



telezon Ltd.
"Technology of tomorrow, today..."
The future is polymer needles."

1 Dalmore Drive, Caribbean Business Park, Scoresby VIC 3179
PO Box 485, South Melbourne VIC 3205
Tel: 61 03 9763 8605 Fax: 61 03 9763 2714
www.telezon.com

15 May 2013

Companies Announcement Platform
SIM Venture Securities Exchange
5 Bridge Street,
Sydney, NSW 2000

Attention: Scott Evans

Dear Scott,

Replacement Rights Issue Offer Document, announced 9 May 2013

The Company advises that the attached Offer Document replaces the previous version lodged with SIM Venture Securities Exchange on 9 May 2013.

Amendments have been made to:

- Balance sheet in Section 5.1 – updated using figures from the audited half year financial report ended 31 December 2012; and
- Section 9.4 (Directors' remuneration) – providing further clarity on current status of Directors' payments.

Sincerely,

Dr Michelle Carr

Company Secretary

T: 61 03 9763 8605 F: 61 03 9763 2714



telezon Ltd.

"Technology of tomorrow, today...
The future is polymer needles."

SIM VSE Code: TLZ

ACN 009 151 277

RIGHTS ISSUE OFFER DOCUMENT

f o r

A pro rata non-renounceable entitlement issue ("Rights Issue") of one (1) New Share and one (1) free Attaching Option for every two (2) Shares held at an issue price of 8.5 cents (\$0.085) per New Share and free Attaching Option.

The Rights Issue closes at 5.00 pm EST on 5 June 2013.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Rights Issue Offer Document you have any questions about the securities being offered under this Rights Issue Offer Document or any other matter then you should consult your stockbroker, accountant or other professional adviser. This is a replacement document and replaces the rights issue offer document that was lodged with ASIC on 9 May 2013.

The Securities offered by this Rights Issue Offer Document should be considered as speculative.

Date: 15 May 2013

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1 CORPORATE DIRECTORY

DIRECTORS

MR TREVOR NYE *CHAIRMAN*
DR MICHELLE CARR *DIRECTOR*
MS ELAINE CARR *DIRECTOR*

COMPANY SECRETARY

DR MICHELLE CARR

HEAD OFFICE

1 DALMORE DRIVE
CARIBBEAN BUSINESS PARK
SCORESBY, VICTORIA AUSTRALIA 3179
TEL: +61 (03) 9763 8605
FAX: +61 (03) 9763 2714
WEB: www.telezon.com

REGISTERED OFFICE

1 DALMORE DRIVE
CARIBBEAN BUSINESS PARK
SCORESBY, VICTORIA AUSTRALIA 3179

AUDITOR

RSM BIRD CAMERON PARTNERS
8 ST GEORGES TERRACE
PERTH, WA 6000

SOLICITORS

BAKER & MCKENZIE
LEVEL 27 AMP CENTRE
50 BRIDGE STREET
SYDNEY, NSW 2000

SHARE REGISTRY

ADVANCED SHARE REGISTRY SERVICES
UNIT 2 , 150 STIRLING HIGHWAY
NEDLANDS, WA 6009

*Advanced Share Registry Services has not been involved in the preparation of this Rights Issue Offer Document and has not consented to being named in this Rights Issue Offer Document. Their name is included for information purposes only.

2 DATES

The following key dates are indicative only:

Indicative Timeline	Date
Announcement and lodgement of Annexure 2A/3B with SIM VSE	Thursday, 9 May 2013
Lodgement of Rights Issue Offer Document with the ASIC and SIM VSE	Thursday, 9 May 2013
Notice containing Annexure 2A/3B information sent to Shareholders	Monday, 13 May 2013
Ex date	Tuesday, 14 May 2013
Record Date for Determining Entitlements	Monday, 20 May 2013
Despatch of Rights Issue Offer Document to Shareholders	Wednesday, 22 May 2013
Closing Date* 5.00 pm (EST)	Wednesday, 5 June 2013
Allotment of securities	Friday, 14 June 2013
Date of quotation of Securities issued under the Rights Issue*	Monday, 17 June 2013
Shortfall Closing Date*	Wednesday, 3 July 2013

*The Directors may extend the Closing Date by giving at least 3 Business Days notice to SIM VSE prior to the Closing Date. As such, the date that the Securities are expected to commence trading on SIM VSE may vary.

3 IMPORTANT NOTES AND STATEMENTS

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisors.

This Rights Issue Offer Document is dated 15 May 2013 and was lodged with ASIC no later than that date. It replaces the original rights issue offer document that was lodged with ASIC on 9 May 2013. The Company is a disclosing entity listed on the SIM VSE, and this Rights Issue Offer Document is issued under Section 713 of the Corporations Act in reliance on information previously disclosed to the SIM VSE by the Company. This Rights Issue Offer Document does not contain, by itself, all information relevant to a decision to invest in the Company. ASIC and SIM VSE take no responsibility for the contents of this Rights Issue Offer Document.

No New Shares or Attaching Options will be allotted or issued on the basis of this Rights Issue Offer Document later than 13 months after the date of issue of the original rights issue offer document lodged with ASIC on 9 May 2013. New Shares and Attaching Options allotted or issued pursuant to this Rights Issue Offer Document will be allotted or issued on the terms and conditions set out in this Rights Issue Offer Document.

Applicants should read the entire Rights Issue Offer Document and if in any doubt should seek professional advice from an accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

Certain terms and abbreviations used in this Rights Issue Offer Document have defined meanings, which are explained in Section 11 of this Rights Issue Offer Document.

This Rights Issue Offer Document is an offer of continuously quoted securities of a corporation plus options to acquire continuously quoted securities. This Rights Issue Offer Document contains all the information investors and their professional advisers would reasonably require to make an informed assessment of:

- (a) the effect of the offer on the company; and
- (b) the rights and liabilities attaching to the shares and options offered.

As a disclosing entity for the purposes of the Corporations Act, the Company is subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Company may be obtained from or inspected at an ASIC office.

The Company will make available to persons who request the following documents:

- i. the annual financial report most recently lodged with ASIC by the Company;
- ii. any half year financial report lodged with ASIC by the Company after the lodgement of the annual financial report and before the lodgement of the copy of this Rights Issue Offer Document with ASIC; and
- iii. any continuous disclosure notices given by the Company after the lodgement of the annual financial report and before the lodgement of the copy of this Rights Issue Offer Document with ASIC.

RISK FACTORS

Potential investors should consider that the investment in the Company is speculative and they should consult their professional advisers before deciding whether to apply for Securities pursuant to this Rights Issue Offer Document. For further information in relation to the risk factors of the Company please refer to Section 9 of this Rights Issue Offer Document.

FORWARD LOOKING STATEMENTS

This Rights Issue Offer Document contains certain "forward looking statements". Forward looking statements should or can generally be identified by the use of forward looking words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "will", "could", "may", "target", "plan" or other similar expressions. Indications of, a guidance or outlook on, future earnings, distributions of financial position or performance are also forward looking statements. The forward looking statements in this Rights Issue Offer Document involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of the Company, and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct.

