AZURE HEALTH PROSPECTUS

Azure Health Technology Limited

ACN 111 082 485

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PROSPECTUS

Offer of up to 15,000,000 Shares at an issue price of $0.20 per Share to raise up to $3,000,000 (before costs and expenses of the Offer).

The Offer is subject to a minimum subscription of 11,250,000 Shares to raise $2,250,000 (before costs and expenses of the Offer).

The Offer is scheduled to close at 5.00pm (AEST) on 16 April 2021 unless extended or withdrawn.

The Shares offered under this Prospectus should be considered as speculative. Please refer to Section 5 for a summary of the key risks associated with an investment in the Shares.

This Prospectus is an important document and requires your attention. You should read it in its entirety. If you do not understand any part of this Prospectus, or you are in doubt as to how to deal with it, you should consult your accountant, stockbroker, solicitor or other professional advisor.

Lead Manager – Indian Ocean Corporate Pty Ltd (AFSL: 336409)

IMPORTANT INFORMATION

Replacement Prospectus

This Second Replacement Prospectus is dated 6 April 2021 (**Prospectus**) and a copy of this Prospectus was lodged with ASIC on that date. It contains certain changes and replaces the Replacement Prospectus dated 3 March 2020 which replaced the original Prospectus 18 February 2021. The principal changes between the Second Replacement Prospectus and the Replacement Prospectus dated 3 March 2020 are:

- Corrections to minor discrepancies in the anticipated market capitalisation of the

Company at minimum and maximum subscription [see Chairman's letter]

- A revised position on the security holders that will be subject to escrow in accordance with the Company's recent consultation with the NSX [see section 10.4]
- Corrections to the free float calculation in light of the revised escrow positions [see sections 1.5, 5.4.1 and 6.11]

The principal changes between the Replacement Prospectus dated 3 March 2020 and the original Prospectus 18 February 2021 were:

- Clarification that creditors of the Company will be paid out of a loan provided to the Company and not out of proceeds of the Offer [see section 10.4.9]
- A revised explanation of the position of Monash with respect to milestone obligations under its licence agreement [see sections 1.3 and 5.2.18]
- Disclosure that a study conducted by Professor Lonnie Lowery referred to in section 2.4.3 was supported by a grant from Gordagen Pharmaceuticals (a predecessor to Invictus Biopharma Ltd (now Invictus Biopharma Pty Ltd))
- Inclusion of a statement in sections 9, 1.3 and 2.2.19 that certain patents will require renewal during 2021.

Offer

This Prospectus is issued by Azure Health Technology Limited ACN 111 082 485 (**Azure Health** or **Company**).

The Offer contained in this Prospectus is an initial public offering for the purpose of Chapter 6D of the Corporations Act 2001 (Cth) (**Corporations Act**) to acquire fully paid ordinary shares in Azure Health (**Shares**). Refer to Section 6 for further information on the Offer, including as to details of the securities that will be issued under this Prospectus.

Lodgement and listing

This Prospectus is dated 6 April 2021 and a copy of this Prospectus was lodged with ASIC on that date. The Company will, within 7 days of the date of this Prospectus, lodge an application with the NSX for admission of the Company to the Official List and quotation of all Shares (including new shares issued pursuant to this Prospectus) on the Official List.

Neither NSX nor ASIC takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. The fact that the NSX may admit the Company to the Official List is not to be taken in any way as an indication of the merits of the Company or the new Shares offered under this Prospectus.

Expiry date

No Shares will be issued on the basis of this Prospectus after the date that is 13 months after the Prospectus Date. No Shares will be issued or sold under this Prospectus after the Expiry Date.

Speculative investment / dividend policy

The intellectual property assets and business model of Azure Health are, as yet, unproven, and an investment in Azure Health should be regarded as speculative.

Accordingly, there is no guarantee of the payment of any dividends or like distributions to Successful Applicants by Azure Health and the ability to pay any dividends will be dependent on generating sufficient revenue and profits to support the payment of dividends.

Risks

Investing in the Company involves risk. Key risks associated with an investment in the Company are set out in detail in section 5.

Note to Applicants

This document is important and should be read in its entirety.

You should read this entire Prospectus carefully before deciding whether to subscribe for Shares. In particular, you should consider the risks which could affect the performance of the Company or the value of an investment in the Company, some of which are outlined in Section 5.

The information contained in this Prospectus is not financial product or investment advice and does not take into account your investment objectives, financial situation, tax position or particular needs. Before deciding whether to subscribe for Shares, you should consider whether they are a suitable investment for you in light of your personal circumstances (including financial and taxation issues) and seek professional guidance.

Exposure Period

In accordance with Chapter 6D of the Corporations Act, the original prospectus was subject to an exposure period of seven (7) days from the date of lodgement with ASIC (**Exposure Period**). This period was extended by ASIC for a further seven (7) days. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this Prospectus and the issue of a supplementary or replacement prospectus.

Applications received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on any Applications received during the Exposure Period.

During the Exposure Period, this Prospectus without the Application Form will be made generally available by being posted on the Company's website *https://www.azureht.com.au/* (**Website**).

Obtaining a copy of this Prospectus

This Prospectus is posted on the Website. If you access the electronic version of this Prospectus you should ensure that you download and read the entire Prospectus.

Any references to documents included on the Website are provided for convenience only, and none of the documents or other information on the Website are incorporated by reference in this Prospectus.

During the Offer Period, a hard copy of this Prospectus will be available free of charge by lodging a request on the Company's website at *https://www.azureht.com.au/*.

Restrictions on distribution

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

The distribution of this Prospectus (including an electronic copy) outside Australia may be restricted by law. If you are a potential investor outside Australia and you come into possession of this Prospectus, you should observe such restrictions and should seek your own professional advice on such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares or this Prospectus or to otherwise permit a public offering of the Shares in any jurisdiction other than in Australia.

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, Shares in the United States. Any Shares described in this document have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States or to or for the account or benefit of, a US Person, except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

This document does not constitute an offer to issue or a solicitation to apply for Shares in the Peoples Republic of China (**PRC**). The Shares described in this document will not be registered under applicable PRC securities legislation and may not be offered or sold in the PRC or to or for the account or benefit of, a person resident in the PRC, except in transactions exempt from, or not subject to that legislation.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your Application is subject to all requisite authorities and clearances being obtained for the Company to lawfully receive your Application Monies.

For the avoidance of doubt, the Company reserves the right (in its sole and absolute discretion) to accept Applications from investors outside of Australia, subject to the Company obtaining foreign securities law advice in the relevant jurisdiction. In exercising its discretion, the Company may consider the number and value of Shares subject to Applications, and the cost of complying with the applicable regulations in jurisdictions outside Australia.

Singapore

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

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

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

Hong Kong

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. This document has not been, and will not be, registered as a prospectus under the Companies Ordinance (Cap. 32) of Hong Kong (the Companies Ordinance), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO). No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

Disclaimer

Investors should not rely on any information about the Company or the Shares which is not contained in this Prospectus in making a decision as to whether to acquire Shares under the Offer. No person is authorised to give any information, or to make any representation, in connection with the Company or the issue of Shares which is not contained in this Prospectus. Any information or representation which is not in this Prospectus may not be relied on as having been authorised by the Company, the Directors or any other person in connection with the issue of Shares.

Except as required by law, and then only to the extent so required, no person warrants or guarantees the future performance of the Company or any return in relation to a decision made by an Applicant under this Prospectus.

Forward-looking statements

This Prospectus contains forward looking statements which may be identified by words such as "believes", "considers", "could", "estimates", "expects", "intends", "may", "anticipate," "likely," "should", "predict," "plan," "propose," "will," "forecast," "target" and other similar words.

The forward-looking statements in this Prospectus are based on the Company's current expectations, estimates, forecasts and projections about the Company's business and the industry in which the Company operates. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors and which could cause actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied by the forward-looking statements in this Prospectus. This Prospectus details some important factors and risks which could cause the Company's actual results to

differ from the forward-looking statements in the Prospectus.

These forward-looking statements speak only as at the Prospectus Date. Unless required by law, the Company does not intend to publicly update or revise any forward-looking statements to reflect new information or future events.

Time references

A reference to time in this Prospectus is to Australian Eastern Standard Time being the local time in Melbourne, Australia, unless otherwise stated.

Currency

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

Financial performance

Section 7 sets out in detail the financial information referred to in this Prospectus and the basis of preparation of that information.

All references to FY2019, FY2020 and HY2021 appearing in this Prospectus are to the financial years ended or ending 30 June 2019, 30 June 2020 and the six months ended 31 December 2020, respectively, unless otherwise indicated. The Pro Forma Financial Information has been prepared and presented in accordance with the recognition and measurement principles prescribed in the Australian Accounting Standards, except where otherwise stated. The forecast financial information included in this Prospectus is unaudited and is based on a number of assumptions. The basis of preparation and presentation of the forecast financial information is, to the extent applicable, consistent with the basis of preparation and presentation of the Pro Forma Historical Financial Information. The Pro Forma Financial Information and the forecast financial information in this Prospectus should be read in conjunction with, and are qualified by reference to, the information contained in Section 7.

Statements of past performance

This Prospectus includes information regarding the past performance and activities of Azure Health. Applicants should be aware that past performance is not indicative of future performance.

Privacy

The information about an Applicant included on an Application Form is used for the purposes of processing the Application Form and to administer a Successful Applicant's holding of any of the Shares. By submitting an Application Form, each Applicant agrees that the Company may use the information provided by the Applicant on the form for the purposes set out in this privacy statement and may disclose it for those purposes to the Share Registry and the Company's related bodies corporate, agents and contractors and third party service providers, including mailing houses and professional advisers, and to NSX and other regulatory authorities.

The Corporations Act requires the Company to include information about each holder of Shares (including name, address and details of the security held) in its register of members, which is a public document. The information contained in the Company's members register must remain there even if that person ceases to be a security holder. Information contained in the Company's members register is also used to facilitate payments and corporate communications (including the Company's financial results, annual reports and other information that the Company wishes to

communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

Under the Privacy Act 1988 (Cth), you may request access to or correction of your personal information held by, or on behalf of, the Company or the Share Registry. A fee may be charged for access. You can request access to your personal information by contacting the Company Secretary at *info@azureht.com.au* . Applicants can obtain a copy of Azure Health's privacy policy by visiting the Website at *info@azureht.com.au* .

The Company and the Share Registry may disclose your personal information for purposes related to your investment to their agents and service providers.

Photographs and diagrams

Photographs and diagrams in this Prospectus do not necessarily depict assets or equipment owned or used by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the Prospectus Date.

Investigating Accountant's Report

The provider of the Investigating Accountant's Report is required to provide Australian retail investors with a financial services guide in relation to its independent review under the Corporations Act. The Investigating Accountant's Report and accompanying financial services guide is provided in Section 8.

No cooling-off rights

Cooling-off rights do not apply to an investment in Shares issued or transferred under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

Definitions

Terms used in this Prospectus are defined in the Glossary at Section 11.

Website

The Company maintains a website at www.azureht.com.au. Any references to documents included on the Company's Website are for convenience only, and information contained in or otherwise accessible through this or a related website is not a part of this Prospectus.

Questions

Instructions on how to apply for Shares are set out in Section 6 of this Prospectus.

If you have any questions about this Prospectus or how to apply for Shares, you should seek advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

Instructions on how to apply for Shares are set out in Section 6.6 and on the Application Form. Alternatively, please contact the Azure Health Offer Information Line 1800 336 109 (or on +61 1800 336 109 for outside of Australia) between 8.30am and 5.00pm (Sydney time) Monday to Friday (business days only) during the Offer Period.

CHAIRMAN'S LETTER

6 April 2021

Dear Investor,

On behalf of the Board, it is with great pleasure that I invite you to consider joining me as a Shareholder in Azure Health.

The business of Azure Health is the development, production, marketing and sale of health and wellbeing products, including the development and commercialisation of platforms for the non-invasive delivery of tocotrienols (a form of Vitamin E) for both nutraceutical and pharmaceutical applications.

The Company proposes to generate revenue in the short term by the marketing and sale of nutraceutical and wellbeing products, and the development of prescription medicine candidates for Non-Alcoholic Fatty Liver Disease (**NAFLD**) and pancreatic cancer.

Azure Health is led by a team with significant experience in the healthcare industry. I believe the Directors and Management of Azure Health have the capabilities to support the development and growth of Azure Health towards delivering value to the community through its products and services and to Shareholders.

Azure Health's vision is to continue the commercialisation of the Invictus delivery platforms (which the Company acquired in June 2020), strengthen the Company's research and development capabilities, and expand and diversify the Company's product offerings, commencing with the Invictus nutraceutical products.

Under this Prospectus, Azure Health is offering for subscription up to 15,000,000 shares at an issue price of $0.20 to raise up to $3,000,000 (before costs and expenses). The Company reserves the right to accept oversubscriptions of up to 10%. Upon listing on NSX, at the Offer Price, the Company is expected to have a market capitalisation of approximately $27 million (based on the Minimum Subscription under the Offer) and $28 million (based on the Maximum Subscription under the Offer).

This Prospectus contains important information in relation to the Offer, including information on Azure Health and key risks of an investment of this nature. Key risks associated with an investment in the Company are set out in detail in Section 5.

The purpose of the Offer is to comply with NSX's requirements for listing the Company on the NSX, provide funds for the purposes set out in Section 6.3, give the Company access to equity capital markets for future funding needs, provide a liquid market for Shares in the Company, provide the Company with the opportunity to benefit from an enhanced profile as a result of being listed and to enhance the public and financial profile of the Company to facilitate the potential for further growth of the Company's business.

While the Company could have remained an unlisted public company while developing its products, shareholders and potential investors indicated that they saw value from the higher levels of financial reporting discipline and corporate governance required from a listing. This also makes the Company better prepared in the event of any corporate activity.

I encourage you to read the Prospectus in full and to carefully consider the Offer, including the risks of investing in Azure Health. If you have any questions about this Prospectus or how to apply for Shares, you should seek advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

On behalf of my fellow Directors, I invite you to subscribe for Shares in Azure Health and look forward to welcoming you as a Shareholder of Azure Health and joining us on what we plan will be a rewarding journey.

Yours sincerely,

Lou Panaccio

Chairman
Azure Health Technology Limited

CONTENTS

KEY OFFER INFORMATION

IMPORTANT DATES	
Prospectus lodgement date	6 April 2021
Offer Period opens	6 April 2021
Offer Period closes	16 April 2021
Settlement of the Offer	23 April 2021
Issue of Shares	23 April 2021
Expected commencement of trading on NSX	26 April 2021
Expected dispatch of holding statements	26 April 2021

Notes: (1) The dates shown above are indicative only and may change without notice. Unless otherwise indicated, all times are stated in AEST. The Company, in consultation with the Lead Manager, reserves the right to vary any and all of the above dates and times without notice (including, subject to the NSX Listing Rules and the Corporations Act, to close the Offer early or to extend the Closing Date, or to cancel or withdraw the Offer before Completion, in each case without notifying any recipient of this Prospectus or any Applicants). If the Offer is cancelled or withdrawn before the allocation of Shares, then all Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. (2) Investors are encouraged to submit their Applications as soon as possible after the Offer opens.

KEY OFFER STATISTICS	BASED ON MINIMUM SUBSCRIPTION $2,250,000	BASED ON MAXIMUM SUBSCRIPTION $3,000,000
Existing Shares on issue	105,037,167	105,037,167
Total number of Shares available under the Offer	11,250,000	15,000,000
Total number of shares to be issued on conversion of Convertible Notes	19,844,943	19,844,943
Total issued Shares on completion of offer	136,132,110	139,882,110
Offer Price	$0.20	$0.20
Free float	41.20%	42.78%
Indicative market capitalisation based on Offer Price	$27 million	$28 million

Notes: (1) Refer to Section 6.11 for further details regarding the current capital structure of the Company. (2) Free float shares means the percentage (or amount) of the Shares that are not restricted securities or subject to voluntary escrow and that are held by non-affiliated security holders (persons who are not Related Parties or Associates of them).

How to invest

Applications for Shares can only be made by completing and lodging the Application Form with appropriate Application Monies.

Instructions on how to apply for Shares are set out in Section 6.6 and on the Application Form.

Questions

Please call the Azure Health Offer Information Line maintained by the Lead Manager on 1800 336 109 (within Australia) (or on +61 1800 336 109 for outside of Australia) from 8.30am to 5.30pm (Sydney Time), Monday to Friday (business days only).

If you have any questions about whether to invest in Azure Health you should seek professional advice from your financial adviser, stockbroker, lawyer, accountant, tax adviser or other independent and qualified professional adviser before deciding whether to invest in the Shares.

1 INVESTMENT HIGHLIGHTS

1.1 Business overview

TOPIC	SUMMARY	MORE INFORMATION
What is Azure Health?	Azure Health is an early stage health and clinical phase biopharma company. The business of Azure Health is the development, production, marketing and sale of health and wellbeing products, including the development and commercialisation of platforms for the non-invasive delivery of tocotrienols (a form of Vitamin E) for both nutraceutical and pharmaceutical applications. In the short term, Azure Health intends to focus on: • the marketing and sale of nutraceutical and wellbeing products with the objective of delivering near term revenues; and • the development of prescription medicine candidates for NAFLD and pancreatic cancer. Prior to the date of this Prospectus, the work on commercialising these delivery programs has been undertaken by Invictus Biopharma Limited (now Invictus Biopharma Pty Ltd) (**Invictus**) and its subsidiaries. Invictus was acquired by the Company on 11 June 2020 and is now a wholly owned subsidiary of the Company.	See Section 2.1
What are the advantages of Azure Health's business?	Azure Health believes that its business has a number of compelling commercial and technological advantages including the following: • A commercial model that has an objective of delivering near term revenues from nutraceutical products to support further development of high-value prescription drugs; • A Board and Management team with a successful track record in marketing and selling nutraceuticals and bringing prescription medicines to the market internationally; • A clinical phase drug development program with drug candidates, including a drug candidate which has completed Phase Ia clinical studies and for which a POC phase II clinical study is planned; upon securing additional funding after the completion of the IPO; • Technologies which open up new applications of vitamin E which have not been fully exploited before; • A growing body of external clinical evidence to support the efficacy of T3s and their anti-cancer and cholesterol lowering properties; and • Pharmaceutical quality development for high-value food supplements.	See Section 2.1.1

TOPIC	SUMMARY	MORE INFORMATION
What is Azure Health's strategy and focus?	The Group's key strategies are to: • continue commercialisation of the Invictus delivery platforms; • strengthen research and development capabilities; and • expand and diversify product offerings, commencing with the Invictus nutraceutical products. Azure Health believes the prospect of near-term revenues combined with multiple drug delivery platforms and a pipeline of drug candidates targeting multiple medical conditions mitigates some of the usual risks associated with a biotech company, and moreover should present as an attractive licensing opportunity to big pharma, reducing the Company's risk profile as an early stage biotechnology investment.	See Section 2
Why is the Offer being conducted?	The principal purposes of the Offer are to: • comply with NSX's requirements for listing the Company on the NSX; • provide funds for the purposes set out in Section 6.3; • provide the Company with access to equity capital markets for future funding needs; • provide a liquid market for Shares in the Company; • provide the Company with the benefits of an enhanced profile that arises from being listed; and • enhance the public and financial profile of the Company to facilitate further growth of the Company's business.	See Sections 6.1 and 6.3
How does Azure Health expect to fund its activities?	Through a combination of equity capital, R&D Tax Incentive refunds and sales revenues from its nutraceutical products.	See Section 6.3
Is the Management team well equipped to execute the business plan?	The Company has established a leadership team which it believes is well equipped to execute its business plan of: • marketing and selling proprietary, patented and evidence-based nutraceuticals in the US (and other major markets); and • developing prescription medicines targeting indications with unmet needs such as NAFLD and pancreatic cancer.	See Sections 2.7 and 4.1 to 4.3
What markets are being targeted by the Company?	The Company is targeting a number of markets. **Sports nutrition / Heart health** The sports nutrition and heart health markets worldwide and in the US and globally are large, with strong growth and demand for services and products.	See Section 3.1

TOPIC	SUMMARY	MORE INFORMATION
	In sports nutrition, the global market in 2018 exceeded USD 30 billion. The heart health global market in 2016 was valued at over USD16 billion. **NAFLD/NASH** The global prevalence of NAFLD is as high as 1 billion people globally. In the USA it affects 80 to 100 million people among whom nearly 25% will progress to Non-Alcoholic Steatohepatitis (**NASH**). The number of people affected is increasing. **Pancreatic Cancer** Pancreatic cancer is relatively uncommon, but since the majority of these cancers are in the advanced stages at the time of diagnosis, it is the third leading cause of cancer-related deaths in the US, claiming an estimated 44,000 lives a year according to the American Cancer Society. Currently there are a number of medicines approved for the treatment of pancreatic adenocarcinoma. The most frequently used are gemcitabine, fluoropyrimidines (such as 5-Fluorouracil and capecitabine) and taxanes (such as Abraxane). Radiotherapy may also be used. Mostly these produce relatively short-lived remissions. The Company believes that an additional therapy that is well tolerated and allows for improved survival may be well received by the market. There are a relatively limited number of new medicines for pancreatic cancer in development, with several candidates having failed recently to improve survival over standard therapy. The Company believes that a new medicine showing improved survival in pancreatic adenocarcinoma would be welcomed by the market.	See Section 3.2.1, 3.2.2 and 3.2.3 See Section 3.2.4, 3.2.5, 3.2.6 and 3.2.7
How does Azure Health generate revenue?	Azure Health is currently pursuing two separate business channels • evidence-based nutraceuticals; and • prescription medicines based on improved delivery of T3 drugs. These two business channels are complementary as preclinical and early clinical development applies to both nutraceuticals and pharmaceuticals. Avoiding duplication has the potential to generate significant cost and time savings for the Company. The two business channels have different points of value inflection and potential paths to commercialisation. The evidence-based nutraceutical business in the US and globally is targeted at consumer-based sports nutrition and heart health markets and the Company expects this business to generate revenues in the short term. The Company's prescription medicine business will initially target NAFLD and pancreatic cancer, both of which the Company believes to have high unmet needs as neither have viable treatments which adequately addresses them. This provides the opportunity for Azure Health to monetise its progress in prescription medicine through licensing transactions with	See Section 2.3

TOPIC	SUMMARY	MORE INFORMATION
	pharmaceutical companies after completing proof of concept studies. Azure Health expects to have the first manufacturing run of finished products in the US completed in Q1 of 2021and intends to launch and sell nE1-Elite® and nE1-Heart® in the US in Q2 of CY21. Azure Health intends to partner with large pharmaceutical companies which can take drug candidates to market and extract value for Shareholders.	See Sections 2.6.1 and 2.4.4

What is the Company's statutory historical financial position?

	Statutory historical	Statutory historical	Statutory historical
	2019	**2020**	**Dec - 2020**
	$	**$**	**$**
Total assets	144,441	9,772,520	9,381,833
Total liabilities	370,776	4,342,967	5,231,229
Total equity	(226,335)	5,429,553	4,150,604

See Section 7

What is the Company's historical financial performance?

	Statutory historical	Statutory historical	Statutory historical
	2019	**2020**	**Dec - 2020**
	$	**$**	**$**
Revenue	-	-	-
Gross margin	-	-	-
Amortisation	-	-	-
Share based payments	-	-	-
Other Expenses	581,460	1,418,192	1,344,494
Other income	3,331,211	76	38
Net profit/loss	2,749,751	(1,418,116)	(1,344,456)

See Section 7

What is the Company's pro-forma financial position assuming completion of the Offer?		Pro forma Minimum Subscription $	Pro forma Maximum Subscription $	See Section 7.5
	Current assets	1,528,057	2,262,451	
	Total current assets	1,528,057	2,262,451	
	Total non-current assets	9,303,614	9,303,614	
	Total assets	10,831,671	11,566,065	
	Total current liabilities	357,020	357,020	
	Total non-current liabilities	1,500,000	1,500,000	
	Total liabilities	1,857,020	1,857,020	
	Net assets	8,974,652	9,709,046	
	Share capital	82,103,916	82,853,916	
	Reserves	11,722,455	11,722,455	
	Accumulated losses	(84,851,719)	(84,867,325)	
	Total equity	8,974,652	9,709,046	

What is the Company's intellectual property position?

The Group's primary intellectual property and rights are held by Invictus.

Invictus' TransT3 patent estate which covers the transmucosal delivery of tocotrienols has patents which have been granted in the US, Canada, the EU, Japan, the PRC, Hong Kong Australia, New Zealand, Singapore, South Africa, Japan and Europe. Patents are pending in other major markets such as India.

Invictus' in-licensed Tocotrienol Prodrug technologies have a patent estate that is being actively prosecuted by the Licensor, Monash University, and Invictus will also file patents as appropriate as the technology is advanced.

Invictus has registered trademarks for MELT3®, nE1-Elite® and nE1-Heart® in the USA and internationally including Australia.

The intellectual property rights used by Invictus include trade secrets in the manufacture of transmucosal formulations for tocotrienols, copyright and know-how relating to preclinical and clinical studies and the data from these studies. This unregistered IP includes, but is not limited to, methods and data from: a 'Good Laboratory Practice' (**GLP**) rat safety and toxicity study, a GCP Phase Ia Clinical study, a Phase II clinical study on Delayed Onset Muscle Soreness and muscle recovery, and a Proof of Concept rat study for Tocotrienol Prodrugs.

A patent attorney's report on the Company's intellectual property position is set out in Section 9.

Should an investment in Azure Health be regarded as speculative?	The intellectual property assets and business model of Azure Health are as yet unproven, and an investment in Azure Health should be regarded as speculative. It is currently anticipated that a minimum of 10% of the net profit after tax per annum will be paid as dividends (at such time as Company achieves a net profit after tax). The Company has established a dividend policy whereby each of the Company's subsidiaries will do all things reasonably necessary to pay dividends to its parent entity to enable the Company to pay these proposed dividends to Shareholders. Despite these intentions, no guarantee can be given about the level or payment of dividends, the level of imputation or franking of such dividends or the payout ratios as these matters depend upon the future profits of the Company, its financial and taxation position and the directors' views of the most appropriate payout ratio at that time.	Sections 5.5 and 10.9

1.2 Board of directors and senior management

TOPIC	SUMMARY	MORE INFORMATION
Who are the Directors of the Company?	**Mr Lou Panaccio** Independent Non-Executive Chairman **Dr Glenn Tong** Chief Executive Officer and Managing Director **Mr (Steven) Jiayi Yu** Non-Executive Director	See Section 4.1
Who are the senior managers of the Company?	**Dr Glenn Tong** Chief Executive Officer and Managing Director **Mr Richard Estalella** Executive Director and President and CEO of Invictus Nutraceuticals, Inc. **Mr Ian Forbes** Chief Financial Officer **Ms Catriona Glover** Company Secretary **Dr David Kingston, MB BS, BPharm, BSc** Chief Scientific Officer and Chair of Scientific Advisory Board	See Section 4.2

1.3 Summary of key risks

The key risks of an investment in Azure Health are set out in detail in Section 5. The following is a summary only.

TOPIC	SUMMARY	MORE INFORMATION
Market acceptance of nutraceutical products	In the short term, Azure Health intends to focus on the marketing and sale of its nutraceutical products in USA, Australia and China. The initial offering will be the nE1-Elite® and nE1-Heart® products. Market acceptance of these products is a key risk. If there is no or limited market acceptance, the Company will not derive the early stage revenues it seeks and may need to find alternative funding sources or defer or delay other projects.	See Section 5.2.1
Reliance on third party suppliers/ contractors	Many of the Company's business functions are outsourced to specialist contractors, with a single contractor engaged for the relevant tasks. Accordingly, many of the Company's business functions are dependent on the performance of those contractors. Contractors can be replaced but if a contractor was unable to meet the Company's needs for whatever reason, the Company may face potential delays in achieving its business goals and likely increased costs resulting in decreased profitability. More information on the Company's contracted supplier, as well as the mitigating factors relating to this risk are outlined in Section 5.2.2.	See Section 5.2.2
Reliance on third party manufacturers (nutraceuticals)	Invictus currently has one manufacturer of its nutraceutical products. The manufacturer can be replaced if necessary, but replacement would cause delays and likely increased costs resulting in decreased profitability. If the manufacturer is unable to deliver product when requested by the Company, Invictus will not have product available for sale, reducing its revenues and in turn its profitability. More information on the Company's contracted manufacturer, as well as the mitigating factors relating to this risk are outlined in Sections 2.4.7 and 5.2.3.	See Sections 2.4.7 and 5.2.3
Raw material supply risk	The key active ingredient used by Invictus in its products is currently sourced from a sole global supplier. While alternative suppliers are available, engaging a replacement would cause delays and likely increased costs resulting in decreased profitability.	See Section 5.2.4
Key person risk	The Company has a handful of key personnel, including its Management. As the team is small, the know-how and corporate memory of the Company resides in a small number of people. If any of these people were unable to perform their roles for any reason, the Company would incur delays in delivering its business goals and increased costs in delivering those goals as they would need to	See Section 5.2.5

TOPIC	SUMMARY	MORE INFORMATION
	replace those people and create some of that know-how.	
Insufficient funding	The Company is in the drug development business and such businesses require additional capital from time to time in order to progress drug development programs. There is no guarantee that the Company will be able to raise the funds required in a timely manner or at a reasonable cost when required by it. As such, the Company's programs may be delayed until those funds are raised (if raised at all) and Shareholders' interests in the Company may be diluted by such capital raising activities, with no guarantee that they will be able to participate in those capital raises.	See Section 5.2.6
Efficacy risk	There is a risk that the pharmaceutical products that the Company is seeking to develop do not prove to be effective forms of treatment for the diseases they target.	See Section 5.2.7
Clinical trial risk	The Company is undertaking clinical trials which, by their very nature, are uncertain in their outcome. The trials also become more complex and larger over time. The trials may fail to reach their designated endpoints, the consequence being that the Company's proposed drug may not be an effective treatment for the targeted disease. As a result, the Company's funds invested in that trial may be wasted and the drug development program delayed while new targets are selected. Further, clinical trials can have adverse events which need to be investigated before the proposed drug trial can continue (if at all). This could cause delays in the Company's drug development program, delaying achievement of business goals, increasing costs and reducing profitability.	See Section 5.2.8
IP protection failure (including Monash patent obligation)	The Company has certain patents which it has rights to. Patents are subject to third party challenge from time to time and as a result, the Company can incur significant costs (both time and money) in asserting and defending patent rights. Further, some patents are held by third parties and licensed to the Company, and the Company has limited control over how those patent rights are defended. The need to defend such claims would increase the Company's costs and reduce its profitability, as well as potentially delay the ability of the Company to pursue transactions with third party companies who wish to use or develop the Company's products. See the Intellectual Property Report in Section 9 for a full	See Sections 2.5.3 5.2.9 and 9

TOPIC	SUMMARY	MORE INFORMATION
	outline of the Company's intellectual property portfolio, as well as Section 2.5.3 for an overview of the Company's pending patent applications.	
Development Program costs	The inherent uncertainty of drug development means that certain unexpected events can occur. The result is that there is a risk that the programs will take longer and cost more than budgeted (and may require additional fundraising).	See Section 5.2.10
Product liability risk	The Company is proposing to sell nutraceuticals and potentially out-license pharmaceuticals. There is a risk in the sale of such products that certain people or populations may have adverse effects from the products and make claims against the Company in respect of those effects. The need to defend such claims would increase the Company's costs and reduce its profitability. Further, while the Company expects to be able to obtain product liability insurance, there is no guarantee that the insurance will be available at an acceptable cost or in adequate amounts. Any deficiency in insurance coverage could cause the Company to incur liabilities. Any product liability claim could also damage the Company's reputation.	See Section 5.2.11
Competition (nutraceuticals)	Some of the Company's competitors in the nutraceuticals industry are large and well-funded. There is a risk that these competitors will seek to establish and promote substitute products in the market, or to seek to promote products with the same marketing claims as the Company. These activities may cause the Company's sales to grow slower than anticipated, cause the Company to spend more on marketing, or otherwise cause the Company to incur costs in defending its position (including by defending its marketing claims against these companies). The result of this competitive activity could be reduced revenues and/or increased costs, with lower profitability for the Company.	See Section 5.2.12
Limited history in drug development	The Company is newly formed and has limited history in drug development and commercialisation of pharmaceutical products. There is no guarantee that it will be able to achieve its business goals in the drug development business. As a result, the Company's business prospects could be adversely affected, which could reduce the Company's standing in the investment community and negatively impact its Share price.	See Section 5.2.13

TOPIC	SUMMARY	MORE INFORMATION
Limited history in sales of nutraceuticals	The Company is newly formed and has limited history in nutraceutical sales. There is no guarantee that it will be able to achieve its business goals in the nutraceutical business. As a result, the Company's revenues and business prospects could be adversely affected, which could negatively impact its share price.	See Section 5.2.14
Concentration of shareholding	Following completion of the Offer, a significant portion of the Shares of the Company will be held by entities associated with its major Shareholders: • (Aiden) Wei Jiang (approximately 41.16% in the case of the Minimum Subscription and 40.06% in the case of Maximum Subscription); • Reef Investments Pty Ltd (approximately 7.66% in the case of the Minimum Subscription and 7.45% in the case of Maximum Subscription); and • Glenn Tong (approximately 18.31% in the case of the Minimum Subscription and 17.82% in the case of Maximum Subscription. Accordingly, these persons will be in a position to exert significant influence over the outcome of matters relating to the Company, including the election of Directors.	See Section 5.2.15
Regulator risk	Before the Company can market and sell pharmaceutical products, those products must be approved by relevant regulators. Such approval is reliant on regulator interpretation of data from trial and other development activities. Such approvals can sometimes take longer than anticipated, require additional work (including further trials) or may not be provided at all. As a result, the Company's development programs may be delayed, incurring additional cost and may require additional funding to obtain such approvals.	See Section 5.2.16
Reputational risk	The Company's reputation is important to its position in the nutraceutical and pharmaceutical industries. Reputational damage may be caused in many ways, including adverse outcomes in clinical trials, adverse reactions to nutraceutical product, product contamination issues and employee malfeasance. Any reputational damage or negative publicity could impact the Company's business by causing prospective licensing partners, regulators, employees, directors or consumers to avoid dealing	See Section 5.2.17

TOPIC	SUMMARY	MORE INFORMATION
	with the Company. This could reduce the Company's revenues, increase its costs and prevent it from achieving its business goals.	
Extension of milestone dates under Monash agreement	On 28 February 2018 (**Commencement Date**), Monash University (**Monash**) and Gordagen Pharmaceuticals Pty Ltd (in liquidation) (**Gordagen**) entered into a licence agreement in relation to certain intellectual property owned by Monash (**Licence**) (**Licence Agreement**). The Licence Agreement was a consequence of the exercise by Gordagen of an earlier option agreement between the parties. The Licence Agreement was novated by Gordagen to Invictus Biotechnology Pty Ltd (IBPL) on the same date. On or around 27 July 2020, Monash and IBPL executed a variation agreement which varied the terms of the Licence Agreement. Under the Licence Agreement, IBPL is granted: • an exclusive worldwide licence (including a right to sub-license) to certain patents in the field of lymph-directing prodrugs of tocotrienol compounds (except for limited rights of research granted to Monash); and • a non-exclusive worldwide licence of certain background intellectual property to enable the commercialisation of the patents. The patents that are the subject of the Licence are the patent families described in part 3.2 of the Intellectual Property Report available from the Company. The Licence Agreement contains certain milestones. If these milestones are not achieved by AZT, Monash is entitled to terminate the Licence or exercise step-in rights. As at the date of this Prospectus, AZT has not yet achieved the milestones. The due date for the first of the milestones has passed. Monash has confirmed in writing that it will not exercise its step-in rights or terminate the Licence for failure to achieve this milestone when due. However, Monash has reserved its right to exercise its step-in rights or terminate the Licence if the milestone is not satisfied by 30 June 2021, or if representations made to Monash informing its written confirmation in respect of the milestone are materially false or incorrect.	See Section 5.2.18

TOPIC	SUMMARY	MORE INFORMATION
Patent renewal	The Company has certain patents which it has rights to, and which are integral to its business. Some of these patents are due for renewal in 2021. If the Company does not have sufficient funds to meet its renewal fee obligations there is a risk that the patent registrations would lapse. Should this eventuate, this has the potential to impact profitability of the Company, as well as potentially delay the ability of the Company to pursue transactions with third party companies who wish to use or develop the Company's products. See the Intellectual Property Report in Section 9 for a full outline of the Company's intellectual property portfolio, as well as Section 2.5.3 for an overview of the Company's pending patent applications.	See Section 5.2.19
Inherent drug development risks	The development and commercialisation of pharmaceutical products is subject to inherent risks of failure, including that the products: • are ineffective; • are unsafe; • have adverse side effects at the relevant doses; • fail to show improvement over existing treatments; • fail to achieve regulatory approval; • are surpassed by better alternatives under development; or • fail to gather support of key opinion leaders. All of the above factors, and others, could prevent the Company from achieving its business goals with respect to its pharmaceutical business.	See Section 5.3.1
Changes to R&D Tax Incentives	The Company expects to take advantage of the Australian Federal Government's R&D Tax Incentives to undertake certain qualifying development expenditure. If the Company is unable to access those incentives for whatever reason (including no longer qualifying or due to changes in the incentive scheme), the amount of funds available to the Company to achieve its business goals will decrease and the Company may need to obtain additional funding for that purpose.	See Section 5.3.2
Changes in Government policy	The Company operates in highly regulated market sectors, subject to laws, regulations, directives and guidelines relating to many aspects of its operations including trial activities, laboratory practices, manufacturing practices, handling and registration of certain ingredients, as well as marketing	See Section 5.3.3

TOPIC	SUMMARY	MORE INFORMATION
	restrictions. Any change to the regulatory environment in any location where the Company operates may increase the Company's cost of compliance, with a resulting reduction in profitability.	
IP infringement	Irrespective of whether or not the Company's intellectual property is registered in a jurisdiction, there is always a risk of third parties claiming rights over that intellectual property. Further, the complex nature of intellectual property, and in particular patents, means that there are often lengthy and expensive disputes which can have an uncertain outcome. Some parties can also utilise their larger financial resources to seek to make and sustain claims as part of a competitive action. While securing a patent is vital to be able to secure value with third parties in the pharmaceutical business, the granting of a patent does not guarantee that the rights of others are not infringed by the patent. Further, the grant of a patent does not stop a third party from circumventing the patent through design. Accordingly, the enforceability of patents and other intellectual property rights cannot be guaranteed, and the Company may need to expend funds to support its position, impacting on its profitability.	See Section 5.3.4
General risks	The market for Shares on NSX from time to time may be limited and it may not be possible for you to sell your Shares at a particular price or at all. The Company's financial reports are subject to Australian International Financial Reporting Standards issued by the AASB. Changes in accounting standards may adversely affect the financial performance or financial position of the Company. Changes in tax law (including goods and services taxes and stamp duties), or changes in the way taxation laws are interpreted may impact the tax liabilities of the Company or the tax treatment of a Shareholder's investment. In particular, both the level and basis of taxation may change. In addition, an investment in the Shares involves tax considerations which may differ for each Shareholder. Each prospective Shareholder is encouraged to seek professional tax advice in connection with any investment in the Company. The market price of Shares can rise and fall and be subject to various unpredictable influences outside of the control of the Company.	See Section 5.4

TOPIC	SUMMARY	MORE INFORMATION
Coronavirus outbreak	The risk of the COVID-19 outbreak affecting sales is unknown and could be short lived or more significant. After listing, the Company will update the market in compliance with its continuous disclosure obligations if the consequences of COVID-19 impacts these sales channels and adversely affects the Company. If any of these impacts appear likely to be material prior to the close of the Offer, then the Company will notify investors under a supplementary prospectus. Additionally, the COVID-19 outbreak has hindered the Company's ability to conduct clinical trials due to travel restrictions and other Government imposed restrictions. There is potential that any ongoing or new restrictions that are put in place in response to COVID-19 may continue to impact the Company's ability to conduct clinical trials and other components of its operations going forward.	See Section 5.4.6

1.4 Use of funds

TOPIC	SUMMARY	MORE INFORMATION
What is the proposed use of proceeds of the Offer	The proceeds of the Offer will be used to commence the US Nutraceuticals operations and provide ongoing funding for the NAFLD Clinical Program and the Pancreatic Cancer Preclinical programme (see Section 2). The proceeds will also be used to provide working capital, and pay the costs of the Offer. See the Table in Section 6.3 for a detailed breakdown of the proposed use of funds under Minimum Subscription and Maximum Subscription scenarios. Separately, the funds obtained from the loan from Aiden Wei Jiang (as described in section 10.4.9) will be used to pay the existing creditors of the Company. Applicants should note that, as with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. Accordingly, the Board retains the right to vary the uses of funds, acting in the best interest of Shareholders and as the circumstances require.	See Sections 2 and 6.3

TOPIC	SUMMARY	MORE INFORMATION
Is there a minimum subscription?	Yes. The minimum subscription under the Offer is 11,250,000 Shares to raise $2,250,000 (before costs and expenses)	See Section 6.9

1.5 Significant interests of key persons and other parties connected with Azure Health

TOPIC

Who are the existing Shareholders and what will their Interests in the company be immediately following Completion?

