



Memphasys secures +\$1M funding from major shareholder and R&D Tax Rebate loan

HIGHLIGHTS

- Major shareholder Mr Andrew Goodall completes Subscription Agreement with the Company, agreeing to subscribe for 62.5 million shares at an issue price of 0.8 cents per share, to raise \$500,000 (before costs)
- Raising conducted at current market price (as at closing price 26 July 2024) at a 1.7% premium to the 5-day Volume Weighted Average Price (VWAP),
- The Company also received \$586,000 via a short-term loan against its R&D Tax Rebate, with R&D Rebate of ~ \$1.1M expected to be received in September 2024, and
- Funds to be used to progress Felix™ System commercial activities in Japan and Australian clinical trial, finalising and launching the Oxidative Stress measurement activities¹, as well as servicing working capital requirements.

Australian reproductive biotechnology company Memphasys Limited (ASX: MEM) (the Company) is pleased to advise that Mr Andrew Goodall has entered into a Subscription Agreement (Agreement) with the Company to subscribe for 62,500,000 ordinary MEM shares at an issue price of A\$0.008 per share, to raise \$500,000 (before costs).

The issue price of A\$0.008 represents:

- 1.7% premium to the 5-Day VWAP
- 2.29% premium to the 30-Day VWAP

In addition, Memphasys has received \$586,000 via a loan against its 2023/24 R&D Tax Rebate, with loan funds received in late June and balance of R&D Rebate of ~\$1.1M expected to be received in September 2024.

The loan is secured by and repayable out of the 2024 R&D Tax Rebate and attracts a fixed 15% per annum interest rate. It matures on 30 November 2024, however, can be extended by agreement between the lender and Memphasys.

Funds will primarily be used to assist the Company in further developing its Felix™ System, which has achieved repeat commercial sales in Japan and achieved multiple live births across couples in Japan and India. They will also be used to support Memphasys's clinical trial of the Felix™ System being conducted to support a regulatory submission with Australia's Therapeutic Goods Administration (TGA), expected to be completed by the end of the current calendar year, with results analysis and regulatory submission to be filed with the TGA as soon as practical post that date.

In addition to the Felix™ System, funds raised will be applied to activities associated with the development of its Oxidative Stress measurement system, which is being developed by MEM in conjunction with the University of Newcastle (UoN) under the direct guidance of Memphasys's Scientific Director and global Andrology expert, Laurette Professor John Aitken, and Klean Gene Pty Ltd, a company established by experienced animal sector executives Michael Cameron and Rod Wellstead¹.

As well as the shares subscribed for under the Agreement, 31,250,000 unquoted MEM Options (ex-price \$0.011, ex-date 2 years from date of issue) will be issued to a party nominated by Mr Goodall.

A former Director of MEM, Mr Goodall is a significant shareholder and long-term supporter of the Company and following the issues shares under the Agreement now holds 288,714,397 shares in MEM. This represents ~ 19.98% of the Company's issued capital.

Commenting on the securing of new funds, MEM Chairman Robert Cooke said, *“We are pleased to have secured these funds to support the advancement of our commercial activities.*

“To see the Placement conducted at a premium to the 5-day and 30-day VWAP highlights the understanding that our major shareholders have in the value of our product pipeline. Andrew has been, and continues to be, a strong supporter of Memphasys and I would like to thank Andrew for his continued support.

“Memphasys prudently manages its balance sheet and will continue to assess all avenues to increase funding available for developing Felix™ and its wider development portfolio.”

ENDS

Approved for release by the Board of Memphasys Limited.

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