Forward looking statements may also be based on estimates and assumptions which are subject to change. Actual results, performance or achievements may vary materially for many projections because events and actual circumstances frequently do not occur as forecast and these differences may be material. These statements may assume the success of Telezon's business strategies. The success of these strategies is subject to uncertainties and contingencies beyond Telezon's control, and no assurance can be given that any of the strategies will be effective or that the anticipated benefits will be realised in the period for which the forward looking statements may have been prepared or otherwise. Investors are cautioned not to place undue reliance on forward looking statements and Telezon assumes no obligation to update or revise such information to reflect any change in expectations or assumptions. The inclusion of the forward looking statements in this Rights Issue Offer Document should not be regarded as a representation, warranty or guarantee with respect to its accuracy or the accuracy of the underlying assumptions or that Telezon will achieve, or is likely to achieve, any particular result.

ELECTRONIC RIGHTS ISSUE OFFER DOCUMENT

An Electronic Rights Issue Offer Document will be available on the Company's website at www.telezon.com. The offer of New Shares and Attaching Options pursuant to an Electronic Rights Issue Offer Document is only available to persons receiving an electronic version of this Rights Issue Offer Document within Australia.

The Corporations Act prohibits any person passing onto another person an application form unless it is attached to a hard copy of this Rights Issue Offer Document or it accompanies the complete and unaltered electronic version of this Rights Issue Offer Document. Any person may obtain a hard copy of this Rights Issue Offer Document free of charge by contacting the Company.

New Shares and Attaching Options offered by this Rights Issue Offer Document are speculative

4 DIRECTOR'S LETTER

10 May 2013

Dear Shareholder

Following a very busy and productive 12 months, the Board of Telezon Ltd is pleased to offer its Shareholders the opportunity to subscribe for New Securities by participating in a one (1) for two (2) non-renounceable Rights Issue. This Offer gives you the right to acquire one New Share and free Attaching Option for every two Shares that you hold at the close of business on 20 May 2013 ("the **Record Date**"). The issue price of the New Shares will be 8.5 cents (\$0.085), and the exercise price of the Attaching Options is 20 cents (\$0.20).

Key investment highlights



Over the last twelve (12) months, Telezon has continued to achieve several significant milestones. Of note, the Company delivered a commercial product and a technology to market (SoloFlow® Reconstitution Needle & CoreIT® Advanced Moulding Technology), shifting a small part of the business to a revenue-based model. This shift has been achieved via several key milestones:

- Serum Institute of India, one of the largest vaccine providers globally, approved Telezon and SSB Technology as official vendor of the SoloFlow® Needle;
- Commercial agreement signed with Hindustan Syringes and Medical Devices Limited to sell and supply SoloFlow® Needle to the Indian market;
- Serum Institute used SoloFlow® Needles in their own trials;
- Serum Institute placed an order for 500,000 SoloFlow®, with over 200,000 already delivered;
- CoreIT® Technology continuously demonstrated its capabilities;
- CoreIT® Technology successfully produced over 800,000 SoloFlow® & Blunt SoloFlow® needles;
- Agreement signed to obtain CE Mark for SoloFlow® Needle and Blunt SoloFlow® Needle;
- Successfully completed the CE Mark process for the SoloFlow® Needle (i.e. European certification to enable product sales into Europe);
- Telezon Directors promoted the Company in United States, Europe, China, India & Australia via industry conferences, roadshows, market research etc. in order to raise awareness globally;
- Telezon Directors well received in India during 2013 Life Sciences Victorian Trade Mission, resulting in several articles in leading journals including BioSpectrum, Modern Pharma, Express Healthcare;
- SoloFlow® Needle outperformed its steel needle competitors in our recent tests. Currently, steel needle competitors sell a needle with this 'attribute' at a premium;
- PolyDermic® Injection Needle and DuoDraw® Multi-Application Solution have continued to receive strong market interest globally.

For more information on any of the above milestones or activities, please refer to our website or the SIM VSE Company Announcements page.

This Rights Issue aims to raise up to a maximum of **\$2,038,413**, which will support the activities mentioned above and enable the Company to further accelerate its commercial programs and further develop discussions with potential partners and prospective customers regarding possible forward contracts. These funds will also be used for working capital purposes. There is no minimum amount to be raised.

The details of the Offer are described in this Rights Issue Offer Document. You should have received a personalised Entitlement and Acceptance Form with this Rights Issue Offer Document, but if you are in any doubt, please contact the Company's Share Registry.

Please note that the Closing Date for acceptances is 5.00 pm EST on 5 June 2013. If you wish to participate in this Rights Issue it is essential that your completed Entitlement and Acceptance Form reaches the Company's Share Registry by this time.

If you have any questions or queries regarding the details contained in this document, please contact your financial adviser or our Company Secretary, Dr Michelle Carr, on +61 3 9763 8605.

Yours faithfully,



MR TREVOR W. NYE

Chairman

TELEZON LTD

5 EFFECT OF RIGHTS ISSUE

5.1 Effect on Capital Structure

If the Rights Issue under this Rights Issue Offer Document is fully subscribed the capital structure of the Company will be as follows:

(a) **Shares**

Number	Contributed Equity	\$
47,962,667	Ordinary Shares on issue prior to Rights Issue (i)	
23,981,334	New Shares to be issued under this Rights Issue Offer Document (i)	2,038,413
	Less: Estimated costs of the Rights Issue	20,361
71,944,001	Total contributed equity (i)	2,018,052

(b) **Options**

Number	Options on Issue
1,000,000	Unquoted Options exercisable at 20 cents (\$0.20) each expiring 31 December 2013, prior to Rights Issue. No application for quotation of these options will be made.
23,981,334	Attaching Options to be issued under this Rights Issue Offer Document, exercisable at 20 cents (\$0.20) each expiring 14 June 2016
24,981,334	Total Options following Rights Issue

(i) It is assumed that no existing Options are exercised and that no further Shares are issued by the Company on or before the Record Date.

If no existing Options are exercised prior to the Record Date and full subscription is reached, the Rights Issue will have an effect on the Company's financial position by increasing net assets by approximately **\$2,038,413** (less expenses).

The audited Balance Sheet of the Company as at 31 December 2012 and a Pro-Forma Balance Sheet at that date based on the completion of the Rights Issue are set out below.

		AUDITED BALANCE SHEET as at 31/12/2012	PRO-FORMA BALANCE SHEET as at 31/12/2012
	<i>Note</i>	<i>2012</i>	<i>2013</i>
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents		211,208	2,249,621
Trade and other receivables		6,946	6,946
Other assets		6,251	6,251
Financial assets		180	180
Total Current Assets		224,585	2,262,998
Non-Current Assets			
Intangibles		2,838,423	2,838,423
Plant and equipment		9,281	9,281
Total Non-Current Assets		2,847,704	2,847,704
TOTAL ASSETS		3,072,289	5,110,702
LIABILITIES			
Current Liabilities			
Payables		563,379	563,379
Borrowings		308,283	308,283
Provisions		5,688	5,688
Costs associated with Offer		-	20,361
TOTAL LIABILITIES		877,350	897,711
NET ASSETS		2,194,939	4,212,991
EQUITY			
Issued capital		25,678,824	27,717,237
Reserves		605,705	605,705
Accumulated losses		(24,089,590)	(24,109,951)
TOTAL EQUITY		2,194,939	4,212,991

The above Pro Forma Balance Sheet has been prepared on the basis of the following:

- (1) no existing Options are exercised prior to the Record Date, and the Company does not issue any Shares from the date of this Rights Issue Offer Document to the Record Date;
- (2) the Rights Issue is fully subscribed; and
- (3) expenses of the Rights Issue are estimated at \$20,361 (which are written off against the Contributed Equity account).

