

Neurotech International Limited

ACN 610 205 402



PROSPECTUS

Offer

For the offer of up to 100,000 Shares (ASX Code: NTI) in the capital of the Company, at an Offer Price of \$0.055 each, to raise up to \$5,500 before costs (**Cleansing Offer**).

The Cleansing Offer opens on Monday, 15 March 2021 and closes at 5.00pm (WST) on Monday, 22 March 2021.

IMPORTANT NOTICE

This Prospectus is a transaction specific prospectus issued in accordance with section 713 of the Corporations Act. This is an important document that should be read in its entirety. Please read the instructions in this document and on the accompanying Application Forms regarding acceptance of each Offer. If you do not understand this document, you should consult your professional adviser. The Securities offered by this Prospectus should be considered as a speculative investment.

Important Information

General

This Prospectus is dated 15 March 2021 and was lodged with ASIC on that date. Neither ASIC nor ASX take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is a transaction specific prospectus for an offer of 'continuously quoted securities' (as defined in the Corporations Act). It 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 or "full form" prospectus. In preparing this Prospectus, regard has been had to the fact that the Company is a 'disclosing entity' for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers.

Shares under the Cleansing Offer will not be issued on the basis of this Prospectus later than 13 months after the Prospectus Date.

Electronic prospectus

This Prospectus may be viewed in electronic form at www.neurotechinternational.com by Australian investors only. The electronic version of this Prospectus is provided for information purposes only. A paper copy of the Prospectus may be obtained free of charge on request during an Offer Period by contacting the Company. The information on the Company's website does not form part of this Prospectus.

Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors are set out in Sections 1.5 and 4 of this Prospectus. These risks together with other general risks applicable to all investments in quoted securities not specifically referred to, may affect the value of the Company's Securities in the future. An investment in the Company should be considered speculative. Investors should consider these risk factors in light of personal circumstances and should consider consulting their professional advisers before deciding whether to apply for Shares under the Cleansing Offer pursuant to this Prospectus.

Overseas Applicants

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

By applying for Shares under the Cleansing Offer, including by submitting an Application Form or making a payment using BPAY® an Applicant represents and warrants that there has been no breach of such laws.

The distribution of this Prospectus and accompanying Application Forms (including electronic copies) outside Australia may be restricted by law and persons who come into possession of these documents should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. The Company disclaims all liability to such persons.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including the ASX website at www.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are

not incorporated into this Prospectus and do not constitute part of the Cleansing Offer. 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. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company or subscribe for shares under the Cleansing Offer.

The Company has not authorised any person to give any information or make any representation in connection with an offer which is not contained in this Prospectus. Any such extraneous information or representation may not be relied upon as having been authorised by the Company in connection with this Prospectus.

Forward-looking statements

This Prospectus contains forward-looking statements that have been based on current expectations about future acts, events and circumstances, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These forward-looking statements are subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

Accordingly, the Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. Further, except during an Offer Period and otherwise as required by law, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

Applications

Applications for Shares offered by this Prospectus can only be made on an original Application Form accompanying this Prospectus. Please read the instructions in this Prospectus and on the accompanying Application Forms regarding the acceptance of the Cleansing Offer.

By returning an Application Form, or otherwise arranging for payment of Shares under the Cleansing Offer in accordance with the instructions on the Application Form, an Applicant acknowledges that they have received and read this Prospectus, acted in accordance with the terms of the Cleansing Offer to which the Application Form relates and agree to all of the terms and conditions as detailed in this Prospectus.

Meaning of terms

Capitalised terms and certain other terms used in this Prospectus are defined in the Glossary in Section 9.

References to "\$", "A\$", "AUD", or "dollar" are references to Australian currency, unless otherwise stated.

References to time relate to the time in Perth, Western Australia, unless otherwise stated.

Corporate Directory

Directors

Brian Leedman
Non-Executive Chairman

Mark Davies
Non-Executive Director

Winton Willesee
Non-Executive Director

Company Secretary

Erlyn Dale

Registered Office

Neurotech International Limited
Suite 5, CPC, 145 Stirling Highway
NEDLANDS WA 6009

T: +61 8 9389 3130

Email: info@neurotechinternational.com

Web: www.neurotechinternational.com

ASX Code

NTI

Website

www.neurotechinternational.com

Solicitors to the Company

Jackson McDonald
Level 17, 225 St Georges Terrace
Perth, Western Australia 6000

Telephone: (08) 9426 6611

Facsimile: (08) 9321 2002

Share Registry*

Automic Pty Ltd
Level 2, 267 St Georges Terrace
PERTH, Western Australia 6000

GPO Box 5193
SYDNEY, NSW 2001

Telephone (within Australia): 1300 288 664

Telephone (international): +61 2 9698 5414

Email: hello@automicgroup.com.au

Auditor*

BDO Audit (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008

T: +61 8 6382 4600

F: +61 8 6382 4601

*Included for information purposes only. These entities have not been involved in the preparation of this Prospectus.

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1. Investment Overview

1.1 Company Overview

(a) Summary

Neurotech is a medical and health solutions company with a focus on innovations that improve mental health and wellbeing. The Company has developed *Mente*, a clinical quality EEG device and neurofeedback system to help relax children from the comfort of their own home. *Mente* therapy helps in reducing excessive activation of brainwaves that are typically associated with a range of autistic behaviours. *Mente* serves as a complementary therapy in an overall treatment plan for autism and the Company intends to endeavour to create a portfolio of offerings to serve this and other associated fast growing markets.

For *Mente* a small 34 participant, independent, double-blinded clinical trial for autistic children in the United States was concluded in mid-2018. After using *Mente* each day for a 40-minute session over a 12 week period, results found significant reductions in abnormal levels of brainwaves, a reduction of autistic behaviours and parents indicating significant improvement in social and communication skills.

Following the Company's entry into an agreement under which it has been granted an exclusive worldwide licence to utilise proprietary cannabis strains from Dolce Cann Global Pty Ltd (**Dolce**) and its associates (together, the Vendors) for medicinal use in treating neurological disorders including autism, epilepsy, and ADHD (**Licence**), the Company has commenced clinical in-vitro cell studies to assess the neuro-protective, anti-inflammatory and neuro-modulatory activities of key cannabis strains.

The Company also entered into a deed of variation (**Deed of Variation**) on or around 2 March 2021, to vary the terms of the original Licence to expand the Licence's permissions to include research of medicinal benefits of proprietary cannabis strains in the treatment of neurological disorders including Alzheimer's disease, Huntington's disease, Multiple Sclerosis, Transverse Myelitis, Inflammatory Brain disease, Fibromyalgia, Chronic Fatigue Syndrome, Migraine and other disorders, diseases or affliction affecting human brain function.

Further information relating to the terms of the Variation Deed and clinical studies was released to ASX on 2 March 2021 under the announcement "Neurotech Expands Licence with Dolce Cann Global" and 15 February 2021 under the announcement "Phase One and Two Clinical Program Update" respectively. This can be accessed on ASX's website by searching announcements using the Company's code "NTI".

(b) Business focus

The application of *Mente* neurofeedback and related treatments and therapies extends well beyond children with autism. The Company's aim is to target a broader market, where its offerings would be used to modulate more general behavioural traits such as anxiety, stress, attention and focus thereby increasing the addressable market to include Autism, ADHD and other neurological disorders.

The Company's commercialisation strategy for *Mente* is primarily via the use of third-party distributors, to facilitate sales via a subscription model.

The direction and any ultimate commercialisation of the cannabis research project will be informed by the results of each stage of the trials.

The use of the *Mente*, cannabis and other offerings (individually and potentially collaboratively) for the treatment for medical conditions will require on-going clinical validation from a research and development perspective and regulatory approvals. The utility of the *Mente*, cannabis and other offerings as viable therapies for medical

conditions other than autism is yet to be determined and will only be known through working with clinical professionals as part of the Company's 'go to market strategy', through which the Company will continue to accumulate data and clinical evidence.

