

WEEBIT NANO LTD

ACN 146 455 576

REPLACEMENT PROSPECTUS

Non-underwritten, non-renounceable pro-rata Entitlement Offer of 1 New Share for every 41 Existing Shares held in Weebit Nano Limited at an issue price of \$2.84 per New Share

The Entitlement Offer closes at 5:00pm (AEDT) on Monday, 29 November 2021 (unless extended).

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This is an important document which is accompanied by an Application Form. If you are an Eligible Shareholder, you should read both in full. If, after reading this Prospectus, you have any questions about whether you should invest in the Entitlement Offer, you should seek professional advice before making any investment decision. You can also contact the Company's corporate and investor relations advisor Market Eye on **03 9591 8901 (in Australia)** or **+61 3 9591 8901 (outside Australia)** between 9.00am to 5.00pm (AEDT) Monday to Friday.

Important information

This Prospectus is dated 17 November 2021 and was lodged with ASIC and ASX on that date. This Prospectus is a replacement prospectus and replaces the prospectus which was dated and lodged with ASIC and ASX on 10 November 2021 (**Original Prospectus**). ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

A summary of the key differences between the Original Prospectus and this replacement Prospectus is as follows:

- (a) Section 5.4 of this Prospectus now clarifies that the Scale-back only applies in relation to any Additional New Shares applied for by an Eligible Shareholder under the Oversubscription Facility. In other words, if an Eligible Shareholder validly applies for their full Entitlement of New Shares, they will receive their full Entitlement of New Shares.
- (b) It was incorrectly noted in the ASX announcement made on 10 November 2021 (included in section 6 of the Original Prospectus) that fractional Entitlements will be rounded down to the nearest whole number. The announcement included in section 6 of this Prospectus has been amended to clarify that fractional Entitlements will be rounded up to the nearest whole number in accordance with section 11.9 of this Prospectus.
- (c) In section 7.5 of this Prospectus, the actual percentage Shareholding of Meitav Dash Provident Funds and Pension Ltd as at the date of this Prospectus is now disclosed.

None of the changes are materially adverse from the point of view of an investor.

Since the Original Prospectus the share capital of the Company has increased because certain Placement shares have been issued and certain options have been exercised. As a result, this Prospectus also reflects the updated issued share capital of the Company on 17 November 2021.

This Prospectus has also been prepared for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the issue of this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

The information in this Prospectus does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

By returning an Application Form or otherwise paying for your New Shares through BPAY in accordance with the instructions on the Application Form, you acknowledge that you have read this Prospectus and you have acted in accordance with and agree to the terms of the Entitlement Offer detailed in this Prospectus.

Definitions and time

Defined terms used in this Prospectus are contained in the Glossary. All references to time are to Australian Eastern Daylight Time, unless otherwise indicated.

Taxation

There may be Australian or other tax or duty implications associated with participating in the Entitlement Offer and/or receiving New Shares. Section 8 provides a general summary of the Australian income tax, goods and services (**GST**) and duty implications of the Entitlement Offer for certain Eligible Shareholders only. The summary does not take account of the individual circumstances of particular Eligible Shareholders and does not constitute tax advice. WBT strongly recommends that you consult your professional tax adviser in connection with the Entitlement Offer.

Past performance

Past performance and pro-forma historical information in this Prospectus is given for illustrative purposes only and cannot be relied upon as an indicator of (and provides no guidance as to) future WBT performance. The historical information in this Prospectus is, or is based upon, information that has been released to ASX.

Future performance

This Prospectus contains certain forward-looking statements. Forward-looking statements can generally be identified by the use of forward-looking words such as “may”, “should”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “continue”, “objectives”, “outlook”, “guidance” or other similar words, and include statements in this Prospectus regarding certain plans, strategies and objectives of management of WBT and expected financial performance, the conduct and outcome of the Offer and the use of proceeds.

These forward-looking statements contained in this Prospectus involve known and unknown risks, uncertainties and other factors which are subject to change, without notice, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. In particular, such forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of WBT. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. Investors should consider the forward-looking statements contained in this Prospectus in light of those disclosures.

Neither WBT, nor any other person, gives any representation, warranty, assurance nor will guarantee that the occurrence of the events expressed or implied in any forward-looking statement actually occur. WBT disclaims any responsibility for the accuracy or completeness of any forward-looking statements whether as a result of new information, future events or results or otherwise. WBT disclaims any responsibility to update or revise any forward-looking statement to reflect any change in WBT's financial condition, status or affairs or any change in events, conditions or circumstances on which a statement is based, except as required by law.

Not for distribution outside Australia and New Zealand

This Prospectus, any accompanying ASX announcements and the Application Form do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person holds WBT Shares and is acting for the account or benefit of a person in the United States), or any other jurisdiction in which, or to any person to whom, such offer would be illegal. The New Shares have not been, nor will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States.

The Entitlements may not be taken up by, and the New Shares may not be offered or sold to, any person in the United States or any person that is, or is acting for the account or benefit of, any person in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

This Prospectus may not be released or distributed in the United States. The distribution of this Prospectus in other jurisdictions outside Australia and New Zealand may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Risks

An investment in New Shares is subject to investment and other known and unknown risks, some of which are beyond the control of WBT, including possible delays in repayment and loss of income and principal invested. WBT does not guarantee any particular rate of return or the performance of WBT, nor does it guarantee the repayment of capital from WBT or any particular tax treatment.

Shareholders should refer to Section 10 of this Prospectus for a summary of general and specific risk factors that may affect WBT.

Other general matters

Please read Section 11 of this Prospectus carefully for other important notices, disclaimers and acknowledgements.

Letter from the Chairman

17 November 2021

Dear Shareholder,

On behalf of the Board of Weebit Nano Ltd (**WBT or Company**), I am pleased to offer you the opportunity to participate in a 1-for-41 non-renounceable pro-rata entitlement offer (**Entitlement Offer**) of new fully paid ordinary shares in WBT (**New Shares**) at an issue price of \$2.84 per share to raise up to approximately \$9 million. This follows the successful share placement announced on 10 November 2021 where the Company raised approximately \$25.2 million from 4 Israel-based institutional investment and pension funds and directors and received binding commitments from certain Directors for approximately a further \$300,000 (**Placement**) (the Placement and Entitlement Offer are together the **Offer**).

The cornerstone investor for the Placement was Meitav Dash. Managing over US\$65 billion in assets, Meitav Dash is a major institutional investment and pension fund in Israel, operating for over 40 years with approximately 1,000 employees.

When Weebit last raised capital from shareholders in November 2020, the Company was well positioned to accelerate research and development activities and move towards first commercial agreement. Since that raising, Weebit has executed on its strategic objectives, achieving several important milestones, including:

- Securing the Company's first commercial deal, licensing its ReRAM technology to volume production with US-based semiconductor foundry SkyWater Technology Inc.
- Together with CEA-Leti, demonstrating excellent results of WBT's ReRAM technology at 28nm on 300mm wafers – a key step towards productisation of embedded NVM for AI, autonomous driving, 5G and advanced IoT
- Completing final design, verification and tape-out of embedded memory module test chip
- Demonstrating the industry's first commercial integration of an OTS selector with an oxide-based ReRAM cell for the discrete memory market
- Expanding the strategic development partnership with CEA-Leti to enhance Weebit's ReRAM offering and support commercialisation
- Filing a new patent optimising ReRAM power consumption
- Filing two new design-related patents with Leti, optimising ReRAM performance
- Further strengthening its executive team with the appointment of Ishai Naveh as Chief Technology Officer.

Market recognition of the need for new technologies to replace embedded Flash memory has materially increased. The successful demonstration of WBT's ReRAM reliability and robustness at 28 nanometres (nm) strongly positions WBT to be a leader in non-volatile memory (NVM) for advanced processes where it is no longer technically or economically feasible to embed Flash memory.

WBT is therefore raising funds to capitalise on growing momentum to accelerate new commercial opportunities and research and development activities to take its ReRAM into even smaller geometries, given progress on discussions with potential production partners and customers.

Having signed the Company's first commercial agreement and with its ReRAM technology delivering the performance expected of it, WBT is well positioned to execute on current and future opportunities in key growth markets.

The current round of funding, aside from introducing a group of well-known Israel-based institutional investment and pension funds, will ensure that WBT is capitalised to execute on its current commercial and technological opportunities, with the aim of converting current and future opportunities in key growth markets into commercial agreements and revenue.

The Entitlement Offer

As an Eligible Shareholder, you are entitled to subscribe for 1 New Share for every 41 existing WBT ordinary shares held on the Record Date (being 7.00 pm (AEDT) on Monday, 15 November 2021 without incurring brokerage or any other transaction costs (**Entitlement**). The Entitlement Offer aims to raise up

to approximately \$9 million and is not underwritten.

Since the Entitlement Offer is non-renounceable, your Entitlement will not be tradeable on the ASX or any other exchange, or otherwise transferrable. This means that if you do not take up this Entitlement Offer, you will not receive any value for those entitlements and your proportionate interest in WBT will be diluted.

Additional New Shares

Eligible Shareholders may also apply for New Shares in excess of their Entitlement (**Additional New Shares**), with such oversubscriptions to be satisfied from Entitlements that were not taken up by other Shareholders under the Entitlement Offer. The Directors reserve the right to allot and issue Additional New Shares in their absolute discretion. Please see section 3 for further details on how Additional New Shares will be allocated to Eligible Shareholders.

New Shares and Additional New Shares will be issued on a fully paid basis and will rank equally with existing Shares.

Purpose of the Offer and use of proceeds

Key uses of the funds raised will be:

Use of Funds	Based on an Offer of up to \$34.7 million A\$' million
Migrating WBT's ReRAM technology to smaller geometries (below 28nm)	11.0
Continued development of the discrete memory component, growing it to larger arrays	9.0
Constant improvement of the technology parameters, making WBT's ReRAM even more robust	7.0
Expanding marketing and sales activities – transferring the technology to additional fabs, and signing up customer projects that will license the technology and embed it into their designs	6.0
General working capital requirements	2.7
Costs of the Offer	(1.0)
TOTAL	\$34.7

Neither the Placement nor the Entitlement Offer is underwritten.

Prospectus

This Prospectus contains a number of important sections including:

- Key dates for the Offer;
- Instructions on “How to Apply”, setting out how to accept all or part of your Entitlement in the Entitlement Offer if you choose to do so;
- ASX announcement;
- Important Information;
- Risk factors; and
- an Acceptance Form which details your Entitlement, to be completed in accordance with the instructions provided on the form and the instructions in the “How to Apply” section of this Prospectus.

The Entitlement Offer closes at 5.00 pm (AEDT) on Monday, 29 November 2021. To participate, you need to ensure that you have made your payment (Application Monies) via BPAY® pursuant to the instructions that are set out on the Acceptance Form so that your payment via BPAY® has been received by WBT by 5.00pm (AEDT) on Monday, 29 November 2021.

Eligible Shareholders

You should read the entirety of this Prospectus carefully (including the “Risk Factors” section, which contains a summary of key risks associated with an investment in WBT) before deciding whether to participate in the Entitlement Offer.

The Entitlement Offer opens on Thursday, 18 November 2021 and is **expected to close at 5pm (AEDT) on Monday, 29 November 2021.**

Further information

You should read the entirety of this Prospectus carefully (including the “Risk Factors” section, which contains a summary of key risks associated with an investment in WBT) before deciding whether to participate in the Entitlement Offer.

If you have any questions about the Entitlement Offer, please contact WBT’s Investor Relations provider (Market Eye) on 03 9591 8901 (in Australia) or +61 3 9591 8901 (outside Australia) between 9.00am to 5.00pm (AEDT) Monday to Friday.

Subject to shareholder approval, WBT’s non-Australian Directors intend to participate in the Placement for the amount of approximately A\$300,000.

The Weebit Board fully supports the Placement and Entitlement Offer, with certain Directors not eligible to participate in the Entitlement Offer intending to subscribe for New Shares at the Offer Price (subject to shareholder approval), and where eligible taking up some or all of their entitlement in the Entitlement Offer.

