



GREY INNOVATION VENTURES I, LP

INFORMATION MEMORANDUM

GREY INNOVATION
INVESTMENT PARTNERS PTY LTD

ACN 640 474 728



CONFIDENTIAL

Important Information

Issuer

This Information Memorandum dated 10th August 2021 has been prepared and issued by Grey Innovation Investment Partners Pty Ltd ACN 649 474 728 (the **Manager**) to provide background information for persons considering applying for interests in the Grey Innovation Ventures I,LP (the **Fund**).

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Independent advice required

In preparing this Information Memorandum, the Manager has taken no account of the investment objectives, financial situation and particular needs of any particular person, and prospective investors must not construe the contents of this Information Memorandum as tax, legal or financial product advice. Before making any decision to invest in the Fund, prospective investors should:

- seek and rely on their own professional advice, in particular by obtaining appropriate tax, legal, financial and investment advice in light of their own circumstances; and
- conduct their own independent investigation and analysis regarding any information contained in this Information Memorandum.

Information given in this document or otherwise

The Manager, the Fund Entities (as defined in the Glossary) and each of their respective affiliates, related bodies corporate, officers, employees, advisers, agents or associates (**Relevant Persons**):

- do not warrant or represent the origin, validity, accuracy, completeness or reliability of the information contained in this Information Memorandum (or any accompanying or subsequent information), and do not accept any responsibility for errors or omissions in this Information Memorandum (or any accompanying or subsequent information);
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Notwithstanding the above, the Relevant Persons do not exclude any condition, warranty or right, the exclusion of which would contravene the Australian Competition and Consumer Act 2010 (Cth) or any other applicable law.

Past performance of the Manager, the Fund Entities or any of their respective affiliates, related bodies corporate, officers, employees, advisers, agents or associates is not necessarily indicative of future results. In addition, certain information in this Information Memorandum may constitute forward-looking statements. All statements of opinion or belief, all views expressed and all projections, forecasts or statements relating to expectations regarding future events or the possible future performance of the Fund, any prior fund or any portfolio company, represent the Manager's assessment and interpretation of information available as at the date of this Information Memorandum. No representation is made or assurance given that such statements, views, projections or forecasts are reasonable or correct or that the objectives or prospective returns of the Fund, any prior fund or any portfolio company will be achieved.

Certain of the information contained in this Information Memorandum has been obtained from published sources prepared by other parties and no responsibility is assumed for the accuracy or completeness of such information. In addition, all industry and market data has been sourced from research of the Manager, unless otherwise indicated.

Risk

An investment in the Fund should be regarded as speculative and will involve significant risks, due to the nature of the investments the Fund intends to make. The Fund is not a suitable investment for persons unable to sustain a loss of all or part of the sum invested or who require certain or predictable income flows. Investors should have the financial ability and willingness to accept the risks and lack of liquidity which are characteristic of the investments described in this Information Memorandum, for the entire term of the Fund.

In particular, the attention of prospective investors is drawn to the risk factors set out in section 9 of this Information Memorandum.

Constituent Documents

This Information Memorandum contains a summary and description of certain features of the Fund. Any information provided in this Information Memorandum and in any other document or communication is subject to the Constituent Documents for the Fund, including the Limited Partnership Deed and each Subscription Deed, which contain the details of the rights and obligations of investors in the Fund. To the extent there is any inconsistency between this Information Memorandum and the Constituent Documents of the Fund, the latter prevail.

Supplementary Information

The Manager may in its absolute discretion update or supplement this Information Memorandum at any time. Such further information is provided under the same terms and conditions as this Information Memorandum.

Currency

All dollar amounts in this Information Memorandum are quoted in Australian dollars, unless otherwise stated.

Glossary

Certain expressions used in this Information Memorandum have defined meanings which are explained in section 11 (Glossary).

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Dear Investors

Thank you for taking the time to read this Information Memorandum. Presenting this opportunity to you is a significant milestone for me as the founder and Chairman, and for Grey Innovation Group as a business. We have demonstrated a new model for unlocking the value of high-quality research, and importantly, for the creation of global businesses that tackle areas of critical importance to the planet, and to us. I am delighted to share our story with you, and hope you find it as exciting as the team and I do.

I started Grey Innovation over twenty years ago to create products that matter. The journey has been fast and exciting, and one of constant learning and evolving. As our team at Grey Innovation grew, so too did the success and growth of our clients. We are very proud to have been instrumental in the creation of the billions of dollars of value that exists for these clients. Products we designed are sold around the globe under brand names like Hewlett Packard and Bosch.

As we continued to evolve, we realised that our future was in creating our own value; for ourselves and our investors. We needed to create our own businesses to focus on our areas of passion – the environment and healthcare. Our transition away from consulting began in 2015 as we created our first spinout, *Firefly Health*, and since, as we focus on demand driven innovation, our world has changed beyond recognition. Our consulting days are well behind us as we grow our portfolio of companies domestically and internationally.

The recent COVID-19 pandemic gave us cause to step up and lead our industry to produce a medical ventilator, fully certified for use, in just four months. Almost overnight, we pulled together dozens of companies and led our consortium to deliver. The Commonwealth and State governments purchased a significant number of our *Notus Vivere* Emergency Ventilators and are now asking us “what’s next?”.

This presentation demonstrates what is next. We have what we consider to be the very best people and processes. We believe we have access to the very best research, in the areas of Cleantech and Medtech, and our list of partners around the world grows each year. Technology is essential to achieving a sustainable existence for humanity as our planet’s resources are ever more strained. We have and will continue to play a key role in delivering this technology, through the highly valuable businesses we create; businesses that manufacture and export cutting-edge technology to the world.

I put it to you that there is no better sustainable or ethical investment opportunity, and I look forward to answering any questions you may have. Again, thank you for taking the time to consider our offer.

Yours faithfully



Jefferson Harcourt

Chairman and CEO Grey Innovation Group

Dear Investors

Every investor wishes to reduce risks and increase returns in the same investment. Through my twenty-year venture capital career, I have strived to select investments with reduced risk while at the same time, working proactively with the portfolio companies to maximise and realise the value of the investment. As a result, funds I have been associated with have delivered >20% IRR net to the investors.

I am excited to be working with the Grey Innovation Group because I regard their approach to company building as superior to anything I have seen in the venture space. Grey Innovation Investment Partners is a subsidiary of Grey Innovation Group, which brings twenty years of building value for companies and inserts that expertise into an investee startup with the aim to create an instant fully operational company with critical mass. We seek to reduce startup risk by skipping over the traditional startup component and fast-tracking timelines. This is now an opportunity for external investors to harness the capability of the Grey Innovation Group via Grey Innovation Investment Partners and seek to realise potentially superior venture returns well beyond 20% IRR.

I commend you to read this Information Memorandum, particularly the Grey Innovation Investment Partners Strategy (Section 4). The methodology behind the consistent value Grey Innovation Group has built for their previous clients is now going to be applied to the benefit of the investors in this Fund. Combined with the successful experience of the Manager's executives, having managed venture investments for twenty years, I am confident this Fund will set new standards in venture investing and value creation.

The team at Grey Innovation Investment Partners welcomes you to join us in this unique opportunity to not only make superior returns, but also to make a difference in the lives of communities globally.