1.2 Placement

On 2 March 2021, the Company announced its intention to conduct a placement to various professional and sophisticated investors, as identified by the Company (**Placement Participants**), of a total of 36,363,637 Shares at an Offer Price of \$0.055 per Share (**Placement Shares**), to raise up to \$2,000,000 (before costs) (**Placement**).

Placement Shares are to be issued using the Company's "10%" placement capacity under Listing Rule 7.1A.

1.3 Deed of Variation

On 2 March 2021, the Company announced it had entered into a Deed of Variation to expand its remit on its use of proprietary cannabis strains under its exclusive licence (**Licence**) with Dolce Cann Global Pty Ltd (**Dolce**), Dolce Cann Pty Ltd and Patrick Steven Calabria.

Pursuant to the terms of the Deed of Variation, the Company has expanded the scope of the term "Neuro Disorder" to include Alzheimer's disease, Huntington's disease, Multiple Sclerosis, Transverse Myelitis, Inflammatory Brain disease, Fibromyalgia, Chronic Fatigue, Migraine and any other disease, disorder or affliction affecting human brain function.

As part of the consideration for expanding the remit on its use of proprietary cannabis strains under the Licence, the Company must issue Dolce (or its nominees) 15,000,000 Shares within the time frame required under the Deed of Variation (**Licensee Shares**).

Refer to Section 7.1 for further material terms to the Deed of Variation.

1.4 Cleansing Offer

The Cleansing Offer is an offer of up to 100,000 Shares at an issue price of \$0.055 per Share to raise up to \$5,500 (before expenses).

The Cleansing Offer will allow the Company to cleanse the issue of Placement Shares to the Placement Participants, Licensee Shares to Dolce and the issue of Shares upon exercise of NTIOPT7 Options to Option holders.

The Cleansing Offer will only be extended to specific parties on invitation from the Directors. Cleansing Offer Application Forms will only be provided by the Company to these parties.

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus.

1.5 Purpose of the Cleansing Offer

The Company is obliged to ensure that the Shares issued by the Company which are to be quoted on ASX are not subject to the secondary sale restrictions in the Corporations Act.

The Company is unable to issue a cleansing notice under section 708A(5) of the Corporations Act as its Shares have been suspended from trading on ASX for more than the maximum number of permitted trading days in the last 12 months.

This Prospectus has been prepared for the purposes of section 708A(11) of the Corporations Act to remove any secondary trading restrictions applicable to quoted Shares issued on or after the Prospectus Date.

Accordingly, the primary purpose of this Prospectus is to facilitate secondary trading of:

- Placement Shares to be issued by the Company under the Placement to Placement Participants;
- Licensee Shares to be issued to Dolce or its nominees under the terms of the Deed of Variation;
- the issue of 23,796,786 Shares upon exercise of NTIOPT7 Options to Option holders; and
- any Shares that may be issued to investors under the balance of the Company's 15% placement capacity and its additional 10% placement capacity to raise additional capital, made before the Closing Date; as at the Prospectus Date the Company has not arranged any issue of additional Securities to investors.

1.6 Key risks

Activities in the Company, as in any business, are subject to risks which may impact on the Company's future performance. In addition to the risks described in detail in Section 4, prospective Applicants should be aware of the following (non-exhaustive) key risks which have particular application to the Company's operations and projects at this time.

Risk	Description
Commercialisation risk	While the Company believes its commercialisation program for its Mente asset is the most appropriate program in the current circumstances, there can be no assurances it will be successful. There is a risk that the Company's products may not be fully understood by the Company's target markets, and that marketing, education and public awareness campaigns are not effective. This will negatively affect the commercialisation of the products.
Competition and new technologies	The Company has no influence or control over the activities or actions of its competitors. For instance, new technologies could overtake the advancements made by the Company's products. In that case, the Company's revenues and profitability could be adversely affected.
Key distributor risk	The Company's sales strategies and business model involves various distribution pathways. If any of these pathways is less successful than anticipated, it will have a negative impact on the Company's cash flows and profitability.
No profit to date and limited operating history	Neurotech has incurred losses since its inception. Since the Company intends to invest in the commercial development of Mente and its cannabis research, the Directors anticipate making further losses in the foreseeable future. This can create uncertainty of the Company's ability to achieve or sustain profitability and positive cash flow from its operating activities.
Manufacturing and product quality risk	Neurotech's Mente product has not yet been produced on a large scale, and therefore there is a risk that its suppliers may not be able to manufacture products in sufficient quantities or at an appropriate cost level. Additionally, the Company's products must meet regulatory requirements which are subject to ongoing review. Failure by the Company to comply with applicable regulatory requirements or failure to take satisfactory corrective action could result in enforcement actions. Both of these risks could adversely impact the Company's business objectives.
Future capital requirements	If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations or sell some or all of its assets which may result in a material adverse effect on the Company's activities and its ability to continue as a going concern.

Risks associated with clinical trials	Scientifically robust clinical trials have long lead-in times, can be expensive to conduct, and are, by definition of their purpose, uncertain as to outcome.
Risk of change to laws and regulations	It is likely that governments worldwide, including Australia, will continue to explore the benefits, risks, regulations and operations of companies involved in medicinal cannabis. While to the knowledge of management the Company is in compliance with all current laws, changes to laws and regulations due to matters beyond the Company's control may cause adverse effects to its operations.
Agricultural risks	Medical cannabis is an agricultural product. As such it is subject to the risks inherent in the agricultural industry, such as insects, plant disease, storm, fire, frost, flood, drought, water availability, water salinity, pests, bird damage and force majeure events. Any of these events could impact the Company's operations and objectives.
Risk of adverse publicity	Adverse publicity from cannabis misuse or adverse side effects from cannabis or other cannabinoid products may adversely affect the commercial success or market penetration achievable by the Company's products.
Risk of adverse effects or other safety issues associated with product	If any of the products sold by the Company cause serious or unexpected side effects or are associated with other safety risks such as misuse, abuse or diversion, a number of potentially significant negative consequences which would impact the Company's operations.

1.7 Impact of the coronavirus (COVID-19) pandemic

The COVID-19 pandemic has adversely affected the global business climate as a result of various government policies put in place to manage the crisis, and has had a significant adverse impact on the ability of businesses to operate domestically and abroad. The Australian and other global economies are currently affected by the impact of government policies in response to the COVID-19 pandemic. These government policies have had detrimental effect on economic activity.

To date, these government policies, including border lockdown and movement control orders, have impacted the business and operations of the Company, but only to a limited degree. Any further measures to limit the transmission of the virus, such as mandatory quarantining in many countries, may adversely impact the Company's operations.

The extent of the effect of the pandemic on the operations and performance of the Company remains uncertain. Although the full extent of the economic impact from the ongoing COVID-19 pandemic is yet unknown, the Company is continuing to monitor the situation.

In addition, the outbreak of COVID-19 is having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic, which has had and may continue to have a significant impact on capital markets and share prices. The Company's Share price may be adversely affected by the economic uncertainty caused by COVID-19.

1.8 The Board

The Company is managed by the Board of Directors. Biographies of the Directors are detailed below.

(a) Mr Brian Leedman (Non-Executive Chairman)

Mr Leedman was formerly the Chairman (WA) of Ausbiotech. He is the founder and former executive director of ResApp Health, Co-founder of Oncosil Medical and Biolife Sciences Limited (acquired by Imugene Limited) and former non-executive director of Alcidiion Corporation.

He is presently, the chairman or NeuroScientificBiopharmaceuticals and chairman of Nutritional Growth Solutions. He holds a Bachelor of Economics and an MBA from the University of Western Australia and has over 15 years' experience in the biotechnology sector.

(b) **Mr Mark Davies (Non-Executive Director)**

Mark Davies has over 20 years' experience in trading, investment banking and providing corporate advice. He worked at Montagu Stockbrokers before co-founding investment banking firm Cygnet Capital and more recently 1861 Capital.

Mark specialises in providing corporate advice and capital raising services to emerging companies seeking business development opportunities and funding from the Australian market.

He graduated from the University of Western Australia with a Bachelor of Commerce.