SUMMARY

	Based on Minimum Subscription of $2.25 million		Based on Maximum Subscription of $3.00 million	
Shareholder	**Shares**	**%**	**Shares**	**%**
Aiden Jiang	56,031,128	41%	56,031,128	40%
KR and GT Nominees (Glenn Tong)	24,928,856	18%	24,928,856	18%
Valorton Corporate Advisors (Steven Yu)	1,842,406*	1%	1,842,406*	1%
Reef Investments	10,425,076	8%	10,425,076	7%
Others	31,654,644	23%	31,654,644	23%
Shareholders under the Offer	11,250,000	8%	15,000,000	11%
Total	136,132,110	100%	139,882,110	100%

Notes:

(1) Existing Shareholders may participate in the Offer. If any existing Shareholders were to subscribe for Shares under the Offer, their percentage shareholding in Azure Health may be higher than as set out in the table above.

(2) The Directors will not issue Shares to a person if the issue would result in a contravention of the 20% voting power rule in section 606 of the Corporations Act.

* Shares to be issued on conversion of convertible notes, in accordance with the terms of the relevant notes. Therefore, Steven Yu is not technically an existing shareholder, other than by virtue of holding convertible notes which entitle him to become a shareholder in the future.

MORE INFORMATION

See Section 6.12

What significant benefits and	The interest of each of the Directors in the Shares (or Options) of Azure Health immediately following	See Section 4.4

<table>
<tr><th>TOPIC</th><th>SUMMARY</th><th>MORE INFORMATION</th></tr>
<tr><td>interests are payable to Directors and other persons connected with Azure Health or the Offer?</td><td>Completion (assuming no Directors participate in the Offer) is set out in the table below:
<table><tr><th>DIRECTOR</th><th>SHARES</th><th>OPTIONS**</th></tr><tr><td>Lou Panaccio (Tercus Pty Ltd – ATF Panaccio Superannuation Fund)</td><td>890,316</td><td>3,000,000</td></tr><tr><td>Dr Glenn Tong (KR and GT Nominees – ATF Tong Family Trust)</td><td>24,928,856</td><td>1,500,000</td></tr><tr><td>Steven Yu (Valorton Group Pty Ltd)</td><td>1,842,406***</td><td>1,500,000</td></tr></table>** Options issued pursuant to the Company's ESOP
*** Shares to be issued on conversion of convertible notes, in accordance with the terms of the relevant notes.
Directors are entitled to remuneration, benefits and fees as described in Section 4.</td><td></td></tr>
<tr><td>Are the Directors or any existing Shareholders selling Shares into this Offer?</td><td>No, the Directors and existing Shareholders are not selling Shares in the Offer.</td><td></td></tr>
<tr><td>Will any Shares be subject to restrictions on disposal following Completion?</td><td>Yes. As at the date of this Prospectus NSX has not made a final determination as to the shares that are to be subject to escrow, but the Directors expect that a significant number of Shares will be subject to escrow restrictions (89,225,483) but still allowing for a free float of 41.20% (at Minimum Subscription). Section 10.6 contains details of the expected outcome of NSX's determinations, including the number of Shares subject to escrow and the period of escrow.</td><td>See Section 10.6</td></tr>
</table>

1.6 Overview of the Offer

TOPIC	SUMMARY	MORE INFORMATION
What is the Offer?	The Offer is being made to the public of up to 15,000,000 Shares in the Company at a price of $0.20 per Share to raise up to $3,000,000 (before costs and expenses).The	See Sections 6.1 and 6.9

TOPIC	SUMMARY	MORE INFORMATION
	minimum subscription under the Offer is 11,250,000 Shares to raise $2,250,000 (before costs and expenses). The Shares being offered will represent approximately 11% of the total shares in the Company on issue following quotation of Shares on NSX (assuming maximum subscription of 15,000,000 shares). For the purposes of this Prospectus and the Offer the Directors have valued AZT at $21m on a pre money basis. The Directors note that this was the valuation adopted in a previous offer by AZT and funds were successfully raised at that valuation. Based on that valuation, the 11,250,000 shares offered at the minimum subscription have been priced at $0.20 each giving a post money valuation of approximately $23.25m.	
Who can apply for Shares under the Offer?	No action has been taken to register or qualify the Prospectus or the Shares or otherwise to permit a public offering of the Shares in any jurisdiction outside of Australia. This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law. Persons who come into possession of this Prospectus who are not in Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law. Each Applicant will be required to make, or will be deemed to have made, certain representations, warranties and covenants set out in the Application Form attached to or accompanying this Prospectus. This Prospectus may not be released or distributed in the United States. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, Shares in the United States. Any Shares described in this Prospectus have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States or to or for the account or benefit of, a US Person, except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws. This Prospectus does not constitute an offer to issue or a solicitation to apply for Shares in the PRC. The Shares described in this Prospectus will not be registered under applicable PRC securities legislation and may not be offered or sold in the PRC or to or for the account or benefit of, a person	See Section 6.19

TOPIC	SUMMARY	MORE INFORMATION
	resident in the PRC, except in transactions exempt from, or not subject to that legislation.	
Is the Offer conditional	Yes, the Offer is conditional upon (**Offer Conditions**): • NSX approving the Company's listing application and agreeing to quote the Shares on the NSX; and • the Minimum Subscription under the Offer of 11,250,000 Shares to raise $2,250,000 before expenses being achieved. There is a risk that the Offer Conditions will not be satisfied. If the Offer Conditions are not satisfied, the Company will not proceed with the Offer. If this occurs no Shares will be issued under this Prospectus and all Application Monies will be refunded (without interest) in accordance with the Corporations Act.	See Section 6.10
Is the Offer Underwritten?	No, the Offer is not underwritten.	See Section 6.14
Who is the Lead Manager?	Indian Ocean Corporate Pty Ltd (**Indian Ocean** or **Lead Manager**) has been appointed as the lead manager to the Offer. The Company has engaged Indian Ocean as lead manager to manage the Offer and facilitate the capital raise under the Offer. As at the date of this Prospectus, Indian Ocean does not hold a relevant interest in the Company. Indian Ocean will be paid the following for its services: • 2% of the total amount raised under the Offer as a management fee; • 4% of the total amount raised by Indian Ocean as a capital raising fee;	See Sections 6.14, 10.4 and 10.4.1
Will the Shares be listed?	Yes. The Company will apply to NSX no later than 7 days from the date of this Prospectus for admission of the Company to the Official List, and official quotation of the Shares offered under this Prospectus. The Company's expected NSX code will be VTL. Subject to any extension, if the Shares are not admitted to quotation within 3 months of the date of this Prospectus, no Shares will be issued and Application Monies will be refunded in full without interest in accordance with the Corporations Act	See Section 6.8
How many Shares will be on issue after Listing?	Assuming $2,250,000 in subscriptions under the Offer is achieved, there will be approximately 136,132 ordinary shares on issue after listing. If $3,000,000 in subscriptions under the Offer is achieved, there will be approximately 139,844,923 ordinary shares on issue after listing.	See Section 6.11

TOPIC	SUMMARY	MORE INFORMATION
What is the allocation policy?	The allocation of Shares under the Offer will be determined by the Lead Manager in consultation with Azure Health.	See Section 6.7
Is there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on the acquisition of Shares under this Prospectus.	See Section 6.24
What are the tax implications of investing in Shares?	The acquisition, holding and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each Shareholder. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring, holding or selling Shares pursuant to the Offer, from a tax perspective and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability or responsibility with respect to the tax consequences of subscribing for Shares under this Prospectus.	See Section 6.23
How can I apply?	Applications for Shares under the Offer must be made online at *www.azureht.com.au* or using the Application Form accompanying this Prospectus. Completed Application Forms and accompanying payment must be lodged before 5:00pm AEST on the Closing Date. **By mail to:** Azure Health Technology Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 The Company reserves the right to accept late Applications.	See Section 6.6
How to pay by Cheque	Cheque(s) or bank draft(s) must be: • in Australian currency; • drawn on an Australian branch of a financial institution; • crossed "Not Negotiable"; and • made payable to "Azure Health Technology Limited".	See Section 6.6
How to pay by BPAY	When completing your BPAY payment, please make sure to use the specific code and unique customer reference number generated by the online Application Form available at *www.azureht.com.au.*	See Section 6.6

TOPIC	SUMMARY	MORE INFORMATION
Is there a minimum application size under the Offer?	Applications for Shares must be for a minimum of 10,000 Shares ($2,000). Payment must be made in full at the issue price of $0.20 per Share multiplied by the number of shares applied for. The Company reserves the right to close the Offer early, extend the Offer or any part of it, accept late Applications either generally or in particular cases, reject any Application, or allocate to any Applicant fewer Shares than applied for. There is no maximum value of Shares that may be applied for under the Offer.	See Sections 6.6 and 6.15
When will the Shares be allotted?	Subject to the Minimum Subscription being raised, allotment of the Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.	See Section 6.7
When will I receive Confirmation that My application has been successful?	It is expected that the initial holding statements will be dispatched by standard post on or about 26 April 2021.	See Section 6.16
When can I sell my Shares on NSX?	The Shares are expected to commence trading on NSX on or about 26 April 2021. It is the responsibility of Applicants to determine their allocation prior to trading in Shares. Applicants trading in Shares prior to receiving a holding statement do so at their own risk.	See Section 6.17
Can the Offer be withdrawn?	The Company may withdraw the Offer at any time before the issue of Shares to Successful Applicants. If this occurs, then no Shares will be issued under this Prospectus and all Application Monies will be refunded (without interest) in accordance with the Corporations Act.	See Section 6.15
Where can I find out more information about this Prospectus or Offer?	All enquiries in relation to this Prospectus should be directed to your broker, the Lead Manager on 02 8823 3177 or by calling the Offer Information Line on 1800 336 109 from 9:00am to 5.00pm AEST, Monday to Friday during the Offer Period. If you are unclear on any matter in relation to this Prospectus or are uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your stockbroker, solicitor, accountant or other professional adviser before deciding whether to invest.	See Section 6.25

2 COMPANY OVERVIEW

2.1 Introduction

Azure Health is an early stage health and biopharma company. The business of Azure Health is the development, production, marketing and sale of health and wellbeing products, including the development and commercialisation of platforms for the non-invasive delivery of tocotrienols (a form of Vitamin E) for both nutraceutical and pharmaceutical applications.

A nutraceutical product is a substance that has physiological benefits or provides protection against chronic disease. The term "nutraceutical" is used to describe medicinally or nutritionally functional foods or food supplements. Pharmaceuticals are a product of scientific research that supports their claims for health improvement.

In the short term, Azure Health intends to focus on:

- the marketing and sale of nutraceutical and wellbeing products with the objective of delivering near term revenues; and
- the development of prescription medicine candidates for NAFLD and pancreatic cancer.

Prior to the date of this Prospectus, the work on commercialising the (patented) delivery platform has been undertaken by Invictus and its subsidiaries. Invictus was acquired by the Company on 11 June 2020 and is now a wholly owned subsidiary of the Company. Invictus will continue to be responsible for commercialising the business assets after completion of the Offer under this Prospectus. See Section 10.1 for more information about the Company's acquisition of Invictus.

2.1.1 Compelling advantages

Azure Health believes that its business offers a number of commercial and technological advantages including the following:

- A commercial model that has an objective of delivering near term revenues from nutraceutical products to support further development of high-value prescription drugs;
- A Board and Management team with a successful track record in marketing and selling nutraceuticals and bringing prescription medicines to the market internationally;
- A clinical phase drug development program with drug candidates, including a drug candidate which has completed Phase Ia clinical studies and for which POC phase II clinical studies in NAFLD/NASH and pancreatic adenocarcinoma are planned upon the Company securing additional funding after the completion of the IPO;
- Technologies which open up new applications of vitamin E which have not been fully exploited before;
- A growing body of external clinical evidence to support the efficacy of T3s and their anti-cancer and cholesterol lowering properties; and

- Pharmaceutical quality development for high-value food supplements.

2.1.2 Early commercial sales

The proceeds of the Offer will be used, in part, to fund the manufacturing, marketing and distribution activities of our nutraceutical products in the US, sales of which the Company expects to deliver near term revenues. See Section 2.4.4 for more information on the proposed US launch of the nutraceuticals business.

Funds raised from the Offer will also be used to continue and accelerate the clinical development program for the prescription medicines business that is currently being undertaken by Invictus.

Please see Section 6.3 for details of the use of funds under the Offer.

Azure Health's initial focus will be to deliver revenues from nutraceutical sales in the US, Australia and China, while simultaneously advancing its drug development business under an Investigational Drug Development (**IND**) pathway regulated by the United States Food & Drug Administration (**FDA**). On the basis that the drug development pathways are endorsed through the formal Pre-Investigational New Drug Application (**Pre-IND**) and IND processes, Azure Health intends to advance the clinical development program at the same time as exploring partnerships and licensing opportunities with established industry participants.

2.2 Vitamin E

2.2.1 Vitamin E and the therapeutic power of tocotrienols

Vitamin E is a widely used and validated dietary supplement obtained from sources such as wheat germ oil, egg yolk and leafy vegetables. Vitamin E supplements are regularly taken for their antioxidant properties.

People also take Vitamin E to help prevent cardiovascular disease as Vitamin E is known to inhibit oxidative modification of low-density lipoprotein (**LDL**) cholesterol, thereby reducing the risk of atherosclerosis. [1]

There is a growing body of research-based opinion that Vitamin E supplements may assist towards reducing cancer risk. The problem is that people may be getting the wrong type of Vitamin E.

There are two types of vitamin E, tocopherol (**TOC**) and tocotrienol (**T3**).

T3 has been shown to have the most potential benefits. [2] T3s, unlike TOCs (which are predominantly antioxidants), have therapeutic activities including powerful neuro-protective, anti-cancer and cholesterol lowering properties which TOCs do not have.

Azure Health believes it has effective delivery platforms for both nutraceuticals and prescription medicines containing T3 and minimal TOC.

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[1] [1] Mohsen Meydani, Vascular Biology Laboratory , Jean Mayer U.S. Department of Agriculture Human Nutrition Research Center on Aging at Tuffs University, Boston, MA 02111, *Symposium: Molecular Mechanisms of Protective Effects of Vitamin E in Atherosclerosis*.

[2] Ahsan, H., Ahad, A., Iqbal, J. *et al.* Pharmacological potential of tocotrienols: a review. *Nutr Metab (Lond)* **11,** 52 (2014).

A Phase Ia clinical study undertaken by Gordagen Pharmaceuticals Pty Ltd (in liquidation) (**Gordagen**) in 2015 demonstrated, among other things, that T3s delivered using Azure Health's TransT3 delivery platform (see Section 2.3 for an explanation of what is the TransT3 delivery platform) had good bioavailability (meaning how much of the product got into the blood), a linear dose response (meaning the higher the dose, the more gets in the blood), was easy to take, palatable and well tolerated by the body.

2.2.2 The Vitamin E market opportunity

In 1999, US consumers spent over US$800 million on Vitamin E supplements, but by 2008, sales were down to around 60% of 1999 levels.[3] An independent analysis has shown that the reduction in Vitamin E sales was heavily influenced by a study published in January 2005 by the Johns Hopkins School of Medicine which indicated that high doses of Vitamin E had the potential to increase the risk of mortality. Vitamin E use has stabilised since 2008. The 2005 study focused on using high doses of the alpha TOC form of vitamin E (the most common form used in dietary supplements). There was no association to T3s.

T3 supplements similar to the supplements which Azure Health is preparing to launch, have the potential to reinvigorate the market for Vitamin E. Using Azure Health's delivery platforms, T3s have been shown to be effective for indications such as the reduction of muscle soreness and improvement of muscle recovery after exercise.[4] This has not previously been observed with Vitamin E.

For heart health, a similar formulation of T3 (but delivered orally and not using Azure Health's delivery platform) was shown to be effective in reducing cholesterol and triglycerides in clinical trials, although the beneficial effects were reduced at high dosage.[5] Azure Health believes that this evidence provides support for Azure Health's strategy of using a moderate dose of T3s with increased bioavailability in order to maintain the beneficial effect of lowering cholesterol and triglycerides and other markers of inflammation.

2.3 A dual approach - nutraceuticals and prescription medicines

Azure Health's business is based around three delivery platforms for direct delivery of T3s:

- MELT3® - a 'melt then swallow' formulation designed for nutraceuticals;
- TransT3 - a transmucosal (meaning, through the lining of the mouth) delivery platform designed for prescription medicines; and
- Tocotrienol ProDrugs (**TPDs**) - a prodrug delivery platform designed for prescription medicines. Prodrugs are inactive forms of drugs that carry the drug to a certain site

[3] Jon C. Tilburt, Ezekiel J. Emanuel, Franklin G. Miller, J Gen Intern Med 23(9):1495-8, 2008, *Does the Evidence Make a Difference in Consumer Behaviour? Sales of Supplements Before and After Publication of Negative Research Results.*
[4] Professor Lonnie Lowery, University of Mount Union, Alliance OH, USA, *A Novel Mixed-Tocotrienol Intervention Enhances Recovery after Eccentric Exercise: Preliminary Findings.*
[5] Asaf A. Qureshi, Dilshad A. Khan, Wajiha Mahjabeen and Nilofer Qureshi, British Journal of Medicine & Medical Research 6(4): 351 -366, 2051, Article no.BJMMR.2015.211, *Does-dependent Modulation of Lipid Parameters, Cytokines and RNA by s-tocotrienol in Hypercholesterolemic Subjects Restricted to AHA Step-1 Diet.*

(in this case, the lymphatic system of the gut) and then release the active drug.

Azure Health is focused on improving efficacy by improving the bioavailability using direct delivery platforms without invasive techniques such as injections or surgical implants.

Based on the above three delivery platforms for non-invasive and direct delivery, Azure Health is currently pursuing two separate business channels:

- evidence-based nutraceuticals; and
- prescription medicines based on improved delivery of T3 drugs.

These two business channels are complementary as preclinical and early clinical development applies to both nutraceuticals and pharmaceuticals. Avoiding duplication has the potential to generate significant cost and time savings for the Company.

The two business channels have different points of value inflection and potential paths to commercialisation. The evidence-based nutraceutical business in the US is targeted at consumer-based sports nutrition and heart health markets and the Company expects this business to generate revenues in the short term.

The Company's prescription medicine business will initially target NAFLD and pancreatic cancer, both of which the Company believes to have high unmet needs as neither have viable treatments which adequately addresses them. This provides an opportunity for Azure Health to monetise its progress in prescription medicine through licensing transactions with pharmaceutical companies after completing proof of concept clinical studies.

Azure Health believes that this approach also allows Azure Health to adopt a strategy designed to reduce some of the risks usually associated with the 'traditional' biotechnology business models. In such traditional models, a single drug candidate needs to meet a number of primary endpoints and investors would only begin to see a return on investment if that particular clinical study was successful - this model has a fairly binary outcome.

Azure Health believes the prospect of near-term revenues, combined with multiple drug delivery platforms and a pipeline of drug candidates targeting multiple medical conditions, works towards mitigating some of the risks associated with a biotechnology company. Azure Health believes this also presents an attractive licensing opportunity to pharmaceutical companies, which the Company believes has the potential to reduce its risk profile as a biotechnology investment.

2.4 Azure Health's nutraceuticals

2.4.1 An effective nutraceutical delivery platform

Azure Health's first delivery platform (called MELT3®), represents a new method to deliver T3s.

Azure Health has developed two T3-based products using its MELT3® platform:

- nE1-Heart® - for cardiovascular health; and
- nE1-Elite® - for endurance and prevention of muscle soreness.

nE1-Heart® has a similar mode of action to statins, the gold standard treatment for lowering high levels of cholesterol in the blood (hyperlipidaemia).

Several studies were conducted by Gordagen (the company that previously held the rights to the MELT3® delivery platform) and by the University of Mount Union, Ohio. These studies validated and demonstrated the effectiveness of nE1-Elite® in reducing the soreness felt after intense exercise.[6]

2.4.2 Developing an effective delivery platform for nutraceuticals

T3 in its natural form is a viscous oil. For its nutraceutical products, Azure Health's MELT3® delivery platform comprises a solid form such as a powder, granules, tablet, capsule or lozenge (which is first dissolved in the mouth and then swallowed).

Proof of concept (**POC**) for the platform has been established for nutraceuticals in indications, such as:

- reduction of delayed onset muscle soreness (**DOMS**);
- improvement of muscle recovery after exercise; and
- maintenance of peak muscle power.

POC determines whether a drug is potentially efficacious for a certain indication (for example, whether it reduces NASH). However, in and of itself, it is not a "registration study" that allows the drug to be registered with a regulatory body like the FDA. If a POC study is positive, there will typically be a need to conduct a confirmatory study which may or may not have larger patient numbers.

2.4.3 Clinical Studies supporting nE1-Elite®

A number of observational studies and anecdotal accounts from sports people suggest nE1-Elite® can reduce DOMS. This was confirmed in an early-phase US clinical study conducted by Professor Lonnie Lowery at the University of Mount Union, Ohio in or around 2015. The Phase II efficacy clinical study of 17 US collegiate footballers assessed nE1-Elite®'s efficacy in a number of exercise-related indications. [7] The study found that in participants administered nE1-Elite®, there was:

- a significant reduction in DOMS after exercise ($p = 0.02$);*
- enhanced muscle recovery after exercise ($p = 0.05$);* and
- greater peak muscle power the day after the "damaging" eccentric exercise compared to the control group which

[6] Professor Lonnie Lowery, University of Mount Union, Alliance OH, USA, *A Novel Mixed-Tocotrienol Intervention Enhances Recovery after Eccentric Exercise: Preliminary Findings*. It is noted that Gordagen Pharmaceuticals Pty Ltd contributed $5,000 to commissioning this study.
[7] Professor Lonnie Lowery, University of Mount Union, Alliance OH, USA, *A Novel Mixed-Tocotrienol Intervention Enhances Recovery after Eccentric Exercise: Preliminary Findings*. It is noted that Gordagen Pharmaceuticals Pty Ltd contributed $5,000 to commissioning this study.

indicates improved muscle power maintenance – a critical issue in the ability to recover more quickly and train again sooner (p = 0.056).*

*p values are generally accepted as an indicator of statistical significance and a p value of 0.05 or lower is seen as statistically significant, i.e. DOMS and muscle recovery result was statistically significant and there was a strong trend supporting the maintenance of peak muscle power.

This study indicates nE1-Elite® helps to substantially reduce DOMS by 80 to 100% after exercise. Other dietary supplements based on similar doses of T3s to nE1-Elite®, but without Azure Health's MELT3® platform, have been shown to be ineffective in improving DOMS.

The two products are single daily servings containing delta T3s as the key dietary ingredient and formulated as a flavoured powder packaged in a stick pack for easy storage and consumption, which is available in doses of 20mg or 40mg.

2.4.4 US launch of nutraceuticals business

Azure Health intends to launch and sell nE1-Elite® and nE1-Heart® in the US in Q2 of 2021.

The initial two products allow the Company to target a large and growing consumer market base.

Azure Health expects to target multiple channels for the marketing and distribution of each product:

Online

Specialty Retail

Food, Drug & Mass

Distributors

Private Label:

We are of the view that nE1-Elite® and nE1-Heart® are ideal to present to major supplement and nutrition brands to be sold under their umbrella.

Direct Selling:

We will look to leverage the Direct Selling Association membership to partner with Multilevel Marketing and Party Planning companies to launch these products under their umbrella.

Shopping Channels:

We will look to directly or indirectly leverage the shopping channels on cable networks throughout the USA.

Infomercial Sales:

We will look to directly or indirectly launch a value time slot advertisement that educates the consumer and allows them to purchase the products via mail order.

International:

We will look to leverage distribution partners in countries that we are not planning on launching directly. There are approximately 150 countries where the product can be launched in this manner.

Website Sales:

We will look to make the products available for purchase via our own Website.

Azure Health plans to strategically launch in each one of these channels and establish a presence throughout the USA after a process of careful research and analysis. Advertising and promotion of products are expected to be via cost-effective platforms in conjunction with our customers and partners.

We will look to build product awareness using the following methods:

Social Media:

We will leverage traditional platforms such as Google, Facebook, Twitter, Instagram, LinkedIn, etc.

Product Case Studies:

We will look to establish cost effective ways of documenting the results achieved when using the products. We plan to use these studies on our Website, provide them to customers for use in their advertising programs and look to have them published in medical and research journals.

Brand Ambassadors:

We will look to build a grass roots campaign that will be communicated via our Website and social media platforms by customers and athletes in return for complimentary use of the product.

Athlete Endorsements:

We will look to establish cost effective deals with athletes to endorse the nE1-Elite®.

Celebrity Endorsements:

We will look to establish cost effective deals with individuals that appeal to the target customer base for nE1-Heart®.

Product Samples:

We plan to distribute samples of the products for consumers to use and drive product adoption/purchase.

Product Promotions:

We will look to establish promotional products to support the initial launch and sales growth on an on-going basis.

Azure Health believes there are no direct competitors in the markets for T3 based nutraceuticals which target heart health and muscle recovery and maintenance. Our goal is to rapidly drive customer loyalty and increase purchasing behaviour, building momentum through word of mouth and repeat-purchasing.

We plan to establish ourselves as the premier product for heart health, muscle recovery and maintenance of peak muscle power food supplements through the companies and distributors which maintain the highest market share in each channel that we operate in.

Azure Health plans to develop specific campaigns for nE1-Heart® to point out the beneficial effects of maintaining a healthy cholesterol level, avoiding heart attacks and heart disease. Specific targets will be:

- self-medicating adults;
- individuals with elevated LDL cholesterol levels; and
- current users of CoQ10, fish oil, krill oil or Omega 3 supplements.

With the nE1-Elite® product, we will look to partner with companies which have a market share in pre-workout and post-workout products by providing private label versions of our product. With the nE1-Heart® product, we will look to do the same with market leaders in Omega 3 and fish oil brands.

We will look for opportunities to target demand among the following market segments for nE1-Elite®:

We will target demand among the following for nE1-Heart®:

Invictus manufactured pilot batches of products beginning in September 2018 and expects to complete the manufacturing of the first finished products for sale in Q2 of 2021). Azure Health will establish distribution, administration, endorsement and sponsorship programs. It is proposed by Azure Health that the channels described in Figure 1 below will be deployed in a tiered fashion over the next two calendar years from the date of this Prospectus.

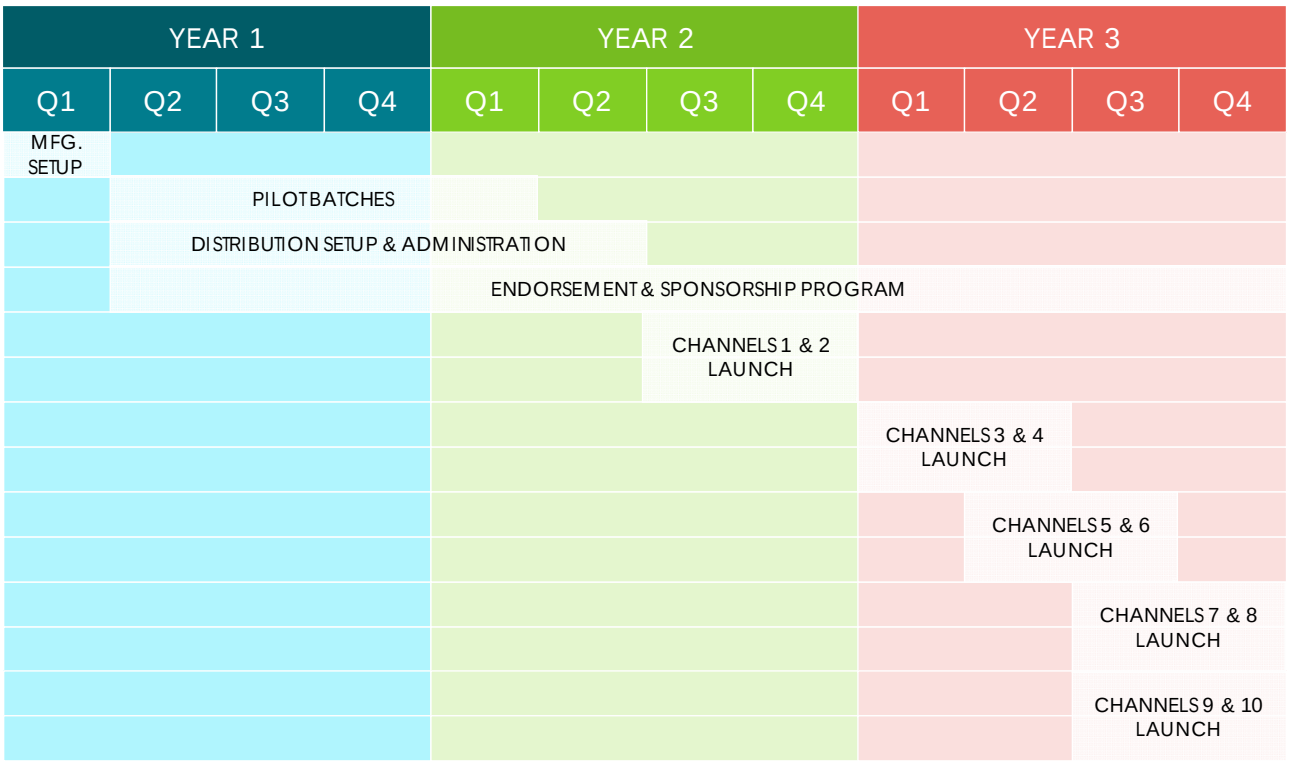


Figure 1: Azure Health US Product Launch Marketing Plan

Note: This is an indicative roll out only. The actual channels will be determined as the Company works through opportunities.

2.4.5 Path to market in the US for Azure Health's nutraceutical products

Azure Health is focused on launching nE1-Elite® in the US, which is the largest sports nutrition market in the world. The FDA uses the term 'dietary supplements' rather than nutraceuticals and allows properly labelled dietary supplements to make substantiated claims addressing pain where it is self-limiting and not associated with a disease condition (e.g. DOMS). Azure Health has clinical evidence to substantiate these specific claims and is able to use them on the label.

Azure Health plans to conduct additional clinical studies with leading universities in the US to further confirm the clinical evidence gathered to date. The Company also intends to explore new claims such as improving aerobic exercise endurance.

2.4.6 Regulatory status of nE1-Heart® and its claims to be beneficial for heart health

The Company's first target market for nE1-Heart® is the same as nE1-Elite®, the US. The FDA has restrictions on claims that can be used by heart health dietary supplements which prohibit any mention of effects on any cardiovascular indication linked to a disease, such as the lowering of high cholesterol, even with clinical evidence.

However, based on high-quality data from existing peer-reviewed scientific publications, Azure Health is able to substantiate the

position that T3s significantly reduce cholesterol levels and act as antioxidants in the body.[8] Accordingly, the intention would be to market nE1-Heart® with the claims that it 'maintains heart health and maintains cholesterol levels in the already normal range' and nE1-Heart® acts as an antioxidant in the body'.

In jurisdictions other than the US, Azure Health is exploring whether to conduct clinical studies relating to cardiovascular and metabolic indications for nE1-Heart®. This could potentially allow more specific cardiovascular-related claims to be made in the future.

2.4.7 Other work to develop the US market

In the US market, Azure Health is not required to obtain any pre-marketing approval from the FDA or any other regulatory agency for the nE1-Elite® and nE1-Heart® products. However, Azure Health is required by US law, within 30 days of making these products available for sale in the US, to submit a Notification Letter to the FDA. This letter is required to advise the FDA of the claims made on behalf of the product and affirm that Azure Health has adequate substantiation for those claims.