6 RIGHTS ISSUE DETAILS

6.1 The Rights Issue

The Company is making a non-renounceable offer of New Securities on the basis that for every two (2) Shares held by Shareholders at the Record Date, Shareholders will have the right (but not the obligation) to subscribe for one (1) New Share with a free Attaching Option at an issue price of 8.5 cents (\$0.085) per New Share (the "Offer" or "Rights Issue"). Both New Shares and Attaching Options will be quoted on SIM VSE.

The Rights Issue is non-renounceable and Shareholders may not sell or transfer all or any part of their Entitlement to this Rights Issue on SIM VSE or otherwise.

As at the date of this Rights Issue Offer Document, the Company has 47,962,667 Shares and 1,000,000 existing unquoted Options on issue. Those who only hold Options will not be entitled to participate in the Rights Issue however they may exercise their existing Options prior to the Record Date if they wish to participate in the Rights Issue. Assuming none of these existing Options are exercised prior to the Record Date, the number of New Shares offered under this Rights Issue Offer Document will be 71,944,001. No application for quotation of existing Options will be made. The fractional entitlements to New Shares will be rounded up to the nearest whole number.

Shareholders may accept their Entitlement in whole or in part, or may decide not to accept their Entitlement at all. Shareholders who do not accept their Entitlement in full may have their percentage shareholding in the Company diluted as a result of the Rights Issue.

Shareholders wishing to take up all or part of their Entitlement under the Rights Issue can only do so by completing the personalised Entitlement and Acceptance Form which accompanies this Rights Issue Offer Document.

Investors wishing to participate in the Shortfall Offer may do so by completing the Shortfall Application Form which accompanies this Rights Issue Offer Document and having it reach the Company before 3 July 2013.

It is important that Shareholders consider the Rights Issue carefully. If Shareholders are in doubt as to the course of action they should follow, they should consult their professional adviser.

6.2 Rights Issue Price

The issue price of the New Shares is 8.5 cents (\$0.085) each (with one free Attaching Option), payable in full upon acceptance. The New Shares will be issued as fully paid ordinary Shares.

6.3 Attaching Options

Each New Share will be accompanied by one free Attaching Option. Under the Offer, successful applicants will receive one Attaching Option at no additional cost for every ordinary Share purchased. Once issued, the Additional Options may be sold or transferred on SIM VSE separately from the ordinary Shares.

The Attaching Options can only be acquired in conjunction with the Offer. There is no separate offer of Options, and no application for Options will be accepted on the basis of this Offer alone. For further information on rights attaching to options, refer to Section 8.2 of this document.

6.4 Purpose of the Issue

Assuming no existing Options are exercised prior to the Record Date and full subscription is reached, the issue of New Shares under this Rights Issue Offer Document will raise approximately **\$2,038,413** before expenses.

Funds raised by the Rights Issue will generally support the Company's strategy to:

Continue to fulfill commitments under commercial agreements signed with Hindustan Syringes and Medical Devices Ltd (HMD) and Serum Institute of India (SII) (leaders in their respective fields);
Significantly increase production volumes across the Company's portfolio;
Establish an income stream from commercialised products and technologies;
Vigorously pursue discussions with potential customers globally; and
Identify and, if feasible, develop potential international strategic partnerships to further promote the Company's presence in the international market.

Specifically, allocation of funds will approximate the following plan:

Product/Technology	Activity	100% subscription	50% subscription
SoloFlow® Needle	Automation, higher volume production line & necessary certification	\$850,000	\$315,000
Blunt SoloFlow® Transfer Cannula	Production solution	\$50,000	(benefits from SoloFlow investment)
PolyDermic® Injection Needle	Pre-production & validation	\$450,000	\$120,000
DuoDraw® Transfer & Injection Solution	Pre-production & necessary certification	\$150,000	\$40,000
Expenses related to this Offer:			
Legal Fees		~\$6,500	~\$6,500
ASIC/SIM VSE		~\$8,801	~\$8,801
Printing, posting, Share Registry and other Offer costs		~\$5,060	~\$5,060
General operating expenses (2013/2014) – Salaries, rent, legal fees, patent renewal, accountant fees, & other outgoings		\$400,000	\$400,000
Friedman Capital (penultimate payment under negotiated settlement)		\$125,000	\$125,000
Total (estimated)		\$2,045,400	\$1,020,400

6.5 Entitlements and Acceptance

A personalised Entitlement and Acceptance Form accompanies this Rights Issue Offer Document. Shareholders who wish to accept all or part of their Entitlement must complete and lodge their

Entitlement and Acceptance Form together with the appropriate acceptance monies in accordance with the instructions set out on that form.

If you decide not to accept your Entitlement, you need not do anything. However, your percentage shareholding in the Company will be diluted. If you decide not to accept all or part of your Entitlement, the New Securities not accepted by you will form part of the Shortfall Offer and your Entitlement to subscribe for New Securities under the Rights Issue will be dealt with in accordance with Section 6.6 of this Rights Issue Offer Document.

The number of New Securities accepted on the personalised Entitlement and Acceptance Form must not exceed the entitlement shown on the Entitlement and Acceptance Form. If the Entitlement and Acceptance Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be still accepted by the Company. The Company's decision as to whether to accept the application and how to construe, amend or complete it shall be final, but no Applicant will be treated as having offered to purchase more New Securities than is indicated by the amount of the cheque for the application monies and any surplus application monies will be returned, without interest.

Completed Entitlement and Acceptance Forms together with the appropriate application monies must reach the Company's share registry at the following address on or before the Closing Date:

Advanced Share Registry
Unit 2/150 Stirling Highway
NEDLANDS WA 6009
Australia

Advanced Share Registry
PO Box 1156
NEDLANDS WA 6909
Australia

Entitlement and Acceptance Forms **will not** be accepted at the Company's registered office. Any Entitlement not accepted will form part of the Shortfall Offer to be dealt with in accordance with Section 6.6 of this Rights Issue Offer Document.

Payment must be made out to "**Telezon Limited – Rights Issue Account**" and submitted by:

- i. Cheque: to be crossed "**not negotiable**" and in Australian dollars; **OR**
- ii. BPAY®: refer to details on attached Entitlement and Acceptance Form.

6.6 Shortfall Offer

Any Entitlement not taken up pursuant to the Rights Issue will form the Shortfall Offer. The Directors reserve the right to issue Shortfall Shares at their absolute discretion. Shareholders and non-shareholders who wish to subscribe for Shortfall Shares are invited to complete the Shortfall Form accompanying this Rights Issue Offer Document.

Completed Shortfall Forms, together with a cheque for the value of the Shortfall shares (made out to "**Telezon Limited – Rights Issue Account**", to be crossed "**not negotiable**" and in Australian dollars) must reach the Company at the following address on or before **3 July 2013**:

Telezon Limited, PO Box 485, South Melbourne, VIC 3205, Australia

The Directors reserve the right to allot to an Applicant a lesser number of Shortfall Shares than the number for which the Applicant applies for on their Shortfall Application Form, or to reject an application, or to not proceed with placing the Shortfall.