(c) **Mr Winton Willesee (Non-Executive Director)**

Mr Willesee is an experienced company director and secretary with over 20 years experience in various roles within the Australian capital markets. Mr Willesee has considerable experience with ASX listed and other companies over a broad range of industries having been involved with many successful ventures from early stage through to large capital development projects. He has a core expertise in strategy, company development, corporate governance, company public listings, merger and acquisition transactions and corporate finance.

Mr Willesee holds formal qualifications in Commerce, Economics and Finance, Accounting, Applied Finance and Investment, Applied Corporate Governance and Education. He is a Fellow of the Financial Services Institute of Australasia, the Governance Institute of Australia and the Institute of Chartered Secretaries and Administrators, Graduate of the Australian Institute of Company Directors and a Member of CPA Australia.

Investors should be aware that one area of Mr Willesee's business expertise is with high risk enterprises and the recovery and restructure of distressed entities. As part of endeavours with enterprises of this nature, Mr Willesee has been involved as a director in two situations where a formal administration has been determined to be the best course of action for stakeholders.

In January 2014, the board of Cove Resources Limited appointed an administrator due to concerns around the future availability of capital to fund its continued mineral exploration operations. Since then, Cove Resources Limited has been recapitalised, is no longer in administration and has recommenced trading on the ASX.

Mr Willesee was also appointed to the board of xTV Networks Limited in July 2016. Having reviewed the options available to that company to restructure its distressed options, in July 2018, the board of xTV Networks Limited appointed an administrator. Since then, xTV Networks Limited has been recapitalised, is no longer in administration and has recommenced trading on the ASX.

2. Details of the Cleansing Offer

2.1 Cleansing Offer

As described in Section 1.4 above, the Cleansing Offer is an offer of up to 100,000 Shares at an issue price of \$0.055 per Share to raise up to \$5,500 (before expenses).

The Cleansing Offer will allow the Company to cleanse the issue of Placement Shares to the Placement Participants, the Licensee Shares to Dolce (or its nominees) and the issue of Shares upon exercise of NTIOPT7 Options to Option holders.

The Cleansing Offer will only be extended to specific parties on invitation from the Directors. Cleansing Offer Application Forms will only be provided by the Company to these parties.

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus.

2.2 Applications for Shares under the Cleansing Offer

(a) Application Form

Applications for Shares under the Cleansing Offer may be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Payment for Shares must be made in full at the Offer Price of \$0.055 per Share.

An original, completed and lodged Application Form constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in that Application Form. The Application Form does not need to be signed to be valid.

If an Application Form is not completed correctly, it may be treated by the Company as valid at its discretion. The Directors' decision as to whether to treat such an Application Form as valid and how to construe, amend or complete a form is final.

(b) Payment by electronic funds transfer, cheque or money order

Unless an Applicant pays using BPAY® as outlined below, an Application Form must be accompanied by a personal cheque or money order, payable in Australian dollars, for an amount equal to the number of Shares under the Cleansing Offer for which the Applicant wishes to apply, multiplied by the Offer Price (i.e. \$0.055) of those Shares.

Cheques or money orders must be made payable to "Neurotech International Limited" and should be marked "Not Negotiable".

Completed Application Forms and accompanying cheques or money orders must be received by the Company before **5.00pm (WST) on the Closing Date** at the following address:

By hand	By post
Neurotech International Limited c/- Azalea Consulting Pty Ltd Suite 5 CPC, 145 Stirling Highway, Nedlands, Western Australia 6009	Neurotech International Limited c/- Azalea Consulting Pty Ltd PO Box 3144 Nedlands WA 6009

(c) **Payment using BPAY®**

Applicants who wish to submit an Application and make payment using BPAY® under the Cleansing Offer, should follow the instructions on the Application Form which includes the 'Biller Code' and the Applicant's individual 'Customer Reference Number'.

Applicants can only make payment using BPAY® if they have an account with an Australian financial institution that supports such transactions.

Applicants must ensure to use the specific 'Biller Code' and 'Customer Reference Number' on their individual Application Form. An Application may not be accepted if these details are incorrect. The 'Customer Reference Number' is used to identify each Applicant's holding.

Payments must be made in Australian dollars for an amount equal to the number of Shares for which the Applicant wishes to apply, multiplied by the Offer Price (\$0.055).

If an Applicant makes a payment using BPAY®, an Application Form **does not** need to be submitted to the Company. However, by paying Application Moneys by BPAY®, the Applicant will be taken to have made the declarations on the Application Form.

BPAY® payments of Application Moneys must be received before **5.00pm (WST) on the Closing Date**.

Applicants should take into account when making an Application that their individual financial institutions may implement earlier cut-off times for BPAY® payments. It is an Applicant's responsibility to ensure that the Application Moneys are received by the Company before the Closing Date.

2.3 **Timetable for Cleansing Offer**

The Cleansing Offer pursuant to this Prospectus will open for receipt of Applications on Monday, 15 March 2021 and will close at 5.00pm (WST) on Monday, 22 March 2021.

The Directors reserve the right to extend the Offer Period or close the Cleansing Offer prior to the Closing Date, subject to the requirements of the Corporations Act and the Listing Rules.

2.4 **Holding statements**

Holding Statements with respect to the Shares offered under the Cleansing Offer are expected to be issued within 3 Business Days of the issue of Shares and will be received by applicants via post. The sale by an Applicant of any Shares prior to the receipt of a Holding Statement is at the Applicant's own risk.

2.5 **ASX quotation of Shares**

The Company will apply for Official Quotation on ASX of any Shares issued pursuant to this Prospectus within 7 days of the date of this Prospectus.

If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus (or such period as varied by the ASIC), the Company will not issue any Shares under the Cleansing Offer and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

2.6 **Minimum subscription**

The Cleansing Offer is not subject to any minimum subscription condition or requirement.

2.7 Underwriting

The Cleansing Offer is not underwritten.

2.8 Withdrawal

The Directors may decide to withdraw this Prospectus or the Cleansing Offer at any time before issue of any Shares.

2.9 Application Moneys to be held on trust

Application Money for Shares under the Cleansing Offer will be held by the Company on trust in accordance with the requirements of the Corporations Act until the Shares to which the Application Money relates are issued under the Cleansing Offer, or a refund of Application Money occurs in the circumstances described in this Prospectus.

The Company will retain any interest earned on Application Money, including in the event of any refund of Application Money.

2.10 Applicants outside of Australia

This Prospectus does not constitute the offer of Securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the offer.

It is the responsibility of any Applicant who is resident outside Australia to ensure compliance with all laws of any country relevant to their Application, and any such Applicant should consult their professional adviser as to whether any government or other consents are required, or whether any formalities need to be observed to enable them to apply for and be issued Shares. Return of a duly completed Application Form will constitute a representation and warranty by an Applicant that there has not been any breach of such regulations.

The Company has not taken any action to register or qualify the Shares or the Cleansing Offer, or otherwise to permit a public offering of Securities, in any jurisdiction outside Australia.

Prospective investors located outside Australia are advised that the information contained within this Prospectus has not been prepared with regard to matters that may be of particular concern to them. Accordingly, prospective investors located outside Australia should consult with their own legal, financial and tax advisors concerning the information contained within the Prospectus and as to the suitability of an investment in the Shares in their particular circumstances.

2.11 CHESS and issuer sponsorship

The Company participates in the Clearing House Electronic Sub-Register System (**CHESS**), operated by ASX Settlement (a wholly owned subsidiary of ASX), in accordance with the Listing Rules and ASX Settlement Rules. The Company operates an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of its Securities.

Under CHESS, the Company does not issue certificates to the holders of Securities. Instead, the Company provides holders with a Holding Statement (similar to a bank account statement) that sets out the number of Securities allotted and issued to them.

This Holding Statement also advises investors of either their Holder Identification Number (**HIN**) in the case of a holding on the CHESS sub-register or Security Holder Reference Number (**SRN**) in the case of a holding on the issuer sponsored sub-register.

A statement is routinely sent to holders at the end of any calendar month during which their holding changes. A holder may request a statement at any other time; however, a charge may be incurred for additional statements.