Azure Health has commenced work with contract manufacturers to produce our finished product. These contract manufacturers are required to comply with current Good Manufacturing Practices (**cGMPs**), 21 CFR Part 111. As Azure Health's name will be on the finished products, we will be required to comply with the subset of cGMPs applicable to "own label distributors". The manufacturer of our DeltaGold35 delta tocotrienols (intended for use in the US market) is required to comply with regulations governing Current Good Manufacturing Practices Hazard Analysis and Risk Based Preventive Controls for Human Food, 21 CFR Part 117. As Azure Health distributes under our own label, we are also responsible for ensuring that our supply chain is compliant with these regulations. Relevantly, the FDA has the authority to conduct inspections to confirm, among other things, that the manufacture of products is compliant with applicable cGMPs, that the ingredients used are acceptable dietary ingredients and that the marketing materials are in compliance with US law.

Both nutraceutical products are being manufactured under cGMPs in Utah, USA by Capstone Manufacturing from local and imported ingredients. The Company believes that sports nutrition products manufactured in the US are appealing to local US consumers and has the potential to be appealing to other markets such as Latin America and China.

The Company expects to have finished products available to launch in the US and Australia in Q2 of 2021. If the launches in the US and Australia are successful, the Company will consider a launch in China later in 2021.

The Company believes that the risk of having one manufacturer engaged is mitigated by the Company having alternative manufacturers available to the extent required (given the Company owns or has in-licenced the intellectual property related to the formulation and the application of the products). For instance, the entity that co-

[8] Lester Packer, Stefan U. Webber and Gerald Rimbach, *Symposium: Molecular Mechanisms of Protective Effects of Vitamin E in Atherosclerosis*.

developed the manufacture method in conjunction with the Company is Unison Pharmaceuticals, a cGMP manufacturer based in Malaysia, with whom the Company maintains a close working relationship. The Company also has close relationships with several other US-based manufacturers and who the Company believes could be called upon to manufacture the products in the event that the Company's engagement with Capstone Manufacturing was to end. See Section 5.2 for further information on risks specific to the Company.

2.5 Azure Health's China Market Strategic Advantage

2.5.1 Objectives

The Company aims to leverage off Australia's green and clean reputation by selling health and wellbeing products into China. The Company expects that sales will be assisted by further exposure to Chinese tourism into Australia, assuming Chinese tourism recommences once Australian border restrictions have been eased following the COVID-19 crisis.

While China is a large and rapidly growing market for nutraceuticals and well-being products, the Company believes that Australian companies who attempt to enter this market often fail for not having sufficient knowledge and understanding of the business culture and networks that exists in China.

The Company believes the distribution channels available in China (see Section 10.4.4 regarding the Shenzhen Alzkat Technology Development Limited Co Ltd (**Alzkat**) distribution agreement) will increase the prospects of successfully introducing Azure Health's products (including nutraceutical products) into China and drive the growth in sales.10.4.1

2.5.2 Initial marketing and sales of nutraceuticals in China

Azure Health plans to promote its nutraceutical products (nE1-Elite® and nE1-Heart®) in China. The Company intends for marketing to be undertaken by Alzkat with initial sales to be made via a marketing agreement with AHP Group Limited, a company which specialises in promoting wellness products directly to Chinese consumers through cross border e-commerce direct sale mechanisms. This essentially involves the direct postage by foreign merchants of goods to consumers in China.

However, it should be noted that this channel has limitations in that products can only be delivered to consumers for personal use and not to wholesalers or retailers. It is intended that Alzkat will apply to the State Food and Drug Administration for regulatory clearance to distribute the Azure Health nutraceutical products in China once market testing through the cross border e-commerce direct sale mechanisms demonstrates that the products will sell well. It is not possible to accurately predict when this will occur or how long will be required to obtain this clearance.

The initial target markets are sports nutritional markets and heart health markets in China. There is no firm evidence as to the size of these markets in China at this time, but Azure Health

expects that is substantial potential for the offering of its products in China.

2.5.3 Intellectual property

The Company's intellectual property rights and patents are outlined in the Intellectual Property Report in Section 9.

The US Patent Office has issued a Notice of Allowance for a patent which protects the exercise related applications and the Company is has lodged a divisional patent application which has the potential to extend the scope of the patent claims to protect the pharmaceutical applications. The Company's Chinese patent application has been granted by the China National Intellectual Property Administration. The Company will lodge a divisional patent application which has the potential to extend the scope of the patent claims to protect the pharmaceutical applications. The Canadian Patent Office has issued a Notice of Allowance for AZT's patent application. In Brazil, the Company's patent application has been approved for granting. In addition to these recent patent grants, AZT also has granted patents in the European Union, Japan, Australia, New Zealand, Singapore and South Africa.

2.6 Azure Health's Prescription Medicines

2.6.1 Our drug candidates

The Company's focus is to improve the bioavailability of T3s using the TransT3 and TPD platforms. Based on the evidence to date, the Company believes there is a good prospect that the platforms will improve the efficacy of T3s in a number of therapeutic indications.[9]

Azure Health has initially chosen to target two therapeutic indications with high unmet needs, NAFLD and pancreatic cancer, where T3s have shown some promising activity in animal models and (in the case of NAFLD) also clinical studies.

[9] Professor Lonnie Lowery, University of Mount Union, Alliance OH, USA, *A Novel Mixed-Tocotrienol Intervention Enhances Recovery after Eccentric Exercise: Preliminary Findings*. It is noted that Gordagen Pharmaceuticals Pty Ltd contributed $5,000 to commissioning this study.

Azure Health currently has four drug candidates in development (see Figure 2 below):

DRUG CANDIDATE	DELIVERY PLATFORM	TARGET INDICATION	CURRENT STAGE			
			Preclinical	Phase 1	Phase 2	Phase 3
IVB 001	Transmucosal	Non-Alcoholic Fatty Liver Disease (NAFLD)				
IVB 002	Tocotrienol Prodrug (TPD)	Non-Alcoholic Fatty Liver Disease (NAFLD)				
IVB 003	Transmucosal	Pancreatic Cancer				
IVB 004	Tocotrienol Prodrug (TPD)	Pancreatic Cancer				

Figure 2: Azure Health pre-clinical and clinical product pipeline

Each of the therapeutic indications have different value inflection points and paths to market compared to our nutraceuticals.

The Company's lead compound (IVB001 for NAFLD) has completed a Phase Ia clinical study and met all the primary endpoints, which show that it is safe, non-toxic, palatable and easily absorbed. IVB001 is Phase II-ready and a POC Phase II clinical study will commence once additional funds are secured after the IPO. The drug development pathway for IVB001 has been broadly endorsed by the FDA through a formal Pre-Investigational New Drug Application (**Pre-IND**) consultation process.

For IVB002 for NAFLD, the Company will be undertaking preclinical studies in preparation for a Phase I study.

Invictus previously undertook a Pre-IND consultation with the FDA in June 2019 on both the NAFLD and pancreatic cancer programs. As a result of that process, the FDA has been provided with detailed proposals regarding the Invictus programs and was broadly supportive of both programs and did not propose any additional obligations on Invictus before starting the POC studies and proposed additional meetings with Invictus to discuss the programs in more detail. These meetings are crucial as Azure Health intends to partner with large pharmaceutical companies which can take drug candidates to market.

Key value inflection points for the drug development program are as follows:

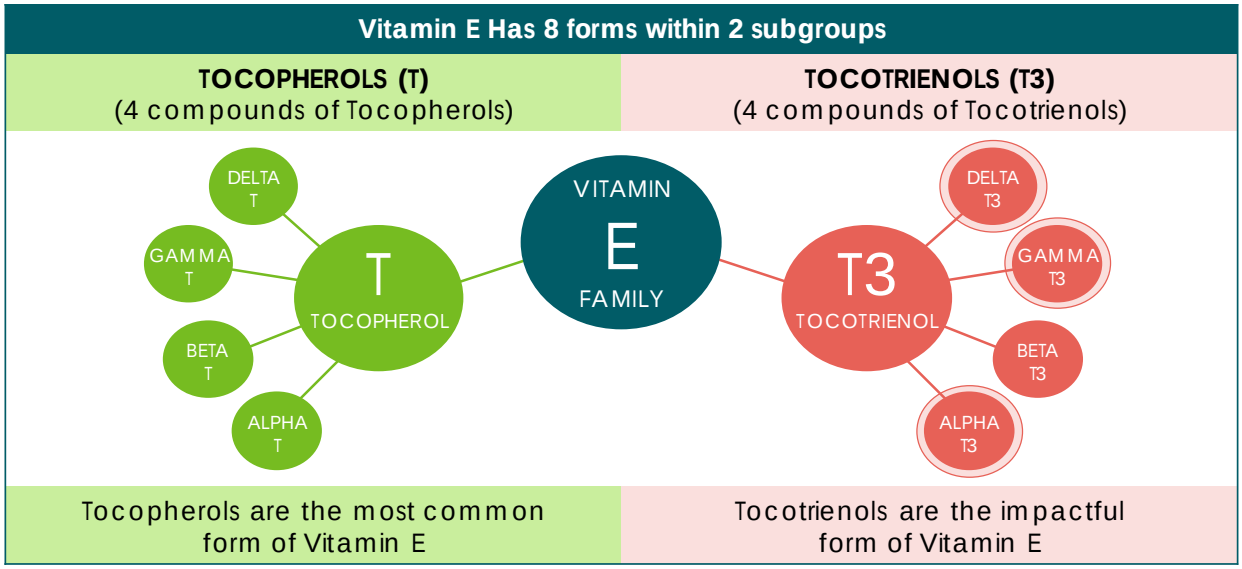
- POC for pharmacokinetics (proving a T3 prodrug can be directed to the gut's lymph nodes and dispersed into the blood).
- Completion of preclinical studies in validated animal models for a particular disease indication and demonstration of efficacy in animals.
- Completion of Phase I clinical studies with acceptable pharmacokinetics, safety and tolerability in humans.

- Completion of POC Phase II clinical studies with evidence of efficacy in humans.

Upon achieving these inflection points for each drug candidate, the Board will at that point consider the best way forward with a view to delivering value for Shareholders.

2.6.2 Focus on Tocotrienols (T3s)

As described above, Vitamin E is comprised of two main forms, tocotrienols (**T3s**) and tocopherols (**TOCs**).



T3s have the potential to treat a range of diseases, whereas TOCs have predominantly antioxidant activity. T3s work better when there are no TOCs present and when they are delivered directly to organs and tissue. Accordingly, the Company considers that pharmaceutical applications of T3s can best be developed by improving delivery and excluding TOCs.

T3s and TOCs have similar chemical structures but are chemically and physiologically distinct. While TOCs appear to have predominantly one mode of biological activity (antioxidant), T3s have wider therapeutic potential. A number of animal and human studies show T3s demonstrate potential efficacy in the treatment of a range of diseases.[10] T3s, unlike TOCs (which are predominantly antioxidants), have therapeutic activities including powerful neuro-protective, anti-cancer and cholesterol lowering properties which TOCs do not have.[11] Tocotrienols are thought to have more potent antioxidant and free radical scavenging

[10] Iaseeb Ashan, Amjid Ahad, Jahangir Iqbal and Waseem A Siddiqui, Ashan et al. Nutrition & Metabolism 2014, *Pharmacological potential for tocotrienols: a review.*
Professor Lonnie Lowery, University of Mount Union, Alliance OH, USA, *A Novel Mixed-Tocotrienol Intervention Enhances Recovery after Eccentric Exercise: Preliminary Findings*. It is noted that Gordagen Pharmaceuticals Pty Ltd contributed $5,000 to commissioning this study.
[11] Ibid.

properties due to their better distribution in the lipid layers of the cell membrane.[12] These insights and evidence have helped shape the Company's clinical development program for prescription medicines.

It is the Company's belief that there are two hurdles to realising the therapeutic potential of T3s.

First, in order to properly exploit the therapeutic potential of T3s, Azure Health's approach is to minimise the amount of TOC used and to improve the bioavailability of the T3s. T3s are carried around the body by a protein (ATTP), which also carries a TOC around the body. TOC binds to this protein approximately ten times more strongly than T3s and so, when there is a mixture of TOC and T3s present, the TOC will achieve better bioavailability than the T3s. This can also result in the TOC interfering with the efficacy of the TOCs. Second, despite T3s being present in fruits and seeds and in natural products such as palm or rice bran oil, it is unlikely and impractical to attain sufficient quantities of T3s for human therapeutic applications via dietary means alone.

2.6.3 Azure Health's TransT3 Delivery Platform for Pharmaceuticals

The TransT3 delivery platform uses delivery into the bloodstream through the mucous membrane lining the mouth (this is referred to as **transmucosal delivery**). With transmucosal delivery, the tablet is dissolved either under the tongue or next to the cheek, which allows the T3 to be absorbed through the mouth lining. It is then distributed into the blood vessels below the mouth lining and around the body.

For transmucosal delivery, the T3 does not need to be delivered to the stomach and small intestine in order to be absorbed, and so it is not affected by conditions causing malabsorption in the stomach and intestine.

Instead, the T3 is absorbed directly into the bloodstream and is distributed around the body. This avoids the first pass metabolism by the liver which would happen with absorption via the intestine into the portal vein to the liver. As a result, the bioavailability of the T3 administered by this route is expected to increase.

Azure Health is developing this TransT3 platform as it believes there is significant potential to develop this TransT3 platform to improve the bioavailability and efficacy of prescription medicines containing T3. This transmucosal platform does not change the chemical structure of T3s and allows the T3s to be delivered directly to organs and tissues and non-invasively.

As a result of T3's well-established safety and toxicity profile, the Company has received advice from the FDA that, based on the Pre-IND, the FDA is likely to allow an abbreviated development pathway for drug candidates based only on the TransT3 platform. Azure Health will not know the final determination until the FDA reviews the official Investigational New Drug Application. Although the path to market could be quicker for a review than for a new chemical entity (see Section 2.6.10 for more information on the prescription medicine regulatory pathway).

[12] Ibid.

However, a limitation of the TransT3 delivery method is dosage. Based on clinical data gathered to date, delta-tocotrienol increases proportionally with dose up to 40mg, while the increase in gamma-tocotrienol is less than proportional.

2.6.4 Previous Studies on TransT3

A fat toxicity and safety study using T3s showed 120mg/kg to be a safe level of consumption. From these results, an average adult should be able to consume doses of up to 9g of T3s delivered using Azure Health's TransT3 platform without adverse effects.[13]

A Phase Ia clinical study was conducted on 60 healthy volunteers to determine the safety, tolerability and plasma pharmacokinetics (how the T3s behave in blood, e.g., how much T3 gets there and how long does it stay around for) of T3s delivered using the TransT3 platform. The data confirmed that T3s delivered using the TransT3 delivery platform are safe, well-tolerated, easy to administer, palatable, and in the most clinically relevant situation (i.e. in the absence of a fatty, high calorie diet). The data also showed improved bioavailability compared to orally administered T3s.

In this study, all the primary endpoints for the study were met, namely:

- The safety endpoint was achieved, with the TransT3 delivery platform shown to be very well tolerated. The tablets were also found to be easy to administer and palatable.
- Participants in the most clinically-relevant group (who were not fed a high-fat and high-calorie meal) showed an improvement in bioavailability of 30% compared with the TransT3 delivery platform to the orally administered T3.
- Participants with a high-fat and high-calorie diet (approximately 800-1000 calories of which at least 50% was fat) showed increased the bioavailability of both the TransT3 and oral arms. The oral arm was 51% more bioavailable than the TransT3 arm but this is not considered clinically relevant because in most of the indications of relevance, such as NAFLD and pancreatic cancer, consumption of a high fat and high calorie diet is not recommended and could potentially do the patient serious harm. This is especially the case where most indications are of a chronic or recurring nature and require long-term treatment.

The most clinically relevant group in the study was where the patient was not consuming a fatty, high calorie diet (as referred to in the second bullet point above) because fatty, high-calorie diets are not recommended for patients with NAFLD or pancreatic cancer.

2.6.5 Tocotrienol ProDrugs (TPDs)

Similar to the TransT3 platform, the Tocotrienol ProDrug (**TPD**) is a delivery platform which allows T3s to be delivered directly to target

[13] Calvert Labs, 10 February 2016, *Final Report: An Expanded Acute Oral Toxicity Study of DeltaGold (delta and gamma tocotrienol) in Sprague-Dawley Rats with a Two-Week Recovery Period.*

tissues and/or organs without using invasive methods like needles and surgical implants. A key advantage of TPDs is that they have the potential to handle much larger doses than the TransT3 platform.

TPDs have the potential to improve bioavailability, which may improve the T3s' efficacy for a range of indications. TPDs can only be used for prescription medicines because when a TPD is made, the chemical structure of the T3s are changed by attaching a delivery vehicle to make the prodrug. Once the prodrug is absorbed into the lymphatic system, the T3 is released into the blood.

2.6.6 How do TPDs work?

TPDs enables absorption of the T3 into the lymphatic system surrounding the gastrointestinal tract. A TPD is absorbed through the gut lining into the lymphatic system, where T3s are released into the blood stream.

Many nutrients are absorbed by the small intestine and passed to the portal vein and then to the liver for processing. In contrast, TPDs are designed to be absorbed into the lymphatic system and then to the blood stream by the thoracic duct.

This effectively means the T3 avoids the liver first pass and has enhanced bioavailability.

2.6.7 Animal Pharmacokinetic Study – Proving TPDs work

Invictus and Monash Institute of Pharmaceutical Sciences (**MIPS**) conducted a study in rats in August 2018 to establish POC for the TPDs' ability to deliver T3s into the blood and increase their bioavailability compared to those administered orally.

This study successfully identified a lead TPD that resulted in significant amounts of T3s being detected in the blood after oral administration of the TPD. Oral bioavailability was similar to that obtained from T3s emulsified using an oil expected to promote absorption into the lymphatic system and improve bioavailability (these types of emulsified T3s have superior bioavailability to orally administered T3s that are not emulsified). Results provide POC that TPDs can deliver significant quantities of T3s into the blood and provide an improved understanding of the types of linkers and delivery vectors that are likely to be most effective in a TPD.

Based on these results, Azure Health has continued its collaboration with MIPS to implement the next phase of the development of TPDs. Azure Health and MIPS have synthesised and are assessing additional TPD analogues with the objective of developing a TPD which has superior bioavailability to emulsified T3s. The Company's objective is to develop a TPD which significantly improves the bioavailability of T3s to then include this in Azure Health's drug development programs targeting NAFLD and pancreatic cancer.

2.6.8 Clinical Development Program for Prescription Medicines

Non-Alcoholic Fatty Liver Disease (NAFLD) and Non-Alcoholic Steatohepatitis (NASH)

NAFLD is a common condition which is estimated to affect approximately 24% of people in the US.[14] NAFLD is a fatty liver disease which occurs when fat is deposited in the liver cells (steatosis) due to causes other than excessive alcohol use. NASH is the more harmful type of NAFLD.

NAFLD initially has few symptoms and is often diagnosed where there is a finding of abnormal liver function tests during routine blood tests. NAFLD is associated with insulin resistance, metabolic syndrome, obesity, hyperlipidaemia, diabetes and high blood pressure. It increases the risk of both cardiovascular disease and progressive liver disease.

There are currently no medicines approved for the treatment of NAFLD/NASH. Current treatments include dietary changes, weight loss, increased exercise and treatment of the associated dyslipidaemia and metabolic syndrome.

The Company believes that there is an unmet medical need for an effective and well tolerated treatment for NAFLD/NASH.

A large unmet need for NAFLD treatments

Despite the growing incidence of NAFLD in the developed world, there is no specific treatment. Lipid peroxidation and oxidative stress have been recognised as playing a pivotal role in the development and progression of NAFLD. T3s are an active antioxidant and have shown activity in NAFLD. T3s are preferentially distributed to the liver and alpha T3 has been reported to be 40-60 times more potent than alpha TOC against lipid peroxidation in rat liver microsomes. There is a study which shows a significantly higher echogenic response (improvement in NAFLD) in the T3 group than in the placebo treated group.[15]

Pancreatic Cancer

Pancreatic cancer is the third most common cause of cancer death in the US.[16] The most common form of pancreatic cancer (which accounts for 85% of cases) is pancreatic adenocarcinoma.[17]

Pancreatic adenocarcinomas starts in the part of the pancreas that makes digestive enzymes. In this Prospectus when referring to

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[14] Spengler EK, Loomba R. Recommendations for diagnosis, referral for liver biopsy, and treatment of non-alcoholic fatty liver disease and non-alcoholic steatohepatitis. Mayo Clinic Proceedings. 2015;90(9):1233–1246.

[15] Enrico Magosso, Mukhtar Alam Ansari, Yogheswaran Gopalan, Ibrahim Lutfi Shuaib, Jia-Woei Wong, Nurzalina Abdul Karim Khan, Mohamed Rizal Abu Bakar, Bee-Hong Ng and Kay-Hay Yuen, Magosso et al. Nutrition Journal 2013, *Tocotrienols for normalisation of hepatic echogenic response in nonalcoholic fatty liver: a randomised placebo-controlled clinical trial.*

[16] Ferlay, J., Ervik, M., Lam, F., Colombet, M., Mery, L., Piñeros, M., Znaor, A., Soerjomataram, I. and Bray, F., 2018. Global cancer observatory: cancer today. *Lyon, France: International Agency for Research on Cancer*.

[17] Hidalgo, M., Cascinu, S., Kleeff, J., Labianca, R., Löhr, J.M., Neoptolemos, J., Real, F.X., Van Laethem, J.L. and Heinemann, V., 2015. Addressing the challenges of pancreatic cancer: future directions for improving outcomes. *Pancreatology*, *15*(1), pp.8-18.

"pancreatic cancer", we are referring to "pancreatic adenocarcinoma".

Pancreatic cancer is often diagnosed late as early symptoms are non-specific and the prognosis can be poor. The five-year survival rate for people diagnosed at an advanced stage is less than 10%.[18]

Pancreatic cancer rarely occurs in people under 40 years of age and is more common as people get older. Factors which can increase the risk of pancreatic cancer include smoking, obesity and diabetes. There are some inherited gene links as well.

If the cancer is localised to the pancreas, current treatments of pancreatic cancer focus on surgery. However, most cases of pancreatic cancer are already advanced at the point of diagnosis and are not amenable to surgery. Treatment for pancreatic cancer that has spread includes chemotherapy and radiotherapy. The most common chemotherapy regimens include combinations of gemcitabine, fluoropyrimidine derivatives such as 5-Fluorouracil (**FU**) and capecitabine and nab-paclitaxel combined with radiotherapy.

A number of clinicians, including Professor Richard Pestell AO, who is a world-renowned cancer researcher and clinician, believe a treatment that is well tolerated and may potentiate existing therapies would be a welcome addition to treatment options. The Company, together with Azure Health's Scientific Advisory Board led by Professor Richard Pestell AO, believes that Azure Health's TransT3 and TPD platforms for delivery of T3s have the potential to circumvent the issue of malabsorption of chemotherapies.

A large unmet medical need for pancreatic cancer treatments

The use of T3s has been found to dramatically extend the life span of mice with pancreatic cancer.[19] After 16 weeks treatment, 10% of placebo treated mice were alive, 30% of gemcitabine treated mice, 70% of T3 treated mice and 90% of the gemcitabine + T3 treated group.[20]

The study showed that T3s in tissue culture and preclinical mouse models demonstrated enhanced cell kill, which is suggestive of a potential opportunity in human pancreatic cancer. T3s inhibited markers of angiogenesis and inflammation in in vitro and in vivo mouse models and Kras oncogene mouse models. Activating mutations in the Kras oncogene are found in over 90% of human pancreatic cancers.[21]

Cancer researchers conducting experiments by transplanting human pancreatic cancer cells into mice, administered T3s by gavage (via a tube) twice daily and observed reduced tumour volume of 50% by day 34 of treatment.

The development of transmucosal (IVB003) and prodrug (IVB004) T3s may provide a specific opportunity in human pancreatic cancer as the treatment often involves surgical resection of the pancreas and preoperative and post-operative

[18] Stewart, B.W. and Kleihues, P. eds., 2003. World cancer report.
[19] Kazim Husain, Barbara A. Centeno, Dung-Tsa Chen, Sunil R. Hingorani, Said M. Sebti and Mokenge P Malafa, Cancer Prev Res (Phila) October 2013, *Vitamin E δ-tocotrienol prolongs survival in the LSL-KrasG12D/+;LSL-Trp53R172H/+;Pdx-1-Cre (KPC) transgenic mouse model of pancreatic cancer.*
[20] Ibid.
[21] Almoguera, C., Shibata, D., Forrester, K., Martin, J., Arnheim, N. and Perucho, M., 1988. Most human carcinomas of the exocrine pancreas contain mutant cK-ras genes. *Cell*, *53*(4), pp.549-554.

malabsorption. The TransT3 and lymphatic system absorption is expected to help achieve therapeutic levels of T3s in these patients.

2.6.9 Azure Health's clinical development program

Azure Health will commence a Phase II clinical study upon securing additional funds after the IPO to further test the hypothesis that IVB001 can improve liver architecture in NAFLD over the next two calendar years from the date of this Prospectus (see Figure 3 below). If the study is positive, then Phase III clinical studies leading to a regulatory approval package would be conducted.

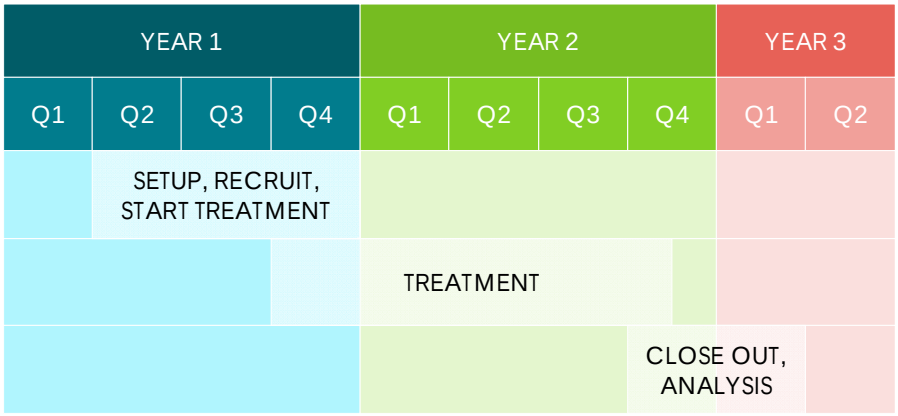

Figure 3: NAFLD Phase II IVB001 study

It is intended by the Company that the study will be a randomised, double blind trial comparing IVB001 to placebo in NAFLD/NASH patients and comparing the effects on liver structure (improvement or not) using ultrasound and MRI. The study is expected to commence upon the Company securing additional funding after the IPO.

Azure Health has also commenced preparations for a POC Phase II clinical study in pancreatic adenocarcinoma which is expected to commence once additional funds are secured after the IPO (see Figure 4 below). It is expected that this study will be a randomised, double blind study of IVB003 added to standard of care treatment compared to Standard of Care alone in patients receiving first line therapy for advanced or metastatic pancreatic adenocarcinoma. Azure Health's TransT3 and TPD platforms have the potential to provide a specific type of opportunity in treatment of human pancreatic cancer.

In both the cases of IVB001 (for NAFLD/NASH) and IVB003 (for pancreatic adenocarcinoma), an Investigators' Brochure and Clinical Study Protocol have been distributed to Key Opinion Leaders (KOLs) in Australia with a view to engaging them as Principle Investigators from reputable clinical trial sites. The response received from these KOLs has been overwhelmingly positive and Azure Health is confident that clinical trial sites can be engaged once additional funding is secured for the clinical development program after the completion of the IPO.

A growing body of evidence has shown cancer stem cells within a tumor may give rise to therapy resistance and metastasis. Recent

studies have shown that T3 treatment inhibits the growth of pancreatic cancer stem cells. Assessment of how Azure Health's TransT3 and TPD platforms impact on pancreatic cancer stem cells in preclinical studies has the potential to provide a valuable new opportunity to impact pancreatic cancer mortality. For example, cancer stem cells are now considered by experts in the field to be very important in the metastatic spread of cancers.

Figure 4: Pancreatic Cancer POC Study

2.6.10 The regulatory pathway for NAFLD and Pancreatic Cancer therapies

In June 2018, Invictus conducted a Pre-IND consultation with the FDA June 2018 to review the proposed development programs for IVB001 in NAFLD/NASH and IVB003 in pancreatic cancer. The FDA was broadly supportive of the proposed programs and did not suggest further data was required before initiation of the POC studies. The FDA encouraged further consultation on the programs.

The FDA has a number of options which companies can pursue to get their product to market faster, some or all of which the Company expects to explore.

These pathways are reserved when no medicines are currently approved for treatment (e.g. NAFLD/NASH) or when new therapies may be welcome treatment options (e.g. pancreatic cancer):

- **Breakthrough Therapy designation** - is a process designed to expedite the development of drugs targeting serious conditions, where preliminary clinical evidence indicates substantial improvement over available therapy on a clinically significant endpoint. It can be requested after Phase I clinical data and typically no later than the end-of-Phase II meetings.
- **Fast Track** - is a process designed to facilitate providing important new drugs to the patient earlier. Drug candidates that have an impact on survival, day-to-day functioning or where the disease state, if left untreated, will progress to a more serious condition can be candidates. It can be requested anytime during the drug development process. Fast Track designation allows for more frequent FDA

meetings, eligibility for accelerated approval and priority review and the flexibility of rolling review of submission sections on new drug application (**NDA**).

- **Priority Review** is a process that focuses FDA resources, in order to take action on a product license submission (e.g. NDA), to reduce the normal regulatory review period from 10 months to 6 months after submission. It can be requested within 60 days after the NDA application is submitted to FDA.
- **Accelerated Review** allows the FDA to base accelerated approval for drugs for serious conditions that fill an unmet medical need to be approved based on a surrogate endpoint.

2.6.11 Additional therapeutic targets for improved delivery of T3s

T3s have been observed to have a wide range of therapeutic activities, including lipid-lowering, anti-diabetic, anti-hypertensive, hepato-protective, anti-cancer, neuro-protective, anti-ischaemic, anti-atherogenic and anti-obesogenic activities.

Azure Health is planning, concurrently with the clinical development programs for NAFLD and pancreatic cancer, to explore with potential collaborative research partners whether some of these other therapeutic activities can be exploited to build Azure Health's prescription medicines pipeline. Diseases where chronic inflammation is an important component such as asthma and COPD (chronic obstructive pulmonary disease) and idiopathic pulmonary fibrosis present an opportunity for collaborative development.

There is a well-established similarity between the cancer stem cells of pancreatic cancer and melanoma. They both involve formation of microspheres for migration as a marker for cells. Treatment with T3s has been shown to inhibit the growth of microspheres from melanoma showing that they can inhibit the migration of cancer stem cells in melanoma as well as pancreatic cancer. This adds to the evidence for T3s use as an anticancer therapeutic.

2.7 OUR TEAM

2.7.1 Experienced commercial leadership

The Company has established a leadership team which it believes is experienced to continue to execute its business plan of:

- marketing and selling proprietary, patented and evidence-based nutraceuticals in the US (and other major markets); and
- developing prescription medicines targeting indications with unmet needs such as NAFLD and pancreatic cancer.

See Sections 4.1 to 4.3 for information on the Board, Management and the Company's Scientific Advisory Board.

2.7.2 International Nutraceuticals Marketing and Sales

Richard Estalella is responsible for spearheading the launch of the Company's nutraceuticals products in the largest nutraceuticals market in the world, the US and all other global markets.

Richard, in a previous role as President of US sports nutrition company, MusclePharm Corp, was responsible for the Company expanding into 50,000 retail outlets and 120 countries along with sales revenue growth from US$67 million in 2012 to US$167 million in 2015. See Richard's biography in Section 4.3 for more information.

2.7.3 Pre-clinical and Clinical Development – taking prescription medicines to market

The Company's clinical development programs targeting NAFLD and pancreatic cancer are led by Dr David Kingston, the Chairman of the Scientific Advisory Board and Azure Health's Chief Scientific Officer.

Dr David Kingston, formerly the Medical Director of Roche Australia, was involved in all product lifecycle phases from phase 1 to 4 including clinical development, regulatory, listing on the Australian Pharmaceutical Benefits Scheme and medical affairs for more than 40 new products. See Dr Kingston's biography in Section 4.2 for more information.

2.7.4 Medical Research and Clinical Experts

High-calibre specialist advisors also sit on the Company's Scientific Advisory Board. This includes Professor Richard Pestell, AO, a US-based world-renowned cancer research scientist and physician who has authored over 600 published works, 26 book chapters and is ranked first in the world for prostate cancer and second in the world by Google Scholar Citations for oncology.

Richard is advising on the preclinical and clinical development strategy IVB002 and IVB004 targeting pancreatic cancer. See Richard's biography in Section 4.3 for more information.

2.7.5 Management of a Biotechnology Company

In order to execute the Company's business plan as described in Section 2.7.1, capital needs to be raised, managed and deployed prudently.

The Company's Chief Executive Officer and Managing Director, Glenn Tong, has held chief executive officer, managing director and non-executive directorship roles in biotechnology companies spanning over 20 years. Glenn has raised and managed over $100 million in equity capital and R&D funding and has managed the development of products in highly regulated environments such as pharmaceuticals, DNA diagnostics and genetically modified crops and pastures.

3 MARKET OPPORTUNITY / INDUSTRY OVERVIEW

3.1 US Nutraceuticals Market

The sports nutrition market and heart health market worldwide and in the US are large, with strong growth and demand for services and products.

In sports nutrition, the global market in 2018 exceeded USD 30 billion.[22] The Company expects that this will continue to grow at a CAGR of 8% through to 2022. The Company estimates that the US accounts for approximately 40% of the global market. Of that total, the Company plans for Azure Health's nE1-Elite® to compete with products that are attributed to between 10% to 15% of the total market described above. This provides Azure Health with a target market of up to USD 3 billion globally, with $1.2 billion in the US.

The heart health global market in 2016 was valued at over USD 16 billion and is anticipated to continue to grow at a CAGR of over 6% through 2026.[23] The World Health Organisation estimated there are 18 million deaths related to cardiovascular disease every year worldwide and rising. It is estimated the US accounts for approximately 20% of the global market. Azure Health's nE1-Heart® product has the potential to penetrate this market.

The Company initially intends to target the US markets referenced above, and depending on its level of success, will consider targeting other markets globally.

3.2 The Pharmaceuticals Market

3.2.1 Non-Alcoholic Steatohepatitis (NASH) incidence is rising in the US

The global prevalence of NAFLD is as high as 1 billion people globally. In the USA it affects 80 to 100 million people among whom nearly 25% will progress to NASH. The number of people affected is increasing.[24]

3.2.2 Current approved treatments for NAFLD and NASH

Currently there are no approved drug treatments for NAFLD or NASH. Some studies suggest that diet, exercise, and antiglycemic (blood sugar lowering/anti-diabetic) drugs may alter the course of the disease. The Company believes that there is a clear need

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[22] M. Shahbandeh 8 October 2019, Global sports nutrition market 2018-2023, https://www.statista.com/statistics/450168/global-sports-nutrition-market/.
[23] Persistence Market Research, 10 July 2018, Heart Health Supplements Market to Reach US $29,000 Mn by 2026.
[24] Susan Caminitin 1 November 2017, CNBC, https://www.cnbc.com/2017/10/31/fatty-liver-disease-affects-80-million-americans.html.

for effective targeted treatments to be developed and approved.

3.2.3 NAFLD and NASH drug candidate landscape

There are numerous products in development for NAFLD and NASH. There are numerous companies attempting to develop therapies for NASH. These include Gilead Sciences, Inc. (**Gilead**), Intercept Pharmaceuticals, Inc., Genfit SA and Madrigal Pharmaceuticals, Inc. (**Madrigal**). Novartis International AG and Gilead have acquired small companies with promising compounds for the treatment of NASH.

The current and future treatment of NASH was reviewed by Babini and Sanvalin in 2017 and they discussed several different mechanisms of action and medicines in development.[25] These include:

- altering the gut microbiome with a bovine colostrum extract and in a different trial using an anti-inflammatory macrolide, solithromycin;
- targeting metabolic pathways with PPAR (peroxisome proliferator-activator receptors) activators. A phase 2 study of elafibranor versus placebo in NASH did not show a significant difference in response but patients with more severe disease showed a greater response in a subgroup analysis. Elafibranor is now in phase III;
- GLP-1 (glucagon-like peptide) agonist liraglutide, which showed greater histologic resolution of NASH than placebo in a 48 week phase II study. Liraglutide is approved for the management of type 2 diabetes mellitus. SGLT-2 (sodium-glucose cotransporter 2) inhibitors, another class of diabetic medications on the market, have also been studied for their utility in the treatment of NAFLD; and
- The fat-soluble antioxidant vitamin E has been shown to be superior to placebo in achieving histological response of NASH in a phase III trial. The reasons why T3s may be superior to TOCs are outlined elsewhere in this Prospectus (see Section 2.6.2).