On behalf of the Board, we invite you to participate in the Entitlement Offer and thank you for your continued support of WBT.



Yours sincerely
David Perlmutter
Chairman

CONTENTS

1	CORPORATE DIRECTORY	9
2	KEY DATES	10
3	SUMMARY OF YOUR OPTIONS	11
4	ENTITLEMENT OFFER – HOW TO APPLY	12
5	DETAILS OF THE OFFER	13
6	ANNOUNCEMENT	18
7	PURPOSE AND EFFECT OF THE OFFER	19
8	AUSTRALIAN TAXATION CONSIDERATIONS	25
9	RIGHTS AND LIABILITIES ATTACHING TO NEW SHARES	27
10	RISK FACTORS	30
11	ADDITIONAL INFORMATION	38
12	ELIGIBLE SHAREHOLDER DECLARATIONS	48
13	DIRECTORS' AUTHORISATION	49
14	GLOSSARY	51

Directors

David (Dadi) Perlmutter
Chairman

Jacob (Coby) Hanoch
Managing Director and CEO

Yoav Nissan-Cohen
Executive Director

Ashley Mark Krongold
Non-Executive Director

Frederick Bart
Non-Executive Director

Atiq Raza
Non-Executive Director

Company Secretary

Mark Licciardo
Mertons Corporate Services Pty Ltd
Level 7, 330 Collins Street
Melbourne VIC 3000

Registered Office

C/- Mertons Corporate Services Pty Ltd
Level 7, 330 Collins St
Melbourne VIC 3000

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Website: www.weebit-nano.com

Email: info@weebit-nano.com

Solicitors

King & Wood Mallesons
Level 61, 1 Farrer Place
Sydney NSW 2000

Share Registry

Computershare Investor Services Pty
Limited
Yarra Falls 452 Johnston St
Abbotsford VIC 3067

Auditor

Nexia Perth Audit Services Pty Ltd
Level 3, 88 William Street
Perth WA 6000

Investigating Accountant

Nexia Perth Corporate Finance Pty Ltd
Level 3, 88 William Street
Perth WA 6000

Corporate Adviser and Investor Relations

Market Eye Pty Ltd
Level 3, Heritage Building, Olderfleet 477
Melbourne VIC 3000

Lead Manager to the Offer

Canaccord Genuity (Australia) Limited
Level 15, 333 Collins Street
Melbourne VIC 3000

ASX Code

WBT

Event	Date
ASX Announcement of Placement and Entitlement Offer	Wednesday, 10 November 2021
Lodgement of Original Prospectus with ASIC and ASX	Wednesday, 10 November 2021
"Ex" date for Entitlement Offer	Friday, 12 November 2021
Record Date to determine right to participate in the Entitlement Offer	7.00pm on Monday, 15 November 2021
Allotment and trading of Placement Shares	Wednesday, 17 November 2021
Lodgement of Entitlement Offer Prospectus with ASIC and ASX	Wednesday, 17 November 2021
Entitlement Offer Prospectus despatched and Entitlement Offer opens	Thursday, 18 November 2021
Last day to extend the Entitlement Offer close date	Wednesday, 24 November 2021
Entitlement Offer closes	Monday, 29 November 2021
Notify ASX of undersubscriptions	Thursday, 2 December 2021
Issue of New Shares under the Entitlement Offer	Monday, 6 December 2021
Normal trading of New Shares issued under the Entitlement expected to commence on ASX	Tuesday, 7 December 2021

These dates are indicative only and are subject to change without notice. WBT reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, WBT reserves the right to extend the closing date for the Entitlement Offer, to accept late applications under the Entitlement Offer (either generally or in particular cases) and to withdraw the Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date.

The quotation of New Shares is subject to confirmation from the ASX.

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your Application once it has been accepted. Eligible Shareholders wishing to participate in the Entitlement Offer are encouraged to submit their Application Form as soon as possible after the Entitlement Offer opens.

Enquiries

If, after reading this Prospectus, you have any doubt about whether you should participate in the Entitlement Offer, you should seek professional financial advice before making any investment decision.

If you have questions on how to complete the Application Form or how to take up your Entitlement or have lost your Application Form and would like a replacement form, please call +61 3 9591 8901 between 9am and 5.30pm Monday to Friday during the Entitlement Offer period. A replacement Application Form can also be accessed online by following the Entitlement Offer website link at <https://weebitnano2021nrri.thereachagency.com>.

3 SUMMARY OF YOUR OPTIONS

Option	Key considerations	Where to find more information about your options
Option 1: Take up all or part of your Entitlement before the Closing Date	<ul style="list-style-type: none"> To take up all or part of your Entitlement before the Closing Date (being Monday, 29 November 2021), you need to pay your Application Monies via BPAY so that they are received before 5.00pm on the Closing Date. Follow the instructions set out on the Application Form or online at https://weebitnano2021nrri.thereachagency.com. The New Shares issued under the Entitlement Offer will be fully paid and rank equally in all respects with Existing Shares. 	Section 5
Option 2: Take up all of your Entitlement and also apply for Additional New Shares in excess of your Entitlement <i>Note: This option is not available to Related Parties of WBT.</i>	<ul style="list-style-type: none"> You may take up all of your Entitlement and apply for Additional New Shares. Additional New Shares will rank equally in all respects with Existing Shares from Issue Date. Additional New Shares will only be available to the extent there are Entitlements under the Entitlement Offer which are not taken up by Eligible Shareholders. The allocation of Additional New Shares will be subject to the availability of Additional New Shares and any scale back will be applied by WBT in its absolute discretion. 	Section 5
Option 3: Do nothing and let all or part of your Entitlements lapse	<ul style="list-style-type: none"> If you do not take up your Entitlement, you will not be issued New Shares and your Entitlements will lapse. The New Shares not subscribed for will form part of the Shortfall. Your Entitlements are non-renounceable. This means they cannot be traded on ASX or any other exchange and cannot be privately transferred. If you do not take up your Entitlement, you will receive no value for those Entitlements. If you do not take up your Entitlement, your proportionate holding in WBT will be diluted. 	N/A

4 ENTITLEMENT OFFER – HOW TO APPLY

4.1 Taking up all or part of your Entitlement

If you wish to take up all or part of your Entitlement, payment must be made via BPAY if possible. Eligible Shareholders based in New Zealand who do not have an Australian bank account will be able to pay by cheque, bank draft or money order.

Payments must be made by following the instructions set out on the personalised Application Form. Payment is due by no later than 5.00pm (AEDT) on Monday, 29 November 2021.

4.2 Taking up all of your entitlement and applying for Additional New Shares

Eligible Shareholders who take up all of their Entitlement (and are not a Related Party of WBT) may apply for more than their Entitlement in addition to their Entitlement as Additional New Shares. Additional New Shares will only be made from any available Shortfall.

If you wish to take up all of your Entitlement and apply for Additional New Shares, the Application Monies payable will be equal to the Offer Price multiplied by the total of the number of New Shares comprising your Entitlement and the number of Additional New Shares you wish to take up – you will need to calculate this number yourself.

Additional New Shares will only be allocated to you if there are sufficient New Shares resulting from a Shortfall, subject to any scale back which WBT may apply (in its absolute discretion). There is no guarantee you will be allocated any Additional New Shares. Related Parties of WBT may not apply for Additional New Shares.

If you wish to take up all of your Entitlement and any Additional New Shares, payment must be made via BPAY. For Eligible Shareholders based in New Zealand who do not have an Australian bank account that supports BPAY transactions, alternative electronic funds transfer (EFT) payment arrangements will be made available at <https://weebitnano2021nri.thereachagency.com>. Payments must be made by following the instructions set out on the personalised Application Form. Payment is due by no later than 5.00pm (AEDT) on Monday, 29 November 2021.

4.3 Allowing your Entitlement to lapse

If you take no action, you will not be issued New Shares and your Entitlement will lapse. Your Entitlement is non-renounceable and is not tradeable or otherwise transferable. Eligible Shareholders who do not take up their Entitlements in full will not receive any value for those Entitlements they do not take up.

4.4 Payment

WBT will treat you as applying for as many New Shares as your payment will pay for, in full, up to your Entitlement.

If your payment will pay for more than your full Entitlement, WBT will treat you as applying for your full Entitlement and as many Additional New Shares under the Oversubscription Facility as your payment will pay for in full.

Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the close of the Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

4.5 Payment by BPAY

To pay by BPAY, please follow the instructions on your personalised Application Form (which includes the Biller Code and your unique Customer Reference Number). You can only make a payment via BPAY if you are the holder of an account with an Australian branch of a financial institution that supports BPAY transactions.

You should instruct payment well before 5.00pm (AEDT) on the Closing Date to enable its receipt before the Entitlement Offer closes.

Your Application Form is not required to be lodged with the Share Registry and you will be deemed to have made the declarations set out in this Prospectus and on the Application Form.

Please make sure to use the specific Biller Code and unique Customer Reference Number on your personalised Application Form. If you receive more than one personalised Application Form, you will need to complete individual BPAY transactions using the Customer Reference Number specific to each individual personalised Application Form that you receive.

You should be aware that your financial institution may implement earlier cut off times with regards to electronic payment and you should therefore take this into consideration when making payment. You may also have your own limit on the amount that you can pay via BPAY. It is your responsibility to check that the amount you wish to pay via BPAY does not exceed your limit.

For Eligible Shareholders based in New Zealand who do not have an Australian bank account that supports BPAY transactions, alternative electronic funds transfer (EFT) payment arrangements will be made available at <https://weebitnano2021nrri.thereachagency.com>.

5 DETAILS OF THE OFFER

5.1 Placement and Entitlement Offer

On 10 November 2021, the Company announced:

- (a) that it had received commitments from professional investors and Directors to place 9,040,147 Shares at an issue price of \$2.84 per Share to raise a total of \$25,674,017 (**Placement**); and
- (b) it is undertaking a 1-for-41 non-renounceable pro-rata entitlement offer of New Shares to raise approximately \$9.0 million (**Entitlement Offer**).

Following the announcement, the Company issued 8,875,924 Shares under the Placement to 4 Israel-based institutional investment and pension funds. The issue of Shares to certain Directors under the Placement remains subject to Shareholder approval.

The proceeds from the Offer will be used in accordance with the table set out below:

Use of Funds	Based on total proceeds from offer of \$9.0 million
Migrating Weebit's ReRAM technology to smaller geometries (below 28nm)	32%
Continued development of the discrete memory component, growing it to larger arrays	26%
Constant improvement of the technology parameters, making WBT's ReRAM even more robust	21%
Expanding marketing and sales activities – transferring the technology to additional fabs, and signing up customer projects that will license the technology and embed it into their designs	18%
General working capital requirements	6%
Costs of the Offer	(3%)
Total	100%

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the

manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on that basis.

The New Shares and Additional New Shares offered pursuant to the Entitlement Offer will be fully paid and will rank equally in all respects with the Company's existing Shares on issue. A summary of the rights and liabilities attaching to the Shares is set out in Section 9.1.

The purpose of the Entitlement Offer is set out in Section 7.1.

5.2 Eligible participants

Placement

Only Eligible Investors were invited to participate in the Placement.

Entitlement Offer

This Prospectus is important for people who meet all of the following requirements (referred to as "**Eligible Shareholders**" in this Prospectus):

- you are registered as a holder of WBT Shares as at the Record Date, being 7.00pm (AEDT) on Monday, 15 November 2021; and
- you have a registered address on the WBT share register in Australia or New Zealand; and
- you are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent you hold WBT Shares for the account or benefit of such person in the United States); and
- you are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

If you are a retail Shareholder that is **not** an Eligible Shareholder, then you are referred to as an "**Ineligible Shareholder**" in this Prospectus.

To help you understand the terminology used in this Prospectus:

- references to 'you' are references to Eligible Shareholders; and
- references to 'your Entitlement' are references to the Entitlements of Eligible Shareholders; and
- references to 'your Application Form' are references to the form of that name accompanying this Prospectus that you can use to take up your Entitlement.