2.12 Taxation implications

The Directors do not consider that it is appropriate to give potential Applicants advice regarding the taxation consequences of applying for Shares under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions for potential Applicants.

Neither the Company nor any of its advisers or officers accept any responsibility or liability for any taxation consequences to potential Applicants in relation to the Cleansing Offer. Potential Applicants should, therefore, consult their own tax adviser in connection with the taxation implications of the Cleansing Offer.

2.13 Privacy disclosure

The Company collects information about each Applicant from the Application Forms for the purpose of processing the Application and, if the Applicant is successful, for the purposes of administering the Applicant's Security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information in the Application Form for the purposes set out in this privacy disclosure statement.

The Company and the Securities Registry may disclose an Applicant's personal information for purposes related to the Applicant's investment to their agents and service providers including those listed below or as otherwise authorised under the *Privacy Act 1988* (Cth) (**Privacy Act**):

- (a) the Securities Registry for ongoing administration of the Company's register;
- (b) the Company's related bodies corporate (as that term is defined in the Corporations Act), agents, contractors and third-party service providers, as well as to ASX, ASIC and other regulatory authorities (including the Australian Taxation Office); and
- (c) the printers and the mailing house for the purposes of preparing and distributing Holding Statements and for the handling of mail.

If an Applicant becomes a Security holder of the Company, the Corporations Act requires the Company to include information about the security holder (name, address and details of the Securities held) in its public register. This information must remain in the Company's register even if that person ceases to be a Security holder of the Company. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its Security holders) and compliance by the Company with legal and regulatory requirements.

If an Applicant does not provide the information required on the Application Form, the Company may not be able to accept or process their Application.

Under the Privacy Act, a person may request access to their personal information held by (or on behalf of) the Company or the Securities Registry. An Applicant can request access to their personal information by writing to the Company through the Securities Registry.

2.14 Enquiries

This Prospectus provides information for potential investors in the Company and should be read in its entirety.

If after reading this Prospectus you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or financial advisor.

3. Effect of the Cleansing Offer

3.1 Purpose of the Cleansing Offer and use of funds

As set out in Section 1.5, the primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issue by the Company prior to the Closing Date (including prior to the date of this Prospectus).

All of the funds raised from the Cleansing Offer will be applied toward the expenses of the Cleansing Offer. Refer to Section 7.5 of this Prospectus for further details relation to the estimated expenses of the Cleansing Offer.

3.2 Principal effect on the Company

The principal effects of the Cleansing Offer (including the issue of Placement Shares, Licensee Shares, Shares upon exercise of Options and assuming maximum subscription under the Cleansing Offer) will be to:

- increase the number of Shares on issue by 75,264,457 Shares, from 563,535,737 immediately prior to the Offers, to 638,800,194 Shares, representing a dilution of approximately 11.78% based on the total Shares on issue after the issue of Placement Shares, Licensee Shares, Shares upon exercise of Options and completion of the Cleansing Offer (assuming that no other Options are exercised); and
- increase cash reserves by up to \$2,124,726 (on a full subscription basis) immediately after the issue of Placement Shares, Licensee Shares, Shares upon exercise of Options and completion of the Cleansing Offer and payment of the costs and expenses set out in Section 7.5, including the estimated expenses of the Cleansing Offer.

3.3 Effect on capital structure

The capital structure of the Company following the issue of Placement Shares, Licensee Shares and completion of the Cleansing Offer (assuming the Cleansing Offer is fully subscribed), is set out below:

Securities	Full subscription
Shares	
Shares on issue immediately prior to Cleansing Offer	563,535,737
Shares to be issued under Cleansing Offer (maximum)	100,000
Placement Shares to be issued under the Placement	36,363,637
Licensee Shares to be issued to Dolce	15,000,000
Exercise of NTIO Options (\$0.06, 31 Mar 21)	4,034
Exercise of NTIOPT7 Options (\$0.005, 31 Jan 23)	23,796,786
Total Shares on issue following the issue of Placement Shares, Licensee Shares, Shares pursuant to exercise of NTIOPT7 Options and at completion of the Cleansing Offer	638,800,194

No new Options are being issued pursuant to this Prospectus.

3.4 Effect on control of the Company

The Company does not anticipate that the issue of Shares to any person under the Cleansing Offer will result in that person becoming a substantial Shareholder or obtaining a relevant interest in Shares of 20% or more.

The Company therefore does not anticipate that the issue of Securities under the Cleansing Offer will have any material effect on control of the Company.

3.5 Substantial holdings

A “substantial holding” is defined under section 9 of the Corporations Act to mean a relevant interest in 5% or more of the voting shares of a company.

The table below sets out the Shareholders with a substantial holding based on notices received by the Company as at the day before the Prospectus Date, i.e. before the issue of Shares under the Cleansing Offer.

Name	Number of Shares	Percentage interest
Shimano Ventures Limited	24,249,984	6.24%

Notes:

1. Percentage interest is based on the substantial holding notices submitted from holders.
2. The information in the table above has been extracted from notices received by the Company as at the date of this Prospectus.

3.6 Effect on financial position of the Company

The effect of the Placement and Cleansing Offer will be to increase the cash held by the Company at the close of the Cleansing Offer by an amount of approximately \$2,005,500 (exclusive of GST) (before costs).

After paying the expenses of the Cleansing Offer of approximately \$15,000 (exclusive of GST), the Company anticipates that there will be no net proceeds from the Cleansing Offer. The expenses of the Cleansing Offer (exceeding \$5,500) will be met from the Company’s existing cash reserves.

3.7 Pro forma statement of financial position

Set out below is:

- the audit reviewed statement of financial position of the Company as at 31 December 2020; and
- the unaudited pro forma statement of financial position of the Company as at 31 December 2020 incorporating the effect of the Placement Offer.

The unaudited pro forma statement of financial position has been derived from the audit reviewed financial statements of the Company, for the year ended 31 December 2020, and adjusted to reflect pro forma assets and liabilities of the Company as if completion of the Placement, issue of Licensee Shares and Cleansing Offer had occurred by 31 December 2020, and also for material adjustments noted below.

The pro-forma information is presented in an abbreviated form. It does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

The pro forma statement of financial position has been adjusted for the following material movements in the assets and liabilities of the Company between 31 December 2020 and the Prospectus Date:

- the issue of Placement Shares under the Placement;
- the issue of Licensee Shares to Dolce;
- the issue of Shares under the Cleansing Offer
- the issue of Shares upon exercise of Options; and
- the costs associated with preparation of the current Prospectus.

Allowance has not been made for expenditure incurred in the normal course of business from 31 December 2020 to the Prospectus Date.

		Adjustments						Preliminary
	Audited	Placement	Licensee	Cleansing	Cost of the	Costs of the	Exercise of	Pro-Forma
	31-Dec-20	Shares	Shares to Dolce	Offer	Offer	Prospectus	Options	30-Jun-21
Current Assets								
Cash and cash equivalents	2,019,471	2,000,000	0	5,500	(15,000)	(125,000)	118,984	4,003,955
Trade and other receivables	239,344	0	0	0	0	0	0	239,344
Total Current Assets	2,258,815	2,000,000	0	5,500	(15,000)	(125,000)	118,984	4,243,299
Total Assets	2,258,815	2,000,000	0	5,500	(15,000)	(125,000)	118,984	4,243,299
Current Liabilities								
Trade and other payables	358,352	0	0	0	0	0	0	358,352
Total Current Liabilities	358,352	0	0	0	0	0	0	358,352
Total Liabilities	358,352	0	0	0	0	0	0	358,352
Net Assets	1,900,463	2,000,000	0	5,500	(15,000)	(125,000)	118,984	3,884,947
Equity								
Contributed Equity	20,479,163	2,000,000	825,000	5,500	(9,872)	(114,068)	118,984	23,304,707
Option Reserve	2,947,301	0	0	0	0	0	0	2,947,301
Accumulated Losses	(21,526,001)	0	(825,000)	0	(5,128)	(10,932)	0	(22,367,061)
Shareholders Equity	1,900,463	2,000,000	0	5,500	(15,000)	(125,000)	118,984	3,884,947

4. Risk Factors

4.1 Introduction

Activities in the Company and its controlled entities, as in any business, are subject to risks which may impact on the Company's future performance. There can be no guarantee that the Company will achieve its stated objectives.