Yours faithfully



Matt McNamara

Managing Director, Grey Innovation Investment Partners



1. EXECUTIVE SUMMARY

1.1 Profile

Fund name	Grey Innovation Ventures I, LP (the Fund)
Focus	Cleantech and Medtech
Type	Development and commercialisation capital, funding research and development, feasibility and pivotal stage technology companies.
Region	Investment in predominantly Australian private companies, with the possibility of a limited number of investments outside of Australia.
Maximum Fund Size	Up to A\$100M
Number of Investments	Assuming A\$100M Funds Under Management (FUM) up to 13 investments of approximately \$7M to \$10M each in eligible companies. No more than 20% of the Fund's capital commitments will be invested in any one investment.
Investment Opportunity	Active investment in a balanced portfolio of predominantly Australian private early stage technology companies with an emphasis on ESG. Target companies will have technologies that offer outstanding local development capacity international commercial opportunity, and what the Manager believes will be superior investment returns at reduced risk.

1.2 Fund structure, fees and performance fees

Fund Structure	ESVCLP (Early Stage Venture Capital Limited Partnership)
Manager	Grey Innovation Investment Partners Pty Ltd
Management Fees	<p>The Manager is entitled to receive the following management fees:</p> <ul style="list-style-type: none">(i) during the Investment Period, 1.5% per annum of the aggregate of the capital commitments of the Investors (excluding management team) (plus GST); and(ii) after the Investment Period, 1% per annum of "adjusted capital commitments" of the Investors (plus GST). <p>"Adjusted capital commitments" means invested capital, less investments written down to zero.</p>

Distribution Waterfall	<ul style="list-style-type: none"> • First, to the investors until they have received their drawn capital from time to time; • second, to the investors until they have received in addition to their drawn capital from time to time, an amount equal to an 8% IRR on such drawn capital; • thirdly, to the General Partner as carried interest, until the amounts that it has received under this provision equal 20% of the aggregate of the amounts it has received under this provision and those amounts paid to investors under the immediately preceding paragraph; • lastly, 80% to the investors and 20% to the General Partner as carried interest.
Commitment Period	Investments will be made during the Investment Period. (see Key Terms in section 8). However, calls on capital commitments may be made to make follow-on investments and to meet ongoing obligations and expenses of the Fund.
Term	10 years (or earlier upon exit of all investments), subject to extension rights (See Key Terms in section 8.)
1.3 The Manager	
Manager	Grey Innovation Investment Partners Pty Ltd
Directors	Mr Matt McNamara Ms Elizabeth Court Ms Susan Oliver AM Mr Jefferson Harcourt
Managing Director	Mr Matt McNamara
Chief Investment Officer	Mr Adrian Critchlow
Investment Committee	Mr Matt McNamara Mr Adrian Critchlow
Executive Team	Mr Jefferson Harcourt Mr Adam O'Keeffe Ms Wani Wall Ms Mandie Lammens Ms Emily Ryan

“

JEFFERSON HARCOURT

There are hundreds of patents behind an iPhone, most not owned by Apple.

Technology commercialisation requires deep experience and networks and the ability to bring together all the elements.

It's a puzzle.

It's also a huge advantage if you already have most of the parts, or know where to find them.

It's not a linear process, and no single university or lab has all the pieces.

”

2. INVESTMENT CASE

Grey Innovation Ventures I, LP is reducing the traditional risk of the Early Stage Venture Capital Limited Partnership (ESVCLP) model, by investing in sophisticated start-up companies, bringing to market, in demand, unrealised IP.

The Manager believes that the key to a sustainable future is the commercialisation of technology that enhances the way we live and how we use our planet, without causing harm or depleting natural resources. Potential investments are rigorously screened and must strive to have a positive environmental, social and governance (ESG) impact, alongside strong financial returns.

The commercialisation of IP with deep technology and engineering problems require skills that neither startups nor large corporates can easily leverage. Grey Innovation Group is recognised internationally for operating a scalable platform to unlock the best IP and fast-tracking it to commercial success. With decades of operational experience, their model of repeating the start-up process across multiple sectors allows for a unique and successful skillset to execute, while remaining agile. Grey Innovation Group's initial investment portfolio currently has a gross IRR of >30% pa. (unrealised) net to investors.

Whilst operating independently to Grey Innovation Group, with the appropriate corporate governance structures in place, the Manager has access to the Grey Innovation Group's talent along with first market access to Grey Innovation Group's suite of companies in or approaching, early revenue stage as well as discounted service and licence fees.

In addition, the Manager seeks to identify alternative deal flow opportunities, primarily from Australia, within the Cleantech and Medtech sectors, looking for commercialisation-ready technology with the potential to address genuine needs. As an ESVCLP fund investing in these sectors, the Manager is uniquely positioned to generate significant tax credits and savings and to utilise non-dilutive government funding.

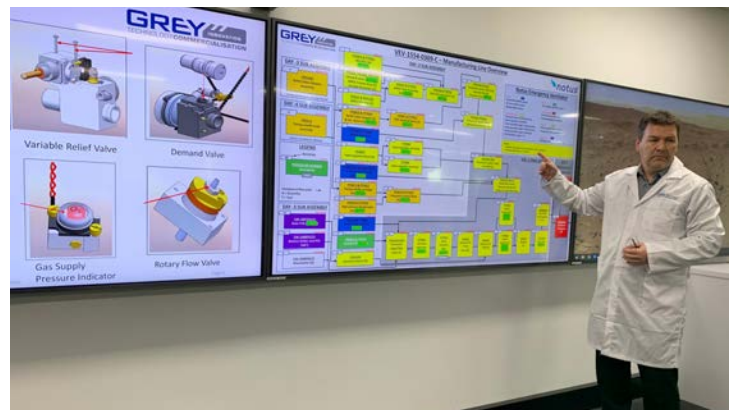


Grey Innovation Group's proven track record and relationships with institutions, industry and governments, put them at the forefront of unrealised IP opportunities. This was demonstrated last year with the Grey Innovation Group's leadership of the \$34M Notus Emergency Ventilator Consortium.

A Grey Innovation Group initiative, this effort saw the successful licence and commercialisation of an emergency invasive ventilator design for supply to the Australian Federal Government Emergency Stockpile in response to the COVID-19 pandemic. Grey Innovation Group corralled over thirty suppliers, the regulator, and numerous other resources to locally produce its first ventilator off the production line in just eleven weeks from inception.

Given both the Manager's and Grey Innovation Group's proven track record, experience and maturity of execution, the Fund seeks to offer early stage returns with later stage reduced risk.

The Manager's Investment Strategy is designed to minimise the risk for investors associated with bringing new technology to market while seeking to provide potential returns to investors of >20% net IRR over the term of the Fund.



3. ABOUT THE MANAGER

3.1 Grey Innovation Investment Partners (GIIP)

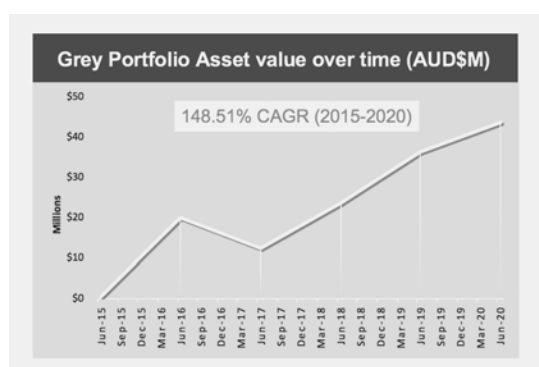
The Manager, Grey Innovation Investment Partners Pty Ltd, is a newly formed venture capital fund manager wholly owned by, but operationally independent of Grey Innovation Group (GIG), combining experienced and successful fund managers, entrepreneurs and members of the Grey Innovation Group. In addition to investment capital, the Manager will provide to each portfolio company some, or all of the following:

- Board representation
- Business development advice, including M&A guidance

The core management team consists of Matt McNamara and Adrian Critchlow. The Manager will second some GIG personnel to conduct due diligence, assist with selecting and making investments, providing investment management services and assisting with investment realisation.