5.3 Minimum subscription

There is no minimum subscription for the Offer.

5.4 Scale-back

The Entitlement Offer aims to raise up to approximately A\$9,000,000. WBT may, in its absolute discretion, reduce the number of Additional New Shares allotted to each applicant under the Oversubscription Facility to the extent and in the manner that it sees fit, including if the aggregate amount applied for by all Eligible Shareholders exceeds WBT's requirements (**Scale-back**).

If there is a Scale-back, you may receive less than the parcel of New Shares for which you have applied.

If there is a Scale-back, the difference between the Application Monies received from you, and the number of New Shares allocated to you multiplied by the issue price of \$2.84 per New Share, will be refunded by WBT to you, without interest, following allotment.

If a Scale-back produces a fractional number of New Shares when applied to your Share parcel, the number of New Shares you will be allotted will be rounded up to the nearest whole number.

5.5 Dispute Resolution

WBT may settle in any manner it thinks fit, any difficulties, anomalies or disputes that may arise in connection with or by reason of the operation of the Entitlement Offer. The decision of WBT will be conclusive and binding on all participants and other persons to whom the determination relates. WBT's rights may be exercised by the Board or any delegate of the Board. The powers of WBT under these terms and conditions may be exercised by the Directors or any delegate or representative of the Directors or senior officers of WBT.

5.6 Underwriting

The Placement and the Entitlement Offer are not underwritten.

5.7 Shares will be quoted

Subject to the Corporations Act and the Listing Rules, application will be made to ASX no later than 7 days after the date of this Entitlement Offer Prospectus for Official Quotation of the Securities under the Offer. There is no assurance that the application will be granted.

If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of this Entitlement Offer Prospectus (or such period as varied by the ASIC), the Company will not issue any Shares.

The fact that ASX may grant Official Quotation to the Securities is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

5.8 Issue

Securities issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out in this Entitlement Offer Prospectus.

Holding statements for Securities issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out in this Entitlement Offer Prospectus.

5.9 Nominees

The Entitlement Offer is being made to all Eligible Shareholders. Nominees with registered addresses in the eligible jurisdictions, may also be able to participate in the Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold WBT Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Shareholder.

WBT will notify those nominees and custodians who hold WBT Shares. Nominees and custodians should carefully consider the contents of such notification from WBT and note, in particular, that the Entitlement Offer is not available to beneficiaries on whose behalf they hold WBT Shares who would not satisfy the criteria for an Eligible Shareholder.

Due to legal restrictions, nominees and custodians may not send copies of this Entitlement Offer Prospectus or accept the Entitlement Offer on behalf of any person in the United States or other jurisdiction outside Australia or New Zealand, except to beneficial Shareholders who

are institutional or professional investors in certain foreign countries as the Company may otherwise permit in compliance with applicable law.

WBT is not required to determine whether or not any registered Shareholder is acting as a nominee or the identity or residence of any beneficial owners of WBT Shares.

5.10 Overseas shareholders

The distribution of this Prospectus outside the Commonwealth of Australia may be restricted by law.

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. In particular, this Prospectus does not constitute an offer to Ineligible Shareholders. WBT has decided that it is unreasonable to make offers under the Entitlement Offer to retail investors who are holders of WBT Shares and who are resident outside Australia and New Zealand, having regard to the number of such holders in those places and the number and value of the New Shares that they would be offered and the cost of complying with the relevant regulatory and legal requirements in those places.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Securities on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

This Prospectus is not to be distributed in, and no offer of New Shares is to be made, in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.

No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Prospectus (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of the information in this booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing holders of Shares with registered addresses in New Zealand to whom the Entitlement Offer is being made in reliance on the Financial Markets Conduct Act 2013 (New Zealand) (the "FMC Act") and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United States

This Prospectus and the accompanying Application Form do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States, or for the account or benefit of, any "U.S. Person" (as defined in Rule 902(k) under the U.S. Securities Act of 1933, as amended (U.S. Securities Act) (U.S. Person). Neither this Prospectus nor the Application Form may be distributed to, or relied upon by, persons in the United States or U.S. Persons or persons who are acting for the account or benefit of persons in the United States or U.S.

Persons. The New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may only be offered and sold outside the United States to persons that are not U.S. Persons and are not acting for the account or benefit of U.S. Persons in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act (Regulation S) and the laws of the jurisdiction in which such securities are offered and sold.

5.11 Enquiries

Any questions concerning the Offer should be directed to the Corporate Adviser on 03 9591 8901 (in Australia) or +61 3 9591 8901 (outside Australia) between 9.00am to 5.00pm (AEDT) Monday to Friday.

For personal use only

ASX RELEASE (ASX: WBT)

Weebit undertakes capital raising to support accelerated growth; introduces major Israeli institutional investors onto the register

Key highlights:

- **Capital Raising comprises:**
 - ~A\$25.7 million placement to 4 Israel-based institutional investment and pension funds with substantial technology investment experience; and
 - pro rata non-renounceable entitlement offer to raise up to ~A\$9.0 million (before costs) if fully subscribed
- **Meitav Dash, a major institutional investment and pension fund in Israel, managing over US\$65 billion, was the cornerstone investor to the placement**
- **Funding to underpin accelerated growth, supporting pursuit of business opportunities, research and development in embedded and discrete projects, and general working capital requirements**
- **Weebit's Board supports the Placement and Entitlement Offer and certain of its Directors will participate**

Wednesday, 10 November 2021 – **Weebit Nano Limited (ASX:WBT)**, a leading developer of next-generation memory technologies for the global semiconductor industry, is pleased to announce a capital raising comprising a placement of approximately A\$25.7 million to 4 Israel-based institutional investment and pension funds, and a pro rata non-renounceable entitlement offer to raise up to approximately A\$9.0 million (before costs) if fully subscribed.

The cornerstone investor for the institutional placement was Meitav Dash. Managing over US\$65 billion in assets, Meitav Dash is a major institutional investment and pension fund in Israel, operating for over 40 years with approximately 1,000 employees.

Commenting on the placement and entitlement offer, Weebit CEO Coby Hanoach said: "We have always believed we were progressing ground-breaking technology, and are very encouraged by the strong level of support shown by our new Israeli institutional investors. These institutional investment and pension funds have substantial technology investment experience and enter our register during an exciting time for Weebit Nano as we build off recent milestones.

"We see huge potential for Weebit Nano's memory technology across multiple attractive markets. This Capital Raising allows us to bring forward growth initiatives that were planned for two years' time, accelerating our ability to deliver on the attractive opportunities we see for the Company as commercial interest in our technology grows.



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“With a loyal and supportive shareholder base, many of whom have been with the Company for the past five years, as with past capital raisings we wanted to ensure that existing shareholders also had an opportunity to further invest on the same terms as our new institutional shareholders. The Entitlement Offer announced today provides that opportunity and we look forward to the continued support from our existing shareholders as we further commercialise our ReRAM technology and progress our research and development activities.”

Since Weebit last raised capital from shareholders in November 2020, it has delivered a series of achievements that have demonstrated ongoing technological and commercial progress. As a result, Weebit is experiencing a growing level of customer interest in its unique Resistive Random-Access Memory (ReRAM) technology.

At the same time, market recognition of the need for new technologies to replace embedded Flash memory has materially increased. The successful demonstration of Weebit’s ReRAM reliability and robustness at 28 nanometres (nm) strongly positions it to be a leader in non-volatile memory (NVM) for advanced processes where it is no longer technically or economically feasible to embed Flash memory.

Weebit is therefore raising funds to capitalise on growing momentum to accelerate new commercial opportunities and research and development activities to take Weebit’s ReRAM into even smaller geometries, given progress on discussions with potential production partners and customers.

Executing on strategic priorities

When Weebit last raised capital from shareholders in November 2020, the Company was well positioned to accelerate research and development activities and move towards first commercial agreement. Since that raising, Weebit has executed on its strategic objectives, achieving several important milestones, including:

- Securing the Company’s first commercial deal, licensing its ReRAM technology to volume production with US-based semiconductor foundry SkyWater Technology Inc.
- Together with CEA-Leti, demonstrating production level parameters for Weebit’s ReRAM technology at 28nm on 300mm wafers – a key step towards productisation of embedded NVM for AI, autonomous driving, 5G and advanced IoT
- Completing final design, verification and tape-out of embedded memory module test chip
- Demonstrating the industry’s first commercial integration of an OTS selector with an oxide-based ReRAM cell for the discrete memory market
- Expanding the strategic development partnership with CEA-Leti to enhance Weebit’s ReRAM offering and support commercialisation
- Filing a new patent optimising ReRAM power consumption
- Filing two new design-related patents with CEA-Leti, optimising ReRAM performance
- Further strengthening its executive team with the appointment of Ishai Naveh as Chief Technology Officer.



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Having signed the Company's first commercial agreement and with its ReRAM technology delivering the performance expected of it, Weebit is well positioned to execute on current and future opportunities in key growth markets.

Proceeds to accelerate growth opportunities

The current round of funding, aside from introducing a group of well-known Israel-based institutional investment and pension funds, will ensure that Weebit is capitalised to execute on its current commercial and technological opportunities, with the aim of converting current and future opportunities into commercial agreements and revenue.

The proceeds from this capital raising will support:

- Migrating Weebit's ReRAM technology to smaller geometries (below 28nm)
- Continued development of the discrete memory component, growing it to larger arrays
- Constant improvement of the technology parameters, making Weebit's ReRAM even more robust
- Expanding marketing and sales activities – transferring the technology to additional fabs, and signing up customer projects that will license the technology and embed it into their designs
- General working capital requirements.

Market Eye acted as corporate advisor, and Canaccord Genuity (Australia) Limited acted as Lead Manager to the Capital Raising.

DETAILS OF THE CAPITAL RAISING

Weebit is mindful of providing its existing shareholders with an opportunity to participate in the Company's capital raising. As such, the Company has structured the raising as follows:

1. Institutional Placement

A strongly supported institutional investment (including approximately A\$300,000 from Directors if approved by shareholders) in fully paid ordinary shares (**New Shares**) in Weebit by 4 Israel-based institutional investment and pension funds, with Meitav Dash as the cornerstone investor, raised approximately A\$25.7 million (before costs) (**Placement**).

The Placement comprises an offer of 9,040,147 new fully paid ordinary shares in the Company (**Placement Shares**) at an issue price of A\$2.84 per share (**Offer Price**). The issue price of A\$2.84 per share represents an 11.5% discount to the last closing share price on 8 November 2021, and a 15.0% discount to the 5-day volume weighted average market price of the Company's shares on ASX.

Subject to shareholder approval, certain of Weebit's non-Australian Directors intend to subscribe for approximately A\$300,000 of New Shares (in aggregate) at the Offer Price.



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Placement Shares will rank equally with the Company's existing ordinary shares on issue but will not be entitled to participate in the Entitlement Offer. The Placement will take place as a single tranche and fall under the Company's available Listing Rule 7.1 capacity.

2. Entitlement Offer

Under the Entitlement Offer, eligible Weebit shareholders may apply for 1 new share for every 41 fully paid ordinary shares in the Company held at 7.00pm AEDT on Monday 15 November 2021 (**Record Date**), at an issue price of \$2.84 per New Share, to raise up to approximately A\$9.0 million before costs if fully subscribed (**Entitlement Offer**).

All shareholders at the Record Date with a registered address in Australia and New Zealand, or Weebit has otherwise determined is eligible to participate, will be eligible to participate in the Entitlement Offer (**Eligible Shareholders**). Eligible Shareholders may take up their entitlement to acquire New Shares in full or in part or not at all.

Holders of options issued by Weebit cannot participate in the Entitlement Offer without first exercising their options so that the underlying shares are issued and holders are registered by the Record Date.

The Entitlement Offer is non-renounceable. This means Eligible Shareholders who do not wish to subscribe for some or all of their entitlement may not sell or transfer their rights to some or all of their entitlement.