Prior to deciding whether to subscribe for Shares under the Cleansing Offer, Shareholders should read the entire Prospectus and review announcements made by the Company to ASX (at www.asx.com.au under the code NTI) in order to be fully informed of the Company, its activities, operations, financial position and prospects.

An investment in Shares under the Cleansing Offer should be considered speculative. Shares under the Cleansing Offer carry no guarantee with respect to the payment of any dividends, returns of capital or the market value of those Shares.

Potential investors should consider the risk factors set out in Section 1.6 above and in Sections 4.2 and 4.4 below which the Directors believe represent some of the general and specific risks that Shareholders should be aware of when evaluating the Company and deciding whether to acquire any Securities in the Company. The following risk factors are not intended to be an exhaustive list of all of the risk factors to which the Company is exposed.

4.2 Key specific risks relating to the Company

As described in Section 1.6 above, the following risks have been identified as being key risks specific to an investment in Neurotech. These risks have the potential to have a significant adverse impact on Neurotech and may affect Neurotech's financial position, prospects and price of its listed securities.

(a) Commercialisation risk

The commercialisation of new products is not a certain process. Whilst the Company believes its commercialisation program for its Mente asset is the most appropriate program in the current circumstances, there can be no assurances it will be successful. There is a risk that the Company's products may not be fully understood by the Company's target markets, and that marketing, education and public awareness campaigns are not effective. This will negatively affect the commercialisation of the products.

There is also a risk that the cost and time required in penetrating these new markets are greater than as estimated. These conditions will contribute to the risk that the Company is unable to successfully attract sufficient customers, to commercialise and sell a sufficient volume of products over an expected timeframe, in order to be profitable to fund future operations.

(b) Competition and new technologies

The industries in which the Company is involved is subject to increasing competition which is fast-paced and fast-changing. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively, or negatively affect the operating and financial performance of the Company's business.

For instance, new technologies could overtake the advancements made by the Company's products. In that case, the Company's revenues and profitability could be adversely affected.

(c) **Key distributor risk**

The Company's sales strategies and business model involves various distribution pathways. If any of these pathways is less successful than anticipated, it will have a negative impact on the Company's cash flows and profitability.

(d) **No profit to date and limited operating history**

Neurotech has incurred losses since its inception and is transitioning to a new business model. It is therefore not possible to evaluate its prospects based on past performance. Since the Company intends to invest in the commercial development of Mente and its cannabis research, the Directors anticipate making further losses in the foreseeable future.

While the Directors have confidence in the future revenue-earning potential of the Company, there can be no certainty that the Company will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

(e) **Manufacturing and product quality risk**

Neurotech's Mente product has not yet been produced on a large scale. If Neurotech or its suppliers are unable to manufacture products in sufficient quantities or at an appropriate cost level, it may not be able to meet demand for its products which may adversely impact its clinical study patient enrolment timeline and/or its sales revenue objectives.

Neurotech's products must also meet the regulatory requirements which are subject to continual review, including inspections by regulatory authorities. Failure by Neurotech or its suppliers to continuously comply with applicable regulatory requirements or failure to take satisfactory corrective action in response to adverse inspection, could result in enforcement actions, including a public warning letter, a shutdown of, or restrictions on, its manufacturing operations, delays in approving or clearing products, refusal to permit the import or export of its products or other enforcement action.

(f) **Future capital requirements**

Neurotech's ongoing activities are likely to require substantial further financing in the future for its business activities, in addition to amounts raised pursuant to the Offer. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the Offer Price or may involve restrictive covenants which limit Neurotech's operations and business strategy.

Although the Directors believe that additional capital can be obtained, there can be no assurance that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations or sell some or all of its assets which may result in a material adverse effect on the Company's activities and its ability to continue as a going concern.

The Company has received a non-binding expression of interest from a third-party expressing an interest in the acquisition of Mente. The Company has not agreed to sell, and has not made any determination to sell, any interest in Mente to any party.

The sale of any interest in Mente would be subject to the requirements of the ASX Listing Rules and may be subject to Shareholder approval.

(g) **Cannabis rights risks**

While undertaking research into cannabis strains and their associated benefits in the medical treatment of neurological diseases, the Company may become exposed to the following (non-exhaustive) additional risks:

- (i) **Risks associated with clinical trials** - Scientifically robust clinical trials have long lead-in times, can be expensive to conduct, and are, by definition of their purpose, uncertain as to outcome.
- (ii) **Risk of change to laws and regulations** – The medicinal cannabis industry is evolving in Australia and worldwide and has been identified as possibly posing risks in relation to law enforcement and government regulation. It is likely that governments worldwide, including Australia, will continue to explore the benefits, risks, regulations and operations of companies involved in medicinal cannabis. While to the knowledge of management the Company is in compliance with all current laws, changes to laws and regulations due to matters beyond the Company’s control may cause adverse effects to its operations.
- (iii) **Agricultural risks** – Medical cannabis is an agricultural product. As such the supply of medicinal cannabis for the business will be subject to the risks inherent in the agricultural industry, such as insects, plant disease, storm, fire, frost, flood, drought, water availability, water salinity, pests, bird damage and force majeure events.
- (iv) **Risk of adverse publicity** – The use and distribution of controlled substances by the Company may generate adverse publicity. Political and social pressures and adverse publicity could lead to delays in approval of, and increased expenses for, the Company’s products. These pressures could also limit or restrict the introduction and marketing of the Company’s products. Adverse publicity from cannabis misuse or adverse side effects from cannabis or other cannabinoid products may adversely affect the commercial success or market penetration achievable by the Company’s products. The nature of the Company’s business may attract a high level of public and media interest, and in the event of any resultant adverse publicity, the Company’s reputation may be harmed.
- (v) **Risk of adverse effects or other safety issues associated with product** – if any of the products sold by the Company cause serious or unexpected side effects, or are associated with other safety risks such as misuse, abuse or diversion, a number of potentially significant negative consequences could result including:
 - A. regulatory authorities may withdraw their approval, or require more onerous requirements for any product that is approved;
 - B. the Company could be sued and held liable for harm caused to patients; and/or
 - C. the Company’s reputation may suffer.

4.3 Other risks specific to the Company

The following risks have been identified as being relevant to Neurotech or the business sector in which Neurotech operates.

(a) Regulatory risk

Mente as well as cannabis derived products are subject to various regulatory and registration requirements which will be required for clearance of the product. Regulatory approvals may be time consuming and their outcomes are uncertain. There is no guarantee that Neurotech will obtain all necessary regulatory approvals for Mentec or any of its other products in each jurisdiction that Neurotech seeks to operate in. There is also no guarantee Neurotech will obtain necessary approvals for future products in the markets that Neurotech plans to commercialise.

In addition, there is a risk that regulatory requirements for medical device approvals may change in the future, which may make it more difficult for approvals to be secured for Mente and future products in the relevant jurisdictions.

(b) **Maintenance of database**

Neurotech maintains a confidential database of users and electronic neurological information, including EEG profiles, which it considers to be a key asset. Interactions and results of users' sessions are recorded on the database, and such information is available to certain divisions of Neurotech, as well as clinicians. Any disruption to the database would have a detrimental impact on the way Neurotech conducts its day-to-day business and have potential implications in relation to breaches of privacy for private user data held in its database.

(c) **Hacker attacks**

Neurotech primarily relies upon the availability of its website and software platform to provide services to users and attract new users. Hackers could render the website or software unavailable through a disrupted denial of service or other disruptive attacks.

Although Neurotech has strategies and technology in place to minimise such attacks, these strategies may not be successful. Continuous advancements in hacker technology and methods do require the Company to continuously test, update and audit the deployed hacker prevention strategies. Unavailability of the website and database could lead to a loss of revenues for the Company. Further, it could hinder the Company's abilities to retain existing customers or attract new customers, which would have a material adverse impact on the Company's growth.