Emerging therapies for NASH have been reviewed by Geier and Rau in 2017 and these include obeticholic acid – a bile acid analogue that has completed a 72-week phase III study. This showed significant improvement in histology in NASH and fibrosis but with an increase in serum LDL cholesterol and pruritus in some patients. Allergan is investigating a dual inhibitor of C-C chemokine receptors (**CCR**) 2 and 5 . CCR2/5 inhibitors have proven to be effective in reducing fibrosis in animal models of NASH and fibrosis through targeting disease-promoting liver macrophages and hepatic stellate cells and have advanced to clinical trials.[26]

[25] Bubu A Banini and Arun J Sanyal, Curr Opin Gastroenterol, May 2017, *Current and future pharmacologic treatment of nonalcoholic steatohepatitis.*
[26] Lefere S, Devisscher L, Tacke F. Targeting CCR2/5 in the treatment of nonalcoholic steatohepatitis (NASH) and fibrosis: opportunities and challenges. *Expert Opinion on Investigational Drugs*. 2020;29(2):89-92.

Madrigal has reported improvement in hepatic architecture with their compound in phase II.

3.2.4 Pancreatic cancer

Pancreatic cancer arises when cells in the pancreas begin to multiply out of control and form a mass. These cancerous cells have the ability to invade other parts of the body. There are a number of types of pancreatic cancer. The most common, pancreatic adenocarcinoma, accounts for approximately 85% of cases.

3.2.5 Incidence of pancreatic cancer

Pancreatic cancer is relatively uncommon, but since the majority of these cancers are in the advanced stages at the time of diagnosis, it is the third leading cause of cancer-related deaths in the US, claiming an estimated 44,000 lives a year according to the American Cancer Society. In 2015, there were an estimated 68,615 people living with pancreatic cancer in the United States.[27]

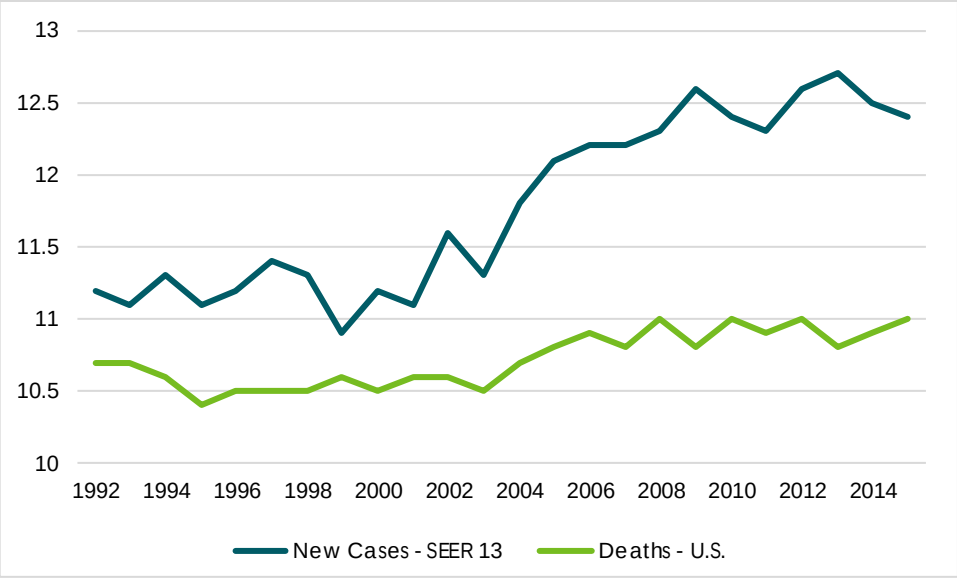

Figure 5: Rising incidence of pancreatic cancer in the US. The x axis is the number of persons per 100,000 persons (Source: www.seer.cancer.gov)

The incidence of pancreatic cancer varies across regions and populations. Incidence rates for pancreatic cancer in 2012 were highest in Northern America (7.4 per 100,000 people) and Western Europe (7.3 per 100,000 people), followed by other regions in Europe and Australia/New Zealand (equally about 6.5 per 100,000 people). The pancreatic cancer treatment market was worth US$1.65 billion in the year of 2014 and is expected to reach approximately US$4.11 billion by 2023, with a CAGR of 10.64% up to at least 2023. The global pancreatic cancer treatment market value in the six major countries (USA, France, Germany, Italy, Spain and the UK) will increase significantly from US$529 million in 2012 to US$1.63 billion by 2017, at CAGR of 25.2%.

[27] Siegel RL, Miller KD, Jemal A. Cancer statistics, 2018. CA Cancer J Clin. 2018;68(1):7–30.

3.2.6 Current approved treatments for pancreatic cancer

Currently there are a number of medicines approved for the treatment of pancreatic adenocarcinoma. The most frequently used are gemcitabine, fluoropyrimidines (such as FU and capecitabine) and taxanes (such as Abraxane). Radiotherapy may also be used. Mostly these produce relatively short-lived remissions.

The Company believes that an additional therapy that is well tolerated and allows for improved survival may be well received by the market.

3.2.7 Pancreatic cancer drug landscape

There are a relatively limited number of new medicines for pancreatic cancer in development, with several candidates having failed recently to improve survival over standard therapy.

MM398 (liposomal irinotecan) has been submitted to the FDA and the European Medicines Agency for approval after showing superior survival (8.9 compared to 5 months) compared to FU + leucovorin. The FDA has also approved an immunotherapy, pembrolizumab for tumours showing MSI (microsatellite instability) including pancreatic tumours exhibiting MSI, however, only a small percentage of pancreatic cancers exhibit MSI.

The Company believes that a new medicine showing improved survival in pancreatic adenocarcinoma would be welcomed by the market.

4 BOARD AND MANAGEMENT

4.1 Board of Directors and Company Secretary

Mr Lou Panaccio CA, BEc, MAICD

Independent Non-Executive Chairman

Lou is a successful healthcare businessman with extensive experience progressing companies from concept to commercialisation. Lou possesses more than 30 years' executive leadership experience in healthcare services and life sciences, and more than 25 years board-level experience.

Lou is currently a non-executive director of an ASX50 company and one of the world's largest medical diagnostics companies, Sonic Healthcare Limited, where he has served since 2005. In addition, Lou is a non-executive director of Unison Housing Corporation Limited, and a non-executive director of ASX-listed biotechnology companies Avita Medical Limited (ASX:AVH) (where he is Chairman) and Rhythm Biosciences Limited (ASX:RHY).

Lou also served in executive and board roles with Melbourne Pathology Group, Monash IVF Group (ASX:MVF), Primelife Corporation Limited and other private entities.

Dr Glenn Tong BSc (Hons), PhD, FAICD

Chief Executive Officer and Managing Director

Glenn has over 20 years' executive management and board experience in rapid growth biotech companies where a core focus has been the management of product development in highly regulated environments including: pharmaceuticals, diagnostics and genetically modified crops and pastures. Glenn has raised and managed over $100 million in equity capital and collaborative R&D funding. Past roles include: CEO and Managing Director of Gordagen Pharmaceuticals Pty Ltd (in liquidation), the Molecular Plant Breeding Cooperative Research Centre and Molecular Plant Breeding Pty Ltd., and AgGenomics Pty Ltd. (a subsidiary of Genetic Technologies Limited, (ASX:GTG)). Glenn has a Bachelor of Science (Honours) and PhD (Chemistry) from the University of Melbourne and the Howard Florey Institute of Experimental Physiology and Medicine and is a Graduate and Fellow of the Australian Institute of Company Directors.

Mr (Steven) Jiayu Yu

Non - Executive Director

Steven has extensive experience in mergers and acquisitions, capital raising and cross-border transactions with ASX companies. He was also previously the Chief Executive Officer of ASX listed mining company Anchor Resources Ltd (ASX:AHR).

As a practicing lawyer he has worked for Norton Rose Fulbright in Beijing and Melbourne, and for Deacons and Maddocks Lawyers in Melbourne.

Steven holds a Bachelor of Law and Commerce from the University of Melbourne, Master of Laws from Boston University, Executive MBA from Columbia Business School and is completing a Doctor of Philosophy from the University of Technology Sydney (UTS).

4.2 Senior management

Dr Glenn Tong BSc (Hons), PhD, FAICD

Chief Executive Officer

Refer to Section 4.1.

Mr Richard Estalella

Executive Director and President and CEO of Invictus Nutraceuticals, Inc.

Richard Estalella is an executive and Board member with over 30 years of experience and a successful track record in the Sports Nutrition, Retail, and Multi-Level Marketing industries. Richard was the Chief Operating Officer and then President of MusclePharm Corp in the US (OTCQB:MSLP) which during his tenure increased distribution to 50,000 retail outlets and 120 countries along with sales revenue growth from US$67 million in 2012 to US$167 million in 2015. He oversaw operations, finance and supply chain which included the development of global manufacturing capabilities. Richard has an Associates Arts (graduated with Honours) from Miami-Dade Community College and has completed the Babson College Retail Strategies Program.

Dr David Kingston, MB BS, BPharm, BSc

Chief Scientific Officer and Chair of Scientific Advisory Board

David has many years' experience in the pharmaceutical industry and worked in many therapeutic areas including oncology, virology, diabetes, cardiovascular, CNS and transplant amongst others. As Medical Director of Roche Australia he has been involved in all product lifecycle phases from phase 1 to 4 including clinical development, regulatory, PBS listing and medical affairs for more than 40 new products. Also, as Head of Clinical Development for the Asia pacific region he has been involved in establishing units in many Asian countries, planning studies in the region and representing the region on the global leadership team. David has a MB BS, BPharm and BSc (pharmacology). He also has completed Advanced Management Programs at Macquarie University, Sydney and Columbia University, New York. In the past few years he has worked as a consultant to a number of small start-up companies and CROs. He also lectures in the post graduate Pharmaceutical Medicine and Drug Development program of the University of NSW.

Mr Ian Forbes

Chief Financial Officer

Ian is a Chartered Accountant (**CA**) with over 20 years' experience with private and ASX listed public companies. Ian has experience with mature and developing organisations nationally and internationally.

Ian graduated from the University of New England and became a CA in 1998 and then worked in business services at BDO and PWC.

Having worked in industry with small start-up companies through to large U.S. and Japanese multinational companies, Ian has broad expertise in all facets of financial management

Ms Catriona Glover

Company Secretary

Catriona is an Australian qualified lawyer with over 20 years' experience in private practice providing legal, corporate governance and company secretarial advice to a range of companies including ASX listed companies, private and not-for-profit organisations.

4.3 Scientific Advisory Board

Dr David Kingston, MB BS, BPharm, BSc

Chair of Scientific Advisory Board and Chief Scientific Officer

Refer to Section 4.2.

Professor Richard Pestell MD, PhD, MBA, FACP, FRACP

Member

Richard is a highly experienced Board member and executive with more than 20 years of experience in complex academic medical organisations. He has served on the advisory boards of USA National Cancer Institute-designated Cancer Centers, research institutes and foundations and international research institutes. Based upon his multiple issued patents, Richard was Founder and CEO of ProstaGene (sold to CytoDyn) and LightSeed. His past roles include Executive Vice President at Thomas Jefferson University (TJU has a US$5.2 billion annual budget, 23,000 employees located in Philadelphia, USA). As Director of the Sidney Kimmel Cancer Center (2005-2015) and Director of the Lombardi Cancer Center, Georgetown University (2002-2005) he was responsible for the oncology service line and clinical trials and the interface with BioPharma. He has received approximately $83 million in research grant funding, is ranked in the world by Google Scholar (#1 cell cycle, #1 prostate cancer, #4 oncology) and received awards for his research discoveries (elected membership to ASCI (American Society of Clinical Investigation), Elected Member, Royal Society of Medicine, the RD Wright Medallion, Elected Fellow, American Association for the Advancement of Science, the Eric Susman Prize in Medicine, Advance Global Australian Award (Biotechnology), a Doctor of Medical Sciences, Honoris Causa, from the University of Melbourne, and awards from Susan G. Komen (Light of Life award, Jamie Brooke Lieberman Award). Richard holds a medical degree from the University of Western Australia, and an MD and Ph.D. from the University of Melbourne. He conducted clinical training in oncology and endocrinology and was inducted as a Fellow of the Royal Australian College of Physicians. Richard conducted postdoctoral research at the Harvard School of Medicine and Massachusetts General Hospital from 1991 to 1993.

Professor Ed Gane, MBCHB, MD, FRACP, MNZM, FRSNZ

Member

Ed is Professor of Medicine at the University of Auckland, New Zealand, Hepatologist and Deputy Director of the New Zealand Liver Unit at Auckland City Hospital. Ed trained in hepatology at the Institute of Liver Studies, King's College School of Medicine, London, where he completed his MD on the pathogenesis of hepatitis C-related liver injury. In 1998, Ed

was appointed as Chief Physician for the first New Zealand Liver Unit at Auckland City Hospital, which provides a national transplant and HCC programme and regional hepatitis services. Ed chairs the Ministry of Health HepC Implementation committee. Ed is an investigator for many international clinical trials with particular interest in early phase development of new therapies against nonalcoholic fatty liver disease and direct acting antiviral therapies for chronic hepatitis C and hepatitis B. He has published more than 300 papers in peer-reviewed journals including The Lancet and The New England Journal of Medicine. Ed is a member of APASL and AASLD and is a Fellow of the Royal Society of New Zealand. In 2011, Ed was awarded Member of the Order of New Zealand for Services to Medicine and in 2017, was the New Zealand Innovator of the Year for his work towards HCV elimination in New Zealand.

Dr Jordan Moon

Member

Jordan was the Executive Director of Research and Education at ImpediMed Inc., a medical device company focusing on fluid and tissue changes in clinical and non-clinical populations. He received his PhD in Exercise Physiology from The University of Oklahoma and has served as an Associate Professor and Program Director for Sports Management and Sports & Health Sciences at American Public University and American Military University as well as serving as the Department Chair of Sports Exercise Science and Human Performance Laboratory Director at the United States Sports Academy.

Outside of academia, he directed the building and development of the MusclePharm Sports Science Institute and oversaw all clinical trials. With MusclePharm and Impedimed, he has directed and funded over 45 clinical trials and as a laboratory director has acquired over 20 grants. Throughout the last decade, Jordan has presented over 50 lectures at multiple scientific conferences and events both nationally and internationally and has published more than 140 research articles and abstracts in dozens of journals along with writing a book chapter and publishing a book in the areas of sports nutrition, supplements, exercise science, body composition, body water, and changes regarding age and fitness level.

4.4 Directors' interests and remuneration

Set out below are the remuneration arrangements with Directors and details of the interests of Directors in Shares and other securities of the Company at the Prospectus Date.

4.4.1 Executive Directors

Managing Director and Chief Executive Officer

Glenn Tong is currently engaged through his service entity as the Chief Executive Officer of the Company. Under this consulting agreement, Glenn's service entity is entitled to receive $328,500 per annum. Glenn has

agreed to defer 30% of his agreed consulting fees until one of the following trigger points occurs:

- Equity funds raised in excess of the NSX IPO minimum amount of $2.25 million;
- Additional loan funds are raised in excess of the $1.5 million detailed in this Prospectus; or
- Additional equity funds in excess of $2.75 million are raised.

Accordingly, until one of the trigger points is achieved, the Company will pay Glenn's service entity $229,956. As and when funds are raised which meet the trigger points described above, the Company will pay Glenn's service entity the deferred amount proportionately with other Key Management Personnel and Non-Executive Directors who have entered into similar arrangements as described in this Section 4.4.

Once the Company has raised an additional $2.75 million in equity funds, the Company will enter into an employment agreement the terms of which are set out below:

Glenn is entitled to a base salary of $285,000 per annum. In addition, Glenn is entitled to a sign-on bonus of $15,000 in compensation for contributions to the preparations for the Company's Offer which were made prior to commencement of his employment agreement.

Glenn may also be entitled to a short-term incentive payment of up to 50% of base salary on satisfaction of KPIs agreed with the Board. Glenn is also entitled to participate in the Company's ESOP (further details of which are set out in Section 10.7).

Under the terms of the employment agreement, the Company may terminate Glenn's employment by paying Glenn an amount equivalent to 6 months' base salary plus any bonus payment to which he would have been entitled had he remained employed by the Company for the 6 month period. The Company can also summarily dismiss Glenn in the event of fraud or other specified circumstances. Glenn may terminate his employment by giving 6 months' written notice.

Glenn's employment agreement contains restraints to the effect that during the restraint period (12 months from the date of termination of employment), Glenn Tong may not in any capacity including on the executive's own account or as a member, shareholder, unit holder, director, partner, employee, trustee, beneficiary, principal, agent, adviser, contractor, consultant, manager, associate, representative or financier or in any other way or by any other means during the restraint period and in the restraint area:

- participate in, be interested in, assist with or otherwise be directly involved, engaged, concerned or interested in a business, activity or operation which is directly competitive with the business carried on by the Company or any material part of that business;
- solicit, entice away from the Company or interfere with, or accept an approach from any person which was or is a client, customer or supplier of the Company and with whom the executive had direct dealings in the course of the employment in the 12 month period immediately prior to the termination date;
- canvass, solicit, or entice any person who was or is an employee, contractor or director of the Company, and with whom the executive had direct dealings in the course of the employment in the 12 month period immediately prior to the termination date, to leave that office, engagement or employment; and

- interfere to the detriment of the Company with the relationship between the Company and any of its clients, customers, employees or suppliers.

Steven Yu

The Company entered into a service agreement with Valorton Capital Pty Ltd on 1 February 2020 under which the services of Steven Yu are supplied as Executive Director. Under the service agreement, Steven will be entitled to a remuneration package of $195,000 per annum. That agreement was varied with effect from 1 December 2020 when Steven became a Non-Executive Director. Under the varied agreement Steven was to receive $50,004 per annum but he has agreed to defer 30% of his remuneration under the varied agreement until one of the following trigger points occurs:

- Equity funds raised in excess of the NSX IPO minimum amount of $2.25 million;
- Additional loan funds are raised in excess of the $1.5 million detailed in this Prospectus; or
- Additional equity funds in excess of $2.75 million are raised.

As and when funds are raised which meet the trigger points described above, the Company will pay Steven's service entity the deferred amount proportionately with other Key Management Personnel and Non-Executive Directors who have entered into similar arrangements as described in this Section 4.4.

Once the Company has raised an additional $2.75 million in equity funds, the Company will negotiate to enter into an appropriate employment agreement.

4.4.2 Non-Executive Directors

Lou Panaccio

The Company has agreed to pay Director's fees of $70,000 per annum to Lou Panaccio, in respect of his position as Non-Executive Chairman. Lou Panaccio has agreed to defer 30% of his agreed directors' fees until one of the following trigger points occurs:

- Equity funds raised in excess of the NSX IPO minimum amount of $2.25 million;
- Additional loan funds are raised in excess of the $1.5 million detailed in this Prospectus; or
- Additional equity funds in excess of $2.75 million are raised.

As and when funds are raised which meet the trigger points described above, the Company will pay Lou the deferred amount proportionately with other Key Management Personnel and Non-Executive Directors who have entered into similar arrangements as described in this Section 4.4.

4.4.3 Other key personnel

Chief Scientific Officer

David Kingston is currently engaged through his service entity as Chief Scientific Officer and Chairman of the Scientific Advisory Board. Under this consulting agreement, David's service entity is entitled to receive $219,000 per annum. David has agreed to defer 30% of his agreed consulting fees until one of the following trigger points occurs:

- Equity funds raised in excess of the NSX IPO minimum amount of $2.25 million;
- Additional loan funds are raised in excess of the $1.5 million detailed in this Prospectus; or
- Additional equity funds in excess of $2.75 million are raised.

As and when funds are raised which meet the trigger points described above, the Company will pay David's service entity the deferred amount proportionately with other Key Management Personnel and Non-Executive Directors who have entered into similar arrangements as described in this Section 4.4.

Once the Company has raised an additional $2.75 million in equity funds, the Company will enter into an employment agreement the terms of which are set out below.

David will be entitled to a base salary of $200,000 per annum. David will be entitled to participate in the Company's ESOP.

Under the terms of the employment agreement, the Company may terminate David's employment by paying David an amount equivalent to 6 months' base salary plus any bonus payment to which he would have been entitled had he remained employed by the Company for the 6 month period. The Company can also summarily dismiss David in the event of fraud or other specified circumstances. David may terminate his employment by giving 6 months' written notice.

David's employment agreement contains restraints to the effect that during the restraint period (12 months from the date of termination of employment), David may not in any capacity including on the executive's own account or as a member, shareholder, unit holder, director, partner, employee, trustee, beneficiary, principal, agent, adviser, contractor, consultant, manager, associate, representative or financier or in any other way or by any other means during the restraint period and in the restraint area:

- participate in, be interested in, assist with or otherwise be directly involved, engaged, concerned or interested in a business, activity or operation which is directly competitive with the business carried on by the Company or any material part of that business;
- solicit, entice away from the Company or interfere with, or accept an approach from any person which was or is a client, customer or supplier of the Company and with whom the executive had direct dealings in the course of the employment in the 12 month period immediately prior to the termination date;
- canvass, solicit, or entice any person who was or is an employee, contractor or director of the Company, and with whom the executive had direct dealings in the course of the employment in the 12 month period immediately prior to the termination date, to leave that office, engagement or employment; and
- interfere to the detriment of the Company with the relationship between the Company and any of its clients, customers, employees or suppliers.

Chief Financial Officer

The Company has agreed to pay fees of $120,000 per annum to Ian Forbes, in respect of his position as a Chief Financial Officer. Ian has agreed to defer 30% of his agreed fees until one of the following trigger points occurs:

- Equity funds raised in excess of the NSX IPO minimum amount of $2.25 million;

- Additional loan funds are raised in excess of the $1.5 million detailed in this Prospectus; or
- Additional equity funds in excess of $2.75 million are raised.

As and when funds are raised which meet the trigger points described above, the Company will pay Ian the deferred amount proportionately with other Key Management Personnel and Non-Executive Directors who have entered into similar arrangements as described in this Section 4.4.

Company Secretary

Post IPO, the Company has agreed to pay minimum fees of $36,000 per annum to Catriona Glover, in respect of her position as a Company Secretary.

4.4.4 Directors' interests in Shares

The Directors and their related entities are expected to have the following interests in Shares as at Completion:

DIRECTOR	REGISTERED HOLDER	SHARES	OPTIONS**
Lou Panaccio	Tercus Pty Ltd – ATF Panaccio Superannuation Fund	890,316	3,000,000
Glenn Tong	KR and GT Nominees Pty Ltd – ATF The Tong Family Trust	24,928,856	1,500,000
Steven Yu	Valorton Group Pty Ltd	1,842,406	1,500,000

Notes: Directors and their related entities may participate in the Offer which would result in their interests in Shares being greater than that outlined above. The Directors will not issue Shares to a person if the issue would result in a contravention of the 20% voting power rule in section 606 of the Corporations Act.
** Options issued pursuant to the Company's ESOP

4.4.5 Employee Share Option Plan

Directors are entitled to participate in the ESOP (further details of which are set out in Section 10.7), with the approval of Shareholders as required by the NSX Listing Rules as applicable. Details of the Options to be held by Directors are set out in the table above.

4.4.6 Directors' indemnity, access and Insurance

The Company has entered into a Deed of Access, Indemnity and Insurance with each Director. The deed applies while the Director holds office and for a period of 7 years after (subject to extension if there are then current proceedings or investigations on foot). In summary, each deed provides that:

- subject to the Corporations Act, the Company indemnifies the Director against all liabilities incurred by the Director (including reasonable legal costs incurred by the Director) which may arise from their position as a Director or any Related Body Corporate of the Company;
- the Company will maintain directors' and officers' liability insurance for the benefit of the Director; and
- the Director has a limited right of access to the Company's books.

The Company currently maintains directors' and officers' insurance. Directors also have rights of indemnity under the Company's constitution.

4.4.7 Directors' interests in contracts

Glenn Tong has an interest as a seller in the Gordagen Intellectual Property Agreement (as defined in Section 10.4.3). Other than as noted in Section 4.4, no other Director has a material interest in a material contract to which the Company or another member of the Group is a party.

4.5 Director disclosures

No Director has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director or which is relevant to an investor's decision as to whether to subscribe for Shares.

Except as otherwise stated below, no Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12 month period after they ceased to be an officer.

Glenn Tong was previously a director of Gordagen. The Liquidator, Mr James P. Downey of JP Downey and Co, was appointed in November 2017 by majority vote (both by number and by amount owed) of a group of creditors of Gordagen. This group of creditors (being the majority of creditors in both number and quantum of debt) was informally led by Glenn Tong. In December 2017, the Liquidator conducted an open sale process of Gordagen's intellectual property assets (including advertisements in major newspapers) and Invictus Biotechnology Pty Ltd., under the guidance and direction of Glenn Tong as a director the company, submitted the winning bid and acquired the intellectual property rights held by Gordagen pursuant to the Gordagen Intellectual Property Agreement (see Section 10.4.3).

4.6 Corporate governance

The Board is committed to maximising Shareholder value and financial return and sustaining the growth and success of the Company's business. In conducting business with these objectives, the Board is tasked with ensuring that the Company is properly managed to protect and enhance Shareholder interests, and that the Company, its Directors, officers and employees fulfil their functions effectively and responsibly.

Although the Company is not seeking a listing on the ASX, the Board has taken the view that the Company should, to the extent possible, comply with the ASX Corporate Governance

Principles and Recommendations (4 th edition) published by the ASX Corporate Governance Council (**ASX Recommendations**). Accordingly, the Company voluntarily issues an annual Corporate Governance Compliance Statement which summarises the Company's main corporate governance practices and identifies the extent to which those practices do not comply with the ASX Recommendations.

4.6.1 Board

The Board is comprised of two Executive Directors, including the CEO, and two Non-Executive Directors. Detailed biographies of the Directors are provided in Section 4.1.

Each Director has confirmed to the Company that they anticipate being available to perform their duties as a Non-Executive Director or Executive Director as the case may be without constraint from other commitments.

4.6.2 Independence of the Board

Pursuant to the Company's Board Charter, the Board considers that a Director is an independent Director where that Director is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company and its Shareholders.

The Board considers that Chairman, Lou Panaccio, is free from any business or other relationship that could materially interfere with, or reasonably be perceived to materially interfere with, the independent exercise of their judgment and both are able to fulfil the role of independent Director for the purposes of NSX.

Whilst the present Directors seek to establish a Board which is made up of a majority of independent Directors over time, this must also be balanced with the benefits of maintaining access to the skills and experience of these four executive and non-independent Non-Executive Directors. Consequently, the Board has plans to expand its membership to include additional Non-Executive Directors.

The Directors, and their independence status is summarised as follows:

a. Lou Panaccio - Independent Non-executive Chairman
b. Glenn Tong - Managing Director and CEO
c. Steven Yu – Non-Executive Director

4.6.3 Board Charter

The responsibilities of the Board are set out in the Company's Board Charter, which has been prepared having regard to the ASX Recommendations.

A copy of the Company's Board Charter is available on the Website.

4.6.4 Board Committees

The Board has established two standing committees to assist the Board in fulfilling its responsibilities as described in the table below.

Each of these committees has the responsibilities described in the committee charters adopted by the Company (which have been prepared having regard to the ASX Recommendations). A copy of the charter for the above committees is available on the Website.

The Board may also establish other committees from time to time to assist in the discharge of its responsibilities.

BOARD COMMITTEE	KEY RESPONSIBILITIES	INITIAL COMPOSITION
Audit and Risk Committee	Monitoring and advising the Board on the Company's risk management, audit and regulatory compliance policies and procedures. The Audit and Risk Committee will oversee the Company's financial reporting process on behalf of the Board and will make recommendations to the Board regarding the appointment, compensation and retention of external auditors. The Audit and Risk Committee will also oversee the establishment, methodology and implements of the Company's risk management system and its resourcing.	Lou Panaccio Glenn Tong Steven Yu
Remuneration and Nomination Committee	Establishing the policies and practices of the Company regarding the remuneration of Directors and senior management and reviewing all components of the remuneration framework. Advising the Board on the composition of the Board and its committees. The Nomination and Remuneration Committee will: • establish processes for identification of suitable candidates for appointment to the Board; • establish processes for reviewing the performance of individual Directors, the Board as a whole, and Board committees; • determine the executive remuneration policy and the Non-Executive Director remuneration policy; and • review all equity based incentive plans.	Lou Panaccio Steven Yu

Table 1: Board committees

4.6.5 Policies

The Company has adopted various policies (which it regularly reviews), taking into account the recommendations in ASX Recommendations. These policies are available on the Website and include:

- **Code of Conduct:** A code of conduct that sets out the standards of conduct and behaviour the Company expects from its Directors, officers, employees and contractors;
- **Continuous Disclosure Policy:** After listing, the Company will need to comply with the continuous disclosure requirements of the NSX Listing Rules and the Corporations Act. Subject to the exceptions contained in the NSX Listing Rules, the Company will be required to disclose to NSX any information concerning the Company which is not generally available and which a

reasonable person would expect to have a material effect on the price or value of the Shares. This policy describes the procedures in place which are designed to ensure that the Company complies with its continuous disclosure obligations, and aims to ensure that Directors and Management are aware of and fulfil their obligations in relation to timely disclosure of material price-sensitive information;

- **Securities Trading Policy:** This policy outlines when Directors and key management personnel may deal with the Company's securities, particularly at times when the market may not be fully informed as to the Company's progress, and explains how insider trading laws affect their dealings in the Company's securities;
- **Diversity policy**: This policy sets out the Company's policy for achieving an inclusive and diverse workplace, at all levels and how the Company aims to ensure that its objectives can be measured and improved;
- **Shareholder communication policy**: This policy describes how the Company will ensure effective communication with its Shareholders and broader stakeholders;
- **Whistleblower policy**: This Policy identifies the types of concerns that may be reported under the policy and sets out the processes the Company has put in place to follow up and investigate complaints whilst ensuring the confidentiality of the Whistleblower's identity and their protection from retaliation;
- **Privacy policy:** This policy describes how the Company manages personal information of persons dealing with the Company in accordance with the Privacy Act 1988 and other relevant privacy legislation and regulations.

4.6.6 ASX Corporate Governance Principles and Recommendations

Although the Company is not seeking a listing on the ASX, the Board has taken the view that the Company should, to the extent possible, comply with the ASX Corporate Governance Principles and Recommendations (4 th edition) published by the ASX Corporate Governance Council (**ASX Recommendations**). Accordingly, the Company voluntarily issues an annual Corporate Governance Compliance Statement which summarises the Company's main corporate governance practices and identifies the extent to which those practices do not comply with the ASX Recommendations.

A Corporate Governance Compliance statement can be found on the Company's Website at www.azureht.com.au which contains a table that briefly addresses the areas where the Company has departed from the recommendations contained in the ASX Recommendations.

The Board is of the view that with the exception of the departures set out in the table on its Website, it otherwise expects to comply with all of recommendations in the ASX Recommendations.

The Directors intend to appoint additional suitably qualified and experienced independent directors to the Board as and when they consider necessary and where the circumstances permit.

4.6.7 Company Secretary

The Company Secretary is responsible for ensuring that Board procedures and policies are followed and provides advice to the Board including on matters involving corporate governance and the NSX Listing Rules. All Directors have unrestricted access to the advice and services of the Company Secretary.

5 RISKS

5.1 Introduction

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend that potential investors consider the risks described in this Section 5, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Shares pursuant to this Prospectus.

There are a number of risks that, either individually or in combination, may materially and adversely affect the future operating and financial performance of the Company and the value of the Shares. Some of these risks may be mitigated by the Company's internal controls and processes, but many are outside the control of the Company, the Directors and Management.

There can be no assurance that the Company will achieve its stated objectives or that any forward-looking statements will eventuate.

Investors should have regard to their own investment objectives and financial circumstances, and should consider seeking professional guidance from their stockbroker, accountant, financial or other professional adviser before deciding whether to participate in the Offer.

Investors should be aware that the performance of the Company may be affected, and the value of its Shares may rise or fall over any given period. Some of the factors which investors should consider before they make a decision whether or not to apply for Shares include, but are not limited to, the risks in this Section 5.

5.2 Company Specific Risks

5.2.1 Market acceptance of nutraceutical products

In the short term, the Company intends to focus on the marketing and sale of its nutraceutical products in the USA, Australia and China. Its initial offering will be the nE1-Elite® and nE1-Heart® products. Market acceptance of these products is a key risk. If there is limited or slow market acceptance, the Company will not derive the early stage revenues it seeks and may need to find alternative funding sources or defer or delay other projects.

5.2.2 Reliance on third party suppliers/contractors

Many of the Company's business functions are outsourced to specialist contractors, with a single contractor engaged for the relevant tasks. Accordingly, many of the Company's business functions are dependent on the performance of those contractors. Contractors can be replaced but if a contractor was unable to meet the Company's needs for whatever reason, the Company may face potential delays in achieving its business goals and likely increased costs resulting in decreased profitability.

The risk associated with reliance on one engaged supplier is mitigated by the fact that

the Company is developing methods of manufacture which make use of tocotrienols which are not derived from annatto seed but are still low in tocopherol, which will therefore create scope to use a greater number of suppliers in the future if required.

5.2.3 Reliance on third party manufacturer (nutraceuticals)

Invictus currently has one manufacturer of its nutraceutical products. The manufacturer can be replaced if necessary, but replacement would cause delays and likely increased costs resulting in decreased profitability.

If the manufacturer is unable to deliver products when requested by the Company, Invictus will not have product available for sale, reducing its revenues and in turn its profitability.

The risk associated with the reliance on one engaged manufacturer is mitigated by the fact that the Company has multiple other manufacturers available if required (given the Company owns the IP related to the formulation of the products). For instance, the entity that co-developed the manufacture method in conjunction with the Company is Unison Pharmaceuticals, a GMP manufacturer based in Malaysia, which the Company maintains a close working relationship with. The Company also has several other US-based manufacturers with whom the Company has close relationships with and whom could be called upon to manufacture the products should the Company's engagement with Capstone Manufacturing be terminated. See Section 2.4.7 for more information.

5.2.4 Raw material supply risk

The key active ingredient used by Invictus in its products is currently sourced from a sole global supplier. While alternative suppliers are available, engaging a replacement would cause delays and likely increased costs resulting in decreased profitability.

5.2.5 Key person risk

The Company has a handful of key personnel, including its Management. As the team is small, the know-how and corporate memory of the Company resides in a small number of people. If any of these people were unable to perform their roles for the Company for any reason, the Company would incur delays in delivering its business goals and increased costs in delivering those goals as they would need to replace those people and recreate some of that know-how.

5.2.6 Insufficient funding

The Company is in the drug development business and such businesses require additional capital from time to time in order to progress drug development programs. There is no guarantee that the Company will be able to raise the funds required in a timely manner or at a reasonable cost when required by it. As such, the Company's programs may be delayed until those funds are raised (if raised at all) and Shareholders' interests in the Company may be diluted by such capital raising activities, with no guarantee that they will be able to participate in those capital raises.

5.2.7 Efficacy risk

There is a risk that the pharmaceutical products that the Company is seeking to develop do not prove to be effective forms of treatment for the diseases they target.

5.2.8 Clinical trial risk

The Company is undertaking clinical trials which, by their very nature, are uncertain in their outcome. The trials also become more complex and larger over time. The trials may fail to reach their designated endpoints, the consequence being that the Company's proposed drug may not be an effective treatment for the targeted disease. As a result, the Company's funds invested in that trial may be wasted and the drug development program delayed while new targets are selected. Further, clinical trials can have adverse events which need to be investigated before the proposed drug trial can continue (if at all). This could cause delays in the Company's drug development program, delaying achievement of business goals, increasing costs and reducing profitability.

5.2.9 IP protection failure (including Monash patent obligation)

The Company has certain patents which it has rights to. Patents are subject to third party challenge from time to time and as a result, the Company can incur significant costs (both time and money) in asserting and defending patent rights. Further, some patents are held by third parties and licensed to the Company, and the Company has limited control over how those patent rights are defended. The need to defend such claims would increase the Company's costs and reduce its profitability, as well as potentially delay the ability of the Company to pursue transactions with third party companies who wish to use or develop the Company's products. See the Intellectual Property Report in Section 9 for a full outline of the Company's intellectual property portfolio, as well as Section 2.5.3 for an overview of the Company's pending patent applications.

5.2.10 Development program costs

The inherent uncertainty of drug development means that certain unexpected events can occur. The result is that there is a risk that the programs will take longer and cost more than budgeted (and may require additional fundraising).

