the Company, including commercial, operational and financial risks that have the potential to influence the operations and financial performance of the Company in the future, as well as general market risks beyond the control of the Company which are difficult to predict or anticipate. Refer to section 7 of this Prospectus for a more detailed description of some of the key risks.	Section 7
Are the Offers underwritten?	The Offers are not underwritten.	Section 5.10
How can an Eligible Participant apply under the Offers?	Eligible Participants may apply for New Options by completing and submitting the Application Form that accompanies this Prospectus in accordance with the instructions set out on the form.	Section 5.6
Who can be contacted for further information about this Prospectus?	Questions regarding this Prospectus or the Offers may be directed to the Company Secretary, Ms Joanna Johnson by emailing info@acrux.com.au or by phoning (03) 8379 0100 (Australia) or +61 3 8379 0100 (New Zealand) during normal business hours.	Section 5.22

5 Details of the Offers

5.1 Background

On 5 December 2024, the Company announced a two-stage capital raising comprising:

- (a) an offer to Eligible Shareholders under a share purchase plan to raise \$2,000,000 before costs (**SPP**); and
- (b) a placement to institutional and professional investors and Directors to raise \$2,650,000 before costs (**Placement**).

The Placement consists of two tranches to Placement Participants:

- (a) tranche 1, comprising the issue of 71,428,547 Shares to institutional and professional investors that was completed on or around 12 and 19 December 2024 using the Company's available placement capacity under Listing Rules 7.1 and 7.1A; and
- (b) tranche 2, comprising the issue of 4,285,712 Shares to Directors, subject to approval by Shareholders at the Meeting.

On 23 December 2024, the Company announced the results of the SPP and issued 38,243,646 SPP Shares to SPP Participants, raising a total of \$1,338,527 before costs.

Shares issued under the Placement and the SPP had an issue price of \$0.035 (3.5 cents).

As set out in the Company's announcement of 5 December 2024, the terms of the Placement and SPP provided that, subject to Shareholder approval, 1 free-attaching New Option would be issued to the Placement Participants and SPP Participants for every Share allocated under the Placement and SPP respectively and that such offer would be made under a prospectus to be lodged with ASIC (and released to ASX).

The Company engaged the Lead Managers in connection with the Placement and has agreed to issue 50,000,000 New Options as part consideration for their services. Refer to section 9.10 of this Prospectus for a summary of the terms and conditions of the Lead Managers' mandate.

5.2 The Offers

By this Prospectus and subject to the Shareholder approvals described in section 5.4 of this Prospectus, the Company is offering:

- (a) the SPP Options Offer, being an offer of up to 38,243,646 New Options to SPP Participants on the basis of 1 New Option for every Share subscribed for under the SPP;
- (b) the Placement Options Offer, being an offer of up to 75,714,259 New Options to Placement Participants on the basis of 1 New Option for every Share subscribed for under the Placement; and
- (c) the Lead Manager Options Offer, being an offer of 50,000,000 New Options in aggregate to the Lead Managers as part consideration for the provision of lead managerial and bookrunner services in connection with the Placement.

All New Options under the Offers will be exercisable at \$0.0525 (5.25 cents) per New Option on or before the date which is 2 years from the date of issue. Refer to section 8 of this Prospectus for a summary of the terms and conditions of the New Options under the Offers.

All the Shares issued on the exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus. Refer to section 8.2 of this Prospectus for a summary of the rights and liabilities attaching to Shares.

5.3 Offers personal

By this Prospectus, the Company is making the Offers, by invitation only to:

- (a) in respect of the SPP Options Offer, the SPP Participants;
- (b) in respect of the Placement Options Offer, the Placement Participants; and
- (c) in respect of the Lead Manager Options Offer, the Lead Managers,

(the **Eligible Participants**)

to apply to be issued New Options under the relevant Offers. The Offers are not open to the general public and Application Forms will only be provided to Eligible Participants.

5.4 Shareholder approvals

Background

Under Listing Rule 7.1, the Company may not issue equity securities in any 12-month period, which exceeds 15% of the number of issued securities of the Company on issue at the beginning of the 12-month period, except with prior approval of Shareholders or where an exception under Listing Rule 7.2 applies. The Company obtained approval at its annual general meeting held on 21 November 2024 to increase this limit by an extra 10% to 25% under Listing Rule 7.1A.

The Company presently does not have sufficient placement capacity under the Listing Rules to grant all of the New Options under the Offers without the approval of Shareholders.

Further, under Listing Rule 10.11, the Company may not issue equity securities to related parties of the Company (including Directors), except with prior approval of Shareholders or where an exception under Listing Rule 10.12 applies.

The issue of New Options to Directors who are Placement Participants does not fall within any of the exceptions under Listing Rule 10.12 and so requires the prior approval of Shareholders.

Shareholder approvals

The Offers are subject to receipt of the following Shareholder approvals at the Meeting, scheduled to be held on 3 February 2025:

- (a) the SPP Options Offer is subject to receipt of Shareholder approval to issue 38,243,646 New Options to SPP Participants under Listing Rule 7.1;
- (b) in respect of the Placement Options Offer:
 - (i) the offer to issue New Options to Placement Participants (other than Directors) is subject to receipt of Shareholder approval to issue 71,428,547 New Options under Listing Rule 7.1; and
 - (ii) the offer to issue New Options to Placement Participants who are Directors is subject to receipt of Shareholder approval to issue 4,285,712 Shares under the Placement and 4,285,712 New Options to Directors under Listing Rule 10.11; and
- (c) the Lead Manager Options Offer is subject to receipt of Shareholder approval to issue 50,000,000 New Options under Listing Rule 7.1.

A full copy of the Notice of Meeting was announced to the ASX on 3 January 2025 and is available from the Company free of charge on request between the date of issue of this Prospectus and the Closing Date or can be viewed on the Company's website at <https://www.acru.com.au/>.

The Company will announce the results of the Meeting on ASX.

Consequences if Shareholder approval is not obtained

If any Shareholder approval described in paragraph 5.4(a), (b) or (c) above is not obtained in respect of any relevant Eligible Participant, the Company will withdraw the Prospectus in respect of the relevant Offers by either withdrawing the Prospectus in full or lodging a supplementary or replacement prospectus to change the terms of the Offers and will not issue New Options to the relevant Eligible Participants.

As set out in the notice of meeting for the Meeting circulated on 3 January 2025, if any Shareholder approval described in paragraph 5.4(a), (b)(i) or (c) above is not obtained in respect of any relevant Eligible Participant, the Company will instead pay the relevant Eligible Participant a cash payment equal to the value of the New Options they are entitled to apply for. The value of the New Options will be calculated using the Black Scholes Model based on the following assumptions: (i) 80% volatility; (ii) a risk free rate of 2.00%; (iii) no dividends; (iv) issue date equal to the date of issue of Shares under the SPP or Placement (as applicable); and (vi) exercisable at any time for 2 years. The Company calculates the amount to be paid per New Option to be approximately \$0.01 (1 cent).