(d) **Supplier risk**

Neurotech's contracts with key suppliers are generally standard in nature, in the form of purchase order arrangements that are common to medical device firms in the early stages of commercialisation, or in the case of its cannabis assets a single negotiated agreement. As Neurotech moves further into its commercialisation phase, it will increasingly rely on its key suppliers for the Mente products components. A disruption to one of its key suppliers could cause a substantial delay in availability of the Company's products, leading to a potential loss of sales. Specifically, if Mente were no longer available from Neurotech's current supplier, the Company would need to find an alternate supplier. Development of key manufacturing processes along with process validation testing, device verification testing, and regulatory approvals required for a manufacturing change could take a significant time to complete.

(e) **Liability claims**

Neurotech may be exposed to liability claims if its products or services are provided in fault and/or cause significant harm to its customers. As a result, the Company may have to expend significant financial and managerial resources to defend against such claims. If a successful claim is made against the Company, it may be fined or sanctioned and its reputation and brand may be negatively impacted, which could materially and adversely affect its reputation, business prospects, financial condition and results of operation.

(f) **Customer services risk**

Customers may need to engage with Neurotech's customer service personnel in certain circumstances, including on queries in relation to Neurotech's services or if there is a dispute between a customer and Neurotech. Neurotech needs to recruit and retain staff with interpersonal skills sufficient to respond appropriately to customer service requests. Poor customer experience may result in the loss of customers. If Neurotech loses key customers service personnel, or fails to provide adequate training and resources for such personnel, this could lead to adverse publicity, litigation, regulatory

enquiries and/or a decrease in customers, all of which may negatively impact on the Company's earnings.

(g) Special reputational risks

Neurotech operates in a fast-changing environment, and negative publicity can spread quickly, whether true or false. Negative comments by disgruntled customers about Neurotech (or its products) may have a disproportionate effect of Neurotech's reputation and its ability to earn revenues and profits. Additionally, complaints by such customers can lead to additional regulatory scrutiny and a consequential increase in compliance burden in responding to regulatory inquiries. This could negatively impact on the Company's profitability.

(h) Reliance on key personnel

Neurotech's success depends to a significant extent upon its key management personnel, as well as other management and technical personnel including sub-contractors. The Company has a small management team and the loss of the services of such personnel could have an adverse effect on the Company.

(i) Limited sales, marketing and distribution resources

Neurotech currently has limited marketing resources and will need to commit significant resources to developing sales, distribution and marketing capabilities.

Neurotech will also need to ensure compliance with all legal and regulatory requirements for sales, marketing and distribution in each relevant market. There is a risk that the Company will be unable to develop sufficient sales, marketing and distribution capacity to effectively commercialise its products.

(j) Intellectual property protection and infringement of third-party intellectual property

It is possible that third parties might seek to secure protection for technology the same or similar to those intellectual property assets held by the Company.

Equally while Neurotech does not believe that it is currently using any third-party patent or other intellectual property rights and does not believe that its activities infringe any third party intellectual property rights, there is a risk that the Company may inadvertently infringe other parties intellectual property rights or have its right infringed against.

Should this occur Neurotech may incur significant costs in prosecuting or defending such action(s), whether or not it ultimately prevails. Costs that Neurotech incurs in prosecuting or defending third party infringement actions would also include diversion of management's and technical personnel's time.

In addition, third parties making claims against Neurotech may be able to obtain injunctive or other equitable relief that could prevent Neurotech from further developing discoveries or commercialising its products. In the event of a successful claim of infringement being found against Neurotech, it may be liable for damages or an account of profits. Furthermore, Neurotech may be required to obtain one or more licenses from the prevailing third party. If Neurotech is unable to obtain these licenses at a reasonable cost, or at all, it could encounter delays in product introductions and loss of substantial resources while it attempts to develop alternative products. Defence of any lawsuit or failure to obtain any such licenses could prevent Neurotech from commercialising available products and could cause it to incur substantial cost.

(k) Trademark risk

Neurotech plans to market its product under the trademarked name of Mente, which it will seek. While Neurotech currently holds registrations for trademarks for the Mente logo in Europe, which is the first region of focus that the Company is targeting, the risk

of trademark infringement may force Neurotech to change its main product name. At present however, Neurotech believes that the Mente brand has limited commercial value, and does not anticipate a name change, if required, as being detrimental to the continued success of Neurotech.

(l) **Liquidity and volatility**

The Company is a small company in terms of its market capitalisation. Investment in its Securities will be regarded as speculative and the Company has a narrow shareholder base. As a consequence of such, there is a risk, particularly in times of share market turbulence or negative investor sentiment, that there will not be a highly liquid market for the Company's Shares or that the price of the Company's Securities may decrease considerably. There may be relatively few buyers or sellers of securities on ASX at any given time and the market price may be highly volatile. This may result in Shareholders wishing to sell their Securities in circumstances where they may receive considerably less than the price paid under an Offer (where applicable).

(m) **Foreign exchange risk**

Neurotech will have costs and expenses in other jurisdictions, such as the United States or Europe, denominated in foreign currency. Accordingly, the depreciation and/or the appreciation of the relevant foreign currency relative to the Australian currency would result in a translation loss on consolidation which is taken directly to shareholder equity. Movements of the foreign currency relative to the Australian currency may result in lower than anticipated revenues, profit and earnings. Neurotech could be affected on an ongoing basis by foreign exchange risks between the Australian dollar and the relevant foreign currency, and will have to monitor this risk on an ongoing basis.

(n) **No independent valuation**

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

4.4 **General investment risks**

The business activities of Neurotech are subject to various general economic and investment risks that may impact on the future performance of Neurotech. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of Neurotech and cannot be mitigated. There are a number of general economic and investment risk factors that apply to companies generally and may include economic, financial, market or regulatory conditions. These risk factors include, but are not limited to, the following:

(a) **General economic conditions**

Economic conditions, both domestic and global, may affect the performance of Neurotech. Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, supply and demand and industrial disruption may have an impact on operating costs and share market prices. Neurotech's future possible revenues and Share price can be affected by these factors, all of which are beyond the control of Neurotech and its Directors.

(b) **Equity market conditions**

Shares listed on the securities market, and in particular securities of small companies at any early stage of commercial development, can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. These

security market conditions may affect the value of Neurotech's quoted Shares regardless of Neurotech's operating performance.

General factors that may affect the market price of securities include economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(c) **Changes in government policy and legislation**

Any material adverse changes in relevant government policies or legislation of Australia or internationally may affect the viability and profitability of Neurotech, and consequent returns to investors.

(d) **Investment risk**

The Shares offered pursuant to this Prospectus should be considered speculative due to the nature of Neurotech's business. There is no guarantee as to payment of dividends, return of capital or the market value of Shares. In particular, the price at which an investor may be able to trade Securities may be above or below the price paid for those Securities.

Prospective investors must make their own assessment of the likely risks and determine whether an investment in Neurotech is appropriate having regard to their own particular circumstances.

(e) **Insurance**

Neurotech intends to adequately insure its operations in accordance with industry practice. However, in certain circumstances, Neurotech's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or only partially covered by insurance could have a material adverse effect on the business, financial condition and results of Neurotech.

(f) **Taxation**

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

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Securities under this Prospectus.

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

(g) **Accounting Standards**

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

(h) **Other**

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through

personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of Neurotech.

5. Rights and Liabilities Attached to Shares

5.1 Rights and liabilities attaching to Shares

Shares issued under this Prospectus will be fully paid ordinary shares in the capital of the Company and will rank equally with the existing Shares on issue.

The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights and liabilities attaching to the Shares. Full details of the rights and liabilities attaching to the Shares are contained in the Constitution and, in certain circumstances, are regulated by the Corporations Act, the Listing Rules, the ASX Settlement Rules and the common law. The Constitution is available for inspection free of charge at the Company's registered office.