3.2 Grey Innovation Group (GIG)

The Grey Innovation Group will make available GIG staff for services at a pre-negotiated 25% discount to market rates, necessary resources (personnel/services that the portfolio company board requests from GIG) to the Fund's portfolio companies. GIG will also provide its proprietary licenses at market rates when the portfolio company's board requests such licenses for the operations of the portfolio company. GIG is a leading technology commercialisation company with a proven track record of taking early stage research through to market release. From its initial roots of R&D consulting to large corporates including Hewlett Packard and Bosch, GIG moved from a services company to partnering and supporting early stage business and startups. It became apparent that there are inherent problems with the startup business model and GIG saw an opportunity to create an entirely new model which seeks to provide the same upside potential of a startup at a fraction of the risk.



~\$44M GIG Portfolio Asset Value July 2020

Demonstrated Success

GIG has a history of creating significant value in its portfolio companies with \$144M+ value created over 7 portfolio assets since 2015. GIG has retained equity stakes totalling ~\$44M portfolio asset value. This, in effect, demonstrates the successful funds management execution skills of the GIG team. In addition, GIG has grown its own IP portfolio and goodwill, which has significant independent value, but also has allowed it to increase the rate at which it commercialises new IP and portfolio assets for the portfolio companies. (See Appendix A)

GIG investor returns have been through payment of dividends and return through capital realisation from portfolio companies.

3.3 The Manager's Australian funds management experience

IB Australian BioScience Fund I

Principal involved: Matt McNamara (CIO)

- 2008 – 2014
- IRR = 22.5% net of fees to investors
- A\$41.8M **FUM**, A\$35M Called, \$60M returned to investors
- (Capital Return/Distributions by 31 March 2014).
- 12 investments, 12 exits
- Top quartile Ex US PE/VC Fund (Source: Cambridge Associates PE & VC Benchmarks Q1 2014)

Asia Pacific Healthcare Fund II

Principal involved: Matt McNamara (CIO)

- September 2012 – December 2019
- A\$55,775,000 **FUM** committed
- \$53,790,573 Called (December 19)
- PE style 5 + 5-year fund
- 7 investments private and public
- IRR = 24% (November 2019) (Unrealised)

BioScience Managers Translation Fund I

Principal involved: Matt McNamara (CIO)

- December 2016 – December 2019
- A\$100,000,000 **FUM** committed
- \$49,550,000 Called (December 19)
- PE style 5 + 5-year fund
- 6 investments private and public
- IRR = 44% (November 2019) (Unrealised)



3.4 The Manager's international funds management experience

ActiveHotels.com - Booking.com
Principal involved: Adrian Critchlow

- 2000 – 2004
- Raised \$720K (GBP 400K)
- Series A & B \$5.4M (GBP 3M)
- Won Deloitte Fast 50
- Sold to Priceline for \$230M (USD 160M)
- Seed investors received 16x return in 4 years
- Priceline market cap of USD 1B in 2004; renamed Booking Holdings with current market cap of USD 68B

Active Investment Fund
Principal involved: Adrian Critchlow

- 2005 – 2007
- Invested in 9 startups
- Alertme.com sold to British Gas for \$117M (GBP 65M)
- Varden - Recently A-round funded by Horizon Ventures
- Ionscope - Sold to Cronin Group PLC
- Revoo.com - Running and profitable
- Texperts - Sold to KGB operator of 118118 service
- I20 Water - Sold to Ombu Group with 10x return on investment
- WAYN - Closed
- Reciva.com - Sold

Booking.com



3.5 The Investment team and [FTE time allocated to executive services within GIIP]



Matt McNamara [0.6 - 0.4 FTE]

Managing Director

Matt is passionate about commercialising promising human healthcare technologies. He has over 30 years' experience in the healthcare and medical sciences sector, more than 20 years as a venture capitalist and 14 years as CIO at BioScience Managers (4 funds. >\$200 FUM. >20% IRR). He is a former CEO of SciCapital pre-seed fund and prior to that he served as SVP Business Development for eBioinformatics Inc. Matt has a BSc (Hons) in Molecular Biology, a MBA, and is a GAICD.



Jefferson Harcourt [0.4-0.2 FTE]

Executive Director

Jefferson has over two decades of experience in the development and commercialisation of cutting-edge technology and the creation and operation of technology companies. He has established commercial operations in Australia, US, Asia and Europe, building both R&D and sales businesses in these jurisdictions. Jefferson sits on a number of company boards, both listed and private, and is a member of the Australian Institute of Company Directors. He also sits on the Victorian Government Innovation Taskforce and helps government shape policy around the technology and advanced manufacturing sector.



Elizabeth Court

Non-executive Director

An economist by trade, Elizabeth initially worked as a banking and finance professional, moving to treasury roles and financial risk management, business consulting, strategic planning, human resources, team building. She is a director of Private Wealth Network and NuFortune, the Managing Director of Court Consultants, Vice-Chair of Court Grammar School and a member of the Board of Trustees of the Sir Frank Ledger Charitable Trust.



Susan Oliver AM

Non-executive Director

Susan is the independent member of the Investment Committee for IFM Investors which invests in major infrastructure, such as roads, ports, airports, water infrastructure globally on behalf of the industry superfunds. She co-founded The Big Issue in Australia, headed the Australian Commission for the Future and has contributed significantly to the innovation, IT and arts policy agendas in Australia. She is currently chair of Countrywide Renewable Hydrogen, the Alice Anderson Fund, The Wheeler Centre, a member of the advisory board for Fishermans Bend and Melbourne Theatre Company and an advisor to NuraSpace.



Adrian Critchlow [0.6 - 0.4FTE]

Chief Investment Officer

Adrian is an experienced technology entrepreneur and investor. He was co-founder of Booking.com (delivering a 16-fold return to seed investors, and 60x return post-acquisition by Priceline Inc). He was the founder of AlertMe.com, one of the first IoT companies, which was sold to Centrica PLC and is on target to turnover \$1B.



Mr Adam O'Keeffe [0.4 - 0.2 FTE]

Chief Financial Officer

Founder of leading accounting and business services firm, the O'Keeffe Group, Adam has over twenty years' experience as a performance manager and taxation specialist with particular expertise in R&D tax. A member of CPA Australia, he enjoys collaborating with dynamic people and companies to assist them achieve their business goals.



Wani Wall [0.4 - 0.2 FTE]

Grey Innovation Group Brand & Communications Executive

Wani is a creative communications specialist with significant experience in helping companies, from elite sport and entertainment to banking and healthcare, achieve their business objectives. Before joining Grey Innovation, she spent 5 years as Product Manager and CXO leading the multidisciplinary team of a listed company in the delivery from R&D to regulatory approval of a world-first medical device. Wani brings deep knowledge of customer insights, brand development and stakeholder communications and engagement to the Group and its portfolio companies.



Mandie Lammens [0.6 - 0.4 FTE]

Grey Innovation Group Company Secretary/Investor Relations Officer

Mandie has over 15 years' experience in the medtech/biotech industry, having previously been the Industry Development Officer at AusBiotech and has been with Grey Innovation for over 12 years. Mandie brings her experience and knowledge of business, governance and investor relations to the Group and its portfolio companies.