The Shortfall Offer is a separate offer made pursuant to this Rights Issue Offer Document and will remain open for up to one (1) month following the Closing Date. The issue price for each Shortfall Share (with one free Attaching Option) is 8.5 cents (\$0.085), being the price at which New Shares have been offered under the Rights Issue. Holders of Australian Financial Services Licences who place any Shortfall Shares may be paid a fee for doing so.

6.7 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company is a participant in CHES for those investors who have a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation. Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Securities allotted to them under this Rights Issue Offer Document. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

6.8 SIM VSE Listing

Application for official quotation by SIM VSE of the New Shares and Attaching Options will be made no later than seven days after the date of this Rights Issue Offer Document. It is expected that normal trading of New Shares and Attaching Options issued under the Offer will commence on 17 June 2013. If the New Securities are not admitted to quotation on SIM VSE before the expiration of 3 months after the date of this Rights Issue Offer Document, the Company will not issue any New Securities and will repay all acceptance and application monies for the New Shares as soon as practicable, without interest.

The fact that SIM VSE may admit the New Shares and Attaching Options offered by this Rights Issue Offer Document to quotation is not to be taken in any way as an indication of the merits of the Company or the New Securities.

6.9 Opening and Closing Dates

The Rights Issue will open on 22 May 2013. The Closing Date for acceptances will be 5 June 2013. The Shortfall Offer will close on 3 July 2013.

The Directors reserve the right to vary the Opening Date and Closing Date and the timing of the Shortfall Offer without notice, subject to compliance with SIM VSE Listing Rules.

6.10 Participation

All Shareholders at the Record Date are entitled to participate in the Rights Issue on the basis of one (1) New Share with a free Attaching Option for every two (2) Shares held on the Record Date. Any holders of Shares issued and allotted as a result of existing Options being exercised prior to the Record Date will also be able to participate in the Rights Issue.

6.11 Allotment

New Securities issued under the Offer will be allotted within 6 Business Days after the Closing Date and New Securities issued under the Shortfall Offer will be allotted within 6 Business Days after the Shortfall Offer closes. In accordance with the Corporations Act, all application monies shall, before allotment and issue of New Shares pursuant to this Rights Issue Offer Document, be held by the Company in trust in a bank account established solely for that purpose. Any interest earned on the acceptance money will be for the benefit of the Company and will be retained by it irrespective of whether allotment of the New Shares takes place.

6.12 Non Resident Shareholders or Potential Investors

The Company is of the view that it is unreasonable to make an offer under this Rights Issue Offer Document to Shareholders outside of Australia and New Zealand having regard to:

- (a) the number of Shareholders registered outside of Australia and New Zealand;

- (b) the number and value of the securities to be offered to Shareholders registered outside of Australia and New Zealand; and
- (c) the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, the New Securities being offered by the Rights Issue are only being offered to Shareholders and potential investors resident in Australia or New Zealand.

Where this Rights Issue Offer Document has been despatched to Shareholders, or is obtained by potential investors resident outside Australia and New Zealand, this Rights Issue Offer Document is provided for information purposes only. This Rights Issue Offer Document does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.

The Offer pursuant to an Electronic Rights Issue Offer Document is only available to persons receiving an electronic version of this Rights Issue Offer Document within Australia. For persons outside Australia, an application for Shortfall Shares may only be made on a Shortfall Application Form that accompanies a hard copy of the Rights Issue Offer Document. Prior to the Closing Date, any person may obtain a hard copy of this Rights Issue Offer Document by contacting the Company.

It is the responsibility of applicants outside Australia to obtain all necessary approvals for the allotment and issue of the New Securities pursuant to this Rights Issue Offer Document. For the avoidance of doubt, the Offer is not made outside Australia unless it is lawful to do so. The return of a completed entitlement and acceptance form will be taken by the Company to constitute a representation and warranty by the applicant that all relevant laws have been considered and adhered to.

6.13 Enquiries

Enquiries concerning the Entitlement and Acceptance Form should be directed to Advanced Share Registry Services Ltd by telephone on (08) 9389 8033 or facsimile on (08) 9389 7871.

Enquiries relating to this Rights Issue Offer Document should be directed to the Company +61 3 9763 8605 or facsimile on +61 3 9763 2714.

6.14 Privacy Statement

If you apply for New Securities you will be asked to provide personal information to the Company (and the Company's share registry on its behalf) which collects, holds and uses that personal information in order to assess your application, service your needs as an investor, provide facilities and services that you request and carry out appropriate administration.

Under the Privacy Act 1988 (as amended), you may request access to your personal information held by (or on behalf of) the Company. You can do this by contacting the Company's share registry, details of which are set out in Section 1.

6.15 Underwriting

The Rights Issue will not be underwritten.

6.16 Costs of issue

The estimated costs of the issue are:

ASIC fees	\$2,171
SIM VSE fees	\$6,630
Legal	\$6,500
Printing/postage & incidentals	\$5,060
TOTAL	\$20,361

7 OVERVIEW OF GLOBAL MARKET AND TELEZON

7.1 Overview of Global Market

The world market for needles is substantial and conservatively estimated to be worth US\$20 Billion annually, with 16 Billion injections given each year, and 1.3 million deaths caused by unsafe injections annually, according to the World Health Organisation (WHO). Increasingly, governments and medical institutions are demanding safer injection practises to minimise needle-stick injuries and disease transfer.

7.2 Telezon history and current operations

Telezon is an Australian medical device commercialisation company with a unique suite of exclusive and world-patented plastic needles (draw-up and hypodermic), injection systems and technologies.

Telezon's polymer needles and manufacturing technology offer significant cost, environmental and social advantages over traditional steel needles. For instance, the PolyDermic® Injection Needle has been developed using the Company's uniquely patented technologies. Its core feature is its distinctive side port and tip which enables the medical professional to burn the needle tip to close off the bore, which in turn, eradicates the risk of fluid or disease transfer, delivering a more accessible solution to some of the human challenges facing the Developing World.

Since its incorporation in 1985, the Company has seen great changes in both its management and development of technologies. SSB Technology Pty Limited (SSB Technology), acquired by the Company in 2005, is a medical research and development company, with several worldwide patents and technologies. SSB Technology is wholly owned by the Company and Dr. Michelle Carr is its sole director.

The Company is continuing to pursue strong strategic partnerships in key markets for its products. Current market size, opportunities and internal research suggest that the Company's product portfolio is well-placed to meet the growing demand for safer injection units, more cost-effective technologies and more efficient end-to-end processes.

7.3 Substantial Shareholders

The following table sets out persons known to the Company (through substantial shareholder notices filed with the SIM VSE) to hold voting power (as defined in the Corporations Act) of more than 5% of its Shares as of the date of this Rights Issue Offer Document.