5.5 Opening Date and Closing Date

As set out in the proposed timetable at section 3 of this Prospectus, the Offers will open on the Opening Date, being 23 January 2025 and will close at 5:00pm (AEDT) on 17 February 2025.

The Directors may change the Opening Date and Closing Date of the Offers in their absolute discretion but subject to compliance with the Listing Rules and applicable law. Eligible Participants are encouraged to lodge an Application as soon as possible after the Opening Date.

5.6 How to apply for New Options under the Offers

This Prospectus will be sent to Eligible Participants only. Applications for New Options can only be made by the Eligible Participants and must be made in accordance with the instructions set out on the Application Form.

Eligible Participants are not required to make any payment for the New Options.

Completed Applications must be returned to the Company by the Closing Date by following the instructions on the Application Form.

Eligible Participants who do not wish to apply for any New Options under the Offers do not have to do anything in respect of the Offers.

A completed Application constitutes a binding acceptance of the Company's offer of New Options under the Offers on the terms and conditions set out in this Prospectus and an acknowledgement by you that you have received and read this Prospectus, you have acted in accordance with the terms and conditions of this Prospectus, and that you agree to all of the terms and conditions as detailed in this Prospectus.

An Application, once lodged, cannot be withdrawn. An Application does not need to be signed to be binding. If the Application is not completed correctly, the Company, in its absolute discretion, can reject it or treat it as valid. The Company's decision as to whether to accept or reject an Application or how to interpret an incorrectly completed Application is final.

5.7 Minimum subscription

There is no minimum subscription under the Offers.

5.8 **Maximum subscription**

An Eligible Participant may apply for up to the maximum number of New Options determined as follows:

- (a) in respect of the SPP Options Offer, an SPP Participant may apply for up to the number of New Options equal to the number of SPP Shares subscribed for by that SPP Participant under the SPP;
- (b) in respect of the Placement Options Offer, a Placement Participant may apply for up to the number of New Options equal to the number of Shares subscribed for by that Placement Participant under the Placement; and
- (c) in respect of the Lead Manager Options Offer, the Lead Managers may apply for 50,000,000 New Options in aggregate.

5.9 **Use of funds**

No funds will be raised through the issue of the New Options pursuant to this Prospectus.

It is the Company's present intention that funds raised from the Placement, the SPP and any funds raised from the exercise of the New Options will be used to support the advancement of the Company's pipeline of topical pharmaceutical products. Specifically, the funds will be used to advance 4 key projects at the later stages of development at contract manufacturers prior to dossier submission to the FDA and to meet the ongoing working capital requirements of the Company.

See section 6.2 of this Prospectus for further details.

5.10 **No underwriting**

The Offers are not underwritten.

5.11 **Issue of New Options**

The New Options will be issued in accordance with the timetable set out at section 3 of this Prospectus and otherwise in accordance with the Listing Rules.

Holding statements for New Options under the Offers will be dispatched in accordance with the timetable set out in section 3 of this Prospectus. It is the responsibility of Applicants to determine their allocation prior to trading in the New Options. Applicants who sell New Options before they receive their holding statements do so at their own risk.

5.12 **ASX quotation**

The Company will apply to the ASX for official quotation of the New Options offered pursuant to this Prospectus within 7 days after the date of this Prospectus. The New Options will only be admitted to official quotation if the quotation requirements under the Listing Rules are satisfied.

If the New Options are not admitted to official quotation on ASX within a period of 3 months after the date of this Prospectus (because, for example, the quotation requirements under the Listing Rules have not been satisfied), the Company intends to lodge a supplementary or replacement prospectus to change the terms of the Offers under this Prospectus to provide for the New Options to be unquoted. If this occurs, Eligible Participants will have 1 month to withdraw any Application they have made and be repaid any Application monies received by the Company in respect of the Application.

The fact that ASX may grant official quotation to the New Options issued pursuant to this Prospectus or Shares issued upon exercise of the New Options, is not to be taken in any way as

an indication of the merits of the Company, the New Options offered or Shares issued upon exercise.

5.13 **CHESS**

The Company participates in the Clearing House Electronic Subregister System known as CHESS. CHESS is operated by ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, the Company does not issue certificates to investors. Instead, securityholders receive a statement of their holdings in the Company.

The CHESS holding statement will set out the number of New Options issued under this Prospectus and provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the New Options.

If you are registered on the issuer sponsored subregister, your statement will be dispatched by the Company's Share Registry and will set out the number of New Options issued to you under this Prospectus and your security holder reference number.

5.14 **Withdrawal**

The Company may at any time decide to withdraw this Prospectus and the Offers or, subject to applicable law, amend the terms of the Offers.

5.15 **Major activities and financial information**

A summary of the activities and financial information relating to the Company can be found in the Company's annual financial report for the year ended 30 June 2024 lodged with ASX on 29 August 2024 (**Annual Report**). The Company has made continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Report.

The Company's continuous disclosure notices (i.e. ASX announcements) since lodgement of its Annual Report are detailed in section 9.2 of this Prospectus.

Copies of the Annual Report and the continuous disclosure notices are available free of charge from the Company. A copy of the Annual Report can also be viewed on the Company's website at <https://www.acrux.com.au/>. The Directors strongly recommend that Eligible Participants review these documents and all other announcements prior to deciding whether or not to participate in the Offers.

5.16 **Target market determination**

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of New Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination as set out on the Company's website at <https://investors.acrux.com.au/investor-centre/> (**TMD**). By submitting an Application, you warrant that you have read and understood the TMD and that you fall within the relevant target market set out in the TMD.

5.17 **Privacy**

The Company collects information about each Applicant provided for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Application, each Applicant agrees that the Company may use the information provided by an Applicant on the Application for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related

bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and other regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

An Applicant has an entitlement to gain access to, and to correct and update the information that the Company holds about that person, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

5.18 International offer restrictions

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

New Zealand

The Company is issuing New Options for no consideration to SPP Participants and Placement Participants. This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

5.19 Risk factors

An investment in New Options under this Prospectus should be regarded as speculative. In addition to the general risks applicable to all investments in securities, there are specific risks associated with an investment in the Company, which are detailed in section 7 of this Prospectus.

5.20 Taxation implications

The Directors do not consider it appropriate to give Eligible Participants advice regarding the taxation consequences of being issued New Options under this Prospectus. The Company, its advisers and its officers do not accept any responsibility or liability to Applicants for any such taxation consequences. Eligible Participants should consult their professional tax adviser in connection with being issued New Options under this Prospectus.

5.21 Brokerage and duty

No brokerage fee or stamp duty is payable by Applicants who are issued New Options under the Offers.

5.22 Enquiries

Questions regarding this Prospectus or the Offers may be directed to the Company Secretary, Ms Joanna Johnson, by emailing info@acrux.com.au or by phoning (03) 8379 0100 (Australia) or +61 3 8379 0100 (New Zealand) during normal business hours.