All New Shares will rank equally with existing ordinary shares in the capital of the Company.

Entitlements

Entitlements in respect of new shares will be rounded up to the nearest whole number and holdings on different registers or sub-registers will not be aggregated to calculate entitlements. The Entitlement Offer is non-renounceable and entitlements cannot be traded on ASX.

Eligible Shareholders may also apply for New Shares in excess of their entitlement (**Additional New Shares**) under a shortfall facility. Any Additional New Shares will be limited to the extent that there are New Shares not taken up under the Entitlement Offer and to the extent permitted by law. The Company reserves the right to issue the Additional New Shares in its absolute discretion. In the event that applications for Additional New Shares exceed the number of Additional New Shares available for issue under the shortfall facility, Additional New Shares will be allocated to applicants at the Board's sole discretion.

Additional New Shares

Pursuant to the Entitlement Offer, Weebit will issue up to approximately 3.15 million New Shares. The New Shares issued under the Entitlement Offer will be fully paid ordinary shares and will rank equally in all respects with the existing Shares on issue.



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Further Information

The Entitlement Offer is being made under a Prospectus. Weebit will lodge the Entitlement Offer Prospectus with the ASX, and dispatch to Eligible Shareholders a copy of the Entitlement Offer Prospectus and the Entitlement and Acceptance Form.

3. Timetable

The key dates for the Placement and Entitlement Offer are as follows:

Event	Description
Announcement of Placement and Entitlement Offer	Wednesday, 10 November 2021
Lodgement of Entitlement Offer Prospectus with ASIC and ASX	Wednesday, 10 November 2021
Existing shares quoted on an "ex-entitlement" basis	Friday, 12 November 2021
Placement Settlement Date	Friday, 12 November 2021
Allotment and normal trading of New Shares issued under the Placement	Monday, 15 November 2021
Lodgement of Placement Cleansing Prospectus with ASIC and ASX	Monday, 15 November 2021
Record Date to determine right to participate in the Entitlement Offer	Monday, 15 November 2021
Entitlement Offer Prospectus and acceptance forms despatched to Eligible Shareholders Entitlement Offer opens	Thursday, 18 November 2021
Last day to extend the Entitlement Offer closing date	Wednesday, 24 November 2021
Entitlement Offer closes	Monday, 29 November 2021
Announcement of shortfall (if any) under the Entitlement Offer	Thursday, 2 December 2021
Issue and allotment of New Shares under the Entitlement Offer	Monday, 6 December 2021
Normal trading of Entitlement Offer Shares	Tuesday, 7 December 2021

The timetable is subject to change and Weebit reserves the right to withdraw or vary the timetable for the offer without notice. In particular, Weebit reserves the right to extend the closing date for the Entitlement Offer, to accept late applications whether generally or in particular cases or to withdraw the Entitlement Offer without prior notice.



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The Weebit Board fully supports the Placement and Entitlement Offer, with certain Directors not eligible to participate in the Entitlement Offer intending to subscribe for New Shares at the Offer Price (subject to shareholder approval), and where eligible taking up some or all of their entitlement in the Entitlement Offer.

Weebit to present at Market Eye's TechOpps 2021 virtual investment conference

Coby Hanoch will be presenting at Market Eye's 6th annual *TechOpps 2021* investment conference at 5pm AEDT on Thursday 11 November 2021. The conference is virtual, and to attend, please register at: <https://crowdcomms-ltd.reg.crowdcomms.com/techopps/register>

- ENDS -

This announcement has been authorised for release by the Board of Weebit Nano Limited.

For further information please contact:

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About Weebit Nano Limited

Weebit Nano Ltd. is a leading developer of next-generation semiconductor memory technology. The company's ground-breaking Resistive RAM (ReRAM) addresses the growing need for significantly higher performance and lower power memory solutions in a range of new electronic products such as Internet of Things (IoT) devices, smartphones, robotics, autonomous vehicles, 5G communications and artificial intelligence.

Weebit's ReRAM allows semiconductor memory elements to be significantly faster, less expensive, more reliable and more energy efficient than those using existing Flash memory solutions. Because it is based on fab-friendly materials, the technology can be quickly and easily integrated with existing flows and processes, without the need for special equipment or large investments.

See: www.weebit-nano.com or follow us on <https://twitter.com/WeebitNano>

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7 PURPOSE AND EFFECT OF THE OFFER

7.1 Purpose of the Offer

Placement

The purpose of the Placement is to issue up to 9,040,147 New Shares to Eligible Investors who participated in the Placement at an issue price of \$2.84 per Share to raise \$25,674,017.

The use of proceeds from the Placement is discussed together with the use of proceeds from the Entitlement Offer in Section 5.1 of this Prospectus.

Entitlement Offer

The purpose of the Entitlement Offer is to raise up to approximately \$9.0 million through the issue of up to 3,169,014 New Shares to Eligible Shareholders who participated in the Entitlement Offer.

The New Shares are being offered under this Prospectus to allow them to be:

- (a) offered to Eligible Shareholders; and
- (b) on-sold within 12 months of their issue without a disclosure document or 'cleansing statement' being issued at the time of the on-sale, that otherwise would be required under the Corporations Act.

7.2 Effect of the Offer

The principal effect of the Offer, assuming all New Shares offered under the Prospectus pursuant to the Offer are issued, will be to increase the number of Shares currently on issue by 3,274,647 Shares.

7.3 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming the maximum number of Securities offered under this Prospectus are issued, is set out below.

Shares¹	Number
Shares currently on issue	143,552,160
Shares to be issued pursuant to the Entitlement Offer	3,169,014
Shares to be issued pursuant to the Placement	105,633
Total Shares on issue after completion of the Offer	146,826,807

Notes:

1. The rights and liabilities attaching to Shares are summarised in Section 9.1 of this Prospectus.

Options	Number
Options on issue as at the date of this Prospectus ¹	36,630,101
Options offered pursuant to the Offer	Nil
Total Options on issue after completion of the Offer	36,630,101

Notes:

1. Comprising:
 - a) 24,618,662 Listed Options – Exercise Price \$0.45, expiry 30 January 2022
 - b) 160,000 Options – Exercise Price \$1.445, expiry 1 January 2028
 - c) 160,000 Options – Exercise Price \$1.565, expiry 15 February 2028
 - d) 160,000 Options – Exercise Price \$1.2725, expiry 5 March 2028
 - e) 1,520,000 Options - Exercise Price \$0.43875, expiry 1 October 2027
 - f) 32,366 Options - Exercise Price \$1.7175, expiry 29 January 2028
 - g) 800,000 Options – Exercise Price \$0.8475, expiry 16 October 2028
 - h) 105,000 Options – Exercise Price \$0.4286, expiry 14 April 2029
 - i) 100,000 Options – Exercise Price \$0.4468, expiry 14 August 2029
 - j) 768,750 Options – Exercise Price \$0.74, expiry 14 August 2029
 - k) 1,553,124 Options – Exercise Price \$0.54, expiry 14 August 2029
 - l) 100,000 Options – Exercise Price \$0.39, expiry 16 October 2029
 - m) 267,975 Options – Exercise price \$0.2312, expiry 26 March 2030
 - n) 34,370 Options – Exercise price \$0.27, expiry 25 June 2030
 - o) 1,287,677 Options – Exercise price \$0.286, expiry 13 September 2030
 - p) 2,500,000 Options – Exercise price \$0.823, expiry 17 September 2030
 - q) 1,587,677 Options – Exercise price \$0.286, expiry 24 November 2030
 - r) 150,000 Options – Exercise price \$2.82, expiry 4 February 2031
 - s) 100,000 Options – Exercise price \$2.82, expiry 17 March 2031
 - t) 124,500 Options – Exercise price \$2.63, expiry 25 March 2031
 - u) 500,000 Options – Exercise price \$1.90, expiry 3 June 2031
2. The Company notes that 1,727,163 Options (Exercise Price \$2.82, expiry 25 October 2031) have been approved by the Board with the requisite ASX lodgement to be processed in due course.

Performance Rights	Number
Performance Rights on issue as at the date of this Prospectus ¹	714,000
Performance Rights to be issued pursuant to the Offer	Nil
Total Performance Rights on issue upon completion of the Offer	714,000

Notes:

1. Comprising:
 - a) 64,000 Performance Rights – expiring 30 May 2023
 - b) 210,000 Performance Rights – expiring 1 October 2027
 - c) 139,000 Performance Rights – expiring 29 January 2028
 - d) 128,000 Performance Rights – expiring 5 March 2028
 - e) 80,000 Performance Rights – expiring 14 August 2029
 - f) 11,000 Performance Rights – expiring 26 March 2030
 - g) 74,000 Performance Rights – expiring 3 February 2031
 - h) 8,000 Performance Rights – expiring 25 March 2031

7.4 Pro-forma statement of financial position

The Company's historical financial statements can be accessed on the ASX website at www.asx.com.au by searching for WBT's ASX ticker code "WBT."

Eligible Shareholders who are considering applying for all or part of their Entitlement under the Entitlement Offer should review those financial statements in conjunction with this Prospectus and all documents used to notify the ASX of information relating to WBT under the continuous disclosure provisions of the Listing Rules and the Corporations Act.

The Company's audited consolidated statement of financial position as at 30 June 2021 and unaudited pro-forma statement of financial position as at 30 June 2021 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma statement of financial position has been prepared assuming no Options are exercised after the date of this Prospectus but prior to the issue of the Shares under the Entitlement Offer and including the cash impact of expenses relating to the Offer.

The pro-forma statement of financial position has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual and interim financial statements.

Past performance and pro-forma historical information in this Prospectus is given for illustrative purposes only and cannot be relied upon as an indicator of (and provides no guidance as to) future WBT performance. The historical information in this Prospectus is, or is based upon, information that has been released to ASX.

Historical and Pro-forma Statement of Financial Position

	Audited balance as at 30 June 2021 A\$	Subsequent Events A\$	Note	Unaudited Pro-forma Adjustments A\$	Unaudited Pro-forma after the Offer A\$
CURRENT ASSETS					
Cash and Cash equivalents	21,726,173	29,117,553	1	7,826,338	58,670,064
Trade and receivables	294,416	-		-	294,416
	22,020,589	29,117,553		7,826,338	58,964,480
NON CURRENT ASSETS					
Plant and equipment	67,889	-		-	67,889
Right of use	70,109	359,888		-	429,997
Long term deposit	50,950	-		-	50,950
	188,948	359,888		-	548,836
CURRENT LIABILITIES					
Trade and other payables	993,835	-		-	993,835
Lease liabilities	29,532	132,405		-	161,937
	1,023,367	132,405		-	1,155,772
NON CURRENT LIABILITIES					
Lease liabilities	19,615	227,483		-	247,098
	19,615	227,483		-	247,098
NET ASSETS	21,166,555	29,117,553		7,826,338	58,110,446
EQUITY					
Share capital	60,061,746	30,571,723	2	8,331,927	98,965,396
Reserves	11,892,157	-		-	11,892,157
Accumulated losses	(50,787,348)	(1,454,170)	3	(505,589)	(52,747,107)
TOTAL EQUITY	21,166,555	29,117,553		7,826,338	58,110,446

The Historical and Pro Forma Statements of Financial Position are to be read in conjunction with the notes set out below.