Emily Ryan [0.4 - 0.2 FTE]

ESG Officer

Emily founded Caused Pty Ltd in 2018 after identifying the importance of ESG and seeing the large gap of support in the market. As a member of the Responsible Investment Association of Australasia, Emily is up to date with the latest ESG data. With a background of finance as well as client development at a top tier financial services firm, Emily combines her passion for ESG with her years of experience to identify ESG opportunities.



4. STRATEGY & APPROACH

“The Grey Innovation Investment Partners Strategy” Vertical integration from evaluation to commercialisation, increasing speed of value creation and reducing chance of loss (time to market, founder and IP risks).

The Manager's investment strategy is focused on investments in early stage private, predominantly Australian, cleantech and medtech companies. Investors want to invest in startups with great products and services that will have an enduring competitive edge. Historically startups have a high rate of failure, largely due to limited expertise and resources, and not having the skill set to predict and avoid issues throughout the process.

Traditional startup companies result from a novel idea that addresses a market need. Seed investors back the founder(s) allowing them to conduct further research and development and grow the team organically. Naturally, this takes a long period of time. The aim of most startups is to get past each Go/No Go milestone successfully to justify the next step in the journey of successfully developing, then commercialising the technology.

Conducting feasibility studies and ultimately obtaining Proof of Concept requires a startup to build specifically skilled teams for each step. The difficulty in sourcing, hiring and blending the teams to achieve these objectives, highlights one of the key challenges and most costly components of getting beyond the startup stage.

The Grey Innovation Group (GIG) team has over twenty years of experience supporting startup companies and has played an integral part in the successful development of many of Australia's startup success stories.

The Grey Innovation Investment Partners Strategy is designed to minimise the risk for investors associated with bringing new technology to market and increase the potential to seek a >20% IRR net to investors. The expert GIG team will provide some of the deal flow by performing all the leg work associated with the identification of IP, evaluation and due diligence, at no cost to the Fund, before the opportunity is open for consideration for investment by the Manager. Additional deal flow from the Manager's own networks will be sourced and evaluated by the Manager in consultation with the GIG team.

Once the Fund decides to invest in the opportunity, GIG's deep technical expertise is available to be contracted into the startup, at a pre-negotiated 25% reduction to market rates, should the company's board approve, to fast track the conversion of IP into a commercially viable product including certifications, regulatory approvals and manufacturing processes (as necessary).

When the portfolio company's board approves, the first step of the R&D process is to 'drop in' the GIG intellectual property as necessary, such as the technical infrastructure, development systems, including data visualisation and analytics platforms, back office, manufacturing IP etc.

The final commercialisation process draws on the GIG team's expertise in the development of business models, commercial negotiations, partnerships and building companies. Grey Innovation Group leverages its network of experienced executives to bring in the right skilled personnel to each portfolio company at the right time.

The final result is a startup better organised to seek to reach approval and revenues more quickly than normally, allowing a greater period of time to exploit the monopolistic commercialisation rights of the portfolio company's IP, all resulting in larger valuation/exit value for the Fund.

Portfolio Diversity	Manager will endeavour to have no more than 65% of total invested funds concentrated in either of its key sector foci.
Investment Process	The Manager adheres to a strict screening process for investments. See Appendix B for Investment Process, ESVCLP Eligibility Checklist, Due Diligence Request List.
Divestment Strategy	<p>The Manager is focused on opportunities to divest from each portfolio company as the business develops. Exits may occur through M&A/trade sale and/or on and off market trading via ASX or another reputable international stock market. M&A/trade sale is the preferred exit option for the Manager; however, via a public market will be considered on a case-by-case basis. The Manager is focused on opportunities to divest from each portfolio company as the business develops.</p> <p>Trade Sales</p> <p>Together, the members of the Manager's team have a broad network of relationships in the Cleantech and Medtech sectors, and has had significant experience developing and executing trade sale opportunities. The Manager intends to influence the direction of the portfolio companies to build companies that will be of potential merger or acquisition interest by multinationals.</p> <p>Public Markets</p> <p>The successful implementation of the Manager's strategies should enhance the scale and liquidity of resultant listed companies. Successful international development strategies by investee companies will be reflected in re-valuations. The global network of the Manager and investment market reach may assist to secure market exits via International Public Markets. The Manager recognises the limited public market liquidity in Australia and the lack of a market for high-growth companies equivalent to the NASDAQ in the United States.</p> <p>The Manager intends to take advantage of public market divestments through:</p> <ul style="list-style-type: none"> • Trade sales to existing public companies globally IPOs on Regional or international exchanges such as NASDAQ, SGX. • On market selling.
Grant Leverage	Significant grant leverage is available in Australia for product development and commercialisation. These grants are non-dilutive and generally not repayable, subject to certain conditions. The Grey Innovation Group has an outstanding track record of attracting such grants, has a dedicated team to find and apply for such grants and has raised with its collaboration partners over \$50M of funding. These grants included both State and Federal grants such as R&D rebate, future manufacturing growth funds, Commercialisation Australia, ARC, NHMRC, Linkage Programs and CRCs.