5.23 Governing law

The Offers are governed by the laws in force in Victoria, Australia.

6 Purpose and effect of the Offers

6.1 Purpose of the Offers

The purposes of the Offers under this Prospectus are to:

- (a) issue the New Options under the Offers;
- (b) obtain official quotation of the New Options on ASX;
- (c) facilitate secondary trading of the New Options issued under the Offers; and
- (d) facilitate secondary trading of any Shares issued upon exercise of the New Options issued under the Offers.

Section 707(3) of the Corporations Act generally requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months of the date of their issue.

The Corporations Act provides an exception to section 707(3) where an entity issues a cleansing notice under section 708A(5). However, the Company is precluded from issuing a cleansing notice in respect of the New Options as they are not in a class of securities that were quoted securities at all times in the last 3 months. The Company is also unable to rely on disclosure relief provided by *ASIC Corporations (Shares and Interest Purchase Plans) Instrument 2019/547* in respect of the New Options offered under the SPP Options Offer as it does not extend to the offer of options under a share purchase plan.

Consequently, the Company has issued this Prospectus in respect of the Offers to the Eligible Participants. Issuing the New Options under this Prospectus will enable persons who are issued the New Options to on-sell their New Options and any Shares issued on exercise of the New Options pursuant to *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

6.2 Proposed use of funds

No funds will be raised through the issue of the New Options pursuant to this Prospectus as the New Options offered under the:

- (a) SPP Options Offer are free attaching to the SPP Shares on a 1:1 basis;
- (b) Placement Options Offer are free attaching to Shares subscribed for under the Placement on a 1:1 basis; and
- (c) Lead Manager Options Offer are being issued as part consideration for services provided to the Company in connection with the Placement.

The Company will receive \$0.0525 (5.25 cents) for each New Option exercised. If all New Options are issued and exercised, the Company will receive approximately \$8,607,790 before costs. There is no certainty that any of the New Options will be exercised.

The Company currently intends to use funds raised from the Placement, the SPP and any funds raised from the exercise of the New Options to support the advancement of the Company's pipeline of topical pharmaceutical products. Specifically, the funds will be used to advance 4 key projects at the later stages of development at contract manufacturers prior to dossier submission to the FDA as set out in the table below and to meet the ongoing working capital requirements of the Company.

Use of Proceeds	Amount (\$m)
Analytical method development, validation and verification	2.0
Demonstration of bioequivalence	0.7
Validation of manufacturing processes and process optimisation	0.4
Manufacture of Engineering and Registration Batches	0.5
Capital raising expenses	0.4
Aggregate use of proceeds raised from Placement and SPP	4.0

The above is a statement of current intentions at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Directors reserve the right to alter the way the funds are applied.

6.3 **Effect of the Offers**

The principal effect of the Offers (assuming all New Options offered under this Prospectus are issued) will be that 163,957,905 New Options will be issued (being 38,243,646 New Options under the SPP Options Offer, 75,714,259 New Options under the Placement Options Offer and 50,000,000 New Options under the Lead Manager Options Offer).

6.4 **Effect on capital structure**

A comparative table of changes in the capital structure of the Company as a consequence of the Offers (assuming all New Options are issued, no other securities are issued and no other existing securities are exercised or converted into Shares) is set out below:

	Shares¹	New Options	Rights
Securities on issue prior to the Offers	406,534,917	Nil	16,281,744
Securities to be issued under the Offers	Nil	163,957,905	Nil
Balance after the Offers	406,534,917	163,957,905	16,281,744

Notes: These numbers are indicative only. The capital structure of the Company may differ upon completion of the Offers to what is shown in the above table depending on the number of Applications received, and whether Shareholder approval is obtained for the Offers at the Meeting.

The Company intends to issue Rights and Shares to employees on or around, but not before, 15 February 2025 in accordance with the Company's existing remuneration policies and practices.

1. Includes 75,714,259 Shares issued under the Placement (including to Directors, assuming Shareholder approval is obtained) and 38,243,646 Shares issued under the SPP.

6.5 Effect on control of the Company

The Offers are not expected to have a material effect on control (as defined by section 50AA of the Corporations Act) of the Company. No investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers.

The maximum number of New Options proposed to be issued under the Offers is 163,957,905 New Options. If all of these New Options are exercised, the Shares issued on exercise will represent approximately 28.74% of the Shares on issue following completion of the Offers and exercise of all New Options.

6.6 Details of substantial holders

Based on public information as at the date of this Prospectus, the persons who (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Phillip Asset Management Ltd atf BioScience Managers Translation Fund I (BSM)	37,561,419	9.34

The Offers will have no effect on the quantity of Shares held by a substantial holder as only New Options are being issued.

BSM may apply for up to 5,714,285 New Options under the Placement Options Offer. If BSM were to apply for and exercise all New Options to acquire 5,714,285 Shares, the Company would expect their total voting power to decline to approximately 7.59% (assuming all other New Options acquired under the Offers are exercised).

6.7 Historical and pro-forma balance sheet

Set out in Annexure A is an unaudited pro-forma statement of financial position of the Company, prepared using the audited statement of financial position of the Company as at 30 June 2024, on the basis of the accounting policies normally adopted by the Company, and reflecting the changes to its financial position as a result of the Offers, the Placement and the SPP.

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

Refer to section 9.9 for further details on the estimated expenses of the Offers.

7 Risk factors

7.1 Introduction

An investment in the Company carries risk. The Directors strongly recommend Eligible Participants consider the risk factors described below, together with information contained elsewhere in this Prospectus and their own personal investment objectives and financial circumstances.

This section 7 identifies circumstances the Directors regard as the key risks associated with the New Options and an investment in the Company which may have a material adverse impact on the financial performance of the Company if they were to arise.

Where possible, the Board aims to manage these risks by carefully planning the Company's activities and implementing risk control measures. However, some of the risks identified below are difficult to prevent or anticipate and the Company is limited to the extent to which it can effectively manage them.

The following risk factors are not intended to be an exhaustive list of the risk factors to which the Company is, or will be, exposed. In addition, this section has been prepared without consideration of individual financial objectives, financial situations, and particular needs. Eligible Participants should seek professional advice if they have any queries in relation to making an investment in the Company.

7.2 Risks associated with the New Options

(a) Exercise Price of the New Options

No guarantee can be given that the Share price will be greater than the Exercise Price of the New Options at any time during the Exercise Period, being 2 years after issuance. Accordingly, there is a risk that the New Options will be 'out of the money' during the Exercise Period, which would affect the value of the Offers.

(b) Value of securities and share market considerations

The market price of the Company's securities is subject to varied and unpredictable influences which affect equity markets generally and commercial stocks in particular. Market conditions may affect the value of the Company's securities regardless of the Company's performance. Lack of liquidity may also affect the value of the Company's securities.