Shareholder	Number of shares	Percentage of class before the Offer
Mrs Susan Carr	7,050,000	14.69%
Iron Mountain Pty Limited	6,838,139	14.25%
Link Traders (Aust) Pty Limited	2,796,132	5.83%
Dr Michelle Carr	2,752,425	5.73%
Ms Elaine Carr	2,752,425	5.73%
Fulllong Investments Pty Limited	2,607,818	5.43%

7.4 Board of Directors

TREVOR NYE DipT(Prim), BA, BEd, GradDipMgt, MEdAdmin, TSTC. MACE

Chairman and Director

Mr. Nye previously worked in merchant banking with a particular focus on marketing and commercialisation of intellectual property. He has directed the development of the Company's technologies since the acquisition in 2005 of intellectual properties and technologies such as the Company's PolyDermic® Injection Needle. Mr Nye has extensive experience in corporate strategy, administration and the commercialisation of intellectual property on the world market.

He holds a bachelor's degree from Deakin University, and a graduate diploma and a master's degree in educational administration.

MICHELLE CARR B.A. (Jt.Hons.), M.I.B., Ph.D.

Director and Company Secretary

Dr. Carr has worked with the Company since 2007 and has extensive experience in domestic and international marketing. She has worked in senior executive and account director roles in marketing and market research organisations as well as working as a former university lecturer in international marketing. In these roles, Dr Carr has provided strategic advice to public and private companies to guide their project management, research analysis, organisational development and international marketing departments across several industries including manufacturing and new product development. Dr. Carr holds a B.A. (Jt.Hons.) (NUI), a master's degree in International Business (Murd.), and a doctorate in International Marketing from the University of Western Australia.

ELAINE CARR BSc., GradDip., MTeach.

Director

Ms. Carr has significant corporate and project management experience across a number of disciplines and industries, as well as in several successful capital raisings and IPO's. Ms Carr brings to the board her strong account management, administration and corporate governance skills. She has held directorships and company secretary positions on a number of publicly listed companies. In addition to her corporate management responsibilities, she has an active interest and involvement in not for profit ventures. Ms. Carr holds a Science degree (double major) from Murdoch University, and a graduate diploma and a master's degree in teaching.

8 RIGHTS ATTACHING TO NEW SECURITIES

8.1 Rights and Liabilities Attaching to the New Shares

The New Shares to be issued pursuant to this Rights Issue Offer Document will rank pari passu in all respects with the Company's existing Shares.

The rights, privileges and restrictions attaching to Shares are set out in the Constitution of the Company and are also affected by the Corporations Act and SIM VSE Listing Rules. These rights include (but are not limited to) the following:

Voting Rights: Subject to any rights or restrictions for the time being attached to any class or classes of shares (at present there are none) and provided no amount due and payable in respect of a call is unpaid, at a general meeting of the Company every holder of ordinary shares present in person or by proxy, attorney, or representative has on a show of hands one vote and on a poll one vote per share (provided that partly paid shares confer a fraction of a vote equal to the proportion that the amount paid bears to the total issue price of those shares).

Dividend Rights: Subject to the Constitution and to the rights attaching to shares issued on special conditions (at present there are none), the profits of the Company which the Directors may from time to time determine to distribute by way of dividend are divisible among the holders of ordinary shares in proportion to the number of shares held by them respectively and are paid irrespective of the amount paid or credited as paid on those shares.

Rights on Winding-up: Subject to the Constitution, the Corporations Act, the SIM VSE Listing Rules and the rights of holders of shares with special rights in a winding-up (at present there are none), on a winding-up of the Company all monies and property that are to be legally distributed among Shareholders on a winding-up will be distributed in proportion to the shares held by them respectively, irrespective of the amount paid up or credited as paid up on the shares. However, where a member is in arrears in payment of any call on shares but whose shares (of whatever class) have not been actually forfeited, that member is not entitled to share in that distribution until the owing amount in respect of the call has been fully paid and satisfied.

Transfer of Shares: Subject to the Constitution, the Corporations Act, and the Listing Rules, Shares in the Company are freely transferable.

Issue of Further Shares: The allotment and issue of any New Shares is under the control of the Directors and, subject to any restrictions on the allotment of shares imposed by the Company's Constitution, the SIM VSE Listing Rules or the Corporations Act, the Directors may issue those new shares on such terms and conditions, and with such rights and at such times, as they may determine.

Variation of Rights: Under the Company's Constitution (and subject to the Listing Rules and the Corporations Act), the Company may vary or cancel all or any of the rights and privileges attached to Shares with either:

- the written consent of holders of at least 75% of the Shares issued; or
- with the approval of a special resolution passed at a meeting of holders of the Shares.

General Meetings and Accounts: All Shares in the Company confer on the holders of those Shares the right to receive notices, reports and accounts and to attend general meetings of the Company..

A copy of the Company's Constitution is available for inspection by prospective investors at the Company's registered office.

8.2 Rights and Liabilities Attaching to the Attaching Options:

Exercise price: Each Attaching Option will entitle the holder to subscribe for one ordinary Share on payment of the sum of 20 cents (\$0.20) to the Company.

Notice of Exercise: Each Attaching Option may be exercised by notice in writing to the Company accompanied by payment in full at any time before the date of expiry (being 14 June 2016). Any notice of exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

Expiry date: The expiration date for exercise of the Attaching Options is 5.00pm (EST time) on 14 June 2016. Attaching Options not exercised by this date will lapse.

Quotation: Application will be made to SIM VSE for official quotation of the Attaching Options. It is expected that the trading code for the Attaching Options will be TLZO, subject to confirmation from SIM VSE. Options are transferrable.

Participation Rights or Entitlements: An Attaching Option will not entitle the holder to participate in a new issue of ordinary Shares or other securities of the Company unless the Attaching Option has been exercised before the record date for that new issue.

Participation Rights or Entitlements on Shares Issued on Exercise of Options: Shares allotted pursuant to the exercise of Attaching Options will be allotted following receipt of all relevant documents and payments and will rank equally with all other Shares on issue.

Adjustments: If the Company undergoes a reorganisation of capital (other than a bonus issue or issue for cash), the number and exercise price of the Attaching Options will be adjusted to the extent necessary to comply with the SIM VSE Listing Rules at the time of the reorganisation; or if no such rules apply, then in accordance with the requirements of SIM VSE.

Bonus Issues: If there is a bonus issue to the holders of Shares, the number of shares over which an Attaching Option is exercisable will be increased by the number of Shares which the option holder would have received if the Option had been exercised before the record date for the bonus issue.

9 ADDITIONAL INFORMATION

KEY INVESTMENT RISKS

9.1 Key investment risks relating to the Telezon Business

The risks set out in this section are not necessarily exhaustive.

The business operations of the Company are subject to risks which may impact adversely on its future performance, including the value of any shares in the Company. An investment in the Company is not guaranteed by the Company. Risks associated with the Company include:

- **risks related to investment in medical development:** research and/or development of medical products, particularly products that are designed for the human market (the area of the Company's activities) are subject to high levels of risk due to industry regulations.

- In order to commence human clinical trials, the Company will need to obtain regulatory and other approvals, which the Company may be unable to obtain, or achieving such approvals could be delayed which could significantly impact its ability to achieve its timeline for the PolyDermic® Injection Needle.

- Telezon cannot predict the outcome of required human clinical trials. If the PolyDermic® Injection Needle does not meet the required clinical specifications or causes adverse or unexpected events, then the Company may need to further modify the technology. The Company may not be able to address the issues arising from these trials which may significantly impair the prospects for its PolyDermic® Injection Needle.