Historical and Pro-forma Statement of Financial Position (continued)

Note 1: Cash and Cash Equivalents		
	Audited 30 June 2021	Unaudited Pro forma after the Offer
	A\$	A\$
Cash and cash equivalents	21,726,173	58,670,064
Balance as at 30 June 2021		21,726,173
<i>Subsequent adjustments:</i>		
Shares issued under Placement		25,207,624
Listed Options exercised		5,145,353
Unlisted Options exercised		218,746
Committed R&D expenditure		(1,454,170)
		29,117,553
<i>Pro forma adjustments:</i>		
Remaining proceeds from Placement		300,000
Proceeds from Entitlement Offer		9,000,000
Broker fees and other costs related to Placement		(968,073)
Bonus to Jacob (Coby) Hanoch		(505,589)
		7,826,338
Pro forma balance		58,670,064

Note 2 Share Capital		
	Audited 30 June 2021	Unaudited Pro forma after the Offer
	A\$	A\$
Share Capital	60,061,746	98,965,396
Balance as at 30 June 2021		60,061,746
<i>Subsequent adjustments:</i>		
Shares issued under Placement		25,207,624
Listed Options exercised		5,145,353
Unlisted Options exercised		218,746
		30,571,723
<i>Pro forma adjustments:</i>		
Remaining proceeds from Placement		300,000
Proceeds from Entitlement Offer		9,000,000
Broker fees and other costs related to Placement		(968,073)
		8,331,927
Pro forma balance		98,965,396

Historical and Pro-forma Statement of Financial Position (continued)

Note 2 Share Capital (continued)

	Unaudited Pro forma after the Offer
	Number
Share Capital	
Balance as at 30 June 2021	122,702,516
<i>Subsequent adjustments:</i>	
Shares issued under Placement	8,875,924
Listed Options exercised	11,434,118
Unlisted Options exercised	530,602
Performance Rights converted	9,000
	<u>20,849,644</u>
<i>Pro forma adjustments:</i>	
Remaining shares to be issued in terms of Placement	105,633
Shares issued in terms of Entitlement Offer	3,169,014
	<u>3,274,647</u>
Pro forma balance	<u>146,826,807</u>

Note 3: Accumulated losses

	Audited 30 June 2021	Unaudited Pro-forma after the Offer
	A\$	A\$
Accumulated losses	<u>(50,787,348)</u>	<u>(52,747,107)</u>
Balance as at 30 June 2021		(50,787,348)
<i>Subsequent adjustments:</i>		
Committed R&D expenditure		(1,454,170)
<i>Pro forma adjustments:</i>		
Bonus to Jacob Coby (Hanoch) upon Placement		(505,589)
Pro forma balance		<u>(52,747,107)</u>

Basis of Preparation

The pro forma statement of financial position has been prepared in accordance with the ASIC Regulatory Guide 230 relating to Disclosing non-IFRS Financial Information. The pro forma statement of financial positions has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The pro forma statement of financial position is based on the reviewed financial position as at 30 June 2021 that has then been adjusted to reflect the following material transactions:

Historical and Pro-forma Statement of Financial Position (continued)

Subsequent events

- In the period from 1 July 2021 to 16 November 2021, the Company issued 11,973,720 shares due to the exercise of 11,434,118 listed and 530,602 unlisted options, at respective exercise prices of A\$0.45 per listed option and an exercise price range of A\$0.231 to A\$1.718 per unlisted option as well as 9,000 performance rights; converted at an exercise price of \$nil per share;
- 8,875,924 shares were issued at A\$2.84 per share, raising A\$25,207,624 (before costs) under the Placement to Israel-based institutional pension and investment funds; and
- In August 2021, the Company paid A\$1,454,170 (ex GST) to Leti under its collaboration agreement for its support in the development and prototyping of the advanced ReRAM.

Pro-forma Adjustments

The following transactions are yet to occur, but are proposed to occur immediately before or following completion of the Offer:

- The remaining shares to be issued under the Placement is 105,633 at an issue price of A\$2.84 per share, totalling to approximately A\$300,000 to Directors. This is reflected in the pro-forma adjustments to the Pro-forma Statement of Financial Position as an increase to cash and cash equivalents and an increase to issued capital;
- An entitlement offer of 3,169,014 new fully paid ordinary shares at an issue price of A\$2.84 per share to raise approximately A\$9,000,000 (before costs). The entitlement offer is reflected in the pro-forma adjustments to the Pro-forma Statement of Financial Position as an increase to cash and cash equivalents and an increase to issued capital;
- Cash costs of the placement and entitlement offer includes payment of ASX & ASIC fees, broker fees, legal fees, corporate advisory fees and other related costs. The approximate costs directly attributable to the capital raising and the offer is A\$968,073 which are offset against share capital; and
- Subject to completion of placement and offer, cash bonus of 1.5% of net capital raising to Jacob Hanoach of A\$505,589, in accordance with his employment agreement. This is reflected in the pro-forma adjustments to the Pro-forma Statement of Financial Position as a decrease to cash and increase in accumulated losses.

The Pro-forma Historical Financial Information has been presented in abbreviated form and does not contain all the disclosures usually provided in an Annual Report prepared in accordance with the *Corporations Act 2001*.

7.5 Details of substantial holders

As at the date of this Prospectus, except as set out below, no persons (together with their associates) have a relevant interest in 5% or more of the Shares on issue.

As at 15 November 2021, Meitav Dash Provident Funds and Pension Ltd (together with its associates) held 5.44% of the Shares (based on 142,575,046 ordinary shares on issue) and became a substantial shareholder in the Company.

8 AUSTRALIAN TAXATION CONSIDERATIONS

8.1 Introduction

This section is a general summary of certain Australian income tax, GST and duty implications of the Entitlement Offer for certain Eligible Shareholders.

The Australian taxation implications of the Entitlement Offer and any application for Additional New Shares will vary depending upon your particular circumstances. Accordingly, you should seek and rely upon the professional advice of your own taxation or financial advisor before determining the particular taxation treatment that will apply to you.

Neither WBT nor any of its officers or employees, nor its taxation and other advisers, accepts any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

The comments in this section deal only with the Australian taxation implications of the Entitlement Offer if you:

- are a resident of, and only of, Australia for Australian income tax purposes; and
- hold your Shares on capital account (i.e. are not subject to Australian income tax on disposal of your Shares outside of the CGT regime).

The comments do not apply to you if you:

- are not a resident of Australia for Australian income tax purposes; or
- hold your Shares as revenue assets or trading stock (which will generally be the case if you are a bank, insurance company or carry on a business of share trading);
- are a custodian or are subject to concessionary tax rules or otherwise exempt from Australian income tax;
- acquired the Shares in respect of which the Entitlements are issued under any employee share scheme or where the New Shares are acquired pursuant to any employee share scheme;
- are subject to the taxation of financial arrangements regime in Division 230 of the *Income Tax Assessment Act 1997* (Cth); or
- participated in the Placement.

This taxation summary is necessarily general in nature and is based on the Australian tax legislation and administrative practice in force as at the date of this Prospectus. It does not take into account any individual circumstances, financial objectives, tax positions, or investment needs of Eligible Shareholders. It is strongly recommended that each Eligible Shareholder seek their own independent professional tax advice applicable to their particular circumstances in respect of the Entitlement Offer.

8.2 Issue of Entitlement

The issue of the Entitlement to you should not, in itself, result in any amount being included in your assessable income for Australian income tax purposes.

8.3 Exercise of Entitlement and application for Additional New Shares

You will acquire New Shares if you exercise all or part of your Entitlements under the Entitlement Offer. You will acquire Additional New Shares if you apply for them and are allocated them.

No amount should be included in your assessable income for Australian income tax purposes on the exercise (ie taking up) of your Entitlements, or the acquisition of New Shares.

If you take up all or some of your Entitlement or acquire Additional New Shares, you will acquire your New Shares and any Additional New Shares with a cost base (for CGT purposes) equal to the Offer Price payable by you for those New Shares and Additional New Shares plus certain non-deductible incidental costs, if any, you incur in acquiring them.

New Shares (other than Additional New Shares) will be taken to have been acquired for CGT purposes on the day you exercise the Entitlements. Additional New Shares will be taken to have been acquired for CGT purposes when they are issued to you.

8.4 Lapse of Entitlement

The lapse of any Entitlement should not, in itself, result in any amount being included in your assessable income for Australian income tax purposes.

8.5 Dividends on New Shares

Any future dividends or other distributions paid to you in respect of New Shares will be subject to the same Australian income taxation treatment as dividends or other distributions made on your Existing Shares held in the same circumstances.

In general terms, any amounts treated as dividends for Australian income tax purposes will be included in your assessable income. An additional amount may be required to be included in your assessable income in respect of any franking credits allocated to such dividends, and a tax offset may also be available in respect of such franking credits (which in certain circumstances may be refundable), in each case subject to certain anti-avoidance rules and qualification requirements.

Distributions on New Shares that are not treated as dividends for Australian income tax purposes will generally reduce the cost base of such New Shares

8.6 Disposal of New Shares

The future disposal of any New Shares by you will constitute a disposal for CGT purposes.

On disposal of a New Share or an Additional New Share, you will make a capital gain if the capital proceeds received on disposal exceed the cost base of that New Share. You will make a capital loss if the capital proceeds are less than the reduced cost base of the New Share. The cost base of the New Shares is described above in Section 8.3.

Eligible Shareholders that are individuals, trustees or complying superannuation entities that have held their New Shares for 12 months or more (excluding the acquisition and disposal dates) at the time of disposal for CGT purposes may be entitled to apply the applicable CGT discount to reduce the capital gain (after offsetting capital losses). The CGT discount is currently 50% for individuals and trustees and 33.33% for complying superannuation entities. The CGT discount does not apply to an Eligible Shareholder that is a company.

In calculating the 12 month period for the CGT discount. New Shares (other than Additional New Shares) will be treated as having been acquired when you exercise your Entitlement. Accordingly, to be eligible for the CGT discount, the New Shares must be held for at least 12 months after the date that you exercised their Entitlement. Additional New Shares will be treated as having been acquired when they are issued to you.

If you make a capital loss, you can only use that loss to offset other capital gains from other sources (ie the capital loss cannot be used to reduce your other taxable income). However, if the capital loss cannot be used in a particular income year, it can be carried forward to use in future income years against future capital gains, providing certain tests are satisfied.

8.7 Provision of TFN and/or ABN

WBT may be required to withhold tax at the specified rate (currently 47%) from payments of dividends that are not fully franked and remit such amounts to the Australian Taxation Office, unless you have provided an ABN or TFN to WBT, or you have informed WBT that you are exempt from quoting your ABN or TFN.

You are not required to provide your ABN or TFN to WBT, however, you may choose to do so. If you have previously quoted your ABN, TFN, or have notified us that an exemption from quoting your ABN/TFN exists, that quotation or exemption will also apply in respect of any New Shares acquired by you under the Entitlement Offer.

8.8 GST and duty

No GST or duty should be payable by you in respect of the issue, exercise (i.e. taking up) or lapse of Entitlements, or the acquisition of New Shares, or the payment of distributions on New Shares.

An Eligible Shareholder may not be entitled to claim 'input tax credits', including 'reduced input tax credits', for GST that it has paid to third party suppliers for services associated with the acquisition or disposal of New Shares (such as brokerage or adviser fees).

9 RIGHTS AND LIABILITIES ATTACHING TO NEW SHARES

9.1 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours:

(a) General meeting and notices

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Constitution, the Corporations Act or the ASX Listing Rules.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at a general meeting of the Company every holder of fully paid ordinary shares present in person or by an attorney; representative or proxy has one vote on a show of hands (unless a member has appointed 2 proxies) and one vote per share on a poll.

A person who holds a share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the share.

Where there are 2 or more joint holders of a share and more than one of them is present at a meeting and tenders a vote in respect of the share, the Company will count only the vote cast by the member whose name appears first in the Company's Register of members.

(c) **Issues of further Shares**

The Directors may, on behalf of the Company, issue, grant options over unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Constitution, Listing Rules, the Corporations Act and any rights for the time being attached to the shares in any special class of those Shares.

(d) **Variation of Rights**

Unless otherwise provided by the terms of issue of a class of Shares and subject to the Corporations Act, the rights attached to the Shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued Shares of the affected class.

(e) **Transfer of Shares**

Subject to the Constitution, the Corporations Act and ASX Listing Rules, Shares are freely transferable.

The Shares may be transferred by a proper transfer effected in accordance with the ASX Settlement Operating Rules, by any other method of transferring or dealing with Shares introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by either the Directors or ASX that is permitted by the Corporations Act.