The trading price of the New Options (assuming admission to official quotation on ASX) and the underlying Shares, may fall as well as rise. There is no assurance that an active market in New Options will develop, that the price of the New Options will increase or that they will hold any recognised value. There may be relatively few potential buyers and/or sellers of the New Options at any time, which may increase the volatility of the market price of the New Options.

(c) Dilution risk

Eligible Participants that do not take up all or part of their entitlements for New Options under the Offers may experience dilution, subject to the New Options being exercised by Applicants. However, these Eligible Participants will not be exposed to future increases or decreases in the Company's share price for the Shares they would have received had they participated in the Offers and exercised the New Options.

(d) **Taxation consequences**

The issue, exercise or sale of a New Option may have taxation consequences, depending on your particular circumstances. You should seek your own taxation advice before acquiring, exercising or selling a New Option.

Eligible Participants are referred also to section 7.3(o) of this Prospectus regarding specific tax risks associated with the Company's status as a Pooled Development Fund.

7.3 **Specific Risks associated with the Company**

(a) **Research and development activities**

A core component of the Company's future success is the successful development and commercialisation of the Company's portfolio and pipeline of products. The Company needs to demonstrate to the satisfaction of regulators that its products are safe and effective treatments. The Company's portfolio of products includes some products in development where sales and revenues are likely to be years away and there is no guarantee that it will be successful. For each of its products, the Company is required to conduct research and development activities and submit data for regulatory review and approval, prior to marketing authorisation. Until the Company is able to provide evidence of the ability of products within the Company's pipeline of products to satisfy regulatory requirements of the FDA and equivalent regulators in other jurisdictions, the future success of its portfolio remains speculative. Product development risks include uncertainty of the outcome of results, difficulties or delays in development and generally the uncertainty that surrounds the scientific development of pharmaceutical products.

(b) **Regulatory approval**

The Company operates within a highly regulated industry relating to the manufacture, distribution and supply of pharmaceutical products. There is no guarantee that in the future the Company will obtain the required approvals, licenses and registrations from relevant regulatory authorities in the jurisdictions in which it operates. The commencement of bioequivalence or other development activities may be delayed and the Company may incur further costs if the FDA and equivalent regulators in other jurisdictions change their guidance for the approach to generic products and studies may need to be conducted in addition to those that are currently planned. A change in regulation may also adversely affect the Company's ability to commercialise and manufacture its treatments.

(c) **Bioequivalence and other scientific trials**

All trials are inherently risky and may prove unsuccessful in demonstrating that the relevant product meets the primary objective of the intended study which may impact profitability and commercial potential. Failure, negative or inconclusive results can occur at many stages in development and the results of earlier product development outcomes are not necessarily predictive of future results. In addition, data obtained from trials is susceptible to varying interpretations, and regulators may not interpret the data as favourably as the Company, which may delay, limit or prevent regulatory approval.

(d) **Infringement of third party intellectual property risks**

If a third party accuses the Company of infringing its intellectual property rights or if a third party commences litigation against the Company for the infringement of patent or other intellectual property rights, the Company may incur significant costs in defending such action, whether or not it ultimately prevails. Costs that the Company incurs in defending third party infringement actions would also include the diversion of management's and technical personnel's time. In addition, parties making claims against the Company may be able to obtain injunctive or other equitable relief that could prevent the Company from further developing discoveries or commercialising its technology. In the event of a

successful claim of infringement against the Company, it may be required to pay damages and obtain one or more licenses from the prevailing third party. If it is not able to obtain these licenses at a reasonable cost, if at all, it could encounter delays in technology introductions and loss of substantial resources while it attempts to develop alternative technology. Defence of any lawsuit or failure to obtain any of these licenses could prevent the Company or its partners from commercialising a product and could cause it to incur substantial expenditure.

(e) **Competition**

As the pharmaceutical industry is intensely competitive and subject to rapid and significant technological change, there are no guarantees about the Company's ability to successfully compete. The Company's products may compete with branded or generic products and alternative treatments that are already available to customers. In addition, a number of companies are pursuing the development of competing products. Some of these companies may have, or may develop, products that are superior to the Company's own products or develop substitutable products faster than the Company. Some competitors of the Company may have substantially greater financial, technical and human resources than the Company does, as well as broader product offerings and greater market and brand presence. The Company's services, expertise or products may be rendered obsolete or uneconomical or decrease in attractiveness or value by advances or entirely different approaches developed by either the Company or its competitors.

(f) **Manufacturing risk**

The Company intends to continue to contract its manufacturing needs to established contract manufacturers for both product development purposes and for commercial supply of product into its target markets. There can be no assurance that the delivery of contracted outcomes will occur due to a range of unforeseen factors relating to technology, product formulation requirements and cost competitiveness of manufacturing and cost competitiveness of the sourcing of materials required for each product. Manufacturing constraints may also arise due to lack of available manufacturing capacity, shortages or lack of availability of raw materials including drug substances and excipients as well as container closures.

(g) **Market penetration**

Where the Company does obtain regulatory approval, future success will also depend on the ability of the Company's licensees to achieve market acceptance and attract and retain customers, which includes convincing potential consumers and partners of the ability of contract manufacturers to manufacture a sufficient quantity and quality of products at a satisfactory price.

(h) **Commercial risk**

The Company does license and partner its product development programs for commercialisation in its target markets. There can be no assurance that any such licensing, partnership or corporate opportunities can be concluded on terms that are, or are believed by the Company to be, commercially acceptable. In the case of licensing and partnership opportunities, even if such terms are agreed there is a risk that the performance of licensees and the delivery of contracted outcomes will not occur due to a range of unforeseen factors relating to environment, competing products and market conditions.

(i) **Currency risk**

Revenue and expenditures in overseas jurisdictions are subject to the risk of fluctuations in foreign exchange markets. The Company's payment obligations to some of its contractors are in foreign currencies, primarily Euro and US dollars. Accordingly, payment

will be made in those countries' currencies, and may vary from expectations if there are adverse currency fluctuations against the Australian dollar. The Company also receives profit share income from commercial contracts denominated in US dollars and in future, as products are licensed to commercial partners outside the United States, the Company will have potential exposure to currency fluctuations in those new markets as well. The Company has no plans to hedge its foreign currency payments at this stage.

(j) **Reliance on key personnel**

The Company is reliant on the talent and expertise of its key personnel, considering them as one of its primary assets. Loss of key personnel may have a negative impact on the Company. Replacing them might prove difficult, or it may not be possible to do so in a timely manner or at a comparable expense. In addition, as the business grows, the Company may require additional key scientific, financial, administrative, investor and public relations personnel as well as additional staff for operations.

While the Company is confident in its ability to attract and retain qualified personnel, it acknowledges the uncertainties in the talent market. The loss of key personnel or the inability to attract suitably qualified additional personnel could impair the Company's operations and financial performance.