- **sufficiency of funding:** if additional capital is not raised then the Company's operations will not be able to be funded, with the result that shareholdings may significantly decrease in value. The total amount of capital required is dependent on the Company's pursuit of proposed operations and activities.
- **raising of additional capital:** depending on the amount raised, the Company may inevitably need to raise additional capital to implement and complete all work and expenditure commitments over the next 18-24 months. The requirement to raise additional capital will (possibly) result in shareholdings in the Company being diluted.
- **no historical profits:** The Company has a history of net losses and may never achieve or maintain profitability.
- **operational risk:** certain products and technology of the Company are being used in manufacturers' machines. As such, there are risks associated with unexpected mechanical failure or equipment breakdown resulting in loss of production and additional expense generally and unexpected delay in achieving key milestones.
- **key personnel:** the Company's success is dependent on the retention of key employees. The Company's business activities, results of operations and/or financial conditions could be affected by the Company's inability to retain and motivate key employees, or the inability to attract, retain and motivate additional appropriately-skilled and experienced employees required for the expansion of the Company's activities.
- **intellectual property rights:** the Company regards its trademarks, domain names, trade secrets, patents and similar intellectual property as important to its success. While the Company will use all reasonable endeavours to protect its intellectual property rights, unauthorised use or disclosure of its intellectual property may have an adverse effect on the operating, marketing and financial performance of the Company.

9.2 General risks

The risks set out in this section are not necessarily exhaustive.

Applicants should be aware that there are risks associated with any share investment. The prices at which the Shares may trade in the secondary market may be above or below the Offer Price. The market price may be influenced by factors unrelated to the operating performance of the Company, such as regional economic conditions, investor sentiments, regional and international stock market conditions, changes in regional and international industrial, fiscal, monetary or regulatory policy, international conflicts and changes in interest rates and the rate of inflation.

There are (at the date of this Rights Issue Offer Document) eight broking firms listed on the SIM VSE broker directory. These brokers facilitate and support trading on SIM VSE.

Some factors that may affect the value of shares in the Company include:

- **general economic conditions:** apart from exchange risks, there are a wide range of other macro economic and political factors beyond the control of the Company which will affect the Company's operations;
- **investor perception/sentiment:** these risks include those such as changes in levels of consumer confidence and investor perception or sentiment;
 - market for shares: the Company's share price may be volatile due to a wide range of factors, including the risk factors identified in this section, some of which are beyond the Company's control. The Company cannot predict the extent to which the trading market will develop in the Shares or how liquid that market might become. The Offer Price might not be indicative of prices that will prevail in the trading market and investors may not be able to resell the Shares at or above the price they paid.
- **liquidity:** there is no guaranteed liquidity for shares in the Company or that the price of Shares will increase. Low trading volumes in the shares on SIM VSE coupled with the fact that the SIM VSE is

a new exchange mean there can be no assurance as to the depth of this market (if any) in the shares, which could affect their liquidity and market price.

- **changes to domestic and international share markets:** shareholders should recognise that the prices of shares fall as well as rise, often for reasons unrelated to the actual operations of the Company;
- **certain economic factors (such as interest rates or taxation):** many factors affect the price of shares including local and international stock markets, movements in interest rates, economic and political conditions and investor and consumer sentiment; and
- **company performance:** the business operations of the Company are subject to risks which may impact adversely on its future performance. These risks may adversely affect the value of any shares in the Company.

9.3 Interests of Directors

Other than as set out below or elsewhere in this Rights Issue Offer Document, no Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has or had within 2 years before the lodgement of this Rights Issue Offer Document with the ASIC, any interest in:

- the promotion or formation of the Company; or
- any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Rights Issue; or
- the Rights Issue.

Other than as set out below or elsewhere in this Rights Issue Offer Document, no amounts of any kind (whether in cash, Shares, Options or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated, and no benefits have been given or agreed to be given to any Director or to any company or firm with which a Director is associated to induce him to become, or to qualify as, a Director or otherwise for services rendered by him or his company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Rights Issue.

9.4 Directors' Remuneration

The existing Board of Directors consists of three Directors. Shareholders have approved the Company paying Directors' fees of up to a maximum of \$160,000 per annum to be divided between Directors as they see fit, until such time as any different amount is approved by Shareholders.

The current policy is to pay each Director \$40,000 per annum in fees. However, to preserve the Company's cash the directors have not been receiving any fees in cash since the first quarter of FY12, with the unpaid amounts instead being accrued as a liability in the Company's accounts. Cash payments in the last two years were as follows:

- Dr M. Carr - directors' fees totalling \$30,000 over the previous two years.
- Mr T. Nye - directors' fees totalling \$30,000 over the previous two years.
- Ms E. Carr - directors' fees totalling \$30,000 over the previous two years.

Until otherwise determined by the Board after considering the Company's cash position, the Directors will not be paid their fees in cash. However, it is ultimately the intention of the Board (and the obligation of the Company) to pay the Directors their accrued but unpaid fees at the agreed rate.

The Directors are entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or in connection with the performance of their duties as Directors. Subject to the Corporations Act and SIM VSE Listing Rules, if a Director is called upon to perform extra duties or make special exertions on behalf of the Company, the Company may remunerate that Director which may either be in addition to or in substitution for his usual Director's fees.

9.5 Directors' Interests in Securities

At the date of this Rights Issue Offer Document the relevant interest of each of the Directors in the securities of the Company are as follows:

Director	Number of Shares	Number of Options	Percentage of Shares before the Offer
Mr. Trevor Nye	337,455	300,000	0.70%
Dr. Michelle Carr	2,752,425	400,000	5.73%
Ms. Elaine Carr	2,752,425	Nil	5.73%

Notes:

- The Directors' holdings of Options are as follows:

Director	Number of Options	Exercise Price	Expiry date
Mr. Trevor Nye	300,000	20 cents (\$0.20)	31 December 2013
Dr. Michelle Carr	400,000	20 cents (\$0.20)	31 December 2013
Ms. Elaine Carr	Nil		

9.6 Interests of Experts

Other than as set out elsewhere in this Rights Issue Offer Document, no expert, promoter or any other person named in this Rights Issue Offer Document as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Rights Issue Offer Document, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Rights Issue Offer Document, any interest in:

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

and no amounts of any kind (whether in cash, Shares, Options or otherwise) have been paid or agreed to be paid and no benefits given or agreed to be given to any expert, promoter or any other person named in this Rights Issue Offer Document as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Rights Issue Offer Document, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by them in connection with the promotion or formation of the Company or the Rights Issue.

RSM Bird Cameron are the auditors to the Company. They have provided audit services to the Company during the last two years totalling approximately \$39,750 (exclusive of GST).

9.7 SIM VSE Listing, Continuous Disclosure and Documents Available for Inspection

As a "disclosing entity", the Company has issued this Rights Issue Offer Document in accordance with Section 713 of the Corporations Act applicable to Rights Issue Offer Documents for an offer of securities which are quoted enhanced disclosure ("ED") securities and options to acquire quoted ED securities, and the Shares are in a class of securities that were quoted ED securities at all times in the 12 months before the issue of this Rights Issue Offer Document.