5.2.11 Product liability risk

The Company is proposing to sell nutraceuticals and potentially out-license pharmaceuticals. There is a risk in the sale of such products that certain people or populations may have adverse effects from the products and make claims against the Company in respect of those effects. The need to defend such claims would increase the Company's costs and reduce its profitability. Further, while the Company expects to be able to obtain product liability insurance, there is no guarantee that the insurance will be available at an acceptable cost or in adequate amounts. Any deficiency in insurance coverage could cause the Company to incur liabilities. Any product liability claim could also damage the Company's reputation.

5.2.12 Competition (nutraceuticals)

Some of the Company's competitors in the nutraceuticals industry are large and well-funded. There is a risk that these competitors will seek to establish and promote substitute products in the market, or to seek to promote products with the same marketing claims as the Company. These activities may cause the Company's sales to grow slower than anticipated, cause the Company to spend more on marketing, or otherwise cause the Company to incur costs in defending its position (including by defending its marketing claims against these companies). The result of this competitive activity could be reduced revenues and/or increased costs, with lower profitability for the Company.

5.2.13 Limited history in drug development

The Company is newly formed and has limited history in drug development and commercialisation of pharmaceutical products. There is no guarantee that it will be able to achieve its business goals in the drug development business. As a result, the Company's business prospects could be adversely affected, which could reduce the Company's standing in the investment community and negatively impact its Share price.

5.2.14 Limited history in sales of nutraceuticals

The Company is newly formed and has limited history in nutraceutical sales. There is no guarantee that it will be able to achieve its business goals in the nutraceutical business. As a result, the Company's revenues and business prospects could be adversely affected, which could negatively impact its Share price.

5.2.15 Concentration of shareholding

Following completion of the Offer, a significant portion of the Shares of the Company will be held by entities associated with its major shareholders:

- (Aiden) Wei Jiang (approximately 41.16% in the case of the Minimum Subscription and 40.06% in the case of Maximum Subscription);
- Reef investments Pty Ltd (approximately 7.66% in the case of the Minimum Subscription and 7.45% in the case of Maximum Subscription); and
- Glenn Tong (approximately 18.31% in the case of the Minimum Subscription and 17.82% in the case of Maximum Subscription).

Accordingly, these persons will be in a position to exert significant influence over the outcome of matters relating to the Company, including the election of Directors.

5.2.16 Regulator risk

Before the Company can market and sell pharmaceutical products, those products must be approved by relevant regulators. Such approval is reliant on regulator interpretation of data from trial and other development activities. Such approvals can sometimes take longer than anticipated, require additional work (including further trials) or may not be provided at all.

As a result, the Company's development programs may be delayed, incurring additional cost and may require additional funding to obtain such approvals.

5.2.17 Reputational risk

The Company's reputation is important to its position in the nutraceutical and pharmaceutical industries. Reputational damage may be caused in many ways, including adverse outcomes in clinical trials, adverse reactions to nutraceutical products, product contamination issues and employee malfeasance.

Any reputational damage or negative publicity could impact the Company's business by causing prospective licensing partners, regulators, employees, directors or consumers to avoid dealing with the Company. This could reduce the Company's revenues, increase its costs and prevent it from achieving its business goals.

5.2.18 Extension of milestone dates under Monash agreement

On 28 February 2018 (**Commencement Date**), Monash University (**Monash**) and Gordagen Pharmaceuticals Pty Ltd (in liquidation) (**Gordagen**) entered into a licence agreement in relation to certain intellectual property owned by Monash (**Licence**) (**Licence Agreement**). The Licence Agreement was a consequence of the exercise by Gordagen of an earlier option agreement between the parties. The Licence Agreement was novated by Gordagen to Invictus Biotechnology Pty Ltd (IBPL) on the same date. On or around 27 July 2020, Monash and IBPL executed a variation agreement which varied the terms of the Licence Agreement.

Under the Licence Agreement, IBPL is granted:

- an exclusive worldwide licence (including a right to sub-license) to certain patents in the field of lymph-directing prodrugs of tocotrienol compounds (except for limited rights of research granted to Monash); and
- a non-exclusive worldwide licence of certain background intellectual property to enable the commercialisation of the patents.

The patents that are the subject of the Licence are the patent families described in part 3.2 of the Intellectual Property Report available from the Company.

The Licence Agreement contains certain milestones. If these milestones are not achieved by AZT, Monash is entitled to terminate the Licence or exercise step-in rights. As at the date of this Prospectus, AZT has not yet achieved the milestones. The due date for the first of the milestones has passed. Monash has confirmed in writing that it will not exercise its step-in rights or terminate the Licence for failure to achieve this milestone when due. However, Monash has reserved its right to exercise its step-in rights or terminate the Licence if the milestone is not satisfied by 30 June 2021, or if representations made to Monash informing its written confirmation in respect of the milestone are materially false or incorrect.

5.2.19 Patent renewal

The Company has certain patents which it has rights to, and which are integral to its business. Some of these patents are due for renewal in 2021. If the Company does not have sufficient funds to meet its renewal fee obligations, there

is a risk that the patent registrations would lapse. Should this eventuate, this has the potential to impact profitability of the Company, as well as potentially delay the ability of the Company to pursue transactions with third party companies who wish to use or develop the Company's products. See the Intellectual Property Report in Section 9 for a full outline of the Company's intellectual property portfolio, as well as Section 2.5.3 for an overview of the Company's pending patent applications.

5.3 Industry Specific Risks

5.3.1 Inherent drug development risks

The development and commercialisation of pharmaceutical products is subject to inherent risks of failure, including that the products:

- are ineffective;
- are unsafe;
- have adverse side effects at the relevant doses;
- fail to show improvement over existing treatments;
- fail to achieve regulatory approval;
- are surpassed by better alternatives under development; or
- fail to gather support of key opinion leaders.

All of the above factors, and others, could prevent the Company from achieving its business goals with respect to its pharmaceutical business.

5.3.2 Changes to R&D Tax Incentives

The Company expects to take advantage of the Australian Federal Government's R&D Tax Incentives to undertake certain qualifying development expenditure. If the Company is unable to access those incentives for whatever reason (including no longer qualifying or due to changes in the incentive scheme), the amount of funds available to the Company to achieve its business goals will decrease and the Company may need to obtain additional funding for that purpose.

5.3.3 Changes in other Government policy

The Company operates in highly regulated market sectors, subject to laws, regulations, directives and guidelines relating to many aspects of its operations including trial activities, laboratory practices, manufacturing practices, handling and registration of certain ingredients, as well as marketing restrictions. Any change to the regulatory environment in any location where the Company operates may increase the Company's cost of compliance, with a resulting reduction in profitability.

5.3.4 IP infringement

Irrespective of whether or not the Company's intellectual property is registered in a jurisdiction, there is always a risk of third parties claiming rights over that intellectual property. Further, the complex nature of intellectual property, and in particular patents, means that there are often lengthy and expensive disputes which can have an uncertain outcome. Some parties can also utilise their

larger financial resources to seek to make and sustain claims as part of a competitive action.

While securing a patent is vital to be able to secure value with third parties in the pharmaceutical business, the granting of a patent does not guarantee that the rights of others are not infringed by the patent. Further, the grant of a patent does not stop a third party from circumventing the patent through design. Accordingly, the enforceability of patents and other intellectual property rights cannot be guaranteed, and the Company may need to expend funds to support its position, impacting on its profitability.

5.4 General Risk Factors

5.4.1 Illiquid Stock

The market for Shares on NSX from time to time may be limited and it may not be possible for investors to sell Shares at a particular price or at all.

There is no guarantee that an active market for the Shares will develop or continue. On completion of the Offer, 58.80% of the issued Shares are anticipated to be subject to escrow with 41.20% of the issued Shares freely tradable (assuming Minimum Subscription). If a market does not develop, or is not sustained, it may difficult for investors to sell their Shares. Furthermore, the market price for Shares may fall or be made more volatile because of the relatively low volume of trading in the Company's shares. When the trading volume is low, significant price movement can be caused by trading in a relatively small number of Shares. If illiquidity arises, there is risk that Shareholders will be unable to realise their investment in the Company.

5.4.2 Change in accounting standards

The Company's financial reports are subject to Australian International Financial Reporting Standards issued by the AASB. Changes in accounting standards may adversely affect the financial performance or financial position of the Company.

5.4.3 Change in tax

Changes in tax law (including goods and services taxes and stamp duties), or changes in the way taxation laws are interpreted may impact the tax liabilities of the Company or the tax treatment of a Shareholder's investment. In particular, both the level and basis of taxation may change. In addition, an investment in the Shares involves tax considerations which may differ for each Shareholder. Each prospective Shareholder is encouraged to seek professional tax advice in connection with any investment in the Company.

5.4.4 Volatile share prices

The market price of Shares can rise and fall and be subject to various unpredictable influences outside of the control of the Company, including, economic outlook, political factors, interest rates, inflation, currency changes, and investor sentiment.

The trading price of Shares on NSX may be higher or lower than the price paid under the Offer.

5.4.5 Macroeconomic risks

The operating and financial performance of the Company is influenced by a range of

general domestic and global economic conditions including inflation, interest rates, employment rates, exchange rates and government fiscal, monetary and regulatory policies, all of which are beyond the control of the Company. A prolonged deterioration in any of the factors may materially affect the financial position, share price and growth prospects of the Company.

5.4.6 Coronavirus outbreak

The risk of the COVID-19 outbreak affecting sales is unknown and could be short lived or more significant. After listing, the Company will update the market in compliance with its continuous disclosure obligations if the consequences of COVID-19 impact these sales channels and adversely affects the Company. If any of these impacts appear likely to be material prior to the close of the Offer, then the Company will notify investors under a supplementary prospectus.

Additionally, the COVID-19 outbreak has hindered the Company's ability to conduct clinical trials due to travel restrictions and other Government imposed restrictions. There is potential that any ongoing or new restrictions that are put in place in response to COVID-19 may continue to impact the Company's ability to conduct clinical trials and other components of its operations going forward.

5.4.7 Exchange rate risk

The Company expects to derive a significant portion of its revenue in the foreseeable future from the sale of its key products in the USA. Revenue from products sold in the USA will largely by denominated in the US dollars, while the Company's functional and reporting currency in Australian dollars. The Company is not currently hedging against exchange rate fluctuations, and consequently it will be at the risk of any adverse movement in the US dollar / Australia dollar exchange rate.

5.4.8 Dilution risk

Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the Offer and may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities. The Company may undertake offerings of securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such Shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, voting power of the Company's existing Shareholders may be diluted.

5.5 Speculative investment / Dividend policy

It is currently anticipated that a minimum of 10% of the net profit after tax per annum will be paid as dividends (at such time as Company achieves a net profit after tax). The Company has established a dividend policy whereby each of the Company's subsidiaries will do all things reasonably necessary to pay dividends to its parent entity to enable the Company to pay these proposed dividends to Shareholders.

Despite these intentions, no guarantee can be given about the level or payment of dividends, the level of imputation or franking of such dividends or the payout ratios as these matters depend upon the future profits of the Company, its financial and taxation position and the directors' views of the most appropriate payout ratio at that time.

6 DETAILS OF THE OFFER

6.1 Description of the Offer

The Offer is being made to the public of up to 15,000,000 Shares in the Company at a price of $0.20 per Share to raise up to $3,000,000 (before costs and expenses).

The minimum subscription under the Offer is 11,250,000 Shares to raise $2,250,000 (before costs and expenses).

The Offer is made with disclosure under this Prospectus and is made on the terms, and is subject to the conditions, set out in this Prospectus.

In addition to the Offer, the Company has entered into a loan agreement with its major shareholder Mr Wei (Aiden) Jiang whereby he will lend the Company $1.5 million upon a successful listing on the NSX. The key terms of the loan are that at the discretion of the Company and subject to the receipt of shareholder approval, the loan will convert into shares (at an issue price of $0.20) at any time during the two-year term (commencing on 31 December 2020). The Company may extend the repayment of the loan by a further 12 months in its sole discretion. Interest is payable on the outstanding principal at the rate of 8% per annum.

6.2 Purpose of the Offer

The principal purposes of the Offer are to:

- comply with NSX's requirements for listing the Company on the NSX;
- provide funds for the purposes set out in Section 6.3 below;
- provide the Company with access to equity capital markets for future funding needs;
- provide a liquid market for Shares in the Company;
- provide the Company with the benefits of an enhanced profile that arises from being listed; and
- enhance the public and financial profile of the Company to facilitate the potential for further growth of the Company's business.

6.3 Use of Funds

The total gross proceeds of the Offer will be a minimum of $2,250,000 and up to $3,000,000 (each before costs and expenses).

The Company intends to apply funds raised from the Offer as set out in the table below. Applicants should note that, as with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. Accordingly, the Board retains the right to vary the uses of funds, acting in the best interest of Shareholders and as the circumstances require.

Item	Minimum Raise AU$	%	Maximum Raise AU$	%
To be raised under the Prospectus	2,250,000		3,000,000	
Use of Funds				
Cost of the Offer	200,053	8.89%	215,659	7.19%
Pharmaceutical Licensing and Clinical Programme Management	647,301	28.77%	647,301	21.58%
Nutraceuticals Manufacturing & Marketing	423,750	18.83%	423,750	14.13%
Additional Working Capital	978,896	43.51%	1,713,290	57.11%
TOTAL USE OF FUNDS	**2,250,000**	**100.00%**	**3,000,000**	**100.00%**

Notes:

(1) Separately to the above use of the funds, the funds obtained from the loan from Aiden Wei Jiang (as described in section 10.4.9) will be used to pay the existing creditors of the Company.

(2) A table setting out the expected use of working capital is set out at section 10.13.

6.4 Costs of Offer

The expected Costs of the Offer are set out in the table below:

** Costs of Offer	Minimum Raise AU$	Maximum Raise AU$
NSX Fees	71,053	71,659
Investigating Accountant and Tax review	15,000	15,000
Lead Manager and selling fees	90,000	105,000
Legal Fees	40,000	40,000
Total	**216,053**	**231,659**
Less paid out pre IPO funds	16,000	16,000
Paid out of use of funds	**200,053**	**215,659**

6.5 When to apply for Shares

The Opening Date for the Offer is 6 April 2021 and the Closing Date for the Offer is 5.00pm AEST on 16 April 2021, or such other date as the Directors, in their absolute discretion, may determine.

6.6 How to apply for Shares

Applications for Shares under the Offer must be made online at *www.azureht.com.au* or using the Application Form accompanying this Prospectus.

Applications for Shares must be for a minimum of 10,000 Shares ($2,000). Payment must be made in full at the issue price of $0.20 per Share multiplied by the number of Shares applied for.

There is no maximum value of Shares that may be applied for under the Offer.

You may pay your Application Monies by BPAY or by cheque in accordance with the instructions on the Application Form.

Cheque(s) or bank draft(s) must be:

- in Australian currency;
- drawn on an Australian branch of a financial institution;
- crossed "Not Negotiable"; and
- made payable to "Azure Health Technology Limited".

Applicants should ensure that sufficient funds are held in the relevant account(s) to cover your cheque(s). If the amount of your cheque(s) or bank draft(s) for Application Monies (or the amount for which those cheques clear in time for the allocation) is insufficient to pay for the amount you have applied for in your Application Form, you may be taken to have applied for such lower amount as your cleared Application Monies will pay for (and to have specified that amount in your Application Form) or your Application may be rejected.

If paying by cheque(s) or bank draft(s):

Once your Application Form is completed, please send your Application Form and cheque or bank draft for the Application Monies to the Share Registry at the address set out below. Completed Application Forms and accompanying cheque or bank draft must be lodged by 5.00pm AEST on the Closing Date.

By mail to:

Azure Health Technology Limited

C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

If making an online application:

When completing your BPAY payment, please make sure to use the specific code and unique customer reference number generated by the online Application Form available at *www.azureht.com.au*.

Application Monies paid via BPAY must be received by the Share Registry by no later than 5.00pm AEST on the Closing Date and it is your responsibility to ensure that this occurs. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should

therefore take this into consideration when making payment. The Company takes no responsibility for any failure to receive Application Monies or payment by BPAY before the Offer closes arising as a result of, among other things, delays in processing of payments by financial institutions.

Neither the Share Registry nor the Company accepts any responsibility if you lodge the Application Form at any other address or by any other means.

The Company reserves the right to accept late Applications.

6.7 Allotment of Shares

Subject to the Minimum Subscription being raised, allotment of the Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.

The Directors, in consultation with the Lead Manager, reserve the right to allot the Shares in full for any Application or to allot any lesser number or to decline any Application if they believe the Application does not comply with applicable laws or regulations.

If an Application Form is not completed correctly, or if the accompanying payment of the Application Monies is for the wrong amount, it may still be treated as a valid Application. The Directors' decision whether to treat the Application as valid and how to construe, amend or complete the Application Form is final. However, an Applicant will not be treated as having applied for more Shares than is indicated by the amount of Application Monies paid by the Applicant.

If an Applicant is not issued all of the Shares applied for, the Applicant will receive a refund, as set out in Section 6.18.

6.8 NSX Listing and Quotation

The Company will apply to NSX no later than 7 days from the date of this Prospectus for admission of the Company to the Official List, and official quotation of the Shares offered under this Prospectus. The Company's expected NSX code will be VTL.

Subject to any extension, if the Shares are not admitted to quotation within 3 months of the date of this Prospectus, no Shares will be issued and Application Monies will be refunded in full without interest in accordance with the Corporations Act.

NSX takes no responsibility for this Prospectus or the investment to which it relates. The fact that NSX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the Shares offered for subscription or purchase.

6.9 Minimum Subscription

The Minimum Subscription under the Offer is 11,250,000 Shares to raise $2,250,000 (before costs and expenses).

None of the Shares offered under this Prospectus will be issued if Applications are not received for the Minimum Subscription.

In the event the Minimum Subscription has not been raised within 4 months of the Prospectus Date, the Company will deal with Applications in accordance with the Corporations Act. That is, the Company will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their

Applications and have their Application Monies refunded to them (without interest).

6.10 Conditions of the Offer

The Offer is conditional upon (**Offer Conditions**):

- NSX approving Company's listing application and agreeing to quote the Shares on the NSX; and
- the Minimum Subscription under the Offer of 11,250,000 Shares to raise $2,250,000 before expenses being achieved.

There is a risk that the Offer Conditions will not be satisfied. If the Offer Conditions are not satisfied, the Company will not proceed with the Offer. If this occurs no Shares will be issued under this Prospectus and all Application Monies will be refunded (without interest) in accordance with the Corporations Act.

6.11 Capital Structure

The table below provides a summary of the capital structure of the Company at the date of this Prospectus and upon completion of the Offer.

	Minimum Raise $2,250,000	**%**	**Maximum Raise $3,000,000**	**%**
Existing Shares on issue	105,037,167	77%	105,037,167	75%
Total number of Shares available under the Offer	11,250,000	8%	15,000,000	11%
Total number of shares to be issued on conversion of Convertible Notes	19,844,943	15%	19,844,943	14%
Total Shares on issue upon completion of the Offer	136,132,110	100%	139,882,110	100%
Offer Price per Share	$0.20		$0.20	
Free float	41.20%		42.78%	
Indicative market capitalisation based on Offer Price	$27 million		$28 million	

Notes: In addition to the Shares set out in the table above, the Company will, at the time of quotation of its Shares on NSX, have on issue 13,581,229 Options under the Company's Executive Share Option Plan (**ESOP**) (**ESOP Options**) See Section 6.13 for more information regarding the key terms of the ESOP Options.

Free float shares means the percentage (or amount) of the Shares that are not restricted securities or subject to voluntary escrow and are held by non-affiliated security holders (persons who are not related parties or associates of them).

6.12 Control implications

Following the issues of Shares to the major shareholders and shareholder groups, their shareholdings are expected to be as set out in following table.

	Minimum Raise	Maximum Raise
Aiden (Wei) Jiang	41.16%	40.06%
Glenn Tong	18.31%	17.82%
Reef Investments Pty Ltd	7.66%	7.45%

(Aiden) Wei Jiang is the majority Shareholder in the Company as at the date of this Prospectus. His holding will decrease upon the issue of Shares under the Offer.

Glenn Tong is also a majority Shareholder in the Company. His interests are held by KR and GT Nominees Pty Ltd (ATF The Tong Family Trust).

Parties associated with Reef Investments were the majority shareholders in the Company prior to the acquisition of Aiden (Wei) Jiang's shareholding in December 2018.

None of these persons or groups of persons is an Associate of one another in terms of ownership of Shares or intention to control the affairs of the Company.

The Directors will not issue Shares to a person if the issue would result in a contravention of the 20% voting power rule in section 606 of the Corporations Act.

6.13 Options

The Company will, at the time of quotation of its Shares on NSX, have on issue 13,581,229 ESOP Options under the Company's ESOP. 7,500,000 of the ESOP Options (being Options issued to the Key Management Personnel of Azure Health) are exercisable on a 1 for 1 basis at an exercise price of $0.30 per Option. 6,081,228 of the ESOP Options (being consideration Options issued to the management of Invictus in connection with the Invictus Acquisition) are exercisable for on a 1 for 1 basis at an exercise price of $0.479 per Option.

The details of these options are summarised in the table on the next page:

Option Holder	No. of Options	Exercise Price	Exercise Period
Lou Panaccio (Tercus Pty Ltd – ATF Panaccio Superannuation Fund)	3,000,000	$0.30	5 years from issue date **Issue date**: 14 October 2020
Dr Glenn Tong (KR and GT Nominees – ATF Tong Family Trust)	1,500,000	$0.30	5 years from issue date **Issue date**: 14 October 2020
Steven Yu (Valorton Group Pty Ltd)	1,500,000	$0.30	5 years from issue date **Issue date**: 14 October 2020
Gregory Starr (Tearum Advisors Pty Ltd)	1,500,000**	$0.30	5 years from issue date **Issue date**: 14 October 2020
Richard Pestell	838,790	$0.479	5 years from issue date **Issue date**: 11 June 2020
David Kingston	838,790	$0.479	5 years from issue date **Issue date**: 11 June 2020
Richard Estalella	3,145,463	$0.479	5 years from issue date **Issue date**: 11 June 2020
Jeffrey Hanlon	838,790	$0.479	5 years from issue date **Issue date**: 11 June 2020
Gregory Macosko	419,395	$0.479	5 years from issue date **Issue date**: 11 June 2020
Total	**13,581,229**		

**these Options were issued in recognition of the prior service of Gregory Starr as a director of the Company.

6.14 Offer management

The Offer is not underwritten.

The Company has engaged Indian Ocean Corporate Pty Ltd as lead manager to manage the Offer and facilitate the capital raise under the Offer. As at the date of this Prospectus, Indian Ocean does not hold a relevant interest in the Company. Indian Ocean will be paid the following for its services:

- 2% of the total amount raised under the Offer as a management fee;
- 4% of the total amount arranged by Indian Ocean as a capital raising fee; and

Further information on the Company's agreement with Indian Ocean is set out in Section 10.4.1.

6.15 Withdrawal and discretion regarding the Offer

The Company may withdraw the Offer at any time before the issue of Shares to Successful Applicants. If this occurs, then no Shares will be issued under this Prospectus and all Application Monies will be refunded (without interest) in accordance with the Corporations Act.

The Company also reserves the right to close the Offer early, extend the Offer or any part of it, accept late Applications either generally or in particular cases, reject any Application, or allocate to any Applicant fewer Shares than applied for.

6.16 NSX Clearing House Electronic Sub-Register System

NSX has established a transfer service agreement which recognises NSX as an Australian market operator pursuant to the ASX Settlement Operating Rules and allows NSX to

be a recipient of the transfer service provided by ASX.

The Company will apply to participate in the Clearing House Electronic Subregister System (**CHESS**), operated by ASX Settlement (a wholly owned subsidiary of ASX), in accordance with the ASX Settlement Operating Rules.. All trading on the NSX in Shares will be settled through CHESS. On behalf of the Company, the Share Registry will operate 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 securities.

Under CHESS, the Company does not issue certificates to Shareholders. Rather, holding statements (similar to bank statements) will be sent to Shareholders as soon as practicable after Shares are issued. Holding statements will be sent either by CHESS (for Shareholders who elect to hold Shares on the CHESS sub-register) or by the Company's Share Registry (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). The statements will set out the number of Shares and provide details of a Shareholder's Holder Identification Number (for Shareholders who elect to hold Shares on the CHESS sub-register) or Shareholder Reference Number (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). Updated holding statements will also be sent to each Shareholder at the end of each month in which there is a transaction on their holding, as required by the NSX Listing Rules.

It is expected that the initial holding statements will be dispatched by standard post on or about 26 April 2021.

6.17 Commencement of Trading

It is expected that trading of the Shares on NSX will commence on or about 26 April 2021.

It is the responsibility of Applicants to determine their allocation prior to trading in Shares. Applicants trading in Shares prior to receiving a holding statement do so at their own risk. The Company, the Share Registry, and the Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who sell Shares before receiving their holding statement, whether on the basis of a confirmation of allocation provided by any of them, by a broker or otherwise.

6.18 Refunds

Application Monies will be refunded (in full or in part as applicable) in Australian dollars where an Application is rejected, an Application is subject to a scale-back or if the Offer is withdrawn or cancelled.

No interest will be paid on any refunded amounts. The Company, irrespective of whether the allotment of the Shares takes place, will retain any interest earned on the Application Monies.

Refund cheques will be sent as soon as practicable following the close or termination of the Offer.

6.19 Overseas Applicants

No action has been taken to register or qualify the Prospectus or the Shares or otherwise to permit a public offering of the Shares in any jurisdiction outside of Australia.

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law. Persons who come into possession of this Prospectus who are not in Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law.

Each Applicant will be required to make, or will be deemed to have made, certain representations, warranties and covenants set out in the Application Form attached to or accompanying this Prospectus.

United States

This Prospectus may not be released or distributed in the United States. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, Shares in the United States. Any Shares described in this Prospectus have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States or to or for the account or benefit of, a US Person, except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

People's Republic of China

This Prospectus does not constitute an offer to issue or a solicitation to apply for Shares in the PRC. The Shares described in this Prospectus will not be registered under applicable PRC securities legislation and may not be offered or sold in the PRC or to or for the account or benefit of, a person resident in the PRC, except in transactions exempt from, or not subject to that legislation.

6.20 Risks

As with any share investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 5 of this Prospectus. The Shares on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, Applicants should read this Prospectus in its entirety, consider all factors in light of their individual circumstances and seek appropriate professional advice.

6.21 Exposure Period

In accordance with Chapter 6D of the Corporations Act, this Prospectus is subject to an Exposure Period of 7 days from the date of lodgement with ASIC. The Exposure Period may be extended by ASIC by a further period of up to 7 days. On 26 February 2021 ASIC extended the Exposure Period by a further 7 days.

The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this Prospectus. If deficiencies are detected, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. During the Exposure Period, electronic and hard copies of this Prospectus will be made available upon request to the Company. Applications received during the Exposure Period will not be processed until after expiration of the Exposure Period. No preference will be conferred on Applications received during the Exposure Period and all such Applications will be treated as if they

were simultaneously received on the Opening Date.

6.22 Application Monies held in trust

All Application Monies will be held in a separate subscription account on behalf of Applicants until the Shares are issued pursuant to the Offer. Subject to any extension, if the Minimum Subscription is not achieved within a period of 4 months of the date of this Prospectus, all Application Monies will be refunded in full without interest, and no Shares will be issued under the Offer. Any interest earned on Application Monies (including those which do not result in the issue of Shares) will be retained by the Company.

6.23 Tax Implications

The acquisition, holding and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each Shareholder. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring, holding or selling Shares pursuant to the Offer, from a tax perspective and generally.

General information regarding the tax consequences (if any) of holding or disposing of Shares is set out in Section 10.10.

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

6.24 No Brokerage or Duties

No brokerage, commission or stamp duty is payable by Applicants on the acquisition of Shares under the Offer.

6.25 Enquiries

This Prospectus and information about the Offer is available in electronic form at www.azureht.com.au.

All enquiries in relation to this Prospectus should be directed to your broker, the Lead Manager on 02 8823 3177 from 9:00am to 5.00pm AEST, Monday to Friday during the Offer Period.

If you are unclear in relation to any matter or are uncertain as to whether the Company is a suitable investment for you, you should seek professional advice from your stockbroker, solicitor, accountant or other independent professional adviser before deciding whether to invest.

7 FINANCIAL INFORMATION

7.1 Introduction

This Section sets out the Historical Financial Information (as defined in Section 7.2 below) of Azure Health and Invictus Biopharma Ltd (now Invictus Biopharma Pty Ltd) and its subsidiary Invictus Biotechnology Pty Ltd (**Invictus**) and the Pro Forma Financial Information (as defined in Section 7.2 below) (collectively the **Financial Information**). Therefore, for the purposes of this section 7, a reference to Invictus is to both Invictus Biopharma Ltd (now Invictus Biopharma Pty Ltd) and its subsidiary Invictus Biotechnology Pty Ltd.

Invictus Biopharma Ltd (now Invictus Biopharma Pty Ltd) was incorporated on 17 August 2018. Pursuant to the Invictus Acquisition Agreement, the shareholders of Invictus Biopharma Ltd (now Invictus Biopharma Pty Ltd)agreed to proportionately exchange their shares in Invictus Biopharma Ltd (now Invictus Biopharma Pty Ltd)for shares in Azure Health. Invictus Biotechnology Pty Ltd is now a 100% subsidiary of Invictus Biopharma Ltd (now Invictus Biopharma Pty Ltd).

The Historical Financial Information shown for the years ended 30 June 2019 (**FY2019**), 30 June 2020 (**FY2020**) and the 6 months ended 31 December 2020 (**HY2021**) is that of Invictus and Azure.

The Directors are responsible for the inclusion of all Financial Information in the Prospectus. The purpose of the inclusion of the Financial Information is to provide details of the historical financial performance of the Company and Invictus including the effects of the acquisition of Invictus.

Hall Chadwick has prepared an Investigating Accountants Report in relation to the Historical Financial Information and the Pro Forma Historical Financial Information. A copy of this report is set out in Section 8.

7.2 Basis and method of preparation

The Historical Financial Information has been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and the accounting policies adopted by the Company and Invictus as detailed at Section 7.6.12 (Note 13). The Pro Forma Financial Information has been prepared from the Historical Financial Information and assumes the completion of the pro forma adjustments as set out at Section 7.6, as if those adjustments had occurred as at 31 December 2020.

The Financial Information contained in this Section of the Prospectus is presented in an abbreviated form and does not contain all the disclosures that are provided in a financial report prepared in accordance with the Corporations Act and Australian Accounting Standards.

The historical financial information comprises the following (collectively referred to as the **Historical Financial Information**):

- the historical statements of profit or loss and other comprehensive income for FY2019, FY2020 and HY2021 for Azure Health;
- the historical statements of cash flows for FY2019, FY2020 and HY2021 for Azure Health; and
- the historical and pro-forma consolidated statements of financial position as at HY2021 of Azure Health.

The pro forma financial information comprises (collectively referred to as the **Pro Forma Financial Information**):

- the pro forma Consolidated Statement of Financial Position of the Company as at HY2021, prepared on the basis that the pro forma adjustments and subsequent events detailed in Section 7.6 had occurred as at HY2021; and
- the notes to the Pro Forma Financial Information.

The Historical Financial Information of Azure Health has been extracted from its financial reports for FY2019, FY2020 and HY2021. The financial reports for FY2019 and FY2020were audited by Hall Chadwick and the half year financial report for HY2021 was audit reviewed in accordance with Australian Auditing Standards. Hall Chadwick issued qualified audit reports for the financial reports for FY2019 due to the scope limitations and inadequate accounting and statutory records resulting from the Company previously being placed into voluntary administration. Hall Chadwick issued an unqualified audit opinion in FY2020 and HY 2021. In all three years Hall Chadwick noted a material uncertainty related to going concern.

7.3 Historical statements of profit or loss and other comprehensive income

Azure Health

	Audited 30 June 2019 $ (FY2019)	Audited 30 June 2020 $ (FY2020)	Audited 31 December 2020 $ (HY2021)
Revenue	-	-	-
Interest Income	48	76	38
Other Income (see Note 1 to this table)	3,331,163	-	-
Expenses			
License fee	(44,871)	(139,271)	(6,000)
Marketing expenses	(23,750)	(9,700)	(1,500)
Travel and entertainment expenses	(4,690)	(916)	-
Occupancy expenses	(4,000)	(24,000)	(15,000)
Administration expenses	(26,103)	(2,525)	(6,879)
Bank Fees	(18)	(414)	(2,335)
Legal and professional fees	(430,448)	(1,120,443)	(1,172,607)
Directors Fees	(47,580)	(120,923)	(140,173)
Profit (Loss) before income tax expense	**2,749,751**	**(1,418,116)**	**(1,344,456)**
Income tax	-	-	-
Net Profit (Loss) after income tax expense	**2,749,751**	**(1,418,116)**	**(1,344,456)**
Other Comprehensive Income	-	-	-
Total comprehensive Profit (Loss) for the year	**2,749,751**	**(1,418,116)**	**(1,344,456)**

Note 1: Other income in FY2019 includes a gain on debt forgiveness of $3,331,163. Please refer to Section 7.2 with respect to the audit opinions issued by Hall Chadwick on the Historical Financial Information. The Financial Information should be read in conjunction with the accounting policies in Section 7.6 and the Investigating Accountant's Report in Section 8.

7.4 Historical statements of cash flows

Azure Health

	Audited 30 June 2019 $ (FY2019)	Audited 30 June 2020 $ (FY2020)	Audited 31 December 2020 $ (HY2021)
Cash flows from operating activities			
Net receipts from customers	-	-	-
Payments to suppliers and employees	(583,703)	(2,092,591)	(1,151,006)
Interest received	48	76	-
Interest and other finance costs paid	(18)	-	-
Net cash used in operating activities	**(583,673)**	**(2,092,515)**	**(1,151,006)**
Cash flows from investing activities			
Payment for investments	-	6,558	-
Net cash used in investing activities	**-**	**6,558**	**-**
Cash flows from financing activities			
Proceeds from issues of shares	355,000	-	-
Proceeds from borrowings	230,000	(230,000)	32,255
Proceeds from issue of convertible notes	-	2,760,000	693,268
Net cash provided by financing activities	**585,000**	**2,530,000**	**725,523**
Net increase in cash held	1,327	444,043	(425,483)
Cash and cash equivalents at beginning of the year	-	1,327	445,370
Cash and cash equivalents at end of the year	**1,327**	**445,370**	**19,887**

Note: Please refer to Section 7.2 with respect to the audit opinions issued by Hall Chadwick on the Historical Financial Information. The Financial Information should be read in conjunction with the accounting policies in Section 7.6 and the Investigating Accountant's Report in Section 8.

7.5 Historical and pro-forma consolidated statements of financial position

	Note	Azure Health (Audited) 31 December 2020 $	Pro forma Minimum Adjustment 2020 $	Pro forma Minimum (Reviewed) 2020 $	Pro forma Maximum Adjustment * 2020 $	Pro forma Maximum (Reviewed) 2020 $
Current assets						
Cash and cash equivalents	7.6.3	19,887	1,135,839	1,155,726	734,394	1,890,120
Trade and other receivables		202,332	-	202,332	-	202,332
Other current assets	7.6.4	-	170,000	170,000	-	170,000
Total current assets		**222,219**	**1,305,839**	**1,528,057**	**734,394**	**2,262,451**
Non-current assets						
Intangibles	7.6.5	9,159,614	144,000	9,303,614	-	9,303,614
Total non-current assets		9,159,614	144,000	9,303,614	-	9,303,614
Total assets		**9,381,833**	**1,449,839**	**10,831,671**	**734,394**	**11,566,065**
Current liabilities						
Trade and other payables	7.6.6	1,565,331	(1,389,213)	176,118	-	176,118
Borrowings	7.6.7	212,630	(206,727)	5,903	-	5,903
Convertible Notes	7.6.8	3,453,268	(3,278,268)	175,000	-	175,000
Total current liabilities		**5,231,229**	**(4,874,208)**	**357,020**	**-**	**357,020**
Non-current liabilities						
Related Party Borrowings	7.6.9		1,500,000	1,500,000	-	1,500,000
Total non-current liabilities		**-**	**1,500,000**	**1,500,000**	**-**	**1,500,000**
Net assets		**4,150,604**	**4,824,048**	**8,974,652**	**734,394**	**9,709,046**
Equity						
Share capital	7.6.10	76,575,648	5,528,268	82,103,916	750,000	82,853,916
Reserves	7.6.11	11,722,455	-	11,722,455	-	11,722,455
Accumulated losses	7.6.12	(84,147,499)	(704,220)	(84,851,719)	(15,606)	(84,867,325)
Total equity		**4,150,604**	**4,824,048**	**8,974,652**	**734,394**	**9,709,046**

* The Pro forma Maximum Adjustments column reflects only the additional movements between the Pro forma Minimum and Pro forma Maximum.