(k) **Information technology risk**

In the ordinary course of conducting its business, the Company uses information technology extensively to facilitate and store information, data, communications and product development plans. While the Company makes every reasonable effort to secure its data, it is exposed to risk around cybersecurity and corruption of that data through for example, a computer virus or other cybersecurity breaches. If a cybersecurity breach was to occur at the Company, it would incur considerable costs (even if data was able to be fully recovered), with the potential for damages and re-work of projects.

(l) **Revenue and fundraising risk**

The Company is reliant upon future revenue from marketed products to fund its operations. Funds may also be available in the future from grants, development and commercial partnerships, R&D tax incentives and capital markets but are not guaranteed.

Capital market volatility affects many companies and may impact the Company's ability to raise future funds if it continues to be adverse. Additionally, if market conditions cause the Share price to fall below the Exercise Price during the Exercise Period, the New Options will be 'out of the money,' thereby reducing the likelihood of future funds being received from their exercise.

As an ASX listed entity, the Company's ability to fundraise is also subject to compliance with Listing Rules and, in some circumstances, requires the approval of its Shareholders. Where Shareholder approval is required in respect of an equity capital raising but is not obtained, the Company may be unable to raise the funds it needs and may be required to repay some or all of any subscription monies already received (as is the case for the Offers, see section 5.4 of this Prospectus).

(m) **Cash position risk**

The Company has a broad portfolio and pipeline of products. Products that are under development require ongoing funding for costs incurred within the Company as well as costs that will be incurred at external companies such as contract manufacturers. The timely execution of the Company's development plans is dependent on satisfactory levels of funding to execute its plans.

(n) **Dividend guidance**

No assurances can be given in relation to the payment of future dividends. Future determinations as to the payment of dividends by the Company will be at the discretion of the Company and will depend upon the Company achieving profits from its commercialised products, the prevailing financial conditions of the Company, future capital requirements, general business and financial conditions and any other factors considered relevant at the time by the Company.

(o) **Status as a Pooled Development Fund**

The Company's status as a Pooled Development Fund is reliant upon the Company complying with the *Pooled Development Fund Act 1992* (Cth) (**PDF Act**) and the directions of Industry Innovation and Science Australia and the Australian Government keeping the program operational, although it is closed for new registrations. At the date of this Prospectus, the Company remains a registered and compliant Pooled Development Fund and is unaware of any information that would affect the Company's current registration as a Pooled Development Fund. However, there is a risk that the Company may lose its status as a Pooled Development Fund if it fails to comply with these requirements or the legislative framework underpinning the tax concessional status of Pooled Development Funds changes. This may be detrimental to Applicants or Pooled Development Funds generally, including the Company.

7.4 **General Risks**

(a) **Liquidity risk**

Liquidity risk is the risk that the Company and its subsidiaries will not be able to meet financial obligations as they fall due. The Company's approach to managing such risk is to ensure, as far as possible, the Company and its subsidiaries will always have sufficient liquidity to meet its liabilities when due.

(b) **Credit risk**

Credit risk is the exposure to financial loss by the Company and its subsidiaries if a licensee fails to meet its contractual obligations and arises from the Company's and its subsidiaries' trade receivables.

(c) **Economic risk**

Changes in both Australia and world economic conditions may adversely affect the financial performance of the Company and the price at which the Company's Shares or New Options (if quoted) trade on ASX. Among other things, adverse changes in macroeconomic conditions, including movements on international and domestic stock markets, interest rates, exchange rates, pandemics, cost and availability of credit, general consumption and consumer spending, input costs, employment rates and industrial disruptions, inflation and inflationary expectations and overall economic conditions, economic cycles, investor sentiment, political events and levels of economic growth, both domestically and internationally, as well as government taxation, fiscal, monetary, regulatory and other policy changes may affect the demand for, and price of, Shares or New Options and adversely impact the Company's business, financial position and operating results. Additionally, the stock market can experience price and volume fluctuations that may be unrelated or disproportionate to the operating performance of the Company.

(d) **Legislative and policy changes**

Any material changes in government policies, taxes, accounting practice or relevant legislation of the countries in which the Company operates could potentially affect the viability, profitability and progress of the Company's business. This is particularly

significant in areas such as environmental regulation, compliance, taxation and royalties, which may adversely affect the Company's and its subsidiaries' operations and financial performance.

(e) **Share price fluctuations**

The market price of Shares or New Options (if quoted) will fluctuate due to various factors, many of which are non-specific to the Company, including recommendations by brokers and analysts, Australian and international general economic conditions, inflation rates, interest rates, changes in government, fiscal, monetary and regulatory policies, global geo-political events and hostilities and acts of terrorism, and investor perceptions. Fluctuations such as these may adversely affect the market price of Shares or New Options (if quoted). Neither the Company nor the directors warrant the future performance of the Company or any return on investment in the Company.

(f) **Unforeseen risks**

There may be other risks which the Directors or management of the Company are unaware of at the time of issuing this Prospectus which may impact on the Company, its operations and/or the valuation and performance of the New Options or the Shares issued as a result of exercising the New Options.

(g) **Forward-looking statements**

There can be no guarantee that the assumptions and contingencies on which any forward-looking statements, opinions and estimates contained in materials published by the Company are based will ultimately prove to be valid or accurate. The forward-looking statements, opinions and estimates depend on various factors, including known and unknown risks, many of which are outside the control of the Company. Actual performance of the Company may materially differ from forecast performance.

(h) **Insurance and uninsured risks**

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance cannot cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to insure against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons.

(i) **Litigation**

In the ordinary course of conducting its business, the Company is exposed to potential litigation and other proceedings, including through claims of breach of agreements, intellectual property infringement or in relation to employees (through personal injuries, occupational health and safety or otherwise). If such proceedings were brought against the Company, it would incur considerable defence costs (even if successful), with the potential for damages and costs awards against the Company if it were unsuccessful, which could have a significant negative financial effect on the Company's business. Changes in laws can also heighten litigation risk (for example, antitrust and intellectual property). Circumstances may also arise in which the Company, having received legal advice, considers that it is reasonable or necessary to initiate legal proceedings, including, for example, to protect its intellectual property rights. There has been substantial litigation and other proceedings in the pharmaceutical industry, including class actions from purchasers and end users of pharmaceutical products.

7.5 **Speculative nature of investment**

An investment in the Company should be regarded as speculative, involving many risks. The New Options carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.

The above list of risk factors should not be taken as an exhaustive list of the risks faced by the Company or by investors in the Company. The above factors and others not specifically referred to above, may, in the future, materially affect the financial performance of the Company, the Shares, the value of the New Options offered under this Prospectus and any Share which is issued as result of the exercise of a New Option.

Potential investors should carefully consider and evaluate the Company, its assets and its business and whether New Options are suitable to acquire having regard to their own investment objectives and financial circumstances and taking into consideration the material risk factors, as set out above. Applicants should also read the Company's prior continuous disclosure announcements to ASX in order to fully appreciate the risks particular to an investment in the Company and in particular the risks faced by the Company in the continued development and proposed commercialisation of its intellectual property rights.