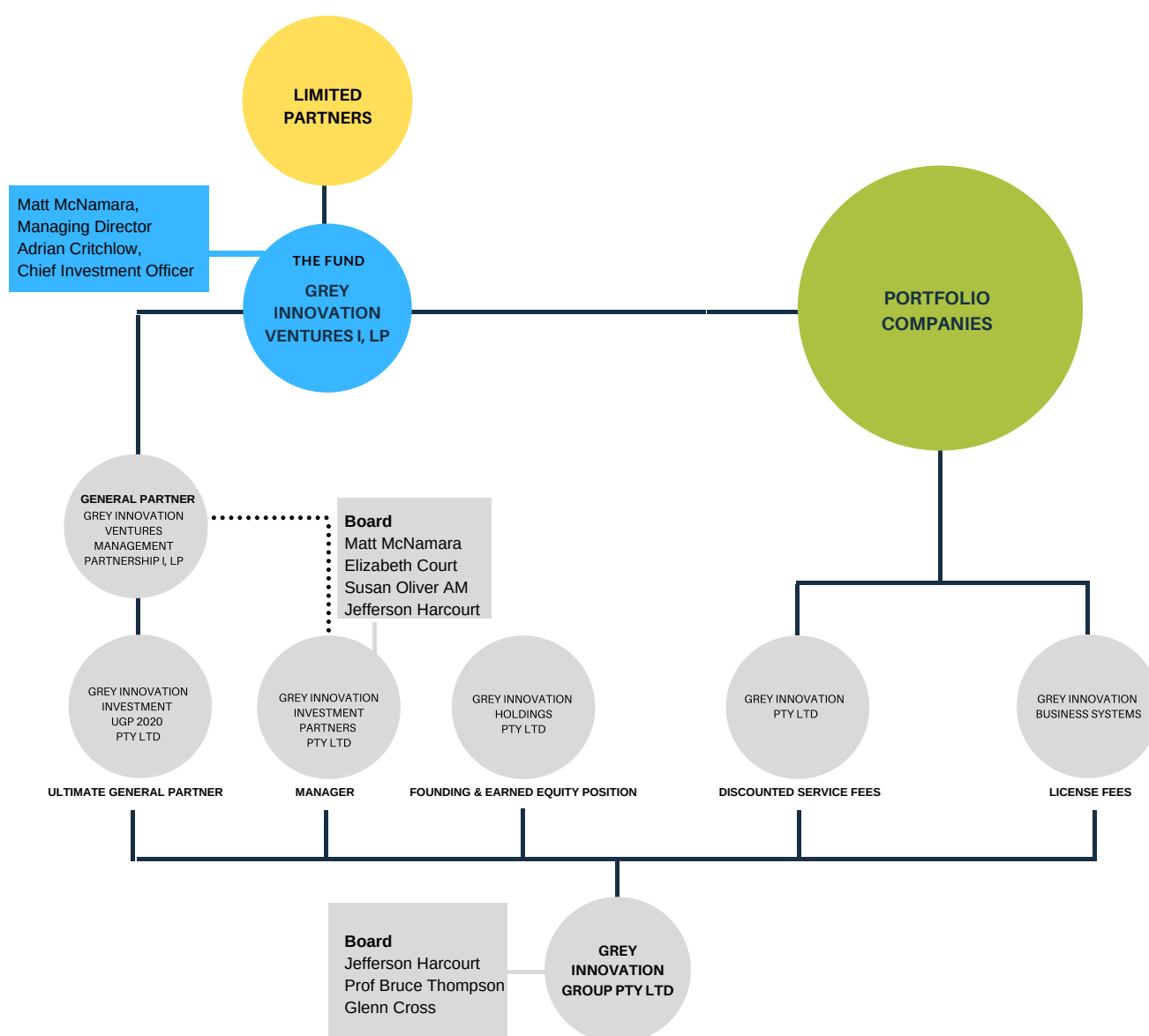
5. STRUCTURE OF THE FUND

The Fund is structured as an incorporated limited partnership registered as an ESVCLP. Most persons investing in the Fund will become limited partners in the Fund, although additional co-investment vehicles may be established to facilitate investment by particular persons. Persons investing in the Fund are referred to below as **Investors**.

The Fund is known as the Grey Innovation Ventures I, LP. The general partner of the Fund is another incorporated limited partnership known as Grey Innovation Ventures Management Partnership I, LP (**General Partner**). The general partner of the General Partner is a company formed and registered under the Corporations Act as Grey Innovation Investment UGP 2020 Pty Ltd (**Ultimate General Partner**).

The General Partner will designate the **Manager**, Grey Innovation Investment Partners Pty Ltd (a corporate authorised representative of AFSL 334906), as the manager of the Fund.

The structure is as follows:



In order to be registered as an ESVCLP, the Fund met certain technical requirements, including the submission of an “Investment Plan” that Innovation and Science Australia considered to be “appropriate”. In determining whether the Investment Plan is “appropriate”, Innovation and Science Australia had regard to:

- the stages of development of the entities in which the Fund proposes to invest;
- the levels of cash flow of those entities;
- the levels of technology of those entities;
- the proportions of intellectual property to total assets of those entities;
- the levels of risk and return of those entities;
- the amount of tangible assets and collateral of those entities against which borrowings may be secured;
- the requirements relating to the Fund making and holding investments;
- whether the Fund’s committed capital can only be used in relation to early stage venture capital, and whether it can be transferred to other entities;
- whether the Investment Plan is connected with other plans for investment that, if combined with the Investment Plan, would lead to the Fund exceeding the \$200M fund limit; and any additional matters specified in a guideline which may be issued.

The Manager intends for the terms of the Fund and the Investment Plan to comply with the technical requirements for registration of the Fund as an ESVCLP.

As an ESVCLP, the Fund is subject to certain ownership restrictions; namely, no investor (subject to certain exceptions) may hold more than 30% of the capital commitments of the Fund.

The Fund is only permitted to invest in investments that constitute Eligible Venture Capital Investments as defined in the legislation governing ESVCLPs, as well as certain short-term or convertible loans (although this will not be a focus for the Fund). The main requirements for an investment to constitute an Eligible Venture Capital Investment are set out in the Key Terms in section 8.

The Fund may participate in transactions that otherwise meet the investment criteria but require funding greater than the prudential limits set for the Fund. In such cases, unless the Manager in its sole discretion has identified an appropriate strategic investor that brings particular expertise to a given investee company, the Manager intends to offer the Investors (pro rata to their existing commitments to the Fund) the opportunity to take up any funding shortfall. Each Investor will be free to participate in such opportunities at their discretion. Any such co-investment will be on top of the Investor’s capital commitment to the Fund, will not take place through the ESVCLP and as such, will not receive the same tax treatment as investments made through the ESVCLP.



OUR COMPANIES & PARTNERS



VENTURE

MAGAZINE

the
DISRUPTION
issue

BAT BOOTHS
KEEPING MINERS
SAFE ON SITE

POWER
STRUGGLE
FOSSIL FUELS VS RENEWABLES
IN THE POST-VIRUS GRID

**IT'S A
VIRTUAL
REALITY**
THE RISE OF
VIDEOCONFERENCING

"I think the key is Australia
needs to start investing,"
- Grey Innovation executive chair
Jefferson Harcourt

**HOW
CONSTRUCTION
KEPT GOING
AND WHY**

MAKE AUSTRALIA MAKE AGAIN
GREY INNOVATION'S VISION
FOR BRINGING MANUFACTURING
BACK TO AUSTRALIA

'Control your own destiny': Ventilator project highlights importance of local manufacturing



Breathing a sigh of relief

\$31 MILLION DEAL TO PRODUCE 2000 LIFE-SAVING MACHINES

A MELBOURNE firm is leading the charge on a \$31 million deal to produce 2000 ventilators needed to ensure intensive care units are prepared for a surge of critical care patients.

The ventilators, used to help patients breathe, will be produced by a consortium spearheaded by Richmond-based Grey Innovation and are expected to be ready by the end of July.

About 4800 ventilators are currently available across the country — including about 2000 in Victorian hospitals —

"This deal demonstrates the power of bringing Aussie manufacturers and clinicians together and is also a reflection of the highly advanced manufacturing capability that exists in our country," she said.

It also shows the incredible collaborative spirit that's been on display as we respond to this unprecedented pandemic.

Federal Industry, Science and Technology Minister Karen Andrews said the \$31 million agreement was a "great example of Australian industry and the private sector working with our government to ensure critical supply of medical equipment during the outbreak of this virus."

Official said it was of "critical importance" that new machines could be produced in Australia, with ResMed also supplying another 500 ventilators.

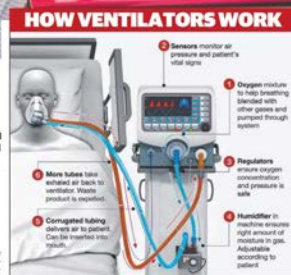
Grey Innovation secured a licence from a global manufacturer to build the machines with local suppliers.

The date government award clipped in a \$500,000 grant as part of its effort to fast-track the domestic manufacturing of ventilators.

Grey Innovation executive chair Jefferson Harcourt said Victoria was well placed to build new ventilators in quick time. He added that he was "overwhelmed" by the response from his industry colleagues to respond in this critical hour of need.

Victorian Jobs, Innovation and Trade Minister Martin Pakula said the agreement would ensure "hospitals and medical centres can continue their extraordinary efforts in caring for those who need it most."

"Local manufacturers of these life-saving machines will help us respond to intensive care cases and help save Victorian and Australian lives," he said.



Ventilator stockpile up by 3000

HOSPITALS

EXCLUSIVE
NATASHA ROBINSON
SARAH ELIAS

The number of intensive care ventilators in Australia has surged, with thousands of the machines being manufactured onshore and delivered to the federal government.