7.6 Notes to and forming part of the Historical Financial Information

7.6.1 Note 1: Introduction

Refer to Section 7.2 with respect to the audit opinions issued on the Historical Financial Information presented above. The Financial Information should be read in conjunction with the accounting policies in Section 7.6 and the Investigating Accountant's Report in Section 8.

7.6.2 Note 2: Actual and Proposed Transactions Affecting the Pro-Forma Financial Information

The following pro forma transactions have occurred subsequent to 31 December 2019 or are proposed to occur:

a. The issue of 11,250,000 shares at an issue price of $0.20 each to raise $2,250,000 before costs (**Pro forma Minimum**). The maximum issue will be 15,000,000 shares raising $3,000,000 (**Pro forma Maximum**).

b. AZT completed a pre-IPO round of capital raising undertaken from June to September 2020 through the issue of convertible notes to investors in Australia, which raised a total of $3,453,268. As at 30 June 2020, $2,760,000 Convertible notes had been issued. A further $693,268 convertible notes were issued in the period from 1 July 2020 up until 30 September 2020. Upon listing of the company on the NSX, $3,278,268 of convertible notes will convert to 19,844,943 ordinary shares.

c. Cash Costs of the Offer are estimated to be $200,053 under the Minimum Subscription and $215,659 under the Maximum Subscription.

Further pro forma adjustments relating to events that have occurred subsequent to 31 December 2020 are also included in the Pro Forma Financial Information as detailed in the notes below.

7.6.3 Note 3: Cash and Cash equivalents

	Minimum $	Maximum $
Cash and cash equivalents	**1,155,726**	**1,890,120**
Audited balance of Azure Health as at 31 December 2020	**19,887**	**19,887**
Proceeds from issue of fully paid ordinary shares in Azure Health at $0.20 per share		
Issue of 11,250,000 shares	2,250,000	
Issue of 15,000,000 shares		3,000,000
Related Party Borrowings	1,500,000	1,500,000
Cost of the Offer **	(200,053)	(215,659)

Other use of Funds (UoF)		
Pharmaceutical Licensing	(144,000)	(144,000)
Pharma Management	(357,500)	(357,500)
Pharma Research Study	(145,801)	(145,801)
Nutraceuticals Management	(178,750)	(178,750)
Nutraceuticals Setup, Inventory	(170,000)	(170,000)
Nutraceuticals Marketing	(75,000)	(75,000)
Reduction in Trade Creditors	(1,389,214)	(1,389,214)
Recognised expenditure not paid	252,884	252,884
Reduction in Borrowings	(206,727)	(206,727)
Pro forma Balance	**1,155,726**	**1,890,120**
IPO Costs of Offer	**200,053**	**215,659**
NSX Fees	65,053	65,659
Lead Manager and selling fees	90,000	105,000
Legal IPO	40,000	40,000
Nomad	5,000	5,000
Total Costs of the Offer	**200,053**	**215,659**

7.6.4 Note 4: Other Current Assets

	Minimum $	Maximum $
Other Current Assets	170,000	170,000
Audited balance of Azure Health as at 31 December 2020	-	-
Pro forma adjustments		
Nutraceuticals Setup and Inventory	170,000	170,000
Pro forma Balance	**170,000**	**170,000**

7.6.5 Note 5: Intangibles

	Minimum $	Maximum $
Intangible Assets	9,303,614	9,303,614
Audited balance of Azure Health as at 31 December 2020	9,159,614	9,159,614
Pro forma adjustments		
UoF - Pharmaceutical Licensing	144,000	144,000
Pro forma Balance	**9,303,614**	**9,303,614**

7.6.6 Note 6: Trade and other Payables

	Minimum $	Maximum $
Trade and Other Payables	176,118	176,118
Audited balance of Azure Health as at 31 December 2020	1,565,331	1,565,331
Pro forma adjustments		
UoF - Reduction in Trade Creditors Balance	(1,389,214)	(1,389,214)
Pro forma Balance	**176,117**	**176,117**

7.6.7 Note 7: Borrowings

	Minimum $	Maximum $
Borrowings	5,903	5,903
Audited balance of Azure Health as at 31 December 2020	212,630	212,630
Pro forma adjustments		
UoF - Repayment of Borrowings	(206,727)	(206,727)
Pro forma Balance	**5,903**	**5,903**

7.6.8 Note 8: Convertible notes

	Minimum $	Maximum $
Convertible notes	175,000	175,000
Audited balance of Azure Health as at 31 December 2020	3,453,268	3,453,268
Convertible Notes Converted	(3,278,268)	(3,278,268)
Pro forma Balance	**175,000**	**175,000**

7.6.9 Note 9: Related Party Borrowings

	Minimum $	Maximum $
Related Party Borrowings	1,500,000	1,500,000
Audited balance of Azure Health as at 31 December 2020	-	-
Loan with Aiden Jiang#	1,500,000	1,500,000
Pro forma Balance	**1,500,000**	**1,500,000**

On 31 December 2020 Aiden Jiang agreed to provide a loan of $1,500,000 to AZT for a 2 year term at an interest rate of 8% per annum. At the conclusion of the term, and upon approval by the shareholder, the loan may be converted to shares at a conversion price of $0.20 per share. If the loan is not satisfied by the issue of shares, the borrower may extend the repayment of the loan by a further 12 months.

7.6.10 Note 10: Share Capital

	Minimum $	Maximum $
Share Capital	**82,103,916**	**82,853,916**
Audited balance of Azure Health as at 31 December 2020	76,575,648	76,575,648
Conversion of convertible notes		
Convertible Notes between May and September converted at $0.165 per share (19,844,943 shares)	3,278,268	3,278,268
Proceeds from the issue of fully paid ordinary shares in Azure Health at $0.20 per share		
Minimum issue of 25,000,000 shares	2,250,000	
Maximum issue of 36,200,000 shares		3,000,000
Total	**5,528,268**	**6,278,268**
Pro forma Minimum Balance	**82,103,916**	**82,853,916**

7.6.11 Note 11: Reserves

	Minimum $	Maximum $
Reserves	**11,722,455**	**11,722,455**
Audited balance of Azure Health as at 31 December 2020	11,722,455	11,722,455
Pro forma Balance	**11,722,455**	**11,722,455**

7.6.12 Note 12: Accumulated Losses

	Minimum $	Maximum $
Retained earnings	**(84,851,719)**	**(84,867,325)**
Audited balance of Azure Health as at 31 December 2020	(84,147,500)	(84,147,500)
Pro forma adjustments		
Pre IPO change	308,418	308,418
Proforma changes impact	(1,012,638)	(1,028,244)
Total	**(704,220)**	**(719,826)**
Pro forma Balance	**(84,851,719)**	**(84,867,325)**

7.6.13 Note 14: Summary of significant accounting policies

(A) Basis of Preparation

The Financial Information has been prepared in accordance with the requirements of the Corporations Act and Australian Accounting Standards, and complies with other requirements under Australian law.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated.

The financial statements have been prepared in accordance with the historical cost basis and presented in Australian dollars. Cost is based on the fair values of the consideration given in exchange for assets. The Company is a public Company, incorporated in Australia and operating in Australia.

Going Concern

Azure Health

During the half year ended 31 December 2020, the Company incurred negative cash flows from operations of $1,151,006.

AZT completed a pre-IPO round of capital raising undertaken from June to August 2020 through the issue of convertible notes to investors in Australia, which raised a total of $2,760,000. The directors are currently seeking opportunities for the Company with a view to enhancing Shareholder value. Any significant change in the nature of the Company's activities will require Shareholder approval under Listing Rule 11, once listed. The aim is to pursue an appropriate business opportunity against which the Company may be further recapitalised and its shares quoted on the National Stock Exchange.

The Directors are satisfied that the Company will be able to meet its liabilities as and when they fall due in the interim and as a consequence of this belief and the planned capital raising, the Directors believe that the Company remains a going concern at the date of the Prospectus.

(B) Revenue recognition

The Company currently generates revenue from one reportable segment, being R&D Tax Incentives. R&D Tax Incentives are accounted for in line with AASB 120: Government Grants on an accrual basis. At the end of the FY2020, the Company estimates the rebate which will be received early in the following financial year and accrues this amount in the statement of financial position.

The Company also has two evidence-based nutraceutical products ready for commercial launch in the US, being the nE1-Elite® and nE1-Heart® products. Revenue will be recognised when control of the products has transferred to the customer. For such transactions, this is when the products are delivered to the customers. Volume discounts could be provided with the sale of these items, depending on the volume of aggregate sales made to eligible customers over every six-month

period. Revenue from these sales is based on the price stipulated in the contract, net of the estimated volume discounts. The volume discounts are estimated using historical experience, and applying the expected value method. Revenue is then only recognised to the extent that there is a high probability of no significant reversal of revenue occurring.

The products are sold under standard warranty terms. These terms may require the Company to provide a refund for faulty products. The Company's obligation to provide a refund for these faulty products is recognised as a provision in accordance with AASB 137: Provisions, Contingent Liabilities and Contingent Assets.

Where it is expected that volume discounts will be payable to customers for sales made until the end of the reporting period, a contract liability is recognised.

A receivable is recognised when the goods are delivered. The Company's right to consideration is deemed unconditional at this time, as only the passage of time is required before payment of that consideration is due. There is no significant financing component because sales (which include those with volume discounts) are made within a credit term of 30 – 45 days.

Customers have a right to return products within 60 days, as stipulated in the current contract terms. At the point of sale, a refund liability is recognised based on an estimate of the products expected to be returned, with a corresponding adjustment to revenue for these products.

Consistent with the recognition of the refund liability, the Company further has a right to recover the product when customers exercise their right of return. Consequently, the Company recognises a right-to-returned-goods asset and a corresponding adjustment is made to cost of sales.

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

(C) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purposes of the statement of cash flows, cash and cash equivalents as described above, are net of outstanding bank overdrafts.

(D) Trade and other receivables

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in paragraph 63 of AASB 15: Revenue from Contracts with Customers.

The Company applies a "simplified approach" measurement and recognition of impairment loss on trade receivables. The simplified approach does not require tracking of changes in credit risk at every

reporting period, but instead requires the recognition of lifetime expected credit loss at all times. In measuring the expected credit loss, a provision matrix for trade receivables is used, taking into consideration various data to get an expected credit loss (i.e., diversity of its customer base, appropriate groupings of its historical loss experience, etc).

The amount of impairment loss is recognised in the statement of profit or loss within other expenses.

(E) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(F) Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or the sale of the asset (i.e., trade date accounting is adopted). Financial assets are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and

- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

(G) Impairment of financial assets

The measurement of the loss allowance for financial assets measured at amortised costs depends upon the Company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate. The loss allowance is recognised in profit or loss.

(H) Intangible Assets

Patents and licensed patents are capitalised on the basis of the cost incurred to acquire the patents. Patents and licensed patents have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. The patents are standard patents with an effective life of 20 years.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing. The patents are standard patents with an effective life of 20 years.

Amortisation has been included within depreciation, amortisation and impairment of non-financial assets.

Subsequent expenditures on the maintenance of patents are capitalised and amortised on a straight-line basis over the remaining useful life of the patent.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset and is recognised in profit or loss within other income or other expenses.

Goodwill arising from business combinations are accounted for by applying the acquisition method which requires an acquiring entity to be identified in all cases. The fair value of identifiable assets and liabilities acquired are recognised in the consolidated financial statements at the acquisition date.

Goodwill or a gain on bargain purchase may arise on the acquisition date which is calculated by comparing the consideration transferred and the amount of non-controlling interest in the acquiree with the fair value of the net identifiable assets acquired. Where consideration is greater than the net assets acquired, the excess is recorded as goodwill. Where the net assets acquired are greater than the consideration, the measurement basis of the net assets are reassessed and then a gain from a bargain purchase may be recognised in profit or loss.

(I) Trade and other payables

Trade payables and other payables are carried at cost and represent liabilities for goods and services provided to prior to the end of the financial year that are unpaid and arise when an obligation to make future payments in respect of the purchase of these goods and services arises. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(J) Interest-bearing loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no

evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a convertible note is determined using a market interest rate for an equivalent non-convertible note. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the note. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the relevant reporting period.

(K) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new Shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(L) Basis of consolidation

Up to the date of effectuation of the DOCA (18 December 2018), the financial statements of the Group incorporated the assets and liabilities of all subsidiaries of Azure Health and the results of all subsidiaries for the period then ended. Azure Health and its subsidiaries are referred to as the **Group**. Following the reregistration and disposal of all subsidiaries, the financial statements represent only the single company, Azure Health.

With respect to Invictus, the financial statements are those of Invictus Biotechnology Pty Limited in FY2018, and the consolidated group of Invictus Biotechnology Pty Limited and Invictus Biopharma Ltd (now Invictus Biopharma Pty Ltd) for FY2019 and FY2020.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are

currently exercisable or convertible are considered when assessing when the Group controls another entity.

Business combinations have been accounted for using the acquisition method of accounting.

Unrealised gains or transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

8 INVESTIGATING ACCOUNTANT'S REPORT

HALLCHADWICK
Corporate Finance & Advisory Services

HALL CHADWICK CORPORATE (NSW) LIMITED

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PrimeGlobal
An Association of Independent Accounting Firms

6 April 2021

The Directors
Azure Health Technology Limited
MLC Centre, Suite 3, Level 45
19-29 Martin Place
Sydney NSW 2000

Dear Sirs,

Independent Limited Assurance Report on Historical and Pro-forma Consolidated Financial Information

We have been engaged by Azure Health Technology Limited ("Azure" or "the Company") to report on the historical and pro forma consolidated historical financial information for inclusion in the Prospectus relating to the proposed issue of shares in the Company to raise a minimum of $2.25 million and up to $3.0 million before the costs of the issue (the "Offer").

Expressions and capitalised terms defined in the Prospectus have the same meaning in this report.

The nature of this report is such that it should only be issued by an entity which holds an Australian Financial Services License (No. 227902) under the *Corporations Act 2001*. Hall Chadwick Corporate (NSW) Limited holds the appropriate Australian Financial Services License under the *Corporations Act 2001.*

Background

The Company completed the acquisition of Invictus Biopharma Ltd ("Invictus") on 11 June 2020.

Invictus is commercialising platforms enhancing the delivery of tocotrienols (T3s) which is the component of vitamin E believed to confer benefits across a range of medical conditions and applications.

Invictus Biopharma Ltd was formed on 17 August 2018. The shareholders of Invictus Biotechnology Pty Limited agreed to proportionately exchange for shares in Invictus BioPharma Ltd as at 17 August 2018. Invictus Biotechnology Pty Ltd is now a 100% subsidiary of Invictus Biopharma Ltd.

Scope

Historical Financial Information

You have requested Hall Chadwick Corporate (NSW) Limited to review the following historical financial information of the Company:

a) the historical Consolidated Statements of Profit or Loss and Other Comprehensive Income for the years ended 30 June 2019 ("FY2019") and 30 June 2020 ("FY2020") and the six months ended 31 December 2020 ("HY2021");

b) the historical Consolidated Statements of Cash Flows for FY2019, FY2020 and

HY2021; and

c) the historical Consolidated Statements of Financial Position as at 31 December 2020.

Pro forma Consolidated Historical Financial Information

You have requested Hall Chadwick Corporate (NSW) Limited to review the pro forma consolidated statement of financial position of the Company as at 31 December 2020 assuming the completion of the Offer and inclusive of the further transactions detailed in the Prospectus that have occurred or are intended to occur subsequent to 31 December 2020.

The financial information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles detailed in International Financial Reporting Standards and the adopted accounting policies of the Company and Invictus.

The Historical Financial Information of Azure has been extracted from the annual financial reports for FY2019 and FY2020, which have been audited by Hall Chadwick and the half year financial report for HY2021 which was audit reviewed by Hall Chadwick in accordance with Australian Auditing Standards. Hall Chadwick issued a qualified audit report for FY2019 due to scope limitations and inadequate accounting and statutory records resulting from the Company previously being placed into voluntary administration. Hall Chadwick issued an unqualified audit opinion in FY2020 and HY2021. In all three periods Hall Chadwick noted a material uncertainty related to going concern due to negative operating cash flows and working capital.

The financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

The stated basis of preparation is the recognition and measurement accounting principles applied to the financial information and the transactions to which the pro forma adjustments relate, as described in the Prospectus, as if those transactions had occurred as at the date, or prior to the date, of the financial information. Due to its nature, the pro forma consolidated historical financial information does not represent the company's actual or prospective financial position.

Directors' responsibility

The directors of the Company are responsible for the preparation of the historical and pro forma consolidated historical financial information, including the selection and determination of pro forma adjustments made to the historical financial information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of pro forma consolidated historical financial information that is free from material misstatement whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the financial information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we have become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

This report has been compiled with consideration of APES 110 Code for Professional Accountants, given that Hall Chadwick are the auditors of Azure and HCC have prepared this report. HCC adopts internal procedures and structures to safeguard our independence and manage any perceived conflict of interest arising from the role of Hall Chadwick as auditor of Azure.

Conclusions

Historical financial information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the historical financial information is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in the Prospectus.

Pro forma consolidated historical financial information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the pro forma consolidated historical financial information is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in the Prospectus.

Restriction on Use

Without modifying our conclusions, we draw attention to the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

We disclaim any assumption of responsibility for any reliance on this report or on the financial information to which it relates, for any purpose other than that for which it was prepared.

Disclosure of Interest

Hall Chadwick Corporate (NSW) Limited does not have any interest in the outcome of the Prospectus other than the issue of this report for which normal professional fees will be received. Hall Chadwick Corporate (NSW) Limited does not hold nor have any interest in the ordinary shares of the Company. Hall Chadwick Corporate (NSW) Limited was not involved in the preparation of any part of the Prospectus and accordingly, makes no representations or warranties

as to the completeness and accuracy of any information contained in the Prospectus.

Consent

Hall Chadwick Corporate (NSW) Limited has consented to the inclusion of this assurance report in the Prospectus in the form and context in which it is included.

Yours faithfully

DAVID KENNEY
HALL CHADWICK CORPORATE (NSW) LIMITED

HALLCHADWICK
Corporate Finance & Advisory Services

FINANCIAL SERVICES GUIDE

Dated 6 April 2021

What is a Financial Services Guide (FSG)?
This FSG is designed to help you to decide whether to use any of the general financial product advice provided by Hall Chadwick Corporate (NSW) Limited ABN 28 080 462 488, Australian Financial Services Licence Number 227902 ("HCC").

This FSG includes information about:

- HCC and how they can be contacted;
- the services HCC is authorised to provide;
- how HCC are paid;
- any relevant associations or relationships of HCC;
- how complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and
- the compensation arrangements that HCC has in place.

This FSG forms part of an Investigating Accountant's Report ("Report") which has been prepared for inclusion in a disclosure document. The purpose of the disclosure document is to help you make an informed decision in relation to a financial product. The contents of the disclosure document, as relevant, will include details such as the risks, benefits and costs of acquiring the particular financial product.

Financial services that HCC is authorised to provide
HCC holds an Australian Financial Services Licence, which authorises it to provide, amongst other services, financial product advice for securities and interests in managed investment schemes, including investor directed portfolio services, to retail clients. We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of finance products.

HCC's responsibility to you
HCC has been engaged by the Directors of Azure Health Technology Limited to prepare this Report for inclusion in a Prospectus in relation to the offering of shares in Azure Health Technology Limited on the ASX ("Offer").

You have not engaged HCC directly but have received a copy of the Report because you have been provided with a copy of the Prospectus. HCC nor the employees of HCC are acting for any person other than Azure Health Technology Limited. HCC is responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

General advice
As HCC has been engaged by Azure Health Technology Limited, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

You should also consider the other parts of the Prospectus before making any decision in relation to the Offer.

Fees HCC may receive
HCC charges fees for preparing reports. These fees will usually be agreed with, and paid by, Azure Health Technology Limited. Fees are agreed on either a fixed fee or a time cost basis. In this instance, Azure Health Technology Limited has agreed to pay HCC $15,000 (excluding GST and out of pocket expenses) for preparing the Report on Historical and Pro forma Consolidated Historical Financial Information to be included in the Prospectus.

HCC and its officers, representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of this Report.

HCC officers and representatives receive remuneration from Hall Chadwick Sydney professional advisory and accounting practice (the Hall Chadwick Sydney Partnership). Remuneration and benefits are not provided directly in connection with any engagement for the provision of general financial product advice in the Report. Further details may be provided on request.

Referrals

HCC does not pay commissions or provide any other benefits to any person for referring customers to them in connection with a Report.

Associations and relationships

Through a variety of corporate and trust structures HCC is controlled by and operates as part of the Hall Chadwick Sydney Partnership. HCC's directors may be partners in the Hall Chadwick Sydney Partnership. Mr David Kenney, director of HCC and partner in the Hall Chadwick Sydney Partnership, has prepared this Report. The financial product advice in the Report is provided by HCC and not by the Hall Chadwick Sydney Partnership.

From time to time HCC, the Hall Chadwick Sydney Partnership and related entities ("HC Entities") may provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses. HC Entities have previously provided advisory services to the Company for which fees have been invoiced on a time-cost basis.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of Azure Health Technology Limited or Invictus or has other material financial interests in the Offer.

Complaints resolution

If you have a complaint, please let HCC know. Formal complaints should be sent in writing to:
The Complaints Officer
Hall Chadwick Corporate (NSW) Limited
GPO Box 3555
Sydney NSW 2001

If you have difficulty in putting your complaint in writing, please telephone the Complaints Officer on (02) 9263 2600 and he will assist you in documenting your complaint.

Written complaints are recorded, acknowledged within 5 days and investigated. As soon as practical, and not more than 45 days after receiving the written complaint, the response to your complaint will be advised in writing.

External complaints resolution process

If HCC cannot resolve your complaint to your satisfaction within 45 days, you can refer the matter to the Australian Financial Complaints Authority (AFCA). AFCA provides free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at their website www.afca.org.au or by contacting them directly at:
Australian Financial Complaints Authority Limited
GPO Box 3, Melbourne Victoria 3001
Telephone: 1800 931 678
Facsimile (03) 9613 6399
Email: info@afca.org.au

The Australian Securities and Investments Commission also has a free call infoline on 1300 300 630 which you may use to obtain information about your rights.

Compensation arrangements

HCC has professional indemnity insurance cover as required by the Corporations Act 2001(Cth).

Contact details

You may contact HCC at:

Hall Chadwick Corporate (NSW) Limited
GPO Box 3555
Sydney NSW 2001
Telephone: (02) 9263 2600
Facsimile: (02) 9263 2800

FB RICE

The IP Navigators

15 February 2021

Invictus Biotechnology Pty Ltd
The Directors
Level 45, MLC Centre, 19 Martin Place,
Sydney New South Wales 2000
Australia

INVICTUS BIOTECHNOLOGY PTY LTD: INTELLECTUAL PROPERTY REPORT
FB Rice Ref: 528612

1. REPORT SUMMARY

Set out below is our report (the "Report") detailing the current status of the patent applications owned or licensed to Invictus Biotechnology Pty Ltd ("Invictus") for inclusion in a Prospectus to be lodged by Azure Health Technology Limited ("AZT") with the Australian Securities & Investments Commission for the purpose of AZT raising equity capital by issuing shares *via* an Initial Public Offering. Invictus Biotechnology Pty Ltd is a wholly owned subsidiary of Invictus BioPharma Ltd which is in turn a wholly owned subsidiary of AZT.

The Report summarizes the details and status of the pending patents and patent applications in **Schedule 1, 2, 3 & 4**. To the best of our knowledge the Report is accurate as at the indicated date, subject to the limitations and qualifications set out in Section 5 (in particular, subject to the sources of information described in Section 5.1).

FB Rice has been instructed by Invictus to prepare this Report for inclusion in AZT's Prospectus. FB Rice has been instructed to provide the details and status of patent matters in the intellectual property portfolio referred to in this Report.

2. INTELLECTUAL PROPERTY

2.1. Meaning of Intellectual Property

The term "intellectual property" refers to a group of registrable and non-registrable rights, including rights in patents, designs, trade marks, plant varieties, copyright, confidential information and trade secrets. Intellectual property has many of the characteristics possessed by real and personal property. In particular, intellectual property is an asset, which may be bought, sold, licensed, exchanged, or otherwise transferred as other forms of property. Accordingly, an intellectual property owner has the right to prevent the unauthorised use or sale of its property.

This Report is only directed to intellectual property which is in the form of patents and patent applications.

2.2. Patents

Patent rights constitute an important component of intellectual property. Patents cover inventions and provide a monopoly in exchange for an inventor's full disclosure of the invention to the public. A patent provides protection for novel (new), inventive (non-obvious) and useful inventions for a fixed period, which is typically up to 20 years. For certain pharmaceutical inventions, this period may be extended. In addition, to maintain a pending application or patent in force, it is necessary to pay renewal fees, usually on an annual basis. Patents may be granted in relation to a wide range of subject matter, such as new or improved products, new uses for products and methods for doing things. Such subject matter must, however, be industrially applicable. A patent cannot be granted on a worldwide basis. Rather, patents must be obtained in every country where protection is required. Although there is a certain amount of harmonization as and between the patent granting procedures and standards throughout the world, there are differences regarding the test for patentability. Accordingly, the scope of a patent may vary from country to country and indeed a patent may not be granted in a particular country for failure to comply with the relevant standards.

2.3. Inventorship and Ownership

Typically, a patent for an invention may only be granted to the inventor(s), or to a person who has entitlement to the invention by way of assignment or other means. The ownership and entitlement of Invictus to the patents and applications in Schedule 1, 2 & 3 is discussed in more detail below in Section 4.1.

2.4. Patenting Process

In most countries of the world the process of protecting patent rights begins with the submission of a patent application comprising a patent specification describing the invention. Filing an Australian patent application (provisional or complete) or other initial patent application in a foreign country, which permits such a filing, satisfies this requirement. Countries that allow Australian applicants to file such applications include the United Kingdom and the United States of America.

A fundamental requirement of the patent system is that the invention is novel and inventive at the time of filing, relative to what was publicly known or used at the date of the application. Accordingly, it is imperative that the specification contains a full disclosure of the invention. A patent specification generally consists of a description of the invention and so-called claims, which define the scope of the invention. The description also typically provides background information, such as a description of existing products, manufacturing or testing methods or processes and related problems, which enable an examiner and others to assess the application for inventiveness.

Once the initial application has been filed, further applications in foreign countries must be filed within twelve (12) months, pursuant to an international treaty called the Paris Convention, otherwise

rights to the invention may be lost in those countries. In this regard, the Paris Convention provides that the filing of an initial patent application establishes a priority date for the invention in all other countries which are party to this Convention, including countries such as the United States of America, Japan and Australia.

The filing of further patent applications in foreign countries may be pursued individually or in some instances by filing an application with a regional patent office that does the work for a number of countries, such as the European Patent Office and the African Regional Industrial Property Organization. Under such regional systems, an applicant requests protection for the invention in one or more countries, and each country decides as to whether to offer patent protection within its borders. The WIPO-administered Patent Cooperation Treaty ("PCT") provides for the filing of a single international patent application. An applicant seeking protection may file one application and request protection in as many signatory states as needed.

It should be noted that at present there are only 153 countries that are party to the PCT and if patent protection is required in a country that is not party to the PCT then individual applications must be filed in these countries by the twelve (12) month anniversary of the initially filed application. An example of a country that is not a party to the PCT is Taiwan.

Applications filed individually in countries rather than via the PCT are examined under the national laws of those countries. However, a PCT application is considered under the terms of the PCT. Once the PCT application has been filed it is subjected to what is called an "international search", carried out by one of the major patent offices. The search results are then communicated to the patent applicant in an "international search report", which is a listing of published documents that might affect the patentability of the invention claimed in the international application. On the basis of the international search report the applicant may decide to withdraw the application. However, if the PCT application is not withdrawn, it is, together with the international search report, published by the International Bureau.

If the applicant decides to continue with the international application, then within thirty (30) months of the provisional patent application filing date, national patent applications need to be filed. In some countries such as Australia and regions such as Europe, the deadline is thirty-one (31) months. The applicant can also request preliminary examination, which is a report, prepared by one of the major patent offices that gives a preliminary and non-binding opinion on the patentability of the claimed invention.

Once the PCT process has been completed then the national or regional phase is undertaken, as the PCT application itself does not mature into patents. The applicant may choose to enter one or more of the countries designated in the original PCT application. Entry into the national phase is essentially the same as filing an application in the first instance. Thus, the standard documentation and fee requirements will need to be satisfied in each country, and in non-English speaking countries that will include translating the PCT specification into the language of the relevant country. Failure to enter the national phase within the thirty (30) month period will result in abandonment of the ability to secure patent protection in most PCT countries.

The national or regional applications progress under the jurisprudence and legislation of each country or region. In most jurisdictions, such as Australia, Europe, United States of America and Japan, examination by the relevant patent office comprises an examination of the art to which the invention pertains as it existed at the priority date of the application. This examination establishes what is referred to as the "state of the art". The patent application is measured against the state of the art and an assessment is made regarding whether the invention described in the application is novel, inventive and useful. Therefore, the time required to complete the process of examination differs from country-to-country and the scope or protection may differ depending upon the law of each country. In general, it will take several years from the date of application until the patent is actually granted. With respect to regional applications, like the European application, this involves filing a single application designating any of the countries that are signatories to the Convention covering that region. The single application is subjected to examination, and assuming that the application is allowed, it will proceed to the grant phase. The applicant can then elect to have patents validated in all or some of the originally designated countries, and the individual patents then function as though they were patents granted under standard national procedures.

2.5. Granted Patents: Renewal fees, validity, exploitation and enforcement

Once a patent has been granted renewal fees will need to be paid, otherwise the patent will cease. It should also be noted that grant of a patent does not guarantee that the patent is valid or enforceable, and FB Rice provides no assurance that Invictus' pending patent applications will be granted or will be held valid and enforceable following grant.

Notwithstanding the issue regarding guaranteed enforceability, once a patent has been granted, the owner has the exclusive right to use the patented technology throughout the lifetime of a patent. This means that the owner can decide to exclusively use it for their own benefit and prevent others from using it. Alternatively, they can allow others to use it under the terms of a license agreement. The terms of the license agreement generally define the limited scope of the use of the patent and the consideration to be paid for the use of it.

Enforcement of patent rights varies from country-to-country. The remedies for unauthorised use (patent infringement) available to the patent owner often include an injunction, which effectively stops further infringement of the patent, damages or account of profits, and costs.

3. INVICTUS PATENT PORTFOLIO AS AT 12 JANUARY 2021

3.1 Transmucosal Delivery of Tocotrienol (PCT/AU2013/001310)

Applicant when filed	Gordagen Pharmaceuticals Pty Ltd
Inventors	Glenn TONG
Priority Data	AU 2012904937 AU 2012905406
Earliest Priority Date	13 November 2012
International Application PCT No [Publication Number]	PCT/AU2013/001310 [WO/2014/075135]
International Application Filing Date	13 November 2013

While the PCT was filed in the name of Gordagen Pharmaceuticals Pty Ltd, this patent family was assigned to and is now owned by Invictus Biotechnology Pty Ltd. The ownership and entitlement of Invictus to the patents and applications in this family is discussed in more detail below in Section 4.1.

This patent family is directed towards compositions comprising tocotrienols that are for transmucosal administration, and use of these formulations for the treatment of post exercise muscle soreness, delayed onset muscle soreness, cardiac fibrosis, hypertension, inflammation, stroke, cancer, elevated cholesterol and/or triglycerides, baldness, and a condition resulting from radiation exposure.

This patent family derives from PCT application PCT/AU2013/001310, which was filed on 13 November 2013. It claimed an earliest priority date of 13 November 2012, from Australian provisional patent application 2012904937. It also claims priority from a second Australian provisional patent application 2012905406, filed on 11 December 2012. The Applicant of both provisional patent applications is Gordagen Pharmaceuticals Pty Ltd.

The PCT application proceeded through the International Phase and entered the Regional/National Phase in Australia, Brazil, Canada, People's Republic of China, Europe, India, Indonesia, Israel, Japan, Republic of Korea, Malaysia, New Zealand, Peru, Philippines, Russia, Singapore, United States of America, South Africa, Thailand, Hong Kong, Ukraine and Vietnam. The details and status of the pending patents and patent applications is provided in Schedule 1.

Invictus has advised that they will allow or have allowed the applications in Peru, Republic of Korea, Thailand and Vietnam to lapse.

Patentability will ultimately be judged on a country by country basis during Examination. Patent Applications are commonly drafted with a very broad ambit scope of claims - as different claim scopes are often allowed in different jurisdictions. This approach is important initially so as not to unduly limit the potential coverage of the patent application. An initial rejection by a patent examiner of such broad ambit claims is commonly received (usually in over 90% of patent

applications) and then the applicant, in conjunction with discussions with the patent examiner, narrows the claims (which are the subject of the application) to achieve allowance of the claims and subsequent grant.

A patent has been granted in the People's Republic of China, Europe, Australia, New Zealand, Singapore, Japan, South Africa and the United States of America. The European patent has been validated in the following countries: Austria, Denmark, Finland, France, Germany, Ireland, Italy, The Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland & Liechtenstein, Turkey and United Kingdom.

The granted claims in Europe are directed to the use of a pharmaceutical composition including at least one tocotrienol and one or more pharmaceutically acceptable excipients, wherein the composition is administered by transmucosal delivery for stabilizing and/or controlling blood glucose levels, reducing hypertension, treating ischemic disease, reducing cholesterol and/or triglycerides, treating cancer, reducing and/or inhibiting inflammation, reducing and/or treating cardiac fibrosis, conditions resulting from radiation exposure, post exercise muscle soreness, delayed onset muscle soreness, baldness, improving exercise endurance and performance and promoting weight loss.

The granted claims in the United States of America are directed to a method of treating post-exercise muscle soreness or delayed onset muscle soreness by transmucosal administration of a composition comprising at least one tocotrienol. Invictus filed a divisional application on 23 April 2020 to pursue other indications and compositions. The divisional application published on 6 August 2020.

The granted claims in Australia, New Zealand, Singapore and South Africa are directed to a pharmaceutical composition formulated for transmucosal delivery in the salivary mucosal environment, including at least one tocotrienol or derivative thereof, together with one or more pharmaceutically acceptable excipients.

The granted claims in Japan are directed to the use of a pharmaceutical composition including at least gamma-tocotrienol, delta-tocotrienol or a combination thereof in a method of treating or preventing post exercise muscle soreness and delayed onset muscle soreness in a human, the method including transmucosal administration of the pharmaceutical composition in the salivary mucosal environment of a human. Two divisional applications have been filed in Japan to pursue other indications or compositions.

The granted claims in the People's Republic of China are directed to the use of a pharmaceutical composition including at least gamma-tocotrienol or delta-tocotrienol in a method of treating or preventing delayed onset muscle soreness. A divisional application has been filed in the People's Republic of China to pursue other indications or compositions.

Applications are pending in Brazil, Canada, People's Republic of China (divisional), India, Japan (divisional), Malaysia, United States of America (divisional) and Hong Kong, with examination commenced in Brazil, Canada, People's Republic of China, India and Japan (divisional).

In Canada, the Examiner considers that a claim directed to a pharmaceutical composition formulated for transmucosal delivery in the salivary mucosal environment, including at least one tocotrienol or derivative thereof, together with one or more pharmaceutically acceptable excipients is patentable and has issued a notice of allowance. The final formalities have been completed and the next step is issuance of the Letters Patent.

In Brazil, the Examiner considers that claims directed to use of a pharmaceutical composition including at least one tocotrienol and one or more pharmaceutically acceptable excipients, wherein the composition is formulated for transmucosal administration for stabilizing and/or controlling blood glucose levels, reducing hypertension, treating ischemic disease, reducing cholesterol and/or triglycerides, treating cancer, reducing and/or inhibiting inflammation, reducing and/or treating cardiac fibrosis, conditions resulting from radiation exposure, post exercise muscle soreness, delayed onset muscle soreness, baldness, improving exercise endurance and performance and promoting weight loss are patentable and the patent application has been approved for granting. A patent will grant upon completion of formality requirements.

During examination in India, Invictus has received rejections of the initial claims filed. In response, Invictus has filed amended claims that Invictus considers fully address the objections raised by the Examiners.