- (a) **Share capital:** All issued Shares rank equally in all respects.
- (b) **Voting rights:** At a general meeting of Neurotech, every holder of Shares present in person, by an attorney, representative or proxy has one vote on a show of hands and on a poll, one vote for each Share held, and for every contributing share (i.e. partly paid) held, a fraction of a vote equal to the proportion which the amount paid up bears to the total Offer Price of the contributing share. Where there is an equality of votes, the chairperson has a casting vote.
- (c) **Dividend rights:** Subject to the Corporations Act, the ASX Listing Rules and any rights of persons entitled to shares with special rights to dividends (at present there are none), all dividends as declared by the Directors are to be payable on all such shares in proportion to the amount of capital paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividends is paid, unless the share is issued on terms providing to the contrary.
- (d) **Payment of dividends:** Dividends are payable out of the assets of Neurotech in accordance with section 254T of the Corporations Act and as determined by the Directors, which shall be conclusive. The Directors may direct that payment of the dividend be made wholly or in part by the distribution of specific assets or other Securities of Neurotech.
- (e) **Rights on winding-up:** Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of Shares, the liquidator may on winding-up of Neurotech, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of Neurotech and may for that purpose set such value as the liquidator considers fair upon any property to be so divided and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.
- (f) **Transfer of Shares:** Subject to the Constitution, Shares may be transferred by:
 - (i) a proper ASX Settlement transfer or any other method of transferring or dealing in Shares introduced by the ASX or operated in accordance with the ASX Settlement Rules or the ASX Listing Rules as recognised under the Corporations Act; or
 - (ii) an instrument in writing in any usual or common form or in any other form that the Directors, in their absolute discretion, approve from time to time.
- (g) **Refusal to transfer Shares:** The Directors may refuse to register a transfer of Shares (other than a proper ASX Settlement transfer) only where:
 - (i) the law permits it;
 - (ii) the law requires it; or

- (iii) the transfer is a transfer of restricted securities (as defined in ASX Listing Rule 19.12) which is, or might be, in breach of the ASX Listing Rules or any escrow agreement entered into by Neurotech in respect of those restricted securities.
- (h) **Further increases in capital:** Subject to the Constitution, the Corporations Act and the ASX Listing Rules:
 - (i) Shares in Neurotech are under the control of the Directors, who may allot or dispose of all or any of the Shares to such persons, and on such terms, as the Directors determine; and
 - (ii) the Directors have the right to grant options to subscribe for Shares, to any person, for any consideration.
- (i) **Variation of rights attaching to shares:** The rights attaching to the shares of a class (unless otherwise provided by their terms of issue) may only be varied by a special resolution passed at a separate general meeting of the holders of those shares of that class, or in certain circumstances, with the written consent of the holders of at least seventy-five percent (75%) of the issued shares of that class.
- (j) **General meeting:** Each holder of Shares will be entitled to receive notice of, and to attend and vote at, general meetings of Neurotech and to receive notices, accounts and other documents required to be furnished to Shareholders under the Constitution, the Corporations Act and the ASX Listing Rules.

6. Continuous Disclosure Documents

6.1 Continuous disclosure obligations

This is a Prospectus for the offer of continuously quoted securities (as defined in the Corporations Act), and options to acquire continuously quoted securities, of the Company and is issued pursuant to section 713 of the Corporations Act as a transaction specific prospectus. Accordingly, this Prospectus does not contain the same level of disclosure as an initial public offering Prospectus.

The Company is a “disclosing entity” for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. As a listed company, the Company is subject to the Listing Rules which require it to immediately notify ASX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of Shares, subject to certain exceptions.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the provisions of the Listing Rules as in force from time to time which apply to disclosing entities, and which require the Company to notify ASIC of information available to the stock market conducted by ASX, throughout the 12 months before the issue of this Prospectus.

The Shares offered under this Prospectus are in classes of securities that were quoted on the stock market of ASX at all times in the 12 months before the issue of this Prospectus.

6.2 Documents available for inspection

The Company has lodged the following announcements with ASX since the lodgement of the Company’s 2020 half-year financial report on 26 February 2021:

Date	Description of ASX Announcement
26 February 2021	Appendix 4D and Half Year Accounts
2 March 2021	Neurotech Secures \$3.56m in Funding
2 March 2021	Neurotech Expands licence with Dolce Cann Global
2 March 2021	Proposed issue of securities x 6
2 March 2021	Appendix 2A
2 March 2021	Notice of Expiry of Listed Options
4 March 2021	Appendix 2A
4 March 2021	Notice of expiry of Listed Options
9 March 2021	Strategic Cultivation Partnership with CannaPacific
9 March 2021	Proposed issue of Securities - NTI

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

Copies of documents lodged with ASX, in relation to the Company, including the Company’s corporate governance policies, may be obtained from the Company’s website (www.neurotechinternational.com) or at ASX’s website (www.asx.com.au using ASX Code “NTI”).

The Company will provide a copy of each of the following documents, free of charge, to any person on request from the Prospectus Date until the Closing Date:

- the annual financial report of the Company for the financial year ended 30 June 2020, being the annual financial report of the Company most recently lodged with the ASIC before the issue of this Prospectus; and
- any documents used to notify ASX of information relating to the Company in the period from lodgement of the annual financial report of the Company for the financial year ended 30 June 2020 until the issue of the Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

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

7. Additional Information

7.1 Material agreements

Deed of Variation

On 2 March 2021, the Company entered into a Deed of Variation to vary the terms of the Biotechnology Licence Deed, dated 29 September 2020, between the Company, Dolce, Dolce Cann Pty Ltd and Patrick Steve Calabria (**Licence Deed**).

As stated in Section 1.3 above, the Deed of Variation expands the scope of the Licence on neurological disorders the Company can research utilising the proprietary cannabis strains under the Licence Deed.

As consideration for expanding the scope of application of the Licence, the Company must issue:

- (a) 15,000,000 Licensee Shares to Dolce or its nominee within 45 days of executing the Deed of Variation; and
- (b) A further 15,000,000 Shares upon completion of a successful small-scale clinical trial based neurological disorders (excluding autism, epilepsy or ADHD) within 2 years of the date of the Deed of Variation.

The Deed of Variation contains otherwise contains terms considered standard for a deed of this nature.

7.2 Litigation

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

The Company's subsidiary, AAT Research Limited, is responding to legal proceedings brought against it by a former employee of AAT Medical Limited, as disclosed in the Company's announcement to ASX dated 7 March 2019.

7.3 Security holding interests of Directors

At the date of this Prospectus the relevant interest of each of the Directors and in the Shares and Options of the Company are as follows:

Director	Shares		Options	
	Direct	Indirect	Direct	Indirect
Mark Davies	Nil	7,793,017 ¹	Nil	4,000,000 ¹
Winton Willesee	Nil	5,132,436 ³	Nil	4,000,000 ²
Brian Leedman	2,272,727	Nil	Nil	20,000,000 ³

Notes:

1. Shares held by Seivad Investments Pty Ltd and 2,000,000 Options (exercisable at \$0.0189 on or before 18 November 2022) and 2,000,000 Options (exercisable at \$0.038 on or before 30 November 2023) held by Seivad Investments Pty Ltd as trustee of the Davies Family Trust, of which Mark Davies is a beneficiary.
2. 337,906 Shares held by Silverinch Pty Limited <The Silverinch S/F A/C> and 2,000,000 unlisted Options (exercisable at \$0.0189 on or before 18 November 2022) and 2,000,000 Options (exercisable at \$0.038 on or before 30 November 2023) held by Chinchinchee Nominees Pty

Ltd and 4,794,530 Shares held by Azalea Family Holdings Pty Ltd as trustee for the No.2 Account, which are related entities to Director Winton Willesee.

- Options comprise 10,000,000 NTIOPT10 Options exercisable at \$0.015 on or before 31 October 2023 and 10,000,000 NTIOPT11 Options exercisable at \$0.02 on or before 31 October 2023.