Staff at medical device company ResMed have worked overtime during the past month to provide more than 3000 ventilators, which keep patients alive when they can no longer breathe on their own.

There were an estimated 2023 intensive care beds in hospitals across the country that were filled with ventilators when the crisis began. The federal government has set a target of having 7500 ventilators available for use.

ResMed has been contracted to supply 5500.

The extra 3260 ventilators that have now been supplied will be held by the federal government in the COVID-19 national stockpile

to be distributed when hospitals require them.

Industry, Science and Technology Minister Karen Andrews said the delivery from ResMed followed extensive work to secure onshore production.

"The government has been working hard to secure supply and increase the domestic manufacture of ventilators," Ms Andrews said. "ResMed is a wonderful Aussie manufacturer that has stepped up in these unprecedented times to ramp up its production."

ResMed is a terrific example of the incredible manufacturing capacity that Australia has right here at home and shows how Aussie ingenuity can save lives."

Ventilators help a patient breathe by assisting the lungs to inhale and exhale air. A tube attached to the ventilator is inserted into a patient's mouth or nose and fed down the windpipe, or alternatively inserted through a surgically made hole in the neck.

Oxygen-rich air is fed into the lungs and carbon dioxide is removed.

There are currently 120 patients being treated for COVID-19 in Australian hospitals. Forty-nine are in intensive care, with 32 requiring ventilators.

Health Minister Greg Hunt said as well as an additional 2500 ventilators to be supplied by ResMed in coming weeks, there were a further 2000 being made by another Australian company, Grey Innovation, together with a consortium of local manufacturers and engineering firms.

"These additional ventilators will help to ensure we have sufficient supplies to meet the increased demand we expect in coming months," Mr Hunt said.

"Our national aim over the next few months is simple — suppress the virus, increase curbside and tracing, and slowly ease the restrictions."

Hospitals have already boosted their number of intensive care beds with ventilators attached by repurposing anaesthetic and transport ventilators.

NSW Health said it had dou-

“

“Everyone assumes we can just buy stuff from China but that just isn't the case. Everything is finite

Jefferson Harcourt, Grey Innovation

How ResMed beat the pack to bring ventilators into Australia

THE PLAYERS



Mick Farrell, CEO of ResMed — the company produced 5,500 ventilators for national stockpile.



Catherine Delamare, general manager, ANZ, ResMed — took control of local talks with the government.



Glenys Beauchamp — chairs Health Industry Coordination Group to oversee various PPE taskforce groups.



Greg Hunt, Health Minister — overseeing Australia's response to COVID-19.



Karen Andrews, Minister of Industry — pushed for more local manufacturing of ventilators/parts.



Jefferson Harcourt, Grey Innovation chairman — leading an industry consortium to produce ventilators in Victoria.

TIMELINE OF KEY EVENTS

- Early Jan 2020** ResMed boss Mick Farrell gets news that Wuhan hospital customers are upping orders of ventilators.
- Jan 30** WHO calls COVID-19 a global health emergency.
- Mid-Feb** Australian government begins talks with ResMed about ventilator needs.
- Mar 21** Glenys Beauchamp returns from retirement to help coordinate COVID-19 PPE response.
- Mar 31** ResMed triples ventilator production to 52,000 units in three months.
- Apr 2** White House enacts Defence Production Act to help ventilator producers.
- Apr 30** ResMed delivers 5500 ventilators to national stockpile.

SOURCE: FINANCIAL REVIEW

Commonwealth joins Vic gov in funding for ventilator manufacturing

The federal government has joined its Victorian counterparts in supporting Australian manufacturers who are providing critical medical products.

On April 9, federal Minister for Industry, Science and Technology, Karen Andrews, announced that Grey Innovation would receive \$11.3 million from the Commonwealth to produce ventilators.

This grant comes in addition to the \$100,000 Grey Innovation had received from the Victorian government. Grey Innovation is leading a consortium of manufacturers to produce ventilators. The life-saving equipment enables those with COVID-19 symptoms that limit their ability to breathe.

According to Andrews, Grey Innovation will produce 2,000 of the ventilators.

"This is another great example of Australian industry and the private sector working with our Government to ensure critical supply of medical equipment during the outbreak of this virus," she said.

"The funding is the latest round of targeted support for the Australian manufacturing industry during the COVID-19 pandemic, which have encouraged collaboration across sectors to ensure that needed supplies are being produced locally."

"This deal demonstrates the power of bringing Aussie manufacturers and clinicians together and is also a reflection of the highly advanced manufacturing capability that exists in our country," said Andrews.

"It also shows the incredible collaborative spirit that's been on display as we respond to this unprecedented pandemic. Companies which are normally in competition are working together for the greater good."

According to Grey Innovation executive chair Jefferson Harcourt, the network of advanced manufacturers in Victoria has enabled business in the state to flexibly respond to changed needs.

"Victoria has the highest concentration of leading engineering and manufacturing companies in Australia, and as such, we are well placed to work together to build the ResMed emergency breathe ventilators as quickly as possible," Harcourt said.

"We thank the Federal and Victorian Governments and the Advanced Manufacturing Growth Centre for their support of the vision and rapid response to get the program under way, and are overwhelmed by the willingness of our industry colleagues to respond in this critical hour of need."



Coronavirus shortages prompt Australia to bring manufacturing home

Critics say the country's economy is vulnerable because of its reliance on China

1.SMH 03/05/2020 2. Herald Sun 10.04.2020 3. The Australian 21.04.2020 4. Australian Financial Review 23.05.2020 5. Financial Times 15.04.2020 6. Manufacturers' Monthly April 7. Financial Times 15.04.2020

6. TAXATION

This section of the Information Memorandum is a brief guide on the Australian tax considerations that are applicable to the Partnership as an ESVCLP and the Investors as limited partners in the ESVCLP.

This summary is necessarily general in nature and is not intended to be either a definitive or exhaustive statement of all tax considerations that may be applicable. This guide is based on the current Australian judicial interpretations and the administrative practices of the Australian taxation authorities at the time of this Information Memorandum. Investors should be aware that the ultimate interpretation of the Australian tax law rests with the Australian courts, and that the law and the way that the Australian taxation authorities administer the law, may change over time. In particular, the summary does not take into account the specific circumstances of any Investor and does not consider the Australian income tax, GST or stamp duty implications of Investors acquiring and disposing of their partnership interests. Prospective Investors should therefore obtain professional tax advice that takes into account their specific circumstances before making the decision to invest, including in applicable foreign jurisdictions.

6.1 Income Tax

Taxation of the Partnership

Provided that the Partnership maintains its registration as an ESVCLP, it will be treated as a flow-through partnership for tax purposes, and will not be subject to income tax.

Taxation of Investors in the Partnership

Broadly, the Australian resident and non-resident Investors will not be subject to Australian income tax on:

- their share of the Partnership's income from Eligible Venture Capital Investments (e.g. dividends); and
- capital gains or profits from the disposal of Eligible Venture Capital Investments, where those investments have been owned for at least 12 months prior to their disposal

If the total value of the assets of a company or unit trust the shares or units in which comprise an Eligible Venture Capital Investment exceeds \$250 million at the end of any income year after the investment is made (Valuation Year), a partial income tax exemption will be available for any capital gains or profits arising from the subsequent disposal of that investment (provided the investment was owned for at least 12 months prior to its disposal). The exempt portion of any capital gains or profits on disposal will broadly equal the capital gains or profits that would have been made by the Partnership if the investment was sold six months after the end of the Valuation Year.