As a "disclosing entity" the Company is subject to regular reporting and disclosure obligations which require it to disclose to SIM VSE any information of which it is, or becomes aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities of the Company. Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the provisions of the SIM VSE Listing Rules as in force from time to time which apply to disclosing entities, and which require the Company to notify ASIC of information available to the stock market conducted by SIM VSE, throughout the 12 months before the issue of this Rights Issue Offer Document.

The SIM VSE maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at SIM VSE in Sydney during normal working hours. In addition, copies of documents lodged by, or in relation to, the Company with ASIC may be obtained from, or inspected at, any regional office of ASIC.

The New Shares to be issued under this Rights Issue Offer Document are in respect of a class of shares that were continuously quoted securities at all times in the 12 months before the issue of this Rights Issue Offer Document.

The Company will provide a copy of each of the following documents, free of charge, to any investor who so requests during the application period under this Rights Issue Offer Document:

- (a) the Half-Year Financial Report for Telezon for the period ending 31 December 2012; and
- (b) the following documents used to notify SIM VSE of information relating to Telezon during the period after lodgement of the financial statements contained in the Half-Year Financial Report of Telezon for the period ending 31 December 2012 and before the issue of this Rights Issue Offer Document:

Date	Contents
8 April 2013	Telezon's Unique & Valuable Family of Patents Continues to Grow
5 April 2013	SoloFlow® Outperforms Competitors in Recent ISO Test
11 March 2013	First Shipment of SoloFlow® to Serum Institute of India
21 February 2013	Telezon Directors well-received in India
17 December 2012	SoloFlow® Successfully Completes the CE Mark Conformity Process

This Rights Issue Offer Document has been prepared under the special prospectus content rules for continuously quoted securities in Section 713 of the Corporations Act and as such contains details specific to the Rights Issue. If Shareholders, or investors, require any further information in relation to the Company, the Directors recommend that they take advantage of the ability to inspect and obtain copies of the documents referred to above. All requests for copies of the above documents should be addressed to the Company Secretary, Telezon Ltd, PO Box 485, South Melbourne, Victoria, 3205 or facsimile +61 3 9763 2714.

9.8 Share Trading History

The highest, lowest and last closing market sale prices of the Company's Shares on SIM VSE during the three months immediately preceding the date of lodgement of this Rights Issue Offer Document with the ASIC and the respective dates of those sales were:

	Price	Date
Highest	7 cents (\$0.07)	16 April 2013
Lowest	7 cents (\$0.07)	7 February 2013
Last	7 cents (\$0.07)	16 April 2013

9.9 Expenses of the Rights Issue

The expenses of the Rights Issue are estimated to be \$20,361. These expenses are payable by the Company.

9.10 Contingent Liabilities

There are no contingent liabilities as at the date of this Rights Issue Offer Document.

9.11 No Other Material Information

The Company and its Directors are not aware of any new information of the kind specified in section 713(5) of the Corporations Act as at the date of this Rights Issue Offer Document.

9.12 Consents

Each of the parties referred to in this section:

- does not make, or purport to make, any statement in this Rights Issue Offer Document or on which a statement made in the Rights Issue Offer Document is based, other than as specified in this section; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Rights Issue Offer Document other than a reference to its name and a statement included in this Rights Issue Offer Document with the consent of that party as specified in this section.

RSM Bird Cameron consents to being named in this Rights Issue Offer Document as the auditors of the Company and to the reference in this Rights Issue Offer Document to the reviewed balance sheet of the Company as at 31 December 2012 in the form and context in which the balance sheet is included, and has not withdrawn such consent before lodgement of this Rights Issue Offer Document with the ASIC.

There are a number of persons referred to elsewhere in this Rights Issue Offer Document who are not experts and who have not made statements included in this Rights Issue Offer Document nor are there any statements made in this Rights Issue Offer Document on the basis of any statements made by those persons. These persons did not consent to being named in the Rights Issue Offer Document and did not authorise or cause the issue of this Rights Issue Offer Document.

9.13 References to publications

References are made in this Rights Issue Offer Document to material that is attributed to various sources. These references are based on statements already published in public documents or a book, journal or comparable publication. These organisations did not prepare those materials specifically for this Rights Issue Offer Document and have had no involvement in the preparation of any part of this Rights Issue Offer Document.

9.14 Electronic Rights Issue Offer Document

Pursuant to Class Order 00/44 the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Rights Issue Offer Document on the basis of a paper Offer Document lodged with the ASIC and the issue of Shares and Options in response to an electronic application form, subject to compliance with certain provisions.

The Rights Issue Offer Document will be available as an Electronic Offer Document on the Company's website at www.telezon.com.

The offer pursuant to an Electronic Rights Issue Offer Document is only available to persons receiving an electronic version of this Rights Issue Offer Document within Australia.

If you have received this Rights Issue Offer Document as an Electronic Rights Issue Offer Document, please ensure that you have received the entire Rights Issue Offer Document accompanied by the Shortfall Application Form. If you have not, please e-mail the Company at info@telezon.com and the Company will send to you, without charge, either a hard copy or a further electronic copy of the Rights Issue Offer Document or both.

The Company reserves the right not to accept a Shortfall Application Form from a person if it has reason to believe that when that person was given access to the Electronic Shortfall Application Form, it was not provided together with the Electronic Rights Issue Offer Document and any relevant supplementary or replacement offer documents or any of those documents were incomplete or altered. In such case, the application monies received will be dealt with in accordance with Section 722 of the Corporations Act.

9.15 Governing Law

This Rights Issue Offer Document, the Offer and the contracts formed on acceptance of applications under the Offer are governed by the laws applicable in New South Wales, Australia. Each Offeree submits to the exclusive jurisdiction of the courts of that State.

10 DIRECTORS' AUTHORISATION

This Rights Issue Offer Document is issued by the Company and its issue has been authorised by a resolution of the Directors.

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

The Rights Issue Offer Document is prepared on the basis that certain matters may be reasonably expected to be known to likely investors or their professional advisers.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Rights Issue Offer Document with the ASIC and has not withdrawn that consent.

DATED this 15 May 2013



Dr Michelle Carr
Director

TELEZON LTD

11 DEFINITIONS

\$	Australian dollars. All amounts in this Rights Issue Offer Document are in Australian currency unless otherwise stated.
Applicant(s)	The person(s) who submit valid Entitlement & Acceptance Forms pursuant to this Rights Issue Offer Document.
Application	A valid application made to subscribe for a specified number of Shares pursuant to this Rights Issue Offer Document.
ASIC	Australian Securities and Investments Commission.
ASTC Settlement Rules	means the settlement rules of the securities clearing house which operates CHES.
Attaching Option	means a free option with an exercise price of \$0.20 and an expiry date of 14 June 2016, to be issued with each New Share pursuant to the Rights Issue.
Board	the board of Directors.
Business Day	every day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that SIM VSE declares is not a business day.
CHES	the Clearing House Electronic Subregister System.
Closing Date	the last date for receipt of completed Entitlement and Acceptance Forms, being 5.00 pm EST on 5 June 2013, or such other date as the Directors may determine.
Company or Telezon	Telezon Ltd (ACN 009 151 277).
Constitution	the constitution of the Company.
Corporations Act	Corporations Act 2001 (Cth).
Directors	the directors of the Company.
Electronic Rights Issue Offer Document	the electronic version of the Rights Issue Offer Document.
Entitlement	the right of a Shareholder to subscribe for New Securities in the Rights Issue.
Entitlement and Acceptance Form	the personalised entitlement and acceptance form accompanying every paper copy of this Rights Issue Offer Document sent to Shareholders.
New Shares	the Shares offered for subscription pursuant to the Rights Issue.
Offer	The Rights Issue pursuant to this Rights Issue Offer Document to subscribe for New Securities.
Official List	The Official List of SIM Venture Securities Exchange (SIM VSE).
Opening Date	the first date for receipt of completed Entitlement and Acceptance Forms, being 22 May 2013.
Option	an option to acquire a Share.
Rights Issue Offer Document	this replacement offer document dated 15 May 2013 and includes the Electronic Rights Issue Offer Document and any supplementary or replacement offer document, which replace the original rights issue offer

document that was lodged with ASIC on 9 May 2013.