8 Rights attaching to securities

8.1 New Options

The rights and liabilities of the New Options granted under the Offers are as follows:

(a) Entitlement

Each New Option entitles the holder to subscribe for 1 new Share upon exercise of the New Option on or prior to the Expiry Date (defined below).

(b) Issue price

No cash consideration is payable for the issue of the New Options.

(c) Expiry Date

New Options may be exercised at any time prior to 5.00pm AEDT on the date that is 2 years after the date of issue (**Expiry Date**). Any New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Quotation of New Options

It is the Company's intention to seek quotation of the New Options. There is no certainty that quotation of the New Options will be granted by ASX. The quotation of the New Options will be subject to satisfaction of the quotation conditions set out in the Listing Rules (refer to section 5.12 of this Prospectus for further details).

(e) Exercise Price

The amount payable to the Company upon exercise of each New Option is \$0.0525 (5.25 cents) per New Option (**Exercise Price**).

(f) Exercise Period

A New Option is exercisable at any time after the date of issue and prior to the Expiry Date (**Exercise Period**), provided that exercise occurs on a trading day. A New Option will be deemed to have been exercised on the date the Exercise Notice (defined below) is lodged with the Company.

(g) Exercise

Holders of New Options may exercise the New Options by lodging with the Company, prior to the Expiry Date:

(i) a written notice of exercise of New Options specifying the number of New Options being exercised (**Exercise Notice**); and

(ii) an electronic funds transfer or BPAY® (if you are the holder of an account with an Australian financial institution that supports BPAY® transactions) of the Exercise Price for the number of New Options being exercised.

(h) Exercise Notice

An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds for the number of New Options exercised.

(i) Partial exercise

The New Options may be exercised in whole or in part, and if exercised in part, at least 20,000 New Options must be exercised on each occasion (or such smaller number of New Options as are actually held by the holder at the time of exercise).

(j) Timing of issue of Shares on exercise

Within 5 trading days of receipt of an effective Exercise Notice accompanied by the Exercise Price, the Company will:

- (i) allot the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Exercise Notice; and
- (ii) if admitted to the official list of ASX at the time, apply for quotation of Shares allotted pursuant to the exercise of the New Options in accordance with the Listing Rules.

(k) Transferability

In relation to the transfer of New Options:

- (i) to the extent they are quoted on ASX's official list, the New Options will be freely transferable from the date of issue, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws; and
- (ii) to the extent they are not quoted on ASX's official list, the New Options will not be transferable without the prior written approval of the Company.

(l) Ranking of Shares

All Shares issued upon the exercise of the New Options will be fully paid and rank equally in all respects with the Company's then issued Shares.

(m) Participating rights

There are no participating rights or entitlements inherent in the New Options (including that the New Options will carry no rights to vote at a meeting of Shareholders and no rights to dividends). The holders will not be entitled to participate in new issues or pro-rata issues of capital to shareholders during the term in respect of the New Options, unless they have exercised their New Options before the 'record date' for determining entitlements issue and they participate as a result of holding Shares.

(n) Adjustments for reorganisation

In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the authorised or issued share capital of the Company, all rights of the New Option holder will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

(o) Adjustments for bonus issues

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a New Option will be increased by the number of Shares which the holder would have received if the holder had exercised the New Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

(p) Adjustments for pro rata issue

If the Company makes a pro rata issue of shares (except a bonus issue) to existing Shareholders and no Share has been issued in respect of the New Option before the record date for determining entitlements to the issue, the Company may elect to reduce the Exercise Price of the New Option in accordance with the Listing Rules.

(q) Dividend rights

A New Option does not entitle the holder to any dividends.

(r) Amendments

The Company may vary the terms of the New Options in order to comply with the Listing Rules.

(s) Calculations

Any calculations or adjustments which are required to be made will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and New Option holder.

8.2 Shares on exercise of New Options

Shares issued on the exercise of New Options will have the same rights and liabilities as the Company's existing Shares on issue as at the date of this Prospectus. Below is a summary of the more significant rights and liabilities. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which will be provided free of charge upon request between the date of issue of this Prospectus and the Closing Date and is otherwise available for inspection at the Company's registered address during normal business hours.

- (a) **(General meetings)** Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.
- (b) **(Voting rights)** Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders each Shareholder entitled to vote may vote in person or by proxy, attorney or representative.
- (c) **(Dividend rights)** The Directors may from time to time declare and pay or credit a dividend on Shares in accordance with the Corporations Act.
- (d) **(Winding-up)** If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the Shareholders in kind the whole or any part of the property of the Company.
- (e) **(Transfer of Shares)** Generally, the Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of, or failure to observe the provisions of, a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.
- (f) **(Future increase in capital)** The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the Listing Rules, the Constitution and the Corporations Act (and without

affecting any special right previously conferred on the holder of an existing Share or class of Shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

- (g) **(Alteration of Constitution)** In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least 75% of the votes cast by Shareholders who are entitled to vote on the resolution.

9 Additional information

9.1 Nature of this Prospectus

The New Options to be issued pursuant to this Prospectus are options over continuously quoted securities (as that term is defined in the Corporations Act). This Prospectus is issued under the special prospectus content rules for continuously quoted securities in section 713 of the Corporations Act. This enables listed disclosing entities, such as the Company, to issue a prospectus for continuously quoted securities with modified disclosure requirements if they satisfy certain requirements.

The information in this Prospectus principally concerns the terms and conditions of the Offers and the information reasonably necessary to make an informed assessment of:

- (a) the effect of the Offers on the Company; and
- (b) the rights and liabilities attaching to the New Options offered pursuant to this Prospectus and the underlying securities.

9.2 Continuous disclosure and documents available for inspection

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

In general terms “transaction specific prospectuses” are only required to contain information in relation to the effect of the offer on the Company and the rights and liabilities attaching to the securities offered and the underlying securities issued on exercise of those securities offered. 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 Company.

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

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.

Investors intending to participate in the Offers should refer to announcements made by the Company to ASX. This information is available from ASX’s website, <https://www.asx.com.au/> (ASX Code: ACR), and the Company's website, www.acrux.com.au.

The Company is also required to prepare and lodge with ASX yearly and half yearly financial statements accompanied by a directors’ statement and report and an audit review or report. These reports are released to ASX and published on the Company's and ASX's websites.