The Directors may decline to register a transfer of Shares (other than a proper transfer in accordance with the ASX Settlement Operating Rules) where permitted to do so under the ASX Listing Rules. If the Directors decline to register a transfer, the Company must, within 5 Business Days after the transfer is delivered to the Company, give the party lodging the transfer written notice of the refusal and the reason for the refusal. The Directors must decline to register a transfer of Shares when required by law, by the ASX Listing Rules or by the ASX Settlement Operating Rules.

(f) **Dividends**

The Directors may from time to time determine dividends to be distributed to members according to their rights and interests. The Directors may fix the time for distribution and the methods of distribution.

Each share carries the right to participate in the dividend in the same proportion that the amount for the time being paid on the share (not credited) bears to the total amounts paid and payable (excluding amounts credited) in respect of such shares.

(g) **Dividend reinvestment and Share plans**

Subject to the requirements in the Corporations Act and the ASX Listing Rules, the Directors may implement and maintain dividend reinvestment plans (under which any member may elect that dividends payable by the Company be reinvested by way of subscription for fully paid shares in the Company).

(h) **Capitalisation of profits**

Subject to the ASX Listing Rules and any rights or restrictions attaching to any class of shares, the Company may capitalise profits. Members are entitled to participate in a capital distribution in the same proportions in which they are entitled to participate in dividends.

(i) **Winding-up**

Subject to the rights of holders of shares with special rights in a winding-up and the Corporations Act, if the Company is wound up all monies and property that are to be distributed among Shareholders on a winding-up, shall 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.

(j) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(k) **Alteration of Constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

10 RISK FACTORS

An investment in WBT involves general risks associated with an investment in the share market. The price of New Shares may rise or fall.

There are also a number of risk factors, both specific to WBT and of a general nature, which may affect the future operating and financial performance of WBT and the value of an investment in WBT. Before deciding to invest in WBT, prospective investors should carefully consider the “Risk Factors” section in this Prospectus.

10.1 Introduction

This Section describes the key risks of investing in WBT. You should consult your own professional, financial, legal and tax advisers about the risks and suitability of investing in light of your particular circumstances.

This is not an exhaustive list of the relevant risks and the risks set out below are not in order of importance. The risks set out below and other risks not specifically referred to may in the future materially adversely affect the value of the WBT’s shares and their performance. Accordingly, no assurance or guarantee of future performance or profitability is given by WBT in respect of WBT’s shares.

In deciding whether to invest in WBT, you should read this Prospectus in its entirety and carefully consider the risks outlined in this Section. You should also consider publicly available information on WBT and examine the full content of this Prospectus.

10.2 COVID-19 Business Risks

Even though WBT is pre-revenue, WBT’s operating and financial performance is influenced by a variety of domestic and global general economic and business conditions. A prolonged deterioration in general economic conditions, including a decrease in business demand, would likely have a material adverse effect on WBT’s prospects or financial condition (or both). This risk is heightened in the current uncertain economic environment.

In light of recent global macroeconomic events, including but not limited to the global impact of COVID-19, the world economy is experiencing significant uncertainty and there is a risk that an economic downturn of uncertain severity and duration could transpire. Furthermore, the containment measures implemented in response to COVID-19 have led to significant and prolonged dislocation to economies globally, including in the markets in which WBT operates.

There are also other changes in the macroeconomic environment which are also beyond the control of WBT and may be exacerbated in an economic downturn. These include, but are not limited to:

- changes in inflation, interest rates and foreign currency exchange rates;
- changes in employment levels and labour costs;
- changes in aggregate investment and economic output; and
- other changes in economic conditions which may affect the revenue or costs of WBT.

In particular, the inability for WBT’s people to travel and temporary shutdowns of certain facilities of WBT’s partners might delay the progress of technological development and commercialisation.

Due to the impact of COVID-19, many of these factors are in a state of change and may have an adverse impact on the financial position and prospects of WBT in the future. WBT may need to take additional measures in order to respond, including cost cutting and delays to development plans.

10.3 Risks in Respect of WBT's Current Operations

(a) **Funding risk**

WBT currently operates on a negative cash operating basis in that its operating expenses exceed its revenue, which is negligible. The Entitlement Offer is not underwritten. There is no minimum subscription for the Entitlement Offer. There is no guarantee that the monies raised under the capital raising will be adequate or sufficient to achieve its stated objectives or meet the ongoing funding requirements of WBT under its current business plan.

If the capital raising does not achieve the amount of capital sought, or WBT requires access to further funding at any stage in the future, there can be no assurance that additional funds will be available either at all or on terms and conditions which are commercially acceptable to WBT. If WBT is unable to obtain such capital, it may be required to reduce the scope of its anticipated activities, which could adversely affect its business, financial condition and operating results. If sufficient funding is not raised, the embedded memory module which is closer to generating revenue, may need to be prioritised over discrete memory. This is the case particularly given the challenges of developing selectors.

(b) **Existing technology risks**

Current memory storage technologies like DRAM, NAND Flash and NOR Flash face technological barriers to meet long term customer requirements and demands. These barriers include the ability to reduce costs, improve power consumption and improve reliability. Existing memory technologies may however be able to overcome these barriers and remain as the leading and customer preferred technology.

(c) **Termination of SkyWater Agreements**

As at the date of this Prospectus, WBT is party to a technology transfer and qualification agreement and a technology licencing agreement with SkyWater Technology Inc. (**SkyWater Agreements**). The SkyWater Agreements contain customary termination events. While it is expected that Weebit will sign additional similar agreements with other fabs, early termination of the SkyWater Agreements, for any reason, may mean that WBT will not realise the full value of the contracts, which may adversely affect the growth prospects, operating results and financial performance of the WBT's projects and business.

(d) **Failure to realise benefits from research and development investments**

Developing software and technology is expensive and the investment in the development of these offerings often involve an extended period of time to achieve a return on investment. WBT believes it can continue to dedicate resources to its innovation efforts to develop its technology service offering and embed its competitive position. However, WBT may not receive significant revenues from these investments for several years or may not realise such benefits at all.

(e) **Competition and new technologies**

The industry in which WBT is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing. There are various companies working to develop alternative data storage solutions, including the development of technologies that are based on the concept of ReRAM.

While WBT will undertake all reasonable due diligence in its business decisions and operations, WBT will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of WBT's projects and business. For instance,

new technologies could result in the ReRAM Technology not being differentiated from other similar offerings.

The size and financial strength of some of WBT's competitors may make it difficult for it to maintain a competitive position in the technology market. In particular, WBT's ability to acquire additional technology interests could be adversely affected if it is unable to respond effectively and/or in a timely manner to the strategies and actions of competitors and potential competitors or the entry of new competitors into the market. This may in turn impede the financial condition and rate of growth of WBT. The key competition risk is in achieving appreciable market share and differentiation from its key competitors.

(f) **Sales and marketing success**

WBT is seeking to develop and market the ReRAM technology. By its nature, there is no guarantee that the ReRAM technology development and marketing campaign will be successful. In the event that it is not successful, WBT may encounter difficulty creating market awareness of the ReRAM technology. This would likely have an adverse impact on WBT's potential profitability.

Even if WBT does successfully commercialise the ReRAM technology, there is a risk WBT will not achieve an acceptable commercial return. For example, new technology may overtake WBT's technology.

(g) **Staff Risk**

There is a risk that knowledge will be lost in the event that development staff who have knowledge of the technology and business staff resign or retire. This involves the risk that those staff will have information in respect of WBT's intellectual property which has a commercial value, as well as an opportunity cost for replacement of those staff and subsequent training.

(h) **Protection of intellectual property rights**

WBT continues to pursue intellectual property protection in the form of patents for newly developed technologies. However, if WBT fails to protect its intellectual property rights, competitors may gain access to its technology which may harm its business.

Securing rights to intellectual property, and in particular patents, is an integral part of securing potential product value from the development of information technology. Competition in retaining and sustaining protection of intellectual property and the complex nature of intellectual property can lead to expensive and lengthy patents disputes for which there can be no guaranteed outcome.

Legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain. Effective patent, trademark, copyright and trade secret protection may not be available to WBT in every country in which the ReRAM technology may eventually be sold. Accordingly, despite its efforts, WBT may not be able to prevent third parties from infringing upon or misappropriating its intellectual property.

Market conditions depending, WBT may be required to incur significant expenses in monitoring and protecting future intellectual property rights. It may initiate or otherwise be involved in litigation against third parties for infringement, or to establish the validity, of its rights. Any litigation, whether or not it is successful, could result in significant expense to WBT and cause a distraction to management.

In addition, unauthorised use of the “Weebit” brand in counterfeit products or services may not only result in potential revenue loss, but also have an adverse impact on its brand value and perceptions of its product qualities.

(i) **Currency Risk**

WBT expects to derive a majority of its revenue in US dollars. WBT will also be required to pay fees in the currency for the State of Israel (shekel), the Australian dollar and Euro. Accordingly, changes in the exchange rate between the US dollar and Euro, the US dollar and the Australian dollar or the Israel shekel and the Australian dollar or the Australian dollar and Euro would be expected to have a direct effect on the performance of WBT.

10.4 General risks

(a) **Share Price Fluctuations**

The market price of WBT’s securities will fluctuate due to various factors, many of which are non-specific to WBT, including recommendations by brokers and analysts, Australian and international general economic conditions, inflation rates, interest rates, changes in government, fiscal, monetary and regulatory policies, global geopolitical events and hostilities and acts of terrorism, and investor perceptions. Fluctuations such as these may adversely affect the market price of the Shares. Neither WBT nor the Directors warrant the future performance of WBT or any return on investment in WBT.

(b) **Dilution Risk**

Eligible Shareholders that do not take up all or part of their Entitlements will be diluted by not participating to the full extent in the Entitlement Offer and will not be exposed to future increases or decreases in the price of those shares which would have been issued to them had they taken up all of their Entitlement.

(c) **Economic Risks**

WBT is exposed to economic factors in the ordinary course of business. A number of economic factors / conditions, both domestic and global, affect the performance of financial markets generally, which could affect the price at which the WBT’s securities trade on ASX. Among other things, adverse changes in macroeconomic conditions, including movements on international and domestic stock markets, interest rates, exchange rates, cost and availability of credit, general consumption and consumer spending, input costs, employment rates and industrial disruptions, inflation and inflationary expectations and overall economic conditions, economic cycles, investor sentiment, political events and levels of economic growth, both domestically and internationally, as well as government taxation, fiscal, monetary, regulatory and other policy changes may affect the demand for, and price of, the WBT’s securities and adversely impact WBT’s business, financial position and operating results. Trading prices can be volatile, and volatility can be caused by general market risks such as those that have been mentioned. Securities in WBT may trade at or below the price at which they commence trading on ASX including as a result of any of the factors that have been mentioned, and factors such as those mentioned may also affect the income, expenses and liquidity of WBT. Additionally, the stock market can experience price and volume fluctuations that may be unrelated or disproportionate to the operating performance of WBT.

(d) **Taxation**

Future changes in taxation law in the jurisdictions in which WBT operates or in which shareholders are resident or are otherwise subject to tax, including changes in interpretation or application of the law by the courts or relevant taxation authorities in

those jurisdictions, may affect the taxation treatment of an investment in WBT's securities, the acquisition, holding and disposal of those securities and any dividends or other distributions paid on WBT's securities.

Further, changes in tax law, or changes in the way tax law is, or is expected to be, interpreted or applied, in the various jurisdictions in which WBT operates, may impact the future tax liabilities of WBT.

(e) **Accounting Standards**

WBT prepares its general-purpose financial statements in accordance with International Financial Reporting Standards (IFRS) and the *Corporations Act 2001* (Cth). Australian Accounting Standards are subject to amendment from time to time, and any such changes may impact on WBT's statement of financial position or statement of financial performance.

(f) **Forward-Looking Statements**

This Prospectus 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" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings, distributions or financial position or performance are also forward looking statements.