7.4 Remuneration of Directors

The Constitution provides that the Directors may be paid for their services as Directors, as determined by the Company. Such payment, in relation to Non-Executive Directors, is to be paid by way of a fixed sum and not by a commission or percentage of operating revenue or Company profits. The sum fixed, which is currently \$300,000, may be divided amongst the Directors as they may from time to time agree or, in the absence of agreement, in equal shares.

Subject to the provisions of any contract between the Company and any Executive Director, the remuneration for Executive Directors may be fixed by the Directors from time to time.

A Director may be paid fees or other amounts as the Directors determine, where a Director performs duties or provides services outside the scope of their normal duties. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

The table below sets out the cash remuneration of each Director and former Director for the financial year ended 30 June 2020 and the current financial year ending 30 June 2021.

Director	Financial year ended 30 June 2020	Financial year ended 30 June 2021
Brian Leedman ³	Nil	\$120,000
Mark Davies	\$52,000	\$43,600
Winton Willesee	\$40,000	\$40,000
Peter Griffiths ¹	€180,000 ²	N/A
David Cantor ²	\$40,000	N/A

Note:

- Based on the AUD/EUR exchange rate as of 8 March 2021, Peter Griffiths remuneration equates to approximately AUD \$278,675.
- Mr Griffiths and Dr Cantor resigned from the Board on 19 October 2020.
- Mr Leedman was appointed to the Board on 19 October 2020.

Further information relating to the remuneration of Directors can be found in the Company's 2020 Annual Report, which can be found on the Company's website (www.neurotechinternational.com) or the ASX announcements webpage for the Company (ASX Code "NTI").

7.5 Expenses of the Cleansing Offer

The expenses of the Cleansing Offer (assuming full subscription) are expected to comprise the following estimated costs, exclusive of GST.

Expense	Amount
ASIC fees	\$3,206
ASX fees	\$1,922
Legal fees	\$7,500
Printing, distribution and miscellaneous items	\$2,372
TOTAL	\$15,000

7.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus:

- all other persons 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 do not have, and have not had in the 2 years before the Prospectus Date, any interest in:
 - the formation or promotion of the Company;
 - property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Cleansing Offer; or
 - the Cleansing Offer; and
- amounts have not been paid or agreed to be paid (whether in cash, Securities or otherwise), and other benefits have not been given or agreed to be given, to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the Cleansing Offer.

Expert/advisor	Service or function	Amount paid or to be paid
Jackson McDonald	Solicitors to the Company	Jackson McDonald will be paid approximately \$7,500 (plus GST) for services related to this Prospectus and the Cleansing Offer. In addition, Jackson McDonald has been paid or is entitled to be paid approximately \$101,244.21 (plus GST) for legal services provided to the Company in the period 2 years prior to the Prospectus Date.

7.7 Consents and liability statements

The following persons have given their written consent to be named in the Prospectus in the form and context in which they are named and to the inclusion of a statement or report in this Prospectus in the form and context in which it is included:

Party	Capacity in which named	Statement or report in this Prospectus
Jackson McDonald	Solicitors to the Company	Not applicable

Each of the parties named above as providing their consent:

- did not authorise or cause the issue of this Prospectus;
- does not make, or purport to make, any statement in this Prospectus nor is any statement in this Prospectus based on any statement by any of those parties other than as specified in this Section 7.7; and
- to the maximum extent permitted by law, expressly disclaims any responsibility or liability for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with consent of that party as specified in this Section 7.7.

7.8 Market prices of Shares on ASX

Information about the closing market price of Shares quoted on ASX during the 3 month period prior to Prospectus Date is set out in the table below.

	Price	Date(s)
Highest	\$0.076	23 February 2021
Lowest	\$0.036	23 December 2020
Latest	\$0.064	12 March 2021

Note: The above trading data has been sourced from ASX, which has not consented to its use in this Prospectus.

8. Directors' Statement

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

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

This Prospectus is signed for and on behalf of the Company pursuant to a resolution of the Board by:



Winton Willesee
Non-executive Director

Date: 15 March 2021

9. Glossary of Terms

AAT Medical Limited	A 100% owned subsidiary of the Company based in Malta.
AAT Research Limited	A 100% owned subsidiary of the Company based in Malta.
A\$ or \$	Australian dollars.
ADHD	Attention deficit hyperactivity disorder, a mental disorder of children.
Applicant	A person who applies for Shares under the Cleansing Offer and in accordance with this Prospectus.
Application	A valid application for Shares under the Cleansing Offer pursuant to this Prospectus.
Application Form	An application form that accompanies this Prospectus for Shares pursuant to the Cleansing Offer under this Prospectus.
Application Moneys	Money received from an Applicant in respect of an Application.
ASIC	The Australian Securities and Investments Commission.
ASX	ASX Limited (ACN 008 624 691) trading as the 'Australian Securities Exchange'.
ASX Settlement	ASX Settlement Pty Limited (ACN 008 504 532).
ASX Settlement Rules	The settlement rules of ASX Settlement.
Board	The board of Directors of the Company.
Business Day	Has the meaning given to that term in the Listing Rules.
CHESS	Clearing House Electronic Sub-register System operated by ASX Settlement.
CHESS Statement or Holding Statement	A statement of shares registered in a CHESS account.
Cleansing Offer	The offer under this Prospectus of 100,000 Shares to those investors as identified by the Company.
Closing Date	The closing date of the Offer, being 5.00pm WST on Monday, 22 March 2021, or such other date as determined by the Directors.
Company or Neurotech	Neurotech International Limited (ACN 610 205 402).
Constitution	The constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Company Secretary	The company secretary of the Company.
Deed of Variation	Means a deed to vary the terms of the Licence Deed.
Director	A director of the Company as at the Prospectus Date.

Dolce	Means Dolce Cann Global Pty Ltd (ACN 633 882 121).
Dolce Cann Pty Ltd	Means Dolce Cann Pty Ltd (ACN 633 882 014).
EEG	Electroencephalogram, a test that detects electrical activity in the brain using electrodes attached or in proximity of the scalp.
Executive Director	An executive Director of the Company.
GST	Goods and services tax levied under the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
Licence	Means the Licence to exploit proprietary cannabis strains under the Licence Deed and Deed of Variation
Licence Deed	Means the Biotechnology Licence Deed entered into between the Company, Dolce, Dolce Cann Pty Ltd and Patrick Steve Calabria.
Licensee Shares	Means Shares to be issued to Dolce under the Deed of Variation.
Listing Rules	The official listing rules of ASX.
Non-Executive Director	A non-executive Director of the Company.
NTIOPT7 Option	Means Options in the Company exercisable at \$0.005 each on or before 31 January 2023.
Offer Period	The period that an Offer is open, being the period between the Opening Date and the Closing Date.
Offer Price	\$0.055 per New Share.
Official Quotation	The admission of Securities to the official list of the ASX.
Opening Date	The opening date of the Offer, being Monday, 15 March 2021 or such other date as determined by the Directors.
Option	An option to subscribe for a Share.
Placement	Means a placement of 36,363,637 Shares to Placement Participants as announced by the Company on 2 March 2021.
Placement Participant	A person to whom Placement Shares have been issued to under the Placement.
Placement Share	A Share in the capital of the Company issued to Placement Participants.
Privacy Act	<i>Privacy Act 1988</i> (Cth).
Prospectus	This document.
Prospectus Date	The date of this Prospectus, being the date that this Prospectus is lodged with ASIC.
Related Bodies Corporate	Has the meaning given to that term in the Corporations Act.
Section	A section of this Prospectus.

Securities	The securities of the Company within the meaning of section 761A of the Corporations Act and includes a Share and an Option.
Share	A fully paid ordinary share in the capital of the Company.
Shareholder	The holder of a Share.
Share Registry	The Company's Share Registry, Automic Pty Ltd.
Subsidiary	Means AAT Research Ltd, of which the Company owns 100% of the issued capital.
Vendors	Means Dolce Cann Global Pty Ltd (ACN 633 882 121), Dolce Cann Pty Ltd (ACN 633 882 014) and Patrick Steve Calabria of Farm 1699, Chequers Road, Griffiths, NSW 2680.
WST	Western Standard Time, being the time in Perth, Western Australia.