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of 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) any document referred to in this Prospectus;
- (ii) the Annual Report, being the most recent annual financial report of the Company lodged with ASIC before the date of this Prospectus; and
- (iii) any continuous disclosure notices given by the Company after lodgement of the Annual Report and before the lodgement of the copy of this Prospectus with ASIC which are as follows:

Description of Announcement	Date
Appendix 4G and Corporate Governance Statement FY24	29/8/2024
FY24 Full Year Results - Investor Presentation	29/8/2024
Investor Webinar Information - FY24 Results	29/8/2024
ASX Small and Mid Cap Conference Presentation	24/9/2024
FY24 R&D Tax Incentive Rebate received	2/10/2024
Notice of Annual General Meeting / Proxy Form	15/10/2024
Quarterly Activities/Appendix 4C Cash Flow Report	31/10/2024
AGM Presentation	21/11/2024
Results of Meeting	21/11/2024
Trading Halt	3/12/2024
FDA Approval – Nitroglycerin Ointment	4/12/2024
Share Placement successfully concluded and SPP launched	5/12/2024
Investor Presentation	5/12/2024
Share Purchase Plan Offer Booklet	6/12/2024
Notification regarding unquoted securities - ACR	12/12/2024
Application for quotation of securities - ACR	12/12/2024
Cleansing Notice	12/12/2024
Appendix 3Y - Brumley	12/12/2024
Appendix 3Y - Brooke	12/12/2024
Appendix 3Y - Dobinson	12/12/2024
Appendix 3Y - Oldham	12/12/2024
Notification of cessation of securities - ACR	12/12/2024
Application for quotation of securities - ACR	12/12/2024
Cleansing Notice	12/12/2024
Commercialisation of Nitroglycerin Ointment	13/12/2024
Investor Webinar, Tuesday 17 December 2024	16/12/2024
Investor Deck update, SPP Closes 18 December 2024, 5pm	17/12/2024
Application for quotation of securities - ACR	19/12/2024
Cleansing Notice	19/12/2024
Change in substantial holding	19/12/2024

Acrux raises \$1.34 million from SPP	23/12/2024
Application for quotation of securities - ACR	23/12/2024
Cleansing Notice	23/12/2024
Notice of Extraordinary General Meeting / Proxy Form	03/01/2025
Launch of 90 gram pack size of Dapsone 5%, Gel in US	16/01/2025

The Company may make further ASX announcements after the date of this Prospectus which will be available on ASX's website, www.asx.com.au under the Company's code "ACR" and the Company's website.

9.3 Information excluded from continuous disclosure notices

As at the date of this Prospectus, there is no information not contained within this Prospectus that:

- (a) has not been disclosed under the continuous disclosure requirements of the Listing Rules; and
- (b) the Board considers is reasonably required for the purpose of making an informed assessment of the assets and liabilities, financial position and prospects of the Company and the rights and liabilities attaching to New Options and the Shares issued on exercise of the New Options.

9.4 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

9.5 Market price of Shares

The highest and lowest market sale prices of the Shares on ASX during the 3 months immediately preceding the date of this Prospectus, and the closing price on the trading day before the date of this Prospectus, are set out below. [

	Price (\$)	Date
Highest	\$0.056	25/10/2024
Lowest	\$0.032	12/12/2024
Last	\$0.032	16/01/2025

Note: These dates represent when the Shares first reached their highest and lowest market sale prices during the 3 months immediately preceding the date of this Prospectus.

9.6 Interests of Directors

(a) Information disclosed in this Prospectus

Except as disclosed in this Prospectus, no Director has, or has had within 2 years before lodgement of this Prospectus, any interest in:

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

and no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person:

- (iii) to a Director or proposed Director to induce him or her to become, or to qualify as, a Director; or
- (iv) for services provided by a Director or proposed Director in connection with the formation or promotion of the Company or the Offers.

(b) **Existing interests**

As at the date of this Prospectus, the Company has no options on issue and the Directors' and their nominees' interests in the securities of the Company are as follows:

Director	Shares*	% total Shares	Rights
Ross Dobinson	5,249,245	1.30%	2,668,548
Geoff Brooke	1,690,301	0.42%	1,959,614
Don Brumley	4,193,318	1.04%	896,668
Tim Oldham	2,582,565	0.64%	896,668
Michael Kotsanis	1,511,083	0.38%	6,000,000

Note: Does not include Shares planned to be issued to Directors under the Placement that are subject to Shareholder approval.

(c) **Participation by Directors**

The following Directors are Placement Participants and will be offered New Options under the Placement Options Offer under this Prospectus, both subject to Shareholder approval:

Director	Placement Shares	New Options
Ross Dobinson	571,428	571,428
Geoff Brooke	285,714	285,714
Don Brumley	2,285,714	2,285,714
Tim Oldham	285,714	285,714
Michael Kotsanis	857,142	857,142

Note: The issue of any Shares under the Placement and the grant of any New Options under the Placement Options Offer to Directors is subject to the Company obtaining Shareholder approval under Listing Rule 10.11.

(d) **Remuneration of Directors**

Directors are entitled to receive directors' fees and other remuneration from the Company in relation to services provided to the Company. In recent years, non-executive directors have received approximately half of the value of their remuneration in the form of cash payments and superannuation and half as Rights which vest on a quarterly basis in accordance with service. Michael Kotsanis' remuneration includes 6,000,000 Rights which vest in four annual tranches subject to the achievement of Total Shareholders Return (measured by the annual share price increase) of at least 10% per annum. 1,500,000 of the Rights held by Michael Kotsanis vested in 2024 but are yet to be exercised.

The total value of this remuneration, inclusive of cash, superannuation and the value of rights, received by Directors in relation to the past 2 financial years preceding this Prospectus are as follows:

Director	FY23 (\$)	FY24 (\$)
Ross Dobinson	100,322	131,114
Michael Kotsanis	710,238	701,959
Geoffrey Brooke	69,231	84,654
Don Brumley	76,820	84,012
Tim Oldham	67,704	84,654

9.7 **Related party transactions**

There are no related party transactions which have not been disclosed in this Prospectus.

9.8 **Interests of experts and advisers**

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company or the Offers; or
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or
- (c) the offer of New Options pursuant to this Prospectus,

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

- (d) the formation or promotion of the Company; or
- (e) the offer of New Options pursuant to this Prospectus.

Over the last 2 financial years, Norton Rose Fulbright Australia has been paid commercial arm's length fees for providing legal services.

Fees for professional services undertaken as Australian legal advisers in connection with the issue of New Options and all other associated costs and expenses of this Prospectus are approximately \$145,000 exclusive of GST and disbursements at the date of this Prospectus.

9.9 Estimated Expenses of the Offers

The estimated expenses of the Offers are detailed below:

Estimated cash expenses of the Offers	Amount (\$ ('000) (excluding GST)
Share Registry fees and expenses	50
ASIC and ASX fees	50
Legal fees and expenses	145
Lead Manager fees ¹	170
Total	415

¹ Lead Manager fees exclude New Options issued under the Lead Manager Options Offer, but include 2,015,714 Shares issued to a nominee of Peak Asset Management in partial satisfaction of their fees.

