Announcement Summary

Entity name

HERAMED LIMITED

Announcement Type

New announcement

Date of this announcement

18/10/2021

The Proposed issue is:

☑ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Unlisted Convertible Notes	2,392,047
New class-code to be confirmed	Unlisted Options	26,578,300
New class-code to be confirmed	Unlisted Options	1,000,000

Proposed +issue date

25/10/2021

Refer to next page for full details of the announcement

For personal use only

Part 1 - Entity and announcement details

1.1 Name of +Entity

HERAMED LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.
If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

626295314

1.3 ASX issuer code

HMD

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

18/10/2021

1.6 The Proposed issue is:

☑ A placement or other type of issue

For personal use only

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?
☑ Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	30/11/2021	☑ Estimated	No

Comments

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.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ New class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ Yes

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
☑ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
☑ No

ASX +security code	+Security description
New class-code to be confirmed	Unlisted Convertible Notes

For personal use only

+Security type

+Convertible debt securities

Number of +securities proposed to be issued

2,392,047

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 1.00000

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

+Convertible debt securities details

These securities are:

Convertible

Type of security

Convertible note or bond

+Security currency

AUD - Australian Dollar

Face value

AUD 1.0000

Interest rate type

Fixed rate

Frequency of coupon/interest payments per year

Monthly

First interest payment date

25/11/2021

Interest rate per annum

10.00000 %

Is the interest rate per annum estimated at this time?

No

s128F of the Income Tax Assessment Act status applicable to the +security

s128F exemption status unknown

Is the +security perpetual (ie. no maturity date)?

No

Maturity date

25/4/2022

Select other features applicable to

For personal use only

the +security
☑ None of the above

Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?
☑ No

Details of the type of +security that will be issued if the securities are converted, transformed or exchanged

HMD : ORDINARY FULLY PAID

Number of +securities that will be issued if the +securities are converted, transformed or exchanged (including, if applicable, any interest)

Before maturity lesser of 0.20 or 15% discount to relevant event (floor $0.09 per share). Conversion Event (Maturity): a 25% discount to the 5 VWAP at that time. Max 26,578,300 based on $0.09 floor.

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Please see ASX announcement dated 18 October for more information.

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?
☑ New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
☑ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
☑ No

ASX +security code	+Security description
New class-code to be confirmed	Unlisted Options

+Security type

Options

Number of +securities proposed to be issued

26,578,300

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

For personal use only

☑ Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 1.00000

Will all the +securities issued in this class rank equally in all respects from their issue date?

☑ Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.3000

Expiry date

30/11/2023

Details of the type of +security that will be issued if the option is exercised

HMD : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

26,578,300

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Please see ASX announcement dated 18 October 2021

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☑ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☑ No

ASX +security code

New class-code to be confirmed

+Security description

Unlisted Options

+Security type

Options

Number of +securities proposed to be issued

1,000,000

For personal use only

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
☑ No

Please describe the consideration being provided for the +securities

PAC Partners was engaged to act as lead manger for this capital raising and it will receive (or its nominees) 1 million broker options on the same terms as the options to be issued to investors on conversion of the Notes.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

36,000.000000

Will all the +securities issued in this class rank equally in all respects from their issue date?
☑ Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.3000

Expiry date

30/11/2023

Details of the type of +security that will be issued if the option is exercised

HMD : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

1,000,000

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Please see ASX announcement dated 18 October 2021.

Part 7C - Timetable

7C.1 Proposed +issue date

25/10/2021

For personal use only

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?
☑ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?
☑ Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

2392047 Convertible Notes

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?
☑ No

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?
☑ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?
☑ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?
☑ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?
☑ Yes

7E.1a Who is the lead manager/broker?

PAC Partners

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Management fee - 2%
Selling fee - 4%
Broker Options: 1 million broker options exercisable at 30 cents with a 2 year expiry from the date of issue

7E.2 Is the proposed issue to be underwritten?
☑ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

For personal use only

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Used to accelerate the commercial roll out of the HeraCARE platform and the HeraBEAT device with several paid pilots underway globally

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☑ No

7F.2 Any other information the entity wishes to provide about the proposed issue

For personal use only