

ASX ANNOUNCEMENT

ASX: MEM

17 August 2022

\$3.36 million capital raising to accelerate commercialisation of Felix™ System and continue development of other product pipeline products

HIGHLIGHTS

- Placement to raise approximately \$1.6M at 2 cents per share
- Fully underwritten, non-renounceable entitlement offer to raise up to \$1.76M
 - 1 new share for every 9 held on the record date at 2 cents per share
- Funds will be used predominantly to continue commercialisation of the Felix™ System, undertake Felix™ System clinical trials and other regulatory activities, and to continue the development of other pipeline products with the University of Newcastle research team.

Capital Raising

Australian-based bio-separations and reproductive biotechnology company Memphasys Limited (ASX: MEM) (**Company** or **Memphasys**) is pleased to announce a capital raising via a placement and a pro rata non-renounceable rights issue to raise up to approximately \$3.36 million (before costs).

The Company has received firm commitments in respect of a placement to issue approximately 80 million fully paid ordinary shares (**Shares**) at 2 cents each to raise \$1.6 million (**Placement**) from sophisticated and institutional investors, including \$435,851 from the Company's largest shareholder, Peters Investments Pty Ltd.

The Company is also pleased to announce it will be undertaking a pro rata non-renounceable entitlement offer of one (1) new share for every 9 shares currently held by eligible shareholders, at an issue price of 2 cents per Share, to raise up to \$1.76 million (**Entitlement Offer**).

The Entitlement Offer is fully underwritten by Canaccord Genuity (Australia) Limited, who will also act as Lead Manager to the Placement and Entitlement Offer.

Use of Funds

- The Placement and Entitlement Offer proceeds will be applied towards
 - continuing the commercialisation of the Felix™ System, including bolstering sales and marketing activities in low regulatory markets,
 - undertaking Felix™ System clinical trials and other regulatory activities,
 - continuing the development of other pipeline products with the University of Newcastle research team,
 - commencing development of the next generation Felix™ System,
 - repayment of existing debt, expenses of the offer and general working capital.

Details of Placement

Under the Placement, the Company has agreed to issue 80 million Shares at an issue price of 2 cents per share to raise \$1.6 million before costs, under the Company's existing placement capacity pursuant to ASX Listing Rule 7.1.

The Shares will be issued after the record date for the Entitlement Offer and as such, participants in the Placement will not be eligible to participate in the Entitlement Offer.

Canaccord Genuity (Australia) Limited is acting as Lead Manager to the Placement.

Details of Entitlement Offer

The Entitlement Offer will be a non-renounceable offer of one (1) new Share for every nine (9) existing Shares held by existing eligible shareholders on the record date (proposed to be 5pm AEST Tuesday, 23 August 2022), at an issue price of 2 cents per Share.

Eligible shareholders will comprise those shareholders with a registered address in Australia and New Zealand as at the record date.

The Entitlement Offer is fully underwritten, subject to certain terms and conditions, by Canaccord Genuity (Australia) Limited. Canaccord Genuity (Australia) Limited is also acting as Lead Manager to the Entitlement Offer.

The Company's largest shareholder, Peters Investments Pty Ltd (\$479,544), and Memphasys' Managing Director and CEO, Ms. Alison Coutts (\$42,652), have each agreed to sub-underwrite a portion of the Entitlement Offer, with such commitment to be offset and reduced by any entitlement they elect to take up under the Entitlement Offer.

Further details with respect to the Entitlement Offer will be set out in a prospectus to be issued by the Company and lodged with the ASIC on or about Wednesday 17 August 2022 (**Prospectus**).

Key Dates

Announcement of Offer and lodgement of Appendix 3B, Prospectus lodged with ASX and ASIC	Wednesday, 17 August 2022
Existing Shares quoted on an "ex" basis	Monday, 22 August 2022
Record Date (5pm AEST) Settlement of Placement funds and lodgement of Appendix 2A for Placement Shares (before noon Sydney time)	Tuesday, 23 August 2022
Issue of Placement Shares and commencement of quotation	Wednesday, 24 August 2022
Offer opens Prospectus and Entitlement & Acceptance Form sent to Eligible Shareholders & Company announces dispatch has been completed	Friday, 26 August 2022
Last day to extend the Closing Date	Thursday, 1 September 2022

Closing Date (5pm AEST) *	Tuesday, 6 September 2022
Securities quoted on a deferred settlement basis	Wednesday, 7 September 2022
Company to notify ASX of under subscriptions (if any)	Friday, 9 September 2022
Settlement of Shortfall	Monday, 12 September 2022
Anticipated date for the issue of Shares pursuant to Entitlement Offer and lodgement of Appendix 2A	Tuesday, 13 September 2022
Dispatch of holding statements for Shares issued pursuant to the Entitlement Offer	Wednesday, 14 September 2022

All dates are indicative only and subject to change. All times and dates refer to Australian Eastern Standard Time. Memphasys reserves the right to amend any or all of these dates and times, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws and regulations. In particular, Memphasys reserves the right to extend the closing date of the Entitlement Offer, to accept late applications (either generally or in particular cases) and to withdraw the Entitlement Offer without prior notice. Any extension of the closing date may have a consequential impact on the date that new shares are issued. Applicants are encouraged to submit their acceptance forms as soon as possible after the Entitlement Offer opens.

Eligible shareholders should read the Prospectus carefully before making any investment decision regarding the Entitlement Offer. If you are in any doubt about the Entitlement Offer, you should consult your financial or other professional adviser.

This ASX announcement was approved and authorised by the Board.



Your sincerely
Andrew Metcalfe
Company Secretary

For further information please contact:

Alison Coutts
Managing Director and CEO
Memphasys Limited
T: +61 2 8415 7300
E: alison.coutts@memphasys.com

David Tasker
Managing Director
Chapter One Advisors
T: +0433 112 936
E: dtasker@chapteroneadvisors.com.au

About Memphasys:

Memphasys Limited (**ASX: MEM**) specialises in biological separations and reproductive biotechnology for high value commercial applications.

Reproductive biotechnology products in development include medical devices, *in vitro* diagnostics, and new proprietary media.

The Company's patented bio-separation technology, utilised by the Company's most advanced product, the Felix™ device, combines electrophoresis with proprietary size exclusion membranes to separate sperm cells for human artificial reproduction.

Website: www.memphasys.com