9.10 Lead Managers' mandate

The terms of the Lead Managers' mandate, including the Company's agreement to issue the Lead Manager Options, are set out in an appointment letter between Evolution Capital and the Company, as varied from time to time. The appointment letter (as varied) is on usual arm's length terms for an appointment of this nature and provides that Evolution Capital will provide (or procure that Peak Asset Management provide) lead manager and book runner services for the Placement and SPP in return for fees. In addition to issuing the Lead Manager Options, the Company has agreed to pay the Lead Managers a corporate advisory fee and management fee of \$170,000 (excl. disbursements and GST). Those fees have been satisfied by cash and the issue of 2,015,714 Shares to a nominee of Peak Asset Management. The appointment letter contains additional provisions, including warranties and indemnities in respect of the Company, which are considered standard for agreements of this nature.

9.11 Consents

The following parties have given their written consent to be named in this Prospectus and for the inclusion of statements made by that party (as described below in the form and context in which they are included) and have not withdrawn such consent before lodgement of this Prospectus with ASIC.

Evolution Capital and Peak Asset Management have consented to being named as the Joint Lead Managers.

Norton Rose Fulbright Australia has consented to being named as the solicitors to the Company in relation to this Prospectus.

Link Market Services Limited have consented to being named as the Share Registry.

The parties referred to above in this section:

- (a) do not make, or purport to make any statement in this Prospectus, or on which a statement made in this Prospectus is based other than as specified in this section;
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section; and
- (c) have not caused nor authorised the issue of this Prospectus or the making of the Offers.

10 Directors' authorisation and consent

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

In accordance with sections 351 and 720 of the Corporations Act, each Director has consented in writing to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

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 the Directors in this Prospectus are not misleading or deceptive.

This Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to potential investors or their professional advisors.

Dated: 17 January 2025

A handwritten signature in blue ink, appearing to read 'R. Dobinson', is positioned above the printed name of the signatory.

Signed for and on behalf of Acrux Limited
ACN 082 001 152

By Ross Dobinson
(Chair, Acrux Ltd)

11 Glossary

Terms and abbreviations used in this Prospectus have the following meaning:

A\$, dollars, \$ or cents	Australian currency unless otherwise specified.
AEDT	Australian Eastern Daylight Time.
Annual Report	Has the meaning given in section 5.15 of this Prospectus.
Applicant	Means a Placement Participant, SPP Participant or Lead Manager who submits an Application Form.
Application Form	The Application Form that accompanies this Prospectus.
Application	Being the process of submitting the Application Form in accordance with the instructions outlined on the Application Form.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited ABN 98 008 624 691 or the financial market operated by it (as the context requires).
Board	Means the board of Directors of the Company as at the date of this Prospectus.
CHESS	Means the Clearing House Electronic Sub-register System as operated by ASX.
Closing Date	Means 5:00 pm (AEDT) on 17 February 2025.
Company or Acrux	Acrux Limited (ACN 082 001 152).
Constitution	Means the constitution of the Company as at the date of this Prospectus.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	Means a director of the Company.
Eligible Participants	Has the meaning given in section 5.3 of this Prospectus.
Eligible Shareholder	Means a registered holder of Shares as at 5:00pm (AEDT) on the SPP Record Date, with a registered address in Australia or New Zealand.
Exercise Notice	Has the meaning given in section 8.1(g) of this Prospectus.
Exercise Period	Has the meaning given in section 8.1(f) of this Prospectus.
Exercise Price	Has the meaning given in section 8.1(e) of this Prospectus.
Expiry Date	Has the meaning given in section 8.1(c) of this Prospectus.
FDA	Food and Drug Authority of the United States.
Lead Managers	Means Evolution Capital and Peak Asset Management.
Lead Manager Options Offer	Has the meaning given on page 1 of this Prospectus.

Listing Rules	Means the official Listing Rules of the ASX, as amended or waived from time to time.
Meeting	Means the extraordinary general meeting of the Company to be held on 3 February 2025 to approve the issue of the New Options under the Offers.
New Option	A free option to acquire Shares offered pursuant to the Offers, having the rights and liabilities set out in section 8.1 of this Prospectus.
Notice of Meeting	Means the notice of meeting released by the Company on 3 January 2024 in respect of the Meeting.
Offers	Means the SPP Options Offer, the Placement Options Offer and the Lead Manager Options Offer.
Opening Date	Means 23 January 2025.
PDF Act	Has the meaning given in section 7.3(o) of this Prospectus.
Placement	Has the meaning given in section 5.1(b) of this Prospectus.
Placement Options Offer	Has the meaning given on page 1 of this Prospectus.
Placement Participant	Means investors who subscribed for Shares under the Placement, as set out in section 5.1 of this Prospectus.
Pooled Development Fund	Means a company registered as a Pooled Development Fund under the PDF Act.
Prospectus	Means this document.
Right	Means an unquoted right convertible into one quoted Share that is recorded under the code "ACRAT".
Share	A fully paid ordinary share in the Company.
Shareholder	Means the holder of a Share.
Share Registry	Means Link Market Services Limited.
SPP	Has the meaning given in section 5.1(a) of this Prospectus.
SPP Options Offer	Has the meaning given on page 1 of this Prospectus.
SPP Participant	Means an Eligible Shareholder who subscribed for SPP Shares under the SPP.
SPP Record Date	Means 4 December 2024.
SPP Shares	Means 38,243,646 Shares issued to SPP Participants.
TMD	Has the meaning given in section 5.16 of this Prospectus.
US or United States	Means the United States of America.

Annexure A – Pro-forma balance sheet

	30 June 24			30 June 24
	Historical	Placement	SPP	Proforma
	\$'000	\$'000	\$'000	\$'000
Current assets				
Cash and cash equivalents	2,945	2,331	1,245	6,521
Receivables	2,889	-	-	2,889
Other current assets	147	-	-	147
Total current assets	5,981	2,331	1,245	9,557
Non-current assets				
Plant and equipment	597	-	-	597
Lease assets	1,813	-	-	1,813
Deferred tax asset	572	-	-	572
Total non-current assets	2,982	-	-	2,982
Total assets	8,963	2,331	1,245	12,539
Current liabilities				
Payables	1,074	-	-	1,074
Lease liabilities	293	-	-	293
Borrowings	1,487	-	-	1,487
Provisions	868	-	-	868
Total current liabilities	3,722	-	-	3,722
Non-current liabilities				
Provisions	41	-	-	41
Lease liabilities	1,924	-	-	1,924
Total non-current liabilities	1,965	-	-	1,965
Total liabilities	5,687	-	-	5,687
Net assets	3,276	2,331	1,245	6,852
Equity				
Contributed equity	115,012	2,331	1,245	118,588
Reserves	8,551	-	-	8,551
Retained earnings / (losses)	-120,287	-	-	-120,287
Total equity	3,276	2,650	1,339	7,265

Notes:

The proceeds of capital raising are net of applicable expenses. SPP and Placement funds have been received by the Company in full, except for \$0.15 million which is receivable from the Directors whose participation in the Placement is subject to approval at the Meeting. The costs of the capital raising are estimated at approximately \$0.4 million (refer to section 9.9 of this Prospectus for the breakdown of estimated expenses).