There can be no guarantee that the assumptions and contingencies on which the forward-looking statements, opinions, estimates, timelines and milestones are based will ultimately prove to be valid or accurate. The forward-looking statements, opinions and estimates depend on various factors, including known and unknown risks, many of which are outside the control of WBT. Actual performance of WBT may materially differ from forecast performance.

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 WBT's business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond WBT's control (including uncertainties described in the "Risk Factors" section in this Prospectus), and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward looking statements may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward looking statements and, except as required by law, WBT 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 Prospectus should not be regarded as a representation, warranty or guarantee with respect to its accuracy or the accuracy of the underlying assumptions or that WBT will achieve, or is likely to achieve, any particular results.

(g) **Dividend Guidance**

No assurances can be given in relation to the payment of future dividends. Future determinations as to the payment of dividends by WBT will be at the discretion of WBT and will depend upon the availability of profits, the operating results and financial conditions of WBT, the taxation of WBT, future capital requirements, covenants in relevant financing agreements, general business and financial conditions and other factors considered relevant by WBT.

(h) **Changes in Applicable Law and Regulations**

WBT is subject to usual business risks such as there being changes in laws, regulations and government policy which may affect its operations and/or financial performance. Such changes may impact income or operational expenditure. WBT is also subject to the usual risks to changes in taxation regimes and Accounting Standards. There can be no assurance that such changes will not have a material adverse effect on WBT's business, operational performance or financial results or returns to Shareholders. Adverse changes to tax law may also reduce WBT's capacity to claim research and incentive grants or rebates, thereby increasing expenses and reducing WBT's assets.

Incidents involving China's or the region's security may cause uncertainty in the Chinese markets and may adversely affect the Chinese economy and WBT's activities in the region. Export growth continues to be a major driver of China's rapid economic growth. Reduction in spending on Chinese products and services, institution of tariffs or other trade barriers or a downturn in any of the economies of China's key trading partners may have an adverse impact on the Chinese economy. The ongoing trade war between China and the United States and the increasing regulatory intervention in markets, in particular the United States attempts to limit China's access to cutting-edge technology owned by the US companies and companies of its allies, may restrict the WBT's ability to exploit its technology as expeditiously as possible. Events such as these and their consequences are difficult to predict, and it is unclear whether further tariffs or barriers may be imposed, or other escalating actions may be taken in the future.

(i) **Cost Inflation**

Higher than expected inflation rates generally, or specific to the technology industry, could be expected to increase operating and development costs and potentially reduce the value of future project developments. While, in some cases, such cost increases might be offset by increased selling prices, there is no assurance that this would be possible or that WBT will be in its production and supply phase of its business when this occurs.

10.5 General Risks Relating to WBT

(a) **Additional Requirements for Capital**

The capital requirements of WBT depend on numerous factors. Depending on the ability of WBT to generate income from its operations, WBT may require further financing in addition to amounts raised under the Placement and Entitlement Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If WBT is unable to obtain additional financing as needed, it may be required to reduce the scope of its anticipated activities which could adversely affect its business, financial condition and operating results.

(b) **Reliance on Key Management**

The responsibility of overseeing the day-to-day operations and the strategic management WBT depends substantially on its senior management and Directors. There can be no assurance that there will be no detrimental impact on the performance of WBT or its growth potential if one or more of these employees cease their employment and suitable replacements are not identified and engaged in a timely manner.

(c) **Active market for Shares**

There can be no assurance that there will be, or continue to be, an active market for WBT's securities or that the price of WBT's securities will increase. As a result, investors may, upon selling their securities, receive a market price for their securities that is less than the price of the WBT's securities offered pursuant to the Placement.

(d) **Trading Price of Shares**

WBT's operating results, economic and financial prospects and other factors will affect the trading price of the WBT's securities. In addition, the price of WBT's securities is subject to varied and often unpredictable influences on the market for equities, including, but not limited to general economic conditions including the performance of the Australian dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the WBT's securities.

In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that WBT's market performance will not be adversely affected by any such market fluctuations or factors.

(e) **Litigation Risks**

In the ordinary course of conducting its business, WBT is exposed to potential litigation and other proceedings, including through claims of breach of agreements, intellectual property infringement or in relation to employees (through personal injuries, occupational health and safety or otherwise). If such proceedings were brought against WBT, it would incur considerable defence costs (even if successful), with the potential for damages and costs awards against WBT if it were unsuccessful, which could have a significant negative financial effect on WBT's business. Changes in laws can heighten litigation risk (for example, antitrust and intellectual property). Circumstances may also arise in which WBT, having received legal advice, considers that it is reasonable or necessary to initiate litigation or other proceedings, including for example to protect its intellectual property rights.

(f) **Economic Risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on WBT's activities, as well as on its ability to fund those activities.

Further, share market conditions may affect the value of WBT's securities regardless of WBT's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

(g) **Force Majeure**

WBT, now or in the future, may be adversely affected by risks outside the control of WBT including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(h) **Acquisitions**

As part of its business strategy, WBT may make acquisitions of, or significant investments in, companies, products, technologies and/or products that are complementary to WBT's business. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies, products and technologies, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving the sales and margins anticipated and retaining key staff and customer and supplier relationships.

(i) **Joint Venture Parties, Agents, Suppliers, Distributors and Contractors**

WBT is unable to predict the risk of financial failure or default by a participant in any joint venture to which WBT is or may become a party or the insolvency or managerial failure by any of the contractors used by WBT in any of its activities or the insolvency or other managerial failure by any of the other service providers used WBT for any activity. WBT engages with various third parties to assist with different stages of the research and development process, including agents, suppliers, distributors and contractors. It continues to actively seek new ones. There is no guarantee that these third parties will comply with their respective contractual obligations. This could adversely impact WBT's progress and cause delays in research or production, or cost increases.

(j) **Insurance and Uninsured Risks**

Although WBT maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all such risks and WBT may decide not to insure against certain risks because of high premiums or other reasons.

10.6 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by WBT or by investors in WBT. The above factors, and others not specifically referred to above may, in the future, materially affect the financial performance of WBT and the value of WBT's securities.

11 ADDITIONAL INFORMATION

11.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

11.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations, including the preparation of annual and half yearly reports. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities. That information is available to the public at <https://www.weebit-nano.com/asx-announcements/>

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

There may be additional announcements WBT makes during the Entitlement Offer period that may be relevant in your consideration of whether to take part in the Entitlement Offer. Therefore, it is prudent that you check whether any further announcements have been made by WBT before submitting an application. Announcements made by WBT can be found at: <https://www.weebit-nano.com/asx-announcements/>

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;

- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
17/11/2021	Becoming a substantial holder
17/11/2021	Application for quotation of securities - WBT
17/11/2021	Results of 2021 Annual General Meeting
16/11/2021	Chair Address & CEO Presentation
16/11/2021	Application for quotation of securities - WBT
16/11/2021	Application for quotation of securities - WBT
15/11/2021	Application for quotation of securities - WBT
12/11/2021	Withdrawal of Resolution at 2021 Annual General Meeting
10/11/2021	Proposed issue of securities - WBT
10/11/2021	Letter to Option Holders - Entitlement Offer
10/11/2021	Prospectus - Entitlement Offer
10/11/2021	Weebit Nano Placement and Entitlement Offer
08/11/2021	Application for quotation of securities - WBT
08/11/2021	Trading Halt
08/11/2021	Pause in Trading
01/11/2021	Application for quotation of securities - WBT
29/10/2021	Weebit Nano Q1 FY22 Activities Report and Appendix 4C
25/10/2021	Application for quotation of securities - WBT
25/10/2021	Q1 FY22 business update and 'Meet the CEO' event
18/10/2021	Application for quotation of securities - WBT

Date	Description of Announcement
15/10/2021	Notice of 2021 Annual General Meeting
11/10/2021	Application for quotation of securities - WBT
04/10/2021	Application for quotation of securities - WBT
04/10/2021	Change of Director's Interest Notices
04/10/2021	Appendix 3G - Correction
01/10/2021	Weebit successfully rescales its ReRAM technology to 28nm
27/09/2021	Application for quotation of securities - WBT
20/09/2021	Application for quotation of securities - WBT
13/09/2021	Application for quotation of securities - WBT
09/09/2021	Reinstatement to Official Quotation
09/09/2021	Weebit signs first commercial deal with US-based SkyWater
06/09/2021	Application for quotation of securities - WBT
01/09/2021	Voluntary suspension
01/09/2021	Pause in trading
30/08/2021	Application for quotation of securities - WBT
27/08/2021	FY21 Results Release
27/08/2021	Appendix 4G

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.weebit-nano.com.

11.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the months immediately preceding the date of lodgement of this Prospectus with the ASIC and the last dates of those respective sales were:

	Price	Date
Highest	\$4.50	9 September 2021

	Price	Date
Lowest	\$2.46	18 August 2021
Last	\$3.19	16 November 2021

11.4 Interests of Directors

Under the terms of Mr Hanoch's employment contract with the Company, Mr Hanoch is entitled to receive a one-time bonus equal to 1.5% of the net proceeds from the Offer (equal to \$505,589 if the maximum amount is raised under the Offer), which will become due and payable by the Company within 30 days from completion of the Offer.

Other than in respect of Mr Hanoch and as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below:

Director	Shares	Options	Performance Rights
David (Dadi) Perlmutter	1,845,746	2,407,143	-
Ashley Mark Krongold	1,229,150	200,000	-
Jacob (Coby) Hanoch	564,672	3,620,000	210,000
Yoav Nissan-Cohen	32,000	970,000	80,000

Frederick (Fred) Bart	596,237	556,428	128,000
Atiq Raza	361,613	422,036	16,000

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is determined by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors:

Director	Remuneration for year ended 30 June 2020 (\$)	Remuneration for year ended 30 June 2021 (\$)	Proposed remuneration for current financial year ¹ (\$)
David (Dadi) Perlmutter	328,357	578,964	561,042
Ashley Mark Krongold	54,782	125,679	131,187
Jacob (Coby) Hanoch	1,110,310	1,680,522	1,834,020
Yoav Nissan-Cohen	274,096	385,216	376,282
Frederick (Fred) Bart	105,110	151,446	140,266
Atiq Raza	115,640	149,722	143,537
Yossi Keret	11,066		

Notes:

1. Total expected remuneration includes share based payment.

Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- (b) promoter of the Company;
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
- (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

11.5 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

King & Wood Mallesons has given its written consent to being named as the legal adviser to the Company in this Prospectus. King & Wood Mallesons has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Canaccord Genuity (Australia) Limited has given its written consent to being named as the lead manager in this Prospectus. Canaccord has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Market Eye has given its written consent to being named as the corporate adviser to the Company in this Prospectus. Market Eye has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Nexia Perth Audit Services Pty Ltd has given its written consent to being named as auditor. Nexia Perth Audit has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Nexia Perth Corporate Finance Pty Ltd has given its written consent to being named as provider of due diligence services and investigating accountant in this Prospectus. Nexia Perth Corporate Finance Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Computershare has given its written consent to being named as registry in this Prospectus. Computershare has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

11.6 Expenses of the Offer

The total expenses of the Offers are estimated to be approximately \$968,073 (excluding GST) and are expected to be applied towards the items set out in the table below:

Fees	A\$
ASIC	4,008
ASX	44,609
Lead Manager	270,000
Israeli investor relations	380,610
Legal	120,000
Retail shareholder engagement campaign provider	25,000
Company secretarial	14,000
Computershare	94,846
Investigating Accountant	15,000
Total	968,073

11.7 Trading of New Shares

Subject to approval being granted, it is expected that trading on ASX of New Shares to be issued under the Entitlement Offer will commence on Tuesday, 7 December 2021 on a normal settlement basis.

WBT and its advisors will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe have been issued to them before they receive their holding statements, whether on the basis of a confirmation of issue provided by WBT or the Share Registry or otherwise or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters, you should seek professional advice.

11.8 Ranking of New Shares

The New Shares issued under the Entitlement Offer will be fully paid and rank equally with Existing Shares.

The rights attaching to the New Shares are set out in Section 9 of this Prospectus and are regulated by the Corporations Act, ASX Listing Rules and general law.