For the first divisional application filed in Japan, the pending claims are directed to a pharmaceutical composition formulated for transmucosal delivery. The composition includes delta-tocotrienol and polyethylene glycol. During examination, Invictus has received a decision of rejection. Invictus has requested an appeal against the decision of rejection and provided submissions which they consider address the Examiner's concerns. A further divisional application has also been filed.

An examination report has yet to issue of the divisional application filed in the United States of America.

An examination report has yet to issue of the divisional application filed in the People's Republic of China.

3.2 Transmucosal Delivery of Tocotrienol (Provisional Application No. AU2020904488)

Applicant when filed	Invictus Biotechnology Pty Ltd
Filing Date	4 December 2020

A provisional patent application was filed with IP Australia on 4 December 2020. The provisional application has Australian application number 2020904488.

This provisional patent application is directed to compositions formulated for transmucosal delivery of tocotrienols and to improvements in the manufacture of these formulations.

3.3 Licensed technology

Invictus has a licence to several patent families, as discussed below, owned by Monash University. The license granted to Invictus relates to certain aspects of these applications. Invictus has advised that another license has been granted to a third party for other aspects of these applications. The patent applications are directed towards lymph directing prodrugs.

3.3.1 Lymph Directing Prodrugs (PCT/AU2015/050460)

Applicant	MONASH UNIVERSITY
Inventors	Chris PORTER Jamie SIMPSON Natalie TREVASKIS Tim QUACH Sifei HAN Luojuan HU
Priority Data	AU 2014903148
Earliest Priority Date	12 August 2014
International Application PCT No [Publication Number]	PCT/AU2015/050460 [WO/2016/023082]
International Application Filing Date	12 August 2015

This patent family is directed towards prodrugs, particularly lipophilic prodrugs, which can be used to promote transport of a pharmaceutical agent to the lymphatic system and subsequently enhance release of the parent drug.

This patent family derives from PCT application PCT/AU2015/050460, which was filed on 12 August 2015. It claimed an earliest priority date of 12 August 2014, from an Australian provisional patent application 2014903148.

This application proceeded through the International Phase and entered the Regional/National Phase in Australia, Europe, Japan, People's Republic of China and United States of America. The details and status of the pending patents and patent applications is provided in Schedule 2.

A patent has been granted in Australia and Japan. Applications are pending in Australia (divisional), Europe, Japan (divisional), People's Republic of China and the United States of America. A continuation application has also been filed in the United States of America.

The Australian (divisional), Chinese, Japanese (divisional), European and United States of America applications are currently under examination. An examination report has issued with respect to the Australian (divisional), Chinese, European and both United States of America applications.

3.3.2 Lymph Directing Prodrugs PCT/AU2016/050845

Applicant	Monash University
Inventors	Chris PORTER Jamie SIMPSON Natalie TREVASKIS Tim QUACH Sifei HAN Luojuan HU
Priority Data	AU 2015903661
Earliest Priority Date	8 September 2015
International Application PCT No [Publication Number]	PCT/AU2016/050845 [WO/2017/041139]
International Application Filing Date	8 September 2016

This patent family is directed towards prodrugs, particularly lipophilic prodrugs, which can be used to promote transport of a pharmaceutical agent to the lymphatic system and subsequently enhance release of the parent drug.

This patent family derives from PCT application PCT/AU2016/050845, which was filed on 8 September 2016. It claimed an earliest priority date of 8 September 2015, from an Australian provisional patent application 2015903661.

This application proceeded through the International Phase and entered the Regional/National Phase in Australia, Canada, Europe, Japan, People's Republic of China and United States of America. The details and status of the pending patents and patent applications is provided in Schedule 3.

Applications are pending in Australia, Canada, Europe, Japan, People's Republic of China and United States of America.

The Australian, European, Japanese, Chinese and United States applications are currently under examination. Examination reports have issued in Australia, Europe, China, Japan and the United States. The Canadian application is awaiting examination.

4. OTHER MATTERS

4.1. Patent Ownership & Entitlement

4.1.1 Transmucosal Delivery of Tocotrienol (PCT/AU2013/001310)

Our investigation of the records of the Australian Patent Office indicates that Gordagen Pharmaceuticals Pty Ltd is recorded as the Applicant of both provisional applications and the PCT application.

For all the patents and patent applications listed in Schedule 1, Gordagen Pharmaceuticals Pty Ltd was originally recorded as the Applicant. The patents and patent applications listed in Schedule 1 were transferred to Invictus on 24 January 2018 and Invictus is now recorded as the Applicant for Brazil, Canada, People's Republic of China, Europe, Hong Kong, India, Japan, New Zealand, Malaysia, Republic of Korea, Singapore, South Africa, and United States of America. . Gordagen Pharmaceuticals Pty Ltd is recorded as the Applicant for Indonesia, Peru, Thailand and Vietnam. While Invictus is the current owner of these patent applications, Invictus has advised that they have no plans to renew these applications and they will be allowed to lapse.

We have reviewed the assignment documentation between Gordagen Pharmaceuticals Pty Ltd and Invictus and are satisfied that Invictus is the owner of all the patent applications in Schedule 1.

Further, it is important to note that there are legal mechanisms by which third parties can bring evidence that they have sole or joint entitlement to an invention and any patent application or patent obtained for that invention. We are unaware of the existence of any such third party in relation to the patent and patent applications set out in Schedule 1.

To the best of our knowledge, to date, there has been no third party challenge to the validity or ownership of the patent applications.

4.1.2 Lymph Directing Prodrugs (PCT/AU2015/050460)

FB Rice has not reviewed any documentation regarding ownership of the family as set out in Schedule 2.

Nevertheless, it is important to note that there are legal mechanisms by which third parties can bring evidence that they have sole or joint entitlement to an invention and any patent application or patent obtained for that invention. We are unaware of the existence of any such third party in relation to the patents and patent applications set out in Schedule 2.

To the best of our knowledge, to date, there has been no third party challenge to the validity or ownership of the patents and patent applications.

4.1.3 Lymph Directing Prodrugs PCT/AU2016/050845

FB Rice has not reviewed any documentation regarding ownership of the family as set out in Schedule 3.

Nevertheless, it is important to note that there are legal mechanisms by which third parties can bring evidence that they have sole or joint entitlement to an invention and any patent application or patent obtained for that invention. We are unaware of the existence of any such third party in

relation to the patents and patent applications set out in Schedule 3.

To the best of our knowledge, to date, there has been no third party challenge to the validity or ownership of the patents and patent applications.

4.1.4 Transmucosal Delivery of Tocotrienol (Provisional Application No. AU2020904488)

Invictus has advised that they have entitlement to the invention described in the provisional application.

Nevertheless, it is important to note that there are legal mechanisms by which third parties can bring evidence that they have sole or joint entitlement to an invention and any patent application or patent obtained for that invention. We are unaware of the existence of any such third party in relation to the provisional patent application set out in Schedule 4.

To the best of our knowledge, to date, there has been no third party challenge to the validity or ownership of Australian provisional application number 2020904488.

4.2. Enforcement of Patents

Once a patent has been granted, the patent owner may initiate infringement proceedings against an alleged infringer of the property. It is important to note that infringement proceedings cannot be initiated on the basis of a pending application.

4.3. Third Party Rights

Filing a patent application does not mean that the applicant is free to commercially use an invention, as it is possible that the intellectual property rights of another party may be infringed by doing so. Typically, third party rights are identified by conducting a Freedom to Operate (FTO) search in the country or counties it is proposed to commercialize an invention.

4.4. Validity of Patent Applications

The ultimate validity of the claims of a patent cannot be guaranteed. Various legal mechanisms exist to challenge the validity of patents and patent applications. For example, validity of a patent application may be challenged in the following ways:

(a) during examination;

(b) in opposition proceedings once the application has been examined and found allowable;

(c) in court during revocation proceedings brought by a third party; or

(d) during infringement proceedings initiated against an alleged infringer.

As some of the patent rights set out in Schedules 1, 2 & 3 are still pending patent applications and likely to undergo examination, it cannot be assumed that these applications (or any applications stemming from them) will proceed to grant or, if grant is achieved, that the claims will remain in their present form. It is possible, for example, that the scope of the claims of the patent applications may be restricted during examination of the application.

5. LIMITATIONS AND QUALIFICATIONS

5.1. Information sources

In preparing this report, in addition to reviewing our internal databases, we relied upon information contained in relevant publicly available databases and the searches conducted by the appropriate national and international patent offices with respect to the patents and patent applications in Schedule 1. FB Rice is not responsible for the accuracy of the information available in public databases and accordingly cannot guarantee the accuracy of this information.

5.2. Jurisdictional requirements

Each jurisdiction has its own laws and particular requirements that need to be met for the grant and maintenance of a patent. Accordingly, the assessment patentability varies from jurisdiction-to-jurisdiction, and inventions, which may be granted and registrable in one jurisdiction, may be excluded from grant and registration in another. Moreover, the different jurisdictional requirements may result in variation of the scope of patent protection obtained for the same patent in different jurisdictions. The outcome of examination of the patent application by the office of one jurisdiction is not binding on the office of any other jurisdiction. Similarly, international PCT searches and examination reports are not binding on national patent applications during examination in the national phase. Examination of patent applications often occurs at different times in different jurisdictions. This means there is also a risk that a patent may be granted on an application in one jurisdiction, and that a third party patent may subsequently be cited during examination of another patent application that has been filed elsewhere.

In some jurisdictions there is a duty to disclose certain information to the relevant patent office. This information can include relevant prior art information known to the applicant or its agents or search results issued in respect of corresponding foreign applications. Failure to disclose such information may adversely affect the validity and/or enforceability of the patent.

We further note that there may be changes to patent law in a particular jurisdiction from time-to-time, which may have an impact on patents in the relevant country. For example, the Australian Government enacted the Intellectual Property Law Amendments (Raising the Bar) Act 2012 (Cth), which represents a significant amendment to Australian patent law. In particular, the Act raises the requirement for patentability and the description requirements for patent specifications. It applies to all Australian patent applications for which a request for examination was filed on or after 15 April 2013.

5.3. Patentability search limitations

A patentability search, such as international searches carried out by various patent offices under the PCT procedure, cannot be guaranteed to locate all prior art that may exist which is potentially relevant to the assessment of novelty and inventive step of a claimed invention. Such searches are generally computer-based searches and are dependent on the database search strategy and the coverage provided by the databases used. For example, the databases may not cover older published documents and/or certain jurisdictions. Further, all patentability searches are subject to the accuracy of records, as well as the indexing and classification of the subject matter comprising the records. The scope of each search is also dependent on the search strategy utilized and, for example, the keyword(s) selected for the search.

Accordingly, although patentability searches provide a reasonable indication of patentability, it is not possible to guarantee that every relevant prior art record has been located and considered. As a result, any conclusions regarding the validity of the claims of a particular patent based on patent office searches should be regarded as indicative rather than conclusive.

Further, non-provisional patent applications are not normally published until at least 18 months from the earliest acceptable priority date. Accordingly, a patentability search would not normally identify any third party patent application that is potentially relevant to the assessment of patentability that have a priority date which is less than 18 months prior to the date of the patentability search. Delays between official publication and the incorporation of information into the relevant database can also occur, which means that some documents may not be located in a patentability search.

5.4. Patentability of an invention

Besides documentary prior art, public use of an invention and non-confidential oral disclosures before the priority date of a patent application may also be relevant to the assessment of patentability of invention to which the patent application relates. As patentability searches are conducted on published documents, they would not locate such other forms of prior art disclosures.

Commercialization or secret use of an invention in a jurisdiction by, or with the authority of, a patent applicant (or their predecessor in title) before the priority date of a patent application that has been filed in the jurisdiction by the applicant in respect of the invention, can also be relevant to the patentability of intervention and the validity of any patents that may ultimately be granted on the application. Such commercial exploitation or secret use would not normally be identified by documentary patentability searches of publicly accessible databases.

5.5. Opposition Proceedings

Some jurisdictions, such as Australia, allow for accepted patent applications to be opposed by a third party. Others, for example Europe, have post-grant opposition. Successful opposition proceedings may result in some or all of the claims of an application being refused. Successful opposition proceedings to a granted patent may result in some or all of the claims being held invalid or

restricted in breadth.

5.6. Entitlement to claimed priority date

In Australia, for subject matter contained in a non-provisional patent application to be entitled to the priority date established by a corresponding priority patent application or provisional patent application there must be a "real and reasonably clear disclosure" of the subject matter in the priority application. Similar provisions apply in other jurisdictions. Subject matter disclosed in a non-provisional patent application that is not contained in a corresponding priority application is generally only entitled to the filing date of the non-provisional application as a priority date.

5.7. Renewal fees

Invictus recognizes that renewal fees must be paid in order to maintain its patents. At the time of preparing this Report, no renewal fees are currently overdue. The attached schedules set out the relevant renewal dates.

5.8. Qualifications & Independence

FB Rice is a firm of patent and trade mark attorneys that provide advice in relation to all aspects of intellectual property. FB Rice has extensive experience protecting and defending intellectual property rights and commercializing products and services. FB Rice provides a comprehensive intellectual property service through its patent and trade mark attorney practices, law firm, consultancy arm and through its partnership with a major international renewal service.

FB Rice has no interest in Invictus, other than fees for professional work done.

FB Rice has no involvement in the preparation of the Prospectus, other than the preparation of this Report. FB Rice is therefore considered independent of Invictus for the purpose of preparing this Report and gives its consent for inclusion of this Report in the Prospectus.

The person responsible for preparing this Report is Dr Marcus Caulfield, Partner, FB Rice.

Yours sincerely
FB Rice

Dr Marcus Caulfield
Partner
mcaulfield@fbrice.com.au

SCHEDULE 1

Invictus Biotechnology Pty Ltd

PCT/AU2013/001310

Transmucosal Delivery of Tocotrienol

Country	Publication No.	Case Status	Renewal Due
Australia	AU2013344817	Granted	13 November 2021
Brazil	BR112015010703	Approved for Grant	13 November 2021
Canada	CA2891164	Notice of Allowance issued	13 November 2021
People's Republic of China	CN104582700	Granted	13 November 2021
People's Republic of China	Application no: 202011457257.1	Application pending	Not yet due
Europe*	EP2919777	Granted	NA
Austria	AT2919777	Granted	30 November 2021
Denmark	DK2919777	Granted	30 November 2021
Finland	FI2919777	Granted	30 November 2021
France	FR2919777	Granted	30 November 2021
Germany	DE2919777	Granted	30 November 2021
Ireland	IE2919777	Granted	30 November 2021
Italy	IT2919777	Granted	30 November 2021
The Netherlands	NL2919777	Granted	30 November 2021
Norway	NO2919777	Granted	30 November 2021
Poland	PL2919777	Granted	13 November 2021
Portugal	PT2919777	Granted	13 November 2021
Spain	ES2919777	Granted	30 November 2021
Sweden	SE2919777	Granted	30 November 2021
Switzerland & Liechtenstein	CH2919777	Granted	30 November 2021
Turkey	TR2919777	Granted	13 November 2021
United Kingdom	GB2919777	Granted	30 November 2021
India	IN4006DEN2015	Application pending	Not yet due
Japan	JP2016503407	Granted	11 January 2022

Country	Publication No.	Case Status	Renewal Due
Japan	JP2019031504 (Divisional of JP2016503407)	Application pending	Not yet due
Japan	JP 2020-171008 (Application No.) (Divisional of JP2019031504)	Application pending	Not yet due
Malaysia	PI2015000856 (Application No.)	Application pending	Not yet due
New Zealand	NZ628963	Granted	13 November 2021
Singapore	SG11201503640W	Granted	13 November 2021
United States of America	US20150265570A1 (US Patent No. 10,675,265)	Granted	9 December 2023
United States of America	US20200246306A1	Application Pending	Not yet due
South Africa	ZA201504191	Granted	13 November 2021
Hong Kong	HK1207295	Application pending	Not yet due

*validated in the following countries: Austria, Denmark, Finland, France, Germany, Ireland, Italy, The Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland & Liechtenstein, Turkey and United Kingdom

SCHEDULE 2

Monash University
(Licensed to Invictus Biotechnology Pty Ltd)
PCT/AU2015/050460
Lymph Directing Prodrugs

Country	Publication No.	Case Status	Renewal Due
Australia	AU2015303835	Granted	12 August 2021
Australia	AU2020204522	Application pending	12 August 2021
People's Republic of China	CN106715456	Application pending	Not yet due
Europe	EP3180349	Application pending	12 August 2021
Japan	JP6749890 (JP2017530095)	Granted	14 August 2021
Japan	JP2020169186	Application pending	Not yet due
United States of America	US2017326103	Application pending	Not yet due
United States of America	US2019105299	Application pending	Not yet due

SCHEDULE 3

Monash University
(Licensed to Invictus Biotechnology Pty Ltd)
PCT/AU2016/050845
Lymph Directing Prodrugs

Country	Publication No.	Case Status	Renewal Due
Australia	AU2016318229	Application pending	8 September 2021
Canada	CA2997106	Application pending	8 September 2021
People's Republic of China	CN108137482	Application pending	Not yet due
Europe	EP3347340	Application pending	8 September 2021
Japan	JP2018534342	Application pending	Not yet due
United States of America	US2018243425	Application pending	Not yet due

SCHEDULE 4

Invictus Biotechnology Pty Ltd

Transmucosal Delivery of Tocotrienol

Country	Application No.	Case Status	Renewal Due
Australia	AU2020904488	Provisional application	NA

10 ADDITIONAL INFORMATION

10.1 Company information

The Company is an Australian public company that was incorporated on 22 September 2004 and was admitted to the official list of the Australian Stock Exchange in 2007. At the time of incorporation, the Company was called Loop Mobile Limited. It changed its name to Moki Mobi Limited, then to Moko Social Media Limited and, most recently, to Azure Health Technology Limited.

Voluntary administration

On 25 January 2017, the Company's Shares were suspended from quotation on the official list of the Australian Stock Exchange. On 1 July 2017, the Directors resolved to place the Company into voluntary administration.

A proposal from Benelong Capital Partners Pty Ltd (**Benelong**) to act as proponent for the restructure and recapitalisation of the Company via a variation to the initial deed of company arrangement (**DOCA**) (which was executed by the Company on 15 November 2017) was submitted on 27 June 2018 (**Recapitalisation Proposal**). The creditors of the Company agreed to the Recapitalisation Proposal and the Company executed a revised DOCA based on the terms of the proposal by Benelong on 20 August 2018. Under the revised DOCA, Mr Jason Mark Tracy was appointed Deed Administrator to effect the terms of the Recapitalisation Proposal. The Recapitalisation Proposal was subject to various approvals being obtained from the Shareholders (**Resolutions**). A summary of the Resolutions is as follows:

- the existing Shares consolidated on a 1: 382 basis;
- the Company allot and issue 30,655,00 Shares to the secured creditor;
- the Company allot and issue 144,000,000 Shares to raise $355,000;
- the Company allot and issue 1,000,000 Shares to a post-DOCA creditor; and
- new directors be appointed to the Company.

The Company's shareholders approved the Resolutions on 18 December 2018.

On 6 March 2020, the Shares in the Company were consolidated from 179,998,454 Shares to 70,037,167 Shares.

Invictus Acquisition

On 8 November 2019, the Company announced that it had entered into a binding memorandum of understanding with Invictus (**Invictus Acquisition**).

The Company subsequently entered into a share sale agreement on 22 January 2020 with Invictus and its shareholders (**Invictus Acquisition Agreement**). Invictus and its subsidiaries are a classified asset for the purposes of the NSX Listing Rules.

Under the Invictus Acquisition Agreement, the Company proposed to acquire all of the shares in Invictus, and be re-admitted to the official list of the Australian Stock Exchange, subject to the satisfaction of ASX's re-listing requirements under Chapters 1, 2 and 11 of the ASX Listing Rules.

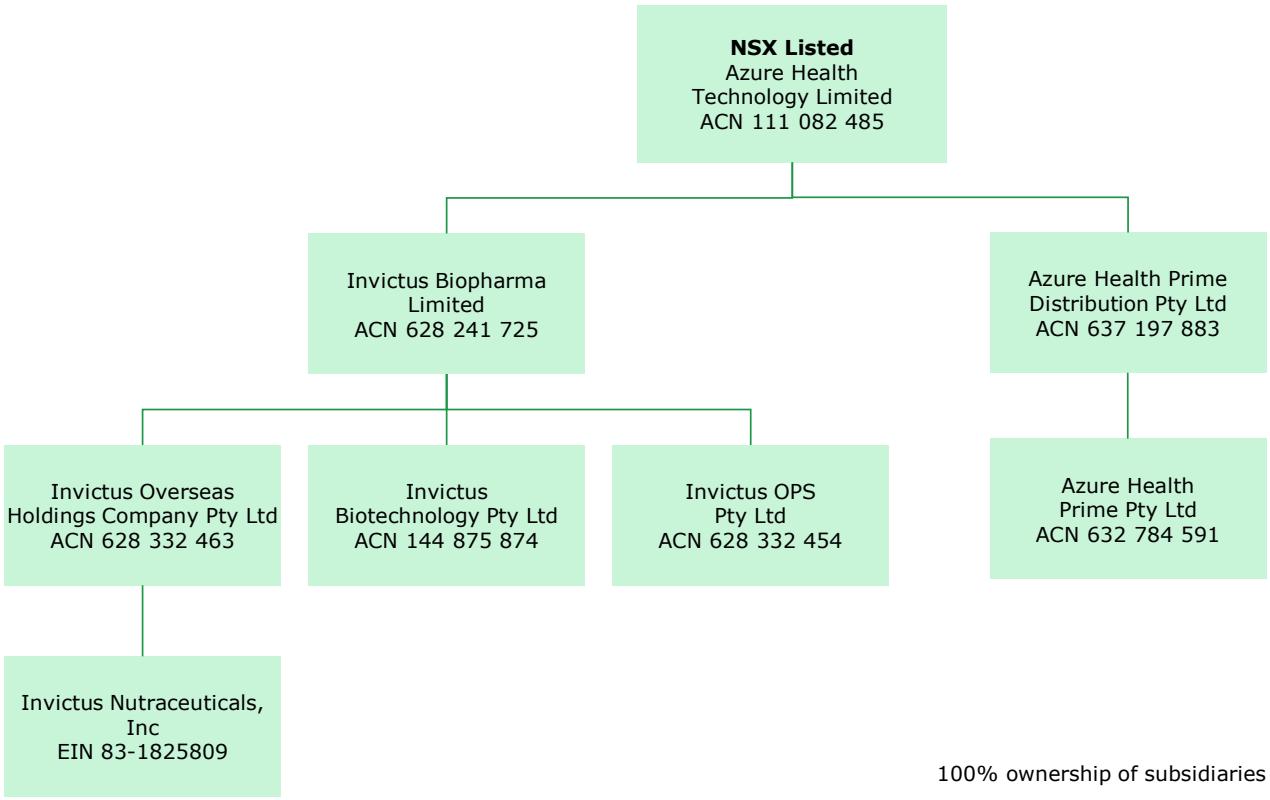
The Company lodged an Appendix 1A Application for admission to the official list of the Australian Stock Exchange with ASX on 5 February 2020 and received from the ASX a letter of conditional reinstatement to the official list of the Australian Stock Exchange on 17 April 2020. However, the Company was not able to satisfy the shareholder spread requirement under the ASX Listing Rules. The Company was delisted from the official list of the Australian Stock Exchange on 1 May 2020.

The Company resolved to proceed with the acquisition of Invictus pursuant to the Invictus Acquisition Agreement, which completed on 11 June 2020. Invictus is now a wholly owned subsidiary of the Company. The vendors of Invictus acquired Shares in the Company on completion of the Invictus Acquisition Agreement.

Under the Offer, it is envisaged that the Company would raise $2,250,000 based on the Minimum Subscription and $3,000,000 (before costs and expenses) based on the Maximum Subscription.

10.2 Group structure

The structure of the Company and its subsidiaries (**Group**) all of which are 100% wholly owned, is set out below:



Azure Health is the parent entity of the Group, and wholly owns Invictus Biopharma Limited (now Invictus Biopharma Pty Ltd after its conversion 10 on December 2020) (incorporated in Victoria) and Azure Health Prime Distribution Pty Ltd (incorporated in

NSW). Each of the subsidiaries conduct business in their respective state of incorporation, as well as nationally across Australia, and into international markets (as outlined in this Prospectus).

Invictus Biopharma Limited (now Invictus Biopharma Pty Ltd) (incorporated in Victoria) holds shares in the following three subsidiary companies (and does not have any other material operations):

- Invictus Biotechnology Pty Ltd (incorporated in Victoria) – which acquired the Group's intellectual property by purchasing rights from Gordagen Pharmaceuticals Pty Ltd (in liquidation) and in-licensing from Monash University. It holds all the intellectual property rights of Group.
- Invictus OPS Pty Ltd (incorporated in Victoria) – which is the operating company of the Group, other than in respect of the US operations and the operations conducted by Azure Health Prime Distribution Pty Ltd.
- Invictus Overseas Holding Pty Ltd (incorporated in Victoria) – which holds all the shares in Invictus Nutraceuticals, Inc.

Invictus Nutraceuticals, Inc. conducts the US operations of the Group comprising manufacturing, marketing and selling of nutraceutical products. All other companies conduct their business operations in Australia.

Azure Health Prime Distribution Pty Ltd (incorporated in NSW), a wholly-owned subsidiary of Azure Health, and its subsidiary, Azure Health Prime Pty Ltd, is party to a distribution agreement with Alzkat for the marketing and sale of Azure Health's nutraceutical and other products in China (please refer to Section 10.4.4 for more information on this agreement).

10.3 Rights and liabilities attaching to Shares

A shareholding in the Company is held subject to its Constitution and the Corporations Act. Shares to be issued under this Prospectus will rank equally with Existing Shares. The Constitution may be inspected at the Company's registered office during ordinary business hours by prior appointment or on the Website. It will also be released to NSX upon listing.

The following is a summary of the principal rights and liabilities of Shareholders under the Constitution. It is not intended to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders, which can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. Applicants who wish to obtain a definitive assessment of the rights and liabilities that attach to Shares in any specific circumstance should seek their own advice.

(a) Issue of Shares

The power to issue Shares and other securities in the capital of the Company lies with the Board, subject to the restrictions contained otherwise in the Constitution, the NSX Listing Rules and the Corporations Act.

(b) Voting

Every Shareholder who is present in person or by proxy, representative or attorney and entitled to vote has one vote for each Share held.

Subject to any rights or restrictions, at general meetings:

- every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative;
- has one vote on a show of hands; and
- has one vote for every Share held, upon a poll.

(c) Dividends

Dividends are payable upon the determination of the Directors, who may fix the amount, the level of imputation or franking, time for payment and method of payment of dividends.

(d) Transfer of Shares

Subject to the Constitution, Corporations Act, NSX Listing Rules and NSX Settlement Rules, Shares are freely transferable. Except as otherwise provided for in the NSX Listing Rules or the NSX Settlement Rules, the Directors may in certain circumstances refuse to register any transfer of Shares, or request NSX or the Share Registry to apply a holding lock to prevent a transfer of Shares.

(e) Meetings and notice

Each Shareholder is entitled to receive notice of, and to attend, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act and the NSX Listing Rules.

(f) Rights on winding up

All Shares rank equally in the event of a winding up, subject to any amount remaining unpaid on any Shares. Once all the liabilities of the Company are met, the liquidator may, with the sanction of a special resolution of the members, divide amongst the members all or any of the Company's assets and for that purpose determine how the liquidator will carry out the division between the different classes of members.

(g) Variation of rights

The rights attached to Shares may be varied or cancelled by a special resolution passed at a general meeting of the holders of Shares or with the written consent of three quarters of the holders of Shares.

(h) Unmarketable parcels

If a Shareholder holds a number of Shares that is less than a marketable parcel (as defined in the NSX Listing Rules), the Company has the power to sell or dispose of such Shares unless otherwise instructed by the Shareholder. The net proceeds from the sale will be paid to the Shareholder.

(i) Proportional takeover bid

Registration of a transfer giving effect to a contract resulting from acceptance of an offer made under a proportional takeover bid is prohibited unless a Shareholder resolution approving the proportional takeover bid is passed (**Approving Resolution**). Where offers have been made under a proportional takeover bid, the Directors must ensure that an Approving Resolution is voted on at a meeting of the Shareholders before the day which is 14 days before the last day of the relevant bid period (**Approving Resolution Deadline**). If no resolution has been voted on as at the end of the day before the Approving Resolution Deadline, a resolution to approve the takeover bid is taken to have been passed. This clause

expires three years after its adoption (17 August 2021).

(j) Plans

The Directors may establish one or more plans under which a participating Shareholder may elect, as provided in the plan, that dividends to be paid may be satisfied by the issue of Shares, or that dividends are not to be determined but that the Shareholder is to receive Shares or some other form of distribution, or such other Options as the Directors consider appropriate.

The Directors may also establish share incentive plans, on terms that they decide, under which securities of the Company or of a related body corporate are issued to, or held for the benefit of, any Directors (including Non-Executive Directors) or senior executives of the Company, or any employees or contractors of the Company or of a related body corporate.

10.4 Material contracts

10.4.1 Lead Manager Agreement

Under an engagement letter dated 15 January 2021, the Company engaged Indian Ocean to manage the Offer and facilitate the capital raise under the Offer. In consideration of these services, Indian Ocean will be paid the following:

- 2% of the total amount raised under the Offer as a management fee;
- 4% of the total amount arranged by Indian Ocean under the Offer as a capital raising fee.

10.4.2 Monash University Intellectual Property Licence Agreement

On 28 February 2018 (**Commencement Date**), Monash University (**Monash**) and Gordagen Pharmaceuticals Pty Ltd (in liquidation) (**Gordagen**) entered into a licence agreement in relation to certain intellectual property owned by Monash (**Licence**) (**Licence Agreement**). The Licence Agreement was a consequence of the exercise by Gordagen of an earlier option agreement between the parties. The Licence Agreement was novated by Gordagen to Invictus Biotechnology Pty Ltd (IBPL) on the same date. On or around 27 July 2020, Monash and IBPL executed a variation agreement which varied the terms of the Licence Agreement.

Under the Licence Agreement, IBPL is granted:

- an exclusive worldwide licence (including a right to sub-license) to certain patents in the field of lymph-directing prodrugs of tocotrienol compounds (except for limited rights of research granted to Monash); and
- a non-exclusive worldwide licence of certain background intellectual property to enable the commercialisation of the patents.

The patents that are the subject of the Licence are the patent families described in part 3.2 of the Intellectual Property Report available from the Company.

The Licence Agreement contains certain milestones. If these milestones are not

achieved by AZT, Monash is entitled to terminate the Licence or exercise step-in rights. As at the date of this Prospectus, AZT has not yet achieved the milestones. The due date for the first of the milestones has passed. Monash has confirmed in writing that it will not exercise its step-in rights or terminate the Licence for failure to achieve this milestone when due. However, Monash has reserved its right to exercise its step-in rights or terminate the Licence if the milestone is not satisfied by 30 June 2021, or if representations made to Monash informing its written confirmation in respect of the milestone are materially false or incorrect.

10.4.3 Gordagen Intellectual Property Agreement

On 24 January 2018, IBPL entered into an agreement to assign to it certain intellectual property of Gordagen and BiotechSmarts Pty Ltd, a company associated with Glenn Tong (**Gordagen Intellectual Property Agreement**).

The Gordagen Intellectual Property Agreement was amended by deeds of amendment dated 7 and 24 September 2018. A separate deed of assignment dated 6 July 2020 between Gordagen and IBPL provides for the assignment to the latter of the European Union registered trade mark numbered 013273982 for "nE1-ELITE".

Under the Gordagen Intellectual Property Agreement (as amended), Gordagen assigned certain patents and associated materials to IBPL and Australian registered trade mark numbered 1570081 for "nE1-ELITE" (**Assigned IP**). The patents are the patent family described in part 3.1 of the Intellectual Property Report issued by FB Rice and entitled 'Transmucosal Delivery of Tocotrienol'.

In return for that assignment, IBPL has agreed to pay Gordagen a royalty of:

- $60,000 (plus GST), payable within 10 days of Completion;
- 2% of all annual revenue received by Invictus Nutraceuticals Inc during the period between 1 July 2020 and 30 June 2023, up to a maximum of $190,000 (**Revenue Royalty**); and
- if IBPL sells or otherwise transfers any part of the Assigned IP prior to 30 June 2023, 5% of the net after cost receipts from such sale. This component is capped at an amount equal to $190,000 less any amounts paid under the Revenue Royalty.

IBPL has granted Gordagen a charge to secure Gordagen's rights to be paid the Revenue Royalty. This charge has been registered on the Personal Property Securities Register. IBPL has provided an indemnity in favour of Gordagen in respect of the use of the Assigned IP after its assignment.

10.4.4 Distribution Agreement for China Distribution with Alzkat

If the initial launch of the Company's products is successful in the USA and Australia, the Company will consider expanding into Chinese markets. In turn, the Company and its subsidiary, Azure Health Prime, have entered into a product supply and distribution agreement with Shenzhen ALZKAT Technology Development Limited Co Ltd (**Alzkat**) for the distribution of Azure Health Prime's health products in China.

This agreement sets out the terms under which Alzkat will distribute Azure Health Prime's health products in China. Alzkat is a substantial

distributor of health and related products in China. Alzkat will undertake marketing activities including a dedicated display centre in China for exclusive use of marketing and selling Azure Health Prime's products. The agreement is on commercial terms where Alzkat buys product from Azure Health Prime free on board and Alzkat pays on delivery.

10.4.5 Valorton Service Agreement

The Company entered into a service agreement with Valorton Capital Pty Ltd on 1 February 2020 under which the services of Steven Yu are supplied as Executive Director. Under the service agreement, Steven will be entitled to a remuneration package of $195,000 per annum. That agreement was varied with effect from 1 December when Steven became a Non-Executive Director. Under the varied agreement Steven was to receive $50,004 per annum but he has agreed to defer 30% of his remuneration under the varied agreement until one of the following trigger points occurs:

- Equity funds raised in excess of the NSX IPO minimum amount of $2.25 million;
- Additional loan funds are raised in excess of the $1.5 million detailed in this Prospectus; or
- Additional equity funds in excess of $2.75 million are raised.

As and when funds are raised which meet the trigger points described above, the Company will pay Steven's service entity the deferred amount proportionately with other Key Management Personnel and Non-Executive Directors who have entered into similar arrangements as described in this Section 4.4.

Once the Company has raised an additional $2.75 million in equity funds, the Company will negotiate to enter into an appropriate employment agreement.

10.4.6 Managing Director Executive Services Agreement

Glenn Tong is currently engaged through his service entity as the Chief Executive Officer of the Company. Under this consulting agreement, Glenn's service entity is entitled to receive $328,500 per annum. Glenn has agreed to defer 30% of his agreed consulting fees until one of the following trigger points occurs:

- Equity funds raised in excess of the NSX IPO minimum amount of $2.25 million;
- Additional loan funds are raised in excess of the $1.5 million detailed in this Prospectus; or
- Additional equity funds in excess of $2.75 million are raised.

Accordingly, until one of the trigger points is achieved, the Company will pay Glenn's service entity $229,956. As and when funds are raised which meet the trigger points described above, the Company will pay Glenn's service entity the deferred amount proportionately with other Key Management Personnel and Non-Executive Directors who have entered into similar arrangements as described in Section 4.4.

Once the Company has raised an additional $2.75 million in equity funds, the Company will enter into an employment agreement the terms of which are set out below.

Glenn is entitled to a base salary of $285,000 per annum. In addition, Glenn is entitled to a

sign-on bonus of $15,000 gross in compensation for contributions to the preparations for the Company's Offer which were made prior to commencement of his employment agreement.

Glenn may also be entitled to a short-term incentive payment of up to 50% of base salary on satisfaction of KPIs agreed with the Board. Glenn is also entitled to participate in the Company's ESOP (further details of which are set out in Section 10.7).

Under the terms of the employment agreement, the Company may terminate Glenn's employment by paying Glenn an amount equivalent to 6 months' base salary plus any bonus payment to which he would have been entitled had he remained employed by the Company for the 6 month period. The Company can also summarily dismiss Glenn in the event of fraud or other specified circumstances. Glenn may terminate his employment by giving 6 months' written notice.