An Investor's share of income or gains in respect of Permitted Loans, and in respect of other investments that do not qualify as Eligible Venture Capital Investments or Eligible Venture Capital Investments that are held for less than 12 months prior to their disposal (Ineligible Investments) is taxable in the hands of the Investors.

An Investor's share of losses from the disposal or realisation of an Eligible Venture Capital Investment by the Partnership is not deductible for Australian income tax purposes, if the Partnership owned the investment for at least 12 months. An Investor's share of losses from the disposal or realisation of Ineligible Investments may be deductible. In addition, an Australian resident Investor may be entitled to a tax offset of up to 10% on contributions made to the Partnership. The tax offset is non-refundable but may be carried forward to future income years.

A non-resident Investor's share of certain types of income derived from an Eligible Venture Capital Investment (for example, dividends paid by an investee) may still be subject to withholding tax. However, it is not expected that investments of the Partnership will pay dividends (noting that the Partnership is prohibited from investing in investments where income is derived in the nature of interest, rents, dividends, royalties or lease payments).

6.2 GST

The Partnership should not be subject to any GST in respect of the acquisition or disposal of its investments to the extent that those investments will be in shares. However, GST may be payable on the acquisition of other assets.

The Partnership may also be required to pay amounts on account of GST incurred on certain fees, costs, charges, expenses and outgoings incurred in connection with the acquisition or disposal of its investments, and the management of its affairs. Depending on the nature of those fees, costs etc, the Partnership may not be able to recover from the ATO their associated GST costs in the form of "input tax credits" or "reduced input tax credits".

6.3 Stamp Duty

The Partnership may be required to pay stamp duty on the acquisition of its investments, depending on the nature and if applicable, acquired shareholding percentage of those investments.

No stamp duty should be payable on the Partnership's disposal of its investments.



7. CONFLICTS OF INTEREST

The Manager may have interests conflicting with the Fund arising in the ordinary course of its business. The Manager has documented procedures for the identification, clearance and management of any conflicts of interest.

The information set out below identifies some areas where potential conflicts may arise:

Grey Innovation Group

The Grey Innovation Group may invest, for its own account (either cash and/or in-kind services) into the portfolio companies of the Fund. Such investments will not be considered investments of the Fund and may be on terms that are different to the Fund.

Matt McNamara and Glenn Cross may be associates of another fund that may invest in portfolio companies of the Fund. Such investments will not be considered investments of the Fund and may be on terms that are different to the fund.

Co-investment Opportunities

The Fund may participate in transactions that otherwise meet the investment criteria but require funding greater than the prudential limits set for the Fund. The Investors may be offered, at the sole discretion of the Manager, an opportunity to co-invest in such circumstances.

Other clients of the Manager

The Manager may act as the trustee, responsible entity, manager or general partner for a number of clients and has fiduciary obligations and duties in relation to each of those clients that are similar to its obligations and duties in relation to the Investors.

To the extent the Investors do not take up all co-investment rights offered to them, the opportunity to co-invest with the Fund may be offered to other clients of the Manager and may occur on terms which are different to the Fund. In addition, the Manager may give advice and take action in the performance of its duties to other clients which differs from advice given and action taken in relation to the Fund.

The Manager will not be required to account to the Fund for any co-investment fees earned by it or any associate.

Subsequent Fund

The Manager will not raise a subsequent fund with the same or similar investment mandate for the time period described in the Key Terms included in section 8.

Any subsequent fund may participate in the same investment opportunities as the Fund.

Manager Investment

The Manager may separately invest in transactions where:

- a) the investment is outside the investment objectives of the Fund;
- b) the investment is a strategic investment of the Manager's business; or
- c) the investment is related to an existing investment of the Manager or an investment currently managed by the Manager.

8. KEY TERMS

Fund	<p>The Fund will be structured as an incorporated limited partnership registered as an early stage venture capital limited partnership or ESVCLP known as Grey Innovation Ventures I, LP. It is intended that most persons investing in the Fund will become limited partners in the Fund, although additional co-investment vehicles may be established to facilitate investment by particular persons. Persons investing in the Fund are referred to below as Investors. The Fund will not, and is not required to, be registered as a Managed Investment Scheme under the Corporations Act.</p>
General Partner and Ultimate General Partner	<p>The General Partner of the Fund will be Grey Innovation Ventures Management Partnership I, LP, an incorporated limited partnership which is intended to qualify as a "venture capital management partnership" under Australian law.</p> <p>The Ultimate General Partner will be an Australian registered company called Grey Innovation Investment UGP 2020 Pty Ltd.</p>
Manager	<p>The General Partner will appoint Grey Innovation Investment Partners Pty Ltd (ACN 640 474 728) as manager of the Fund to undertake the day-to-day management of the Fund. The Manager will hold or be an authorised representative under an Australian Financial Services Licence. AFSL 334906.</p>
Fund Objective	<p>The Fund's objective is long term capital appreciation, generating returns to Investors that are superior to those earned on equity or equity-related investments with comparable risk profiles.</p> <p>Specifically, while no guarantee of performance is provided, the Fund will seek to provide Investors with a minimum return (after fees, expenses and carried interest) of 20% IRR over the term of the Fund.</p>
Target size of Fund	<p>Minimum size for first closing: A\$10 million Maximum size at final closing: A\$100 million</p>
Closing Dates	<p>The Manager reserves the right to close the Fund at any time. However, a first close with A\$10M in capital commitments is expected to occur before 1 November 2021. The final closing will occur within 24 months after the first close.</p> <p>Each person who invests in the Fund at closing dates after the first closing date will be required to pay:</p> <ul style="list-style-type: none"> its share of any calls made from and after the first closing date - this amount is redistributed among limited partners so that, after the closing, all limited partners have paid up the same percentage on their capital commitment; and an additional amount equal to 6% pa of that total amount called, from the time it was called to the relevant later closing date - this amount is redistributed among prior close limited partners to compensate them for their cost of capital.

Investors	Each person that wishes to subscribe for interest in the Fund will need to complete and sign a Subscription Deed. The Manager may accept or reject any Subscription Deed in whole or in part in its sole discretion.
Management Participation	Members of the management team presently intend to invest approximately 1% of the total commitments. Investors who are members of the management team will not be entitled to vote on resolutions relating to the removal of the General Partner/Manager.
Minimum Investment	The minimum capital commitment for any investor will be A\$250,000, unless specifically permitted by the Manager. For example, the Manager may accept subscriptions for smaller amounts (in its sole discretion) from individual sophisticated investors.
Capital Contributions	Calls for capital contributions to the Fund may be made by the Manager in such amounts and at such times during the Investment Period as it considers appropriate. Calls will be payable within 10 Business Days after notice.
Initial Capital Contribution	1.5% of capital commitments will be called at the first closing.
Investment Period and Further Contributions	The Manager may make calls on capital commitments to make new investments for up to five years after the first closing date, unless extended by approval of Investors whose capital commitments represent at least 75% of the Fund's capital commitments (Investment Period), and may make calls after that to the extent necessary to make follow-on investments and to meet ongoing obligations and expenses of the Fund (including the Management Fee).
Investment Program Restrictions	<p>The investment policy of the Fund is (subject to the restrictions set out below) to actively invest in a balanced portfolio of early stage private (predominantly Australian) medtech and cleantech companies. Target companies will have technologies that offer outstanding local development capacity, international commercial opportunity, and what the Manager believes will be superior investment return at reduced risk.</p> <p>The Manager may cause the Fund to make investments in its sole discretion, subject to the following limits:</p> <ul style="list-style-type: none"> the investments must qualify as eligible venture capital investments or permitted loans; a borrowing limit of 15% of the Fund's capital commitments, to be used to accommodate any delay in receipt of funds from capital calls. <p>Broadly, the main requirements for an investment to constitute an "eligible venture capital investment" are as follows:</p> <ul style="list-style-type: none"> The investment must be in shares, options, units or certain kinds of convertible notes that are held at risk (i.e., no guaranteed return) in an investee. Immediately before the investment is made, the total value of the investee's assets (and any connected entities' assets) must not exceed \$50M.