11.9 Rounding of New Shares

Where fractions arise in the calculation of Entitlements, they will be rounded up to the next whole number of New Shares.

11.10 No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your Application once it has been accepted.

11.11 Not financial product advice

This Prospectus is for information purposes only and is not an invitation or offer of securities for subscription, purchase or sale in any jurisdiction. Any Eligible Shareholder who wishes to participate in the Entitlement Offer should consider this Prospectus in full. Any Eligible Shareholder who wishes to subscribe for and purchase New Shares will need to follow the instructions contained in this Prospectus and the Application Form which accompanies it. This Prospectus does not constitute investment or financial product advice or any recommendation to acquire WBT Shares or New Shares and does not and will not form any part of any contract for the acquisition of New Shares.

Each recipient of this Prospectus should make their own enquiries and investigations regarding all information in this Prospectus, including but not limited to the assumptions, uncertainties and contingencies which may affect future operations of WBT and the impact that different future outcomes may have on WBT. This Prospectus has been prepared without taking account of any person's investment objectives, financial situation or particular needs.

Before making an investment decision, Eligible Shareholders should consider the appropriateness of the information having regard to their own objectives, financial situation and needs, make their own assessment of the information and seek advice appropriate to their jurisdiction in relation to the information and any action taken on the basis of the information. Any reference to, or explanations of legislation, regulatory issues or any other legal commentary (if any) are indicative only, and do not summarise all relevant issues and are not intended to be a full explanation of a particular matter. WBT is not licensed to provide financial product advice in respect of WBT Shares.

If, after reading this Prospectus, you have any questions about whether you should invest in the Entitlement Offer, you should seek professional advice from a licensed advisor before making any investment decision.

Nominees and custodians may not distribute any part of this Prospectus in the United States or in any other country outside Australia and New Zealand except (i) Australian and New Zealand nominees may send this Prospectus and related offer documents to beneficial holders who are professional or institutional holders in other countries (other than the United States) listed in, and to the extent permitted under, the Investor Presentation and (ii) to beneficial holders in other countries (other than the United States) where WBT may determine it is lawful and practical to make the Entitlement Offer.

11.12 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the

operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

11.13 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, or wish to 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 Shares or Options issued to them under this Prospectus. 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.

11.14 Governing law

This Prospectus, the Entitlement Offer and the contracts formed on acceptance of Applications made pursuant to the Entitlement Offer are governed by the law applicable in New South Wales, Australia. Each Shareholder who applies for New Shares submits to the non-exclusive jurisdiction of the courts of that jurisdiction.

11.15 Information availability

Eligible Shareholders in Australia and New Zealand can obtain a copy of this Prospectus during the period of the Entitlement Offer at <https://weebitnano2021nrri.thereachagency.com> or by calling the Company's corporate and investor relations advisor Market Eye on 03 9591 8901 (in Australia) or +61 3 9591 8901 (outside Australia) at any time from 9.00 am to 5.00pm (AEDT) Monday to Friday during the Entitlement Offer Period.

Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus. The electronic version of this Prospectus on the WBT website will not include an Application Form. A replacement Application Form can be requested by calling +61 3 9591 8901. You may also apply online at <https://weebitnano2021nrri.thereachagency.com>. To access your personalised replacement Application Form online, you will require your Security Reference Number or Holder Identification Number and will need to pass a series of security questions.

Neither this Prospectus nor the accompanying Application Form may be distributed to or relied upon by, persons in the United States or persons that are acting for the account or benefit of a person in the United States (to the extent such person holds WBT Shares and is acting for the account or benefit of a person in the United States), or otherwise distributed in the United States.

11.16 Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Prospectus.

Any information or representation that is not in this Prospectus may not be relied on as having been authorised by WBT, or its related bodies corporate, in connection with the Entitlement Offer. Except as required by law, and only to the extent so required, none of WBT, its

For personal use only

directors, officers or employees or any other person, warrants or guarantees the future performance of WBT or any return on any investment made pursuant to this Prospectus.

11.17 Withdrawal of the Entitlement Offer

WBT reserves the right to withdraw all or part of the Entitlement Offer and the information in this Prospectus at any time, subject to applicable laws, in which case WBT will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to WBT will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to WBT.

11.18 Privacy Act

As a Shareholder, WBT and the Share Registry have already collected certain personal information from you. If you apply for New Shares, WBT and the Share Registry may update that personal information or collect additional personal information for the purposes of:

- (a) processing your application and assessing your acceptance of the New Shares;
- (b) servicing your needs as a Shareholder and providing facilities and services that you request; and
- (c) carrying out appropriate administration.

Company and tax laws require some of the information to be collected. If you do not provide your personal information, we may not be able to process your application.

WBT and the Share Registry may disclose this information for these purposes to its subsidiaries and relevant organisations involved in providing, managing or administering your product or service such as third party suppliers, other organisations, printers, posting services, call centres, and our advisors. WBT and the Share Registry may need to share some of your information with organisations outside Australia.

Where personal information is disclosed, WBT will seek to ensure that the information is held, used or disclosed consistently with the *Privacy Act 1988* (Cth) and any other applicable privacy laws and codes.

You can ask us to access information that we hold about you or to correct information we hold about you by writing to WBT through the Share Registry or see the Share Registry Privacy Policy at <https://www.computershare.com/au/privacy-policies>.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

12 ELIGIBLE SHAREHOLDER DECLARATIONS

IMPORTANT:

If you make an Application (whether by making a BPAY payment or completing and returning your Application Form with a cheque, bank draft or money order, you will be deemed to have made the following declarations to WBT.

You:

- fi acknowledge and agree that determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of WBT;
- fi acknowledge and agree that WBT disclaims any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- fi acknowledge that you have read this Prospectus and the accompanying Application Form in full;
- fi agree to be bound by the terms of the Entitlement Offer, the provisions of this Prospectus and WBT's Constitution;
- fi authorise WBT to register you as the holder of the New Shares issued to you;
- fi declare that all details and statements in the Application Form are complete and accurate;
- fi declare you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- fi acknowledge that once WBT receives your Application Form or your Application Monies via BPAY, you may not withdraw it (except as provided by law);
- fi agree to apply for and be issued up to the number of New Shares specified in your Application Form, or for which you have submitted payment of any Application Monies via BPAY, at the Offer Price per New Share;
- fi authorise WBT, the Share Registry and their respective officers or agents, to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Application Form;
- fi declare that you are an Eligible Shareholder;
- fi acknowledge that the information contained in this Prospectus and the Application Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs, and does not contain all of the information that you may require in order to assess an investment in WBT and is given in the context of WBT's past and ongoing continuous disclosure announcements to ASX;
- fi represent and warrant that the law of any other place does not prohibit you from being given this Prospectus and the Application Form, nor does it prohibit you from making an Application for New Shares;
- fi acknowledge the statement of risks in the "Risk Factors" section of this Prospectus, and

that investments in WBT are subject to investment risk;

- fi acknowledge that none of WBT, its directors, officers, employees, agents, consultants, advisors, and their affiliates, directors, officers, employees, agents, consultants or advisors, guarantees the performance of WBT, nor do they guarantee the repayment of capital;
- fi represent and warrant that you are not in the United States and you are not acting for the account or benefit of a person in the United States (to the extent you hold WBT Shares and are acting for the account or benefit of a person in the United States) and are not otherwise a person to whom it would be illegal to make an offer of or issue of Entitlements or New Shares under the Entitlement Offer and under any applicable laws and regulations;
- fi understand and acknowledge that neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction in the United States. Accordingly, you understand and acknowledge that the Entitlements may not be issued to, taken up, purchased or exercised by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States (to the extent such person holds WBT Shares and is acting for the account or benefit of a person in the United States). You further understand and acknowledge that the Entitlements and the New Shares may only be offered, sold and resold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S;
- fi represent and warrant that you are subscribing for Entitlements and/or purchasing New Shares outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S;
- fi acknowledge that each person on whose account you are acting has not and will not send this Prospectus, the Application Form or any other materials relating to the Entitlement Offer to any person in the United States;
- fi acknowledge that, if you decide to sell or otherwise transfer any New Shares, you will only do so in ordinary course transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States;
- fi authorise WBT to correct any errors in your personalised Application Form or other form provided by you;
- fi acknowledge that, if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Application Form is not in the United States, and you have not sent this Prospectus, the Application Form or any information relating to the Entitlement Offer to any such person in the United States; and
- fi agree to provide (and direct your nominee or custodian to provide) WBT or the Share Registry any requested substantiation of your eligibility to participate in the Entitlement Offer and/or of your holding of WBT Shares on the Record Date.

13 DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

A handwritten signature in black ink, appearing to read 'Coby', with a long, sweeping horizontal stroke underneath.

Mr Coby Hanoach
CEO and Managing Director
For and on behalf of
WEEBIT NANO LTD

\$ or A\$ means the lawful currency of the Commonwealth of Australia.

ABN means Australian business number.

Additional New Shares means New Shares which Eligible Shareholders are able to apply for in excess of their Entitlement under the Oversubscription Facility.

AEDT means Australian Eastern Daylight Time.

Application means an application made to subscribe for Shares offered under this Prospectus.

Application Form means the application form either attached to or accompanying this Prospectus.

Application Monies means the aggregate amount payable for the New Shares and Additional New Shares (if applicable) applied for through BPAY or in a duly completed Application Form.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

CGT means Australian capital gains tax.

Closing Date means 5.00pm (Sydney time) on Monday, 29 November 2021, or such other date determined by WBT.

Company or **WBT** means Weebit Nano Ltd (ACN 146 455 576).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporate Adviser means Market Eye Pty Ltd (Australian Financial Services Licence No 517703).

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Investors means a "professional investor" (within the meaning of sections 708(8) and 708(11) of the Corporations Act or section 15A(b)(1) of the Israeli Securities Law).

Eligible Shareholder means a Shareholder who satisfies the definition outlined in Section 5.2.

Entitlement means the right to subscribe for 1 New Shares for every 41 Shares held by eligible Shareholders on the Record Date, pursuant to the Entitlement Offer.

Entitlement Offer means the pro rata non-renounceable entitlement offer of New Shares to Eligible Shareholders to raise approximately \$9 million at the Offer Price on the basis of 1 New Shares for every 41 Shares held on the Record Date.

Group means the Company and its Subsidiaries.

Ineligible Shareholder means a retail Shareholder that is not an Eligible Shareholder.

Lead Manager means Canaccord Genuity (Australia) Limited.

New Shares means Shares to be allotted and issued under the Entitlement Offer, including any Additional New Shares (if applicable).

Offer Price means \$2.84 per New Share.

Official Quotation means official quotation on ASX.

Opening Date means 9.00am (Sydney time) on Thursday, 18 November 2021

Oversubscription Facility means the opportunity for Eligible Shareholders who take up all of their Entitlement to also apply for Additional New Shares in excess of their Entitlement.

Placement has the meaning given in Section 5.1.

Placement Shares means Shares issued at \$2.84 per share to Eligible Investors under the Placement.

Prospectus means this replacement prospectus.

Record Date means 7.00pm (AEDT) on Monday, 15 November 2021.

Register means the register of WBT Shareholders maintained by the Share Registry.

Related Party has the meaning given in section 228 of the Corporations Act, and includes without limitation, a Director of WBT, their spouses, de facto partners, parents or children or an entity controlled by any of them.

Section means a section of this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Computershare Investor Services Pty Limited (ABN 48 078 279 277).

Shareholder means a registered holder of a Share.

Shortfall means the Entitlements not taken up by Eligible Shareholders and entitlements of Ineligible Shareholders under the Entitlement Offer.

Subsidiary has the meaning given in the Corporations Act.

TFN means tax file number.

United States has the meaning given to this term in Rule 902(l) under the U.S. Securities Act.

U.S. Person has the meaning given to it in Rule 902(k) under the U.S. Securities Act.

U.S. Securities Act means the U.S. Securities Act of 1933, as amended.