Record Date	5.00 pm EST 20 May 2013.
Rights Issue	the non-renounceable pro rata rights issue pursuant to the Rights Issue Offer Document of up to 23,981,334 New Shares (with an equal amount of free Attaching Options) on the basis of one New Share for every two (2) Shares held on the Record Date at an issue price of 8.5 cents (\$0.085) per New Share to raise up to \$2,038,413 before expenses.
Section	a section of this Rights Issue Offer Document.
New Securities	New Shares and Attaching Options.
SIM VSE	SIM VSE Limited (ACN 087 708 898) and, where the context permits, the SIM Venture Securities Exchange operated by a joint venture between FEX Limited and NSX Limited.
SIM VSE Listing Rules	the official listing rules of SIM VSE.
Share	an ordinary share in the capital of the Company.
Shareholders	holders of Shares in the Company on the Record Date.
Shortfall	shortfall in subscription of New Securities under the Rights Issue pursuant to this Rights Issue Offer Document.
Shortfall Application Form	the Shortfall Application Form accompanying this Rights Issue Offer Document.
Shortfall Offer	the offer of any Shortfall.
Shortfall Shares	New Shares not taken up by Shareholders under the Rights Issue, including the applicable Attaching Options.
EST	Eastern Standard Time (Australia)

TELEZON LTD

ACN 009 151 277

SHORTFALL APPLICATION FORM

(FOR SHORTFALL OFFER ONLY)

Capitalised terms used in this application form are, unless otherwise defined herein, as defined in the Rights Issue Offer Document dated 15 May 2013 to which this form is attached.

Shareholders wishing to accept their Entitlement to New Shares and Attaching Options under the Rights Issue cannot use this Shortfall Application Form. They must use the personalised Entitlement and Acceptance Form which accompanied their copy of the Rights Issue Offer Document.

This application for New Shares and Attaching Options will only be considered after the Closing Date of 5 June 2013. Applicants should read the Rights Issue Offer Document dated 15 May 2013 in its entirety before deciding to apply under the Shortfall Offer.

Telezon Ltd
Caribbean Business Park
1 Dalmore Drive
Scoresby, VIC 3179

Telezon Ltd
PO Box 485
South Melbourne, VIC 3205

I/We apply for _____ New Shares (number of shares applied for) in Telezon Ltd at 8.5 cents (\$0.085) each, or such lesser number of New Shares as may be allocated by the Directors (including the free Attaching Option per New Share).
I/We lodge full application monies of \$ _____ .00 (amount of your cheque)
Complete Full Name: (Applicant - Company Name or Given name and Surname) _____ (Joint Applicant - Company Name or Given name and Surname) _____
Address Details: Number & Street: _____ Suburb: _____ Postcode: _____ State: _____
Telephone Details: Home Number: () _____ Business Number: () _____ Mobile Number: _____ Contact Name: _____
Email Address: _____
Cheque Details: Drawer: _____ Bank: _____ Branch: _____

Broker Sponsored Applicants Only:

SBN/IPN _____ HIN _____

This Shortfall Application Form does not need to be signed. By lodging this Shortfall Application Form and a cheque for the application monies, the applicant hereby:

1. applies for the number of New Shares specified in the Shortfall Application Form or such lesser number as may be allocated by the Directors as instructed by the Directors;
2. agrees to be bound by the terms and conditions set out in the Rights Issue Offer Document and the Constitution of the Company;
3. authorises the Directors to complete or amend this Shortfall Application Form where necessary to correct any errors or omissions;
4. acknowledges that an application for Shortfall does not guarantee an allotment of New Shares.

SHORTFALL APPLICATION FORM AND INSTRUCTIONS TO APPLICANTS

Please complete all relevant sections of the Shortfall Application Form using **BLOCK LETTERS**. If you have questions on how to complete this Shortfall Application Form please telephone (08) 9389 8033.

The Shortfall Application Form relates to the one (1) for two (2) non-renounceable pro rata Rights Issue of up to 23,981,334 New Shares (with free Attaching Options) at an issue price of 8.5 cents (\$0.085) each to raise up to \$2,038,413, pursuant to the Rights Issue Offer Document dated 15 May 2013. The expiry date of the Rights Issue Offer Document is the date which is 13 months after the date of the original rights issue offer document dated 9 May 2013. The Rights Issue Offer Document contains information about investing in the New Shares of the Company and it is important to read this document before applying for New Shares. A person who gives another person access to this Shortfall Application Form must at the same time and by the same means, give the other person access to the Rights Issue Offer Document, and any supplementary or replacement Rights Issue Offer Document (if applicable). While the Rights Issue Offer Document is current, the Company will send paper copies of the Rights Issue Offer Document, and any supplementary or replacement Rights Issue Offer Document (if applicable) and a Shortfall Application Form, on request to applicants without charge. It is advisable to read the Rights Issue Offer Documents before applying for the New Securities.

The Rights Issue Offer Document does not constitute an offer in any place where or to any person to whom it would not be lawful to make such an offer.

Please post or deliver the completed Shortfall Application Form together with your cheque to the address listed below:

**Telezon Ltd
Caribbean Business Park
1 Dalmore Drive
Scoresby, VIC 3179**

**Telezon Ltd
PO Box 485
South Melbourne, VIC 3205**

so as to reach the Company on or before 3 July 2013 unless otherwise instructed by the Company.

Please write your name in full. This must be either your own name or the name of a company. You should refer to the examples noted for the correct forms of name which can be registered. Applications using the incorrect form of name may be rejected. If your Shortfall Application Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be treated as valid. Any decision as to whether to treat your application as valid, and how to construe, amend or complete it, shall be final. You will not, however, be treated as having offered to subscribe for more New Shares than is indicated by the amount of the accompanying cheque for the application monies referred to.

Your address should be your preferred postal address for all correspondence. All communications to you from the Company's Registry (shareholding statements, annual/interim reports, correspondence, etc) will be mailed to the person(s) and address as shown.

CORRECT FORMS OF REGISTRABLE TITLE

Note that ONLY legal entities can hold Shares. The application must be in the name(s) of a natural person(s), companies or other legal entities acceptable to Telezon Ltd. At least one full given name and the surname is required for each natural person. Applications cannot be made by persons under 18 years of age. Examples of the correct form of registrable title are set out below:-

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Trusts	Mr John David Smith	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith	John Smith (Deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith	Smith Investment Club
Superannuation Funds	John Smith Pty Ltd	John Smith Superannuation Fund