

18 OCTOBER 2021

\$2.39 million raised via a Convertible Note with strong support from institutional investors

- Strong support from both existing and new institutional and sophisticated investors for these convertible notes, raising ~\$2.39 million
- Proceeds to be used to accelerate the commercial roll out of the HeraCARE platform and the HeraBEAT device with several paid pilots underway globally

HeraMED Limited (ASX:HMD) (“HeraMED” or the “Company”), a leader in the digital transformation of maternity care with its proprietary in-home maternity care platform, announced that it had successfully raised ~\$2.39 million via placement of convertible notes (Notes) with strong support from several key institutional investors.

HeraMED CEO and Co-founder, Mr. David Groberman said: “I am delighted with the strong support from both existing and new institutional investors for these convertible notes.

“These funds will ensure we can capitalise on the opportunities that exist with several potential global commercialisation partners.

“During the past few months, we have made significant progress on our commercialisation strategy including announcing a second site as part of our paid pilot with Mednax commencing in Atlanta, Georgia which was accompanied with the positive interim results in the first paid pilot that is being undertaken in San Jose, California.

“Separately, the paid pilot that began in August at the Joondalup Health Campus in WA is progressing well, the expanded pilot for high-risk pregnancies is underway at Sheba Hospital in Israel, and HeraCARE has been shortlisted for a government tender in Spain.” he said.

The funds raised will support ongoing requirements as HeraMED continues to support existing pilots and their progress through the next stage of commercial discussions as well as potential new pilots.

Timetable

Event	Date
Settlement of the Notes	25 October 2021
Notice of Meeting despatched	29 October 2021
General Meeting of shareholders	30 November 2021
Maturity Date	25 April 2022

The key commercial terms of the Notes are as follows:

- Amount raised: \$2,392,047 placed with each Note having a face value of \$1.00
- Maturity Date: 6 months from date of issue
- Coupon: 10% p.a. capitalised and paid in additional shares at conversion price
- Conversion Event (Automatic): The Notes automatically convert if the Company receives A\$4.0 million or more (whether in single or multiple closings) (**Qualified Financing**) on or before the maturity date, the principal amount of each Note and all interest due will automatically convert into fully paid ordinary shares into the Company.
- Conversion price on Qualifying Financing or Exit: at the lesser of \$0.20c or a 15% discount to the relevant event and subject to a floor of \$0.09 cents per share.
- On conversion of the Notes, investors will receive 1 option for 2 Shares issued, exercisable at \$0.30 with a two year expiry from the date of issue.
- Conversion Event (at Maturity): If these Notes remain unconverted at maturity (ie. in 6 months time) they will convert automatically at a 25% discount to the 5 VWAP at that time with capitalised interest paid in additional shares at the conversion price of the Notes. Investors will also receive a 1:1 2 year unlisted option at a 200% premium to the conversion price.
- Given the maximum number of Shares on conversion of the Notes is within the Company's existing placement capacity, the Notes will be issued without shareholder approval under ASX Listing Rule Chapter 7, however the issue of options will be subject to shareholder approval.
- A Note will not be capable of conversion to the extent that it would result in the Noteholder and its Associates holding a Relevant Interest in more than 19.99% of the issued Shares (or such other limit prescribed by section 606(1)(c)(i) of the Corporations Act from time to time), or if the Company would be in breach by of any applicable Law as a result of such conversion.

PAC Partners was engaged to act as lead manager for this capital raising and will receive a 6% capital raising fee and 1 million broker options on the same terms as the options to be issued to investors on conversion of the Notes.

This announcement has been authorised by the Board of HeraMED Limited.

-ENDS-

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About HeraMED Limited (ASX:HMD):

HeraMED is an innovative medical data and technology company leading the digital transformation of maternity care by revolutionising the prenatal and postpartum experience with its hybrid maternity care platform. HeraMED offers a proprietary platform that utilises hardware and software to reshape the Doctor/Patient relationship using its clinically validated in-home foetal and maternal heart rate monitor, HeraBEAT, cloud computing, artificial intelligence, big data, and a digital social networking dashboard.