Glenn Tong's employment agreement contains restraints to the effect that during the restraint period (12 months from the date of termination of employment), Glenn Tong may not in any capacity including on the executive's own account or as a member, shareholder, unit holder, director, partner, employee, trustee, beneficiary, principal, agent, adviser, contractor, consultant, manager, associate, representative or financier or in any other way or by any other means during the restraint period and in the restraint area:

- participate in, be interested in, assist with or otherwise be directly involved, engaged, concerned or interested in a business, activity or operation which is directly competitive with the business carried on by the Company or any material part of that business;
- solicit, entice away from the Company or interfere with, or accept an approach from any person which was or is a client, customer or supplier of the Company and with whom the executive had direct dealings in the course of the employment in the 12 month period immediately prior to the termination date;
- canvass, solicit, or entice any person who was or is an employee, contractor or director of the Company, and with whom the executive had direct dealings in the course of the employment in the 12 month period immediately prior to the termination date, to leave that office, engagement or employment; and
- interfere to the detriment of the Company with the relationship between the Company and any of its clients, customers, employees or suppliers.

10.4.7 Agreement with Tearum Advisors

The Company entered into a service agreement with Tearum Advisors on 18 September 2020 under which the services of Gregory Starr are supplied as Commercial Manager. Under the service agreement, Gregory will be entitled to a remuneration package of $160,000 per annum. Gregory has agreed to defer 30% of his agreed fees until one of the following trigger points occurs:

- Equity funds raised in excess of the NSX IPO minimum amount of $2.25 million;
- Additional loan funds are raised in excess of the $1.5 million detailed in this Prospectus; or
- Additional equity funds in excess of $2.75 million are raised.

As and when funds are raised which meet the trigger points described above, the Company will pay Greg the deferred amount proportionately with other Key Management Personnel and Non-Executive Directors who have entered into similar arrangements as described in Section 4.4.

10.4.8 Agreement with Highgate Corporate Advisors Pty Ltd

The Company entered into a nominated advisor agreement with Highgate Corporate Advisors Pty Ltd (**Highgate Corporate**) on 19 January 2021 for Highgate Corporate acting as nominated advisor to the Company for admission to the NSX. The Company shall pay Highgate Corporate an annual retainer of $5,000 per annum (plus GST).

10.4.9 Loan Agreement with Wei Aiden Jiang

In addition to the Offer, the Company has entered into a loan agreement with its major shareholder Mr Wei (Aiden) Jiang whereby he will lend the Company $1.5 million upon a successful listing on the NSX. The key terms of the loan are that at the discretion of the Company and subject to the receipt of shareholder approval, the loan will convert into shares (at an issue price of $0.20) at any time during the two-year term (commencing on 31 December 2020). The Company may extend the repayment of the loan by a further 12 months in its sole discretion. Interest is payable on the outstanding principal at the rate of 8% per annum.

The funds obtained from the loan from Aiden Wei Jiang will be used to pay the existing creditors of the Company.

10.4.10 Finance facility with FIFO Capital

The Company's wholly owned subsidiary, Invictus BioPharma Limited (now Invictus Biopharma Pty Ltd), has entered into finance agreements with Antra Group Pty Ltd (otherwise known as FIFO Capital) (**FIFO Capital**) (**FIFO Agreement**). Under the FIFO Agreement, FIFO Capital provides the Company with an ongoing finance facility of an amount up to 80% of any eligible R&D expenditure the Company (**FIFO Facility**). Whilst the Company has drawn down on the FIFO Facility in the past, as at the date of this Prospectus, there is no amount outstanding under the FIFO Facility.

Whilst it is not currently the intention of the Board that the Company draws down on the FIFO Facility in the immediate future, it is possible that the need may arise to do so if the Company requires further working capital. Based on current R&D expenditure, the amount available to be drawn down under the facility is currently $278,400.

Pursuant to the FIFO Agreement, FIFO Capital has registered an ALLPAP security (all present and after acquired property) over the Company.

10.5 Convertible Notes

The Company issued a number of convertible notes between May and September 2020 in order to raise seed capital for the Offer (**Convertible Notes**).

The Convertible Notes were issued on the following key terms and conditions:

- **Issuer of the Convertible Notes** – Azure Health.
- **Issue price** - $1.00 per Convertible Note
- **Conversion** – the Convertible Notes may be converted to Shares in the Company at any time prior to the 31 December 2021. The Company has the right to convert the Convertible Notes if NSX gives approval to the admission to quotation of Shares on the Official List.
- **Note values and conversion rate** - the Convertible Notes convert to Shares in the Company at an average price of 0.165 cents per Share (6.06 Shares per note), as outlined in the table below.

Convertible Note Holder	Number of Convertible Notes held	Cash paid for Convertible Notes $	Shares post Offer
Jialing Yu	501,500	501,500	2,950,000
Grant Edwards Pty Ltd atf The Edwards Family Trust	50,000	50,000	Nil***
Anthony Phillip Hordern	50,000	50,000	Nil***
Samuel Baillieu Hordern	25,000	25,000	Nil***
Oleksandr Koroal	25,000	25,000	Nil***
Louise Plemming	25,000	25,000	Nil***
Wisdom Perpetual Trust	984,000	984,000	6,000,000
Bluestone Global Health Industry Investment Trust Fund	698,640	698,640	4,260,000
Bluestone Global Health Industry Investment Trust Fund	400,860	400,860	2,444,268
Jialing Yu	200,000	200,000	1,208,962
Tearum Advisors Pty Ltd	188,477**	188,477	1,139,307
Valorton Corporate Advisors	304,791	304,791	1,842,406
TOTAL	**3,453,268**	**3,453,268**	**19,844,943**

**These were issued to Tearum Advisors Pty Ltd by way of capitalisation of fees owed by the Company to Tearum Advisors Pty Ltd.

*** It is not intended that these convertible notes will be converted to shares upon an NSX listing, but rather, they will remain as long-term liabilities of the Company, until such time as the Company exercises its discretion to convert the notes in accordance with the terms and conditions of the relevant notes.

10.6 Restricted Shares and escrow arrangements

Under the NSX Listing Rules, NSX may determine that securities issued to promoters, seed capital investors and sellers of classified assets have escrow restrictions placed on them. Such securities may be required to be held in escrow for up to 24 months from quotation of the Company's securities.

Prior to completion of the Offer, the Company will enter into escrow agreements with the recipients of restricted securities in accordance with the NSX Listing Rules and NSX Practice Note 12, and the Company will announce to NSX details of the Securities required to be held in escrow. The Company anticipates that NSX will enforce escrow over certain Shares held by existing Shareholders expected to be as set out in the table below:

Restricted Shares

No	Holder	Holder's relationship with Azure Health	Number of securities to be held in Azure Health	Number of securities to be restricted / escrow period (as estimated by entity)
13	Tercus Pty Ltd (ATF Panaccio Superannuation Fund)	Lou Panaccio is a Non-Executive Director of the Company	890,316	24 months
14	KR And GT Nominees Pty Ltd (ATF The Tong Family Trust)	Glenn Tong and wife Kirsty Reed are beneficiaries of the Tong Family Trust and Glenn Tong is the Managing Director and CEO of the Company	24,928,856	24 months
17	(Aiden) Wei Jiang	Promotor of the transaction	54,225,483	12 months

Table 2: NSX compulsory escrow

10.7 Employee Share Option Plan

The Company currently has in place the ESOP to assist in the reward, retention and motivation of certain Directors, consultants and senior management of the Company (**Participants**).

Under the ESOP the Company may grant Options to eligible Participants and may lend to eligible Participants the exercise price of the Options.

In accordance with the rules of the ESOP, the Board will determine, in its sole and absolute discretion, the terms and conditions of future issues of Options which under the ESOP including, but not limited to, the following:

- which individuals will be invited to participate in the ESOP;
- the number of Options to be granted to each Participant;
- the exercise price of each Option granted to Participants;
- the expiry date of the Options granted to Participants; and
- the terms on which the Options will vest and become exercisable, including any vesting conditions or performance hurdles which must be met.

The maximum number of Shares and Options on issue at any time and subject to the ESOP is 15,500,000. The Company will seek prior Shareholder approval if this maximum is reached and it proposes to issue additional Options under the ESOP.

If Shares are quoted on NSX at the time the Options are exercised, the Company will apply to the NSX for quotation of the Shares issued on exercise of the Options in accordance with the NSX Listing Rules.

In the event of any reorganisation on or prior to the relevant expiry date of any Option, the rights of the holder of the Options will be changed to the extent necessary to comply with the NSX Listing Rules. A holder of Options may not participate in a rights or similar issue unless the Options are exercised prior to the relevant record date.

In the event of a change of control of the Company, all Options will vest and exercise conditions are waived, to allow the holder to exercise the Options prior, and subject to, the relevant change of control.

Shares allotted on exercise of Options will rank equally in all respects with all other issued Shares from the date of allotment and will be held subject to the Constitution.

The ESOP will operate subject to the NSX Listing Rules and all applicable laws.

10.8 Participation in issue of securities

Except as described in this Prospectus, the Company has not granted, or proposed to grant any rights to any person, or to any class of person, to participate in an issue of the Company's securities.

10.9 Speculative investment / Dividend policy

As outlined in Section 5.5, the intellectual property assets and business model of Azure Health are as yet unproven, and an investment in Azure Health should be regarded as speculative.

Given the business strategy of the Company, all free cash is proposed to be used to progress the Company's drug development plans.

It is currently anticipated that a minimum of 10% of the net profit after tax per annum will be paid as dividends (at such time as Company achieves a net profit after tax). The Company has established a dividend policy whereby each of the Company's subsidiaries will do all things reasonably necessary to pay dividends to its parent entity to enable the Company to pay these proposed dividends to Shareholders.

Despite these intentions, no guarantee can be given about the level or payment of dividends, the level of imputation or franking of such dividends or the payout ratios as these matters depend upon the future profits of the Company, its financial and taxation position and the directors' views of the most appropriate payout ratio at that time.

10.10 Tax implications of the Offer

10.10.1 Scope of this Section

The purpose of this Section 10.10 is to provide a general understanding of the Australian taxation implications for investors who will acquire Shares on Completion.

This Section provides a general outline for Successful Applicants who will hold their Shares on capital account as an investor, rather than as a trader, and are therefore subject to the CGT regime contained in the ITAA 1997. This Section does not discuss the implications to Successful Applicants who are:

- banks or insurance companies;
- exempt from Australian income tax;
- investors subject to the Taxation of Financial Arrangements regime in Division 230 of the ITAA 1997 which have made elections to apply the fair value or reliance on financial reports methodologies; or
- investors who will participate in the offer through the conversion of a Convertible Note identified under section 10.5

The information in this Section is based on the Australian income tax legislation and established interpretations of that legislation at the date of this Prospectus. However, it is not intended to be an authoritative or complete statement of the law applicable to the particular circumstances of every Successful Applicant.

This report is general in nature and does not purport to provide advice to any Successful Applicant, as the taxation position of each Successful Applicant may vary depending on the Successful Applicant's specific circumstances. During the ownership of Shares by investors, the taxation laws of Australia or their interpretation may change. The precise implications of ownership or disposal will depend upon each investor's specific circumstances. Successful Applicants are strongly encouraged to obtain separate professional tax advice relevant to their specific circumstances.

Further, the comments below do not address any taxation implications which might arise in countries other than Australia. Investors outside of Australia are encouraged to obtain professional tax advice in their jurisdiction before making any investment decision.

10.10.2 Taxation treatment of the acquisition of Shares

The Offer involves the issue of Shares which will constitute an equity interest for Australian tax purposes. There are no immediate income tax consequences to a Successful Applicant on the acquisition of equity interests.

The acquisition of an equity interest may constitute a CGT asset and its cost base (please refer to section 10.10.4).

10.10.3 Taxation treatment of dividends

The Australian taxation consequences of dividends that may be paid by Azure Health following Completion are considered below.

- **Australian resident investors**

Dividends received by Successful Applicants will be assessable income for Australian tax purposes. Generally, both the amount of the cash dividend received and an amount equal to the franking credits attached to a franked dividend must be included in assessable income in the year of receipt. Generally, an Australian resident shareholder would be entitled to a franking offset against the income tax on this assessable dividend income. However, securities must be held 'at risk' for a period of 45 days, in order for the shareholder to be able to claim an offset for franking credits.

The level of franking credits attached to such dividends will depend on the level of franking credits generated and available to Azure Health, through the payment by it of Australian company tax.

The tax treatment in respect of the dividends from ordinary shares will vary depending on the nature of the Successful Applicant. The tax treatment for the different types of investors are detailed below:

- **Individual investors**

The calculation of an individual's assessable income will depend on whether the dividend from Azure Health is franked. An individual receiving a dividend that is unfranked will include the amount of the dividend in their assessable income, with tax being paid at the individual's marginal rate of tax. Where the dividend is fully or partly franked, the individual's assessable income is grossed up to include the franking credit attaching to the dividend. The individual should then be entitled to a tax offset equal to the amount of the franking credit.

Where an individual's marginal rate of tax is greater than the Corporate Tax Rate further tax will be payable on the grossed up dividend. This is commonly referred to as "top-up tax".

Where the individual's marginal rate of tax is less than the Corporate Tax Rate, a tax offset is available to reduce tax payable on other income or alternatively results in a refund of the excess franking credits.

- **Corporate investors**

A corporate investor receiving an unfranked dividend will pay tax on this dividend (net of any allowable deductions) at the Corporate Tax Rate.

Where dividends are franked, the corporate investor will be entitled to offset the franking credit against its tax liability for the year. To the extent that the franking credit exceeds the corporate investor's tax

liability, the excess can be converted into a carry forward loss and offset against future taxable profits (subject to the loss testing rules for companies). Further, the franked dividend may give rise to a franking credit in the corporate investor's franking account.

In limited circumstances, certain corporate entities (for example, exempt institutions and life insurance companies) may be entitled to receive a refund of the franking credit where they satisfy Division 67 of the ITAA 1997. These entities should seek professional advice in respect of their particular circumstances. In all other cases, a corporate investor cannot receive a refund of franking credits.

- **Complying superannuation funds**

  Complying superannuation funds (which includes self-managed superannuation funds) are assessable on the dividend and gross up the franked dividend in the same way as individuals and corporate investors. A complying superannuation fund investor receiving an unfranked dividend will pay tax on this dividend (net of any allowable deductions) at the rate of 15% (current, as at the date of this Prospectus).

  Where dividends are franked, the complying superannuation fund investor will include in its assessable income the amount of dividend received and the amount of any franking credits attached to that dividend. The complying superannuation fund tax rate of 15% is then applied to the grossed up dividend. The franking credit is available to offset tax payable on other income of the complying superannuation fund or alternatively results in a refund of the excess franking credits.

- **Trusts and partnerships**

  Investors who are trustees (other than trustees of complying superannuation funds) or partnerships should include the franking credit in determining the net income of the trust or partnership. The relevant beneficiary or partner may be entitled to a share of the tax offset equal to the beneficiary's or partner's share of the net income of the trust or partnership.

(b) Non-resident investors

The taxation treatment of dividends received by non-resident investors will depend on whether the dividends paid are franked or unfranked.

- **Franked dividends**

  Non-resident investors will not be subject to Australian tax on fully franked dividends on the basis that fully franked dividends are exempt from Australian withholding tax. However, non-resident investors may be subject to income tax on the receipt of such dividends in their local jurisdictions. Non-resident investors should therefore confirm the taxation treatment of dividends in their local jurisdictions with their local taxation advisors.

- **Unfranked dividends**

  Unfranked dividends are subject to Australia's withholding tax regime. Withholding tax is applied to the payment of unfranked dividends and is treated as a final tax for Australian taxation purposes.

  The withholding tax rate on the payment of unfranked dividends per Australia's domestic income tax law is the Corporate Tax Rate. However, where the investor is a resident of a country which Australia has entered into a double tax treaty with, the rate at which withholding tax is applied will

generally be lower, typically ranging from nil to 15%.

Again, non-resident investors may still be subject to income tax on the receipt of such dividends in their local jurisdictions but may be entitled to a credit for the Australian withholding tax applied. Non-resident investors should therefore confirm the taxation treatment of dividends with their local taxation advisors.

10.10.4 Taxation treatment of disposal of Shares

The discussion below considers the CGT consequences on the eventual disposal of Shares, assuming no CGT roll-over relief is available.

- **Sale of Shares by Australian resident investors**

The disposal of Shares will generally constitute a CGT event A1 (if sold) or C2 (if cancelled under a buy-back or other capital reduction) for Australian tax purposes where the Shareholder holds their share on capital account (which is assumed for the purposes of this Section). Where the proceeds received on disposal of the Shares are greater than the cost of acquisition of the Shares (the cost base) a capital gain will generally arise. Accordingly, this capital gain will be included in the assessable income of the Shareholder.

Conversely, a capital loss will arise where the proceeds received on the disposal of the Shares are less than the "reduced" cost base of the Shares. Capital losses can only be offset against capital gains. In this regard, capital losses can be applied against current year capital gains to reduce the net capital gain that is assessed for tax purposes or can be carried forward and applied against future capital gains.

Generally, all capital gains and losses made by a Shareholder during the year and any net capital losses carried forward from prior years must be aggregated to determine whether the Shareholder has made a net capital gain or loss for that year. Where the Shareholder has made a net capital gain, the gain must be recognised as assessable income and where a net capital loss has been made, the loss can be carried forward and offset against future capital gains (subject to the loss testing rules for companies).

Where Shares are retained for more than 12 months, any gain arising on disposal should be discounted by 50% for Australian resident individuals and 33.33% for complying superannuation funds. Company taxpayers will receive no discount and will pay tax at the Corporate Tax Rate. Where the Shareholder is a trustee of a trust and has held the Shares for 12 months or more before disposal, the CGT discount may flow through to its non-corporate beneficiaries.

- **Sale of Shares by non-resident investors**

Generally, non-resident shareholders can disregard the capital gain or capital loss arising from the disposal of shares in Australian resident companies under Division 855 of the ITAA 1997. However, non-resident Shareholders will need to confirm the CGT consequences in their respective local jurisdictions arising from the disposal of Shares.

Certain non-resident Shareholders will still be subject to Australian CGT where the Shares constitute an indirect Australian real property interest i.e. if the following conditions are satisfied:

- the non-resident Shareholder holds 10% or more of the shares on issue in Azure Health; and
- the proportion of real property (e.g., freehold land and leasehold interest over land) held by Azure Health is more than 50% of the market value of Azure Health's total assets.

Where non-residents would be subject to Australian CGT, they are not entitled to claim any CGT discount.

New non-resident withholding tax rules in relation to the acquisition of Australian real property were enacted on 25 February 2016. Broadly, the purpose of the new withholding tax rules is to assist in the collection of a non-resident's CGT liability. The date of effect is 1 July 2016. The new rules impose a 10% non-final withholding obligation on the purchasers of certain Australian assets where they acquire the asset from a relevant foreign resident. The obligation does not require withholding as such, but does require the purchaser to pay 10% of the first element of the cost base (usually, the purchase price) to the Commissioner. This amount may be withheld from the payment the purchaser makes to the vendor. The obligation will apply to the acquisition of an asset that is:

- "Taxable Australian Real Property" (as that term is defined in the ITAA 1997);
- an "Indirect Australian Real Property Interest" (as that term is defined in the ITAA 1997); or
- an option or right to acquire such property or such an interest.

As noted above, shares should not be considered Indirect Australian Real Property Interests if the shares held in the Company by the taxpayer are less than 10% of the total shares on issue of the Company (even if the Company predominantly owns Australian real property assets).

Further, there are a number of exceptions to the new withholding tax rules applying. The exceptions that are likely to be most relevant to Azure Health non-resident Shareholders are:

- where the market value of the CGT asset acquired is less than $2 million; or
- where the transaction to acquire the CGT asset occurs on an approved stock exchange.

Investors that are not Australian tax residents should seek their own taxation advice on the consequences of the disposal of their Shares under any relevant foreign tax laws and Australian tax legislation.

10.10.5 Quotation of TFN

Successful Applicants will be invited to quote their TFN or ABN in respect of the acquisition of Shares. Successful Applicants are not obliged to provide their TFN or ABN. However, if a Successful Applicant does not provide their TFN or ABN or an exemption, tax is required to be withheld by Azure Health at the top marginal rate (currently 45%) plus Medicare levy (currently 2%) from certain distributions (with entitlement to claim an income tax credit in respect of the tax withheld).

No withholding tax requirement applies in respect of fully franked dividends paid in respect of the Azure Health shares.

10.10.6 GST

The acquisition, holding and disposal of Azure Health Shares should not attract GST, neither should the receipt of dividends. However, Successful Applicants may incur GST on costs that relate to their participation in the proposed Offer and should seek their own independent advice in relation to the GST implications.

10.10.7 Stamp Duty

Stamp Duty on the acquisition of an interest in a Western Australian company such as Azure Health is only payable if the acquisition is considered to be the acquisition of a significant interest in a landholder. Azure Health does not currently hold any land in Australia. Accordingly, Azure Health is not a landholder for stamp duty purposes and there should be no stamp duty implications associated with the acquisition of the Shares.

No stamp duty should be payable by a Shareholder on the issue or acquisition of Shares pursuant to the Offer. Further, under current stamp duty legislation, stamp duty would not ordinarily be payable on any subsequent acquisition of Shares by a Shareholder provided the Company remains listed on NSX.

10.11 Historical statements of profit and loss and other comprehensive income, historical statements of cash flows and historical and pro-forma consolidated statements of financial position

The Company's historical statements of profit or loss and other comprehensive income, as well as the Company's historical statements of cash flows and the Company's historical and pro-forma consolidated statements of financial position are set out in Section 7.

10.12 Control implications of Offer

The Directors do not expect any Shareholder to control the Company on Completion. See Section 6.12 for the major Shareholders interests in the Company following completion of the Offer.

10.13 Working capital statement

The Directors believe that on Completion, the Company will have sufficient working capital available from the proceeds of the Offer and its operations to fulfil the purposes of the Offer and meet the Company's business objectives as set out in Section 6.3. The below table sets

out the expected use of the Company's working capital:

Working Capital (expected use)	Min	Max
Corporate Costs for Dec 2020 - Jan 2022	787,145	787,145
Difference Between Nov 30 2020 Creditors and loans and Related Party Loan Funds	12,605	12,605
Surplus Cash from IPO funds	123,896	858,290
	923,646	**1,658,040**

10.14 Consents

Each of the parties referred to below (each a **Consenting Party**) has given and has not, before the lodgement of the Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus in the form and context in which it is named, but has not authorised or caused the issue of this Prospectus, does not make any offer of Shares and, to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility for any statements in or omissions from this Prospectus, and has not made any statement that is included in this Prospectus or any statement on which a statement which is made in this Prospectus is based, other than the reference to its name in the form and context in which it is named and a statement or report included in this Prospectus with its consent as specified below.

Written consents to the issue of this Prospectus have been given and, at the Prospectus Date, have not been withdrawn by the following parties:

Indian Ocean

Indian Ocean Corporate Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as lead manager to the Offer in the form and context in which it is named.

Cornwalls

Cornwalls has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as legal adviser (other than in relation to taxation matters) to the Company in relation to the Offer in the form and context in which it is named.

Hall Chadwick

Hall Chadwick has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as auditor of Azure Health and Investigating Accountant in relation to the Offer and to the inclusion of the Investigating Accountant's Report in the form and context in which it is named and which that report is included.

Grant Thornton Audit Pty Ltd

Grant Thornton Audit Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as auditor of Invictus in the form and context in which it is named.

Structured Tax

Structure Tax has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this

Prospectus as tax advisor of Azure Health in the form and context in which it is named.

FB RICE

FB Rice has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as patent attorney to the Offer in the form and context in which it is named.

Link Market Services Limited

Link Market Services Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Share Registry in the form and context in which it is named.

Highgate Corporate Advisors Pty Ltd

Highgate Corporate has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Nominated Advisor to the Company in the form and context in which it is named.

10.15 Interests of experts and advisers

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

- Director;
- person named in the Prospectus and who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- promoter of the Company;

holds at the Prospectus Date, or has held in the two years before the Prospectus Date, an interest in:

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

and no amount (whether in cash, Shares or otherwise), has been paid or agreed to be paid, nor has any benefit been given or agreed to be given to:

- any such persons for services in connection with the formation or promotion of the Company or the Offer; or
- any Director to induce them to become, or qualify as, a Director.

Indian Ocean has acted as lead manager to the Offer. The Company has paid, or agreed to pay, Indian Ocean the fees described in Section 6.13 for these services.

Cornwalls has acted as legal adviser (other than in respect of taxation matters) to the Company in relation to the Offer. The Company has paid, or agreed to pay Cornwalls $30,000 (excluding GST) for these services.

Hall Chadwick has acted as Investigating Accountant in relation to the Offer and has prepared the Investigating Accountant's Report. The Company has paid, or agreed to pay, Hall Chadwick $18,000 (excluding GST) for these services.

Structured Tax has acted as tax advisors in relation to the Offer. The Company has paid,

or agreed to pay, Structured Tax $1,500 (excluding GST) for these services.

FB Rice has acted as patent attorney in relation to the Offer and has prepared the Intellectual Property Report in Section 9. The Company has paid, or agreed to pay, FB Rice $6,602 (excluding GST) for these services.

These amounts, and other expenses of the Offer, will be paid by the Company out of funds raised under the Offer or available cash. Further information on the use of funds and payment of expenses of the Offer is set out in Sections 6.3 and 6.4.

10.16 Privacy

The Company and the Share Registry on its behalf, collect, hold and use your personal information to process your application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration. Once you have become a Shareholder, the Corporations Act requires information about you (including your name, address and details of the Shares you hold) to be included in the Shareholder register. This information must continue to be included in the Company's Shareholder register even if you cease to be a Shareholder. If you do not provide all the information requested in the Application Form, your Application Form may not be able to be processed.

The Company and the Share Registry may disclose your personal information for purposes related to your investment to their agents and service providers including the following:

- the Share Registry for ongoing administration of the Shareholder register;
- the Lead Manager in order to assess your application;
- printers and other companies for the purpose of preparation and administration of documents and for handling mail;
- market research companies for the purpose of analysing the Company's shareholder base and for product development and planning; and
- legal and accounting firms, auditors, management consultants and other advisers for the purpose of administering, and advising on, the Shares and for associated actions.

You may request access to your personal information held by the Share Registry on behalf of the Company, by contacting the Share Registry. You will generally be provided access to your personal information (subject to some exceptions permitted by law), but you may be required to pay a reasonable charge to the Share Registry for access. The Company aims to ensure that the personal information it retains about you is accurate, complete and up-to-date. To assist with this, please contact the Share Registry if any of the details you have provided change. In accordance with the requirements of the Corporations Act, information on the Shareholder register will be accessible by members of the public.

10.17 Insurance

The Company currently maintains directors' and officers' insurance. Directors also have rights of indemnity under the Company's constitution. The phase 1 clinical trials referred to in Section 2.2.1 were conducted by Gordagen (an entity outside of the Group) and the Company believes that Gordagen obtained appropriate insurance at the time of the phase 1 trials. The benefit and rights under

the results of these phase 1 clinical trials were assigned to and assumed by Invictus. Invictus now owns the report and associated data from the phase 1 clinical trials) pursuant to the Gordagen Intellectual Property Agreement. See Section 10.410.4.3 for further details on the Gordagen Intellectual Property Agreement.

Given the above, Invictus was not directly involved in the phase 1 clinical trials (but rather only Gordagen was), and therefore there is no material risk of any claim for liability against any Invictus entity, or the Group, arising from the phase 1 clinical trials.

To facilitate the upcoming phase 2 clinical trials, which are currently being established, the appropriate insurance coverage has been obtained by the Company, alongside approval from the Human Research Ethics Committee (which require a clinical trial insurance currency certificate to issue their approval).

10.18 Legal Proceedings

As far as the Directors are aware, at the Prospectus Date, there is no litigation of a material nature, existing or threatened, which may significantly affect the Company or its activities, other than as set out in this Section.

Invictus and Invictus OPS recently resolved a dispute with Gibraltar Capital Pty Ltd ACN 610 194 986 (**Gibraltar**) regarding financial services supplied by Gibraltar to Invictus and Invictus OPS. These companies are now subsidiaries of Azure Health. Gibraltar issued a statutory demand in respect of both companies on 26 November 2019.

Subsequently, on 17 December 2019, Invictus and Invictus OPS issued proceedings in the Supreme Court of Victoria seeking to have the statutory demands set aside. The matter was scheduled to be heard on 5 June 2020. Before this occurred, Invictus, Invictus OPS and Gibraltar entered into a Deed of Settlement on or about 22 May 2020 to resolve the dispute, and as a result, the proceedings were stayed pursuant to orders of the Supreme Court of Victoria issued on 1 June 2020.

Gibraltar have asserted other potential claims in relation to financial services supplied to Invictus and Invictus OPS. However, the Directors remain confident that the amount of the liability of Invictus and Invictus OPS to Gibraltar, if anything, will not be material.

10.19 Governing Law

This Prospectus and the contracts that arise from the acceptance of Applications are governed by the laws applicable in Victoria, Australia and each Applicant submits to the exclusive jurisdiction of the courts of Victoria, Australia.

10.20 Authorisation

Each Director has authorised and consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent before its lodgement with ASIC.

Signed for and on behalf of the Company

Glenn Tong

Director

11 GLOSSARY

$ or AU$	Australian dollars
AASB	the Australian Accounting Standards Board
ABN	Australian Business Number
AEST	Australian Eastern Standard Time
Alzkat	Shenzhen ALZKAT Technology Development Limited Co Ltd
Applicant(s)	a person who submits a valid Application
Application	an application to subscribe for Shares under this Prospectus
Application Form	the application form attached to or accompanying this Prospectus (including the electronic form provided by an online application facility), by which an Applicant may apply for Shares
Application Monies	the aggregate amount of money accompanying an Application Form submitted by an Applicant
ASIC	the Australian Securities and Investments Commission
Associate	has the meaning given to it in the Corporations Act
Australian Accounting Standards	the Australian Accounting Standards and other authoritative pronouncements issued by the AASB
ASTC	the ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532
ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires
ASX Recommendations	the Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council as at the Prospectus Date (4th edition)
ASX Listing Rules	the official listing rules of the ASX
ASX Settlement	means ASX Settlement Pty Limited ABN 49 008 504 532
ASX Settlement Rules	means the official settlement and operating rules of ASX Settlement
Azure Health Prime	Azure Health Prime Pty Ltd ACN 632 784 591
Board	the board of Directors

Board Charter	the charter of the Board
CAGR	compound annual growth rate
Chairman	the chairman of the Board
CGT	Capital Gains Tax
Closing Date	the closing date of the Offer (currently 16 April 2021 but subject to change)
Company or Azure Health	Azure Health Technology Limited ACN 111 082 485
Completion	completion of the allotment of Shares to Successful Applicants in accordance with the terms of the Offer
Constitution	the constitution of the Company
Convertible Notes	as defined in Section 10.5
Corporate Tax Rate	the prevailing corporate tax rate as at the date of this Prospectus, being: • 30%; or • 27.5%, provided that the relevant company qualifies for the lower small business company tax rate.
Corporations Act	the Corporations Act 2001 (Cth)
Director	a director of the Company
DOCA	deed of company arrangement
ESOP	the Company's Employee Share Option Plan. See Section 10.7
ESOP Options	Options under the ESOP
Existing Shares	the issued Shares immediately prior to Completion
Exposure Period	the period of 7 days (or 14 days if extended by ASIC) after the Prospectus Date during which the Company may not accept Applications
Financial Information	as defined in Section 7.1
GLP	Good Laboratory Practice
Group	the Company and its subsidiaries
GST	goods and services tax

Highgate Corporate or Nominated Advisor	Highgate Corporate Advisors Pty Ltd ACN 168 591 848
Historical Financial Information	as defined in Section 7.2
Intellectual Property Report	the report prepared by the Patent Attorney and set out in Section 9
Investigating Accountant	Hall Chadwick
Investigating Accountant's Report	the report prepared by the Investigating Accountant and set out in Section 8
Invictus	Invictus Biopharma Pty Ltd ACN 618 241 725, a wholly owned subsidiary of the Company
Invictus Acquisition	as defined in Section 10.1
Invictus OPS	Invictus Ops Pty Ltd ACN 628 332 454
ITAA 1997	Income Tax Assessment Act 1997 (Cth)
Lead Manager or Indian Ocean	Indian Ocean Corporate Pty Ltd (ACN 142 266 279) AFSL 336409
Maximum Subscription	15,000,000 Shares to raise $3,000,000 before expenses
Minimum Subscription	11,250,000 Shares to raise $2,250,000 before expenses
NAFLD	Non-Alcoholic Fatty Liver Disease
NASH	Non-Alcoholic Steatohepatitis
Non-Executive Director	a Director who is not a member of the Company's management
NSX	NSX Limited ABN 33 089 447 058 or, where the context requires, the market it operates.
NSX Listing Rules	the official listing rules of the NSX
Offer	the public offer of up to 15,000,000 Shares at the Offer Price and on the terms set out in this Prospectus
Offer Conditions	the conditions of the Offer. If any of the Offer Conditions are not satisfied, the Company will not proceed with the Offer. If this occurs no Shares will be issued under this Prospectus and all Application Monies will be refunded (without interest) in accordance with the Corporations Act. See Section 6.10

Offer Period	the period during which investors may subscribe for Shares under the Offer
Offer Price	$0.20 per Share, being the price Successful Applicants will pay for Shares
Official List	the official list of entities that NSX has admitted and not removed from listing
Option	an option to acquire a Share, subject to satisfaction of any relevant exercise conditions
Patent Attorney	FB Rice
Pro Forma Financial Information	as defined in Section 7.2
Prospectus	this prospectus issued by the Company for the purpose of Chapter 6D of the Corporations Act, under which Shares are offered for subscription, including any supplementary or replacement prospectus
Prospectus Date	the date on which a copy of this Prospectus was lodged with ASIC, 6 April 2021
R&D Tax Incentive	an Australian Federal Government tax incentive that reduces company research and development costs by offering tax offsets for eligible research and development expenditure. Eligible companies with a turnover of less than $20 million receive a refundable tax offset, allowing the benefit to be paid as a cash refund if they are in a tax loss position. See Section 6.3
Related Body Corporate	has the meaning given to it in section 50 of the Corporations Act
Related Party	has the meaning given to it in section 228 of the Corporations Act
Share	a fully paid ordinary share in the capital of the Company
Shareholder	a holder of Shares
Share Registry or Registry	Link Market Services or any other share registry that the Company appoints to maintain the registers of Shares and other securities
Standard of Care	treatment that is accepted by medical experts as proper treatment for a certain type of disease and that is widely used by healthcare professionals
Successful Applicants	an Applicant who is (or will be) allotted Shares under the Offer
TFN	Tax File Number
US, USA or United States	the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia
USD	US dollars

US Person	has the meaning given to it under Regulations of the US Securities Act
US Securities Act	the Securities Act of 1933 (US), as amended
Website	the Company's website found at www.azureht.com.au

CORPORATE DIRECTORY

Company

Azure Health Technology Limited
ACN 111 082 485

4503/19 Martin Place
Sydney NSW 2000

www.azureht.com.au

Lead Manager

Indian Ocean Corporate Pty Ltd

Level 5, 56 Pitt Street
Sydney NSW 2000
Australia

www.indianoceangroup.com.au

Directors

Lou Panaccio (Independent Non-Executive Chairman)

Glenn Tong (Chief Executive Officer and Managing Director)

(Steven) Jiayi Yu (Non-Executive Director)

Company Secretary

Catriona Glover

Legal Adviser to the Offer (except in relation to taxation matters)

Cornwalls

Level 10, 114 William Street
Melbourne VIC 3000

Level 3, 32 Martin Place
Sydney NSW 2000

www.cornwalls.com.au

Investigating Accountant

Hall Chadwick

Level 14
440 Collins Street
Melbourne VIC 3000

www.hallchadwickmelb.com.au

Tax Advisors to the Offer

Structured Tax

Suite 4, 24 Birdwood Lane
Lane Cove NSW 2006

www.structuredtax.com.au

Auditor to IVB

Grant Thornton Audit Pty Ltd

Collins Square
727 Collins Street
Melbourne VIC 3008

www.grantthornton.com.au

Auditor to AZT

Hall Chadwick

Level 14
440 Collins Street
Melbourne VIC 3000

www.hallchadwickmelb.com.au

Patent Attorney

FB Rice

Level 14, 90 Collins Street
Melbourne VIC 3000

www.fbrice.com.au

Share Registry

Link Market Services Limited

Level 12, 680 George Street
Sydney NSW 2000

Nominated Advisor

Highgate Corporate Advisors Pty Ltd

31 Highgate Circuit
Kellyville NSW 2155

Azure Health Offer Information Line

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AZURE HEALTH
TECHNOLOGY