Investment Program Restrictions (cont.)

- The investee must have the requisite connection to Australia at the time of investment (including, for example, being an Australian resident and having more than 50% of its employees and assets in Australia), although up to a maximum of 20% of the Partnership's committed capital (measure based on the value of the overseas investments from time to time) need not comply with the Australian nexus requirements.
- Subject to certain exceptions that relate to investments in holding companies and head companies of consolidated groups, the investee must satisfy at least two of the following requirements:
 - more than 75% of the investee's and its controlled entities' assets must be used primarily in activities other than "ineligible activities" (generally, property development; banking; insurance; infrastructure; or passive investments, subject to limited exceptions for special purpose holding companies or head companies of consolidated groups);
 - more than 75% of the investee's and its controlled entities' employees must be engaged primarily in activities other than ineligible activities;
 - more than 75% of the investee's and its controlled entities' total income must be generated from activities other than ineligible activities.
- The investee must be unlisted when the first investment in that investee is made. However, secondary investments in the investee may be made if the investee is listed.
- Investments must normally involve an allotment by the investee, but in certain circumstances, the Partnership may acquire "pre-owned" investments.
- The investee must have a registered auditor at the end of the financial year in which the investment occurs (subject to certain exceptions.)

Term of the Fund

The Fund will have a term of 10 years from the date of final closing, which may be extended by up to (but not exceeding) two additional years, with a possible third additional year, with the approval of Investors whose capital commitments represent at least 50% of the Fund's capital commitments.

Management Fees

The Manager is entitled to receive the following management fees:

- (i) during the Investment Period, 1.5% per annum of the aggregate of the capital commitments of the Investors (excluding management team) (plus GST); and
- (ii) after the Investment Period, 1% per annum of "adjusted capital commitments" of the Investors (plus GST).

"Adjusted capital commitments" means invested capital, less investments written down to zero.

In each case, payable calendar quarterly in advance (**Management Fee**).

Distribution Entitlements

Distributions of income and gains will (subject to certain special cases like the distributions on subsequent closings described above) be made in the following order of priority:

- first, to the Investors until they have received their drawn capital from time to time;
- second, to the Investors until they have received in addition to their drawn capital from time to time, an amount equal to an 8% IRR on such drawn capital;
- thirdly, to the General Partner as carried interest, until the amounts that it has received under this provision equal 20% of the aggregate of the amounts it has received under this provision and those amounts paid to investors under the immediately preceding paragraph;
- lastly, 80% to the Investors and 20% to the General Partner as carried interest.

The General Partner will be subject to a clawback (net of taxes) at the end of the life of the Fund if it turns out the carried interest it received during the life of the Fund exceeds the amount specified above. Members of management must enter into deed polls backing up this obligation.

Establishment Costs

The Manager will be entitled to be reimbursed for all costs properly incurred in the establishment of the Fund up to an amount of A\$300,000.

Reimbursement of Expenses

The Fund will reimburse the General Partner or Manager (or their appointees, to the extent permitted under the Constituent Documents) for all out-of-pocket expenses properly incurred in connection with the management of the affairs of the Fund. Such expenses include (without limitation):

- all fees, charges, expenses or outgoings including legal, accounting and printing fees in respect of or incidental to the acquisition, holding, management, supervision, valuation or disposal or attempted or proposed acquisition or disposal of investments (including where such investments do not proceed);
- postage and printing expenses of all receipts, acknowledgements, accounts, cheques, statements, reports, notices of meetings and other documents relating to the Partnership;
- all fees, charges, expenses or outgoings including legal, accounting and printing fees in respect of or incidental to the amendment or proposed amendment of the government documents of the Partnership;
- all fees, charges, expenses or outgoings including legal, accounting and printing fees in respect of or incidental to the registration and administration of the Partnership under the Partnership Act and the Venture Capital Act 2002 (Cth);
- fees, costs, charges, expenses and outgoings of the Auditor which are incurred in performing the obligations of the Auditor;
- interest, costs, expenses and fees and other charges incurred in connection with any bank account or borrowings or other financial accommodation of the Partnership;
- costs and expenses of directors' and officers' insurance in respect of any person appointed by the Partnership as a director of an investee entity;

Reimbursement of Expenses (cont.)	<ul style="list-style-type: none"> all taxes relating to the Partnership borne by the General Partner in its capacity as the general partner of the Partnership and the Manager in its capacity as manager of the Partnership (but not income taxes in their personal capacity and not fines or penalties).
Income and Fees paid by Investees	<p>Income and fees payable by investees or prospective investees of the Fund or by other third parties to the General Partner or Manager will be offset against the management fee. However, the General Partner or Manager may retain (without offset against the management fee) any amounts that are paid by investees or prospective investees for extraordinary services.</p>
Consequences of Default	<p>If an Investor fails to pay a capital contribution when required, interest will accrue on the resulting unpaid amount at the rate of 6% per annum above the Reserve Bank of Australia's Long Term Bond Rate. If such Investor fails to pay the amount due with interest within 30 days, the rights and entitlements attaching to the interests of that Investor will be suspended and may be forfeited or compulsorily sold by the Manager. The Investor remains liable for its unpaid capital commitment (unless sold), the costs and expenses of the forfeiture, including sale of the interest, and any unpaid calls. Any proceeds recovered from a sale by the Manager, net of unpaid capital calls, losses arising from a failure to pay a call and any costs and expenses associated with the failure to pay a call, will be returned to the Investor.</p>
Distributions	<p>Distributions of capital, income or other gains from the Fund (after all fees and expenses) may be made in such amounts and at such times as the Manager considers appropriate at its discretion. However, it is presently anticipate that distributable cash will be paid to Investors as soon as practicable after receipt by the Fund. Distributions are unlikely to be regular or predictable.</p>
Removal of the General Partner and Manager	<p>The Manager and General Partner may be removed by Investors holding 75% of the capital commitments for cause (generally involving insolvency, loss of Australian Financial Services Licence or failure to comply with the Constituent Documents) provided that at least three Investors vote in favour of such resolution. There is no termination payment payable on a termination for cause other than carried interest based on the value of the investment at the date of termination with a 50% haircut.</p> <p>The Manager and General Partner may be removed by Investors holding 75% of the capital commitments for reasons other than cause, subject to receipt of a termination fee equal to 6 months of management fee plus carried interest.</p> <p>Amounts determined to be owing to the General Partner under this clause are debts owing by the Partnership to the General Partner and must be paid in priority to other distributions.</p>

Withdrawal and Transfer from the Fund

Investors may not withdraw from the Fund or terminate their capital commitments to the Fund prior to the termination of the Fund. Interests in the Fund cannot be redeemed by Investors.

The prior written consent of the Manager is required before an Investor may transfer any or all of its interests in the Fund, which consent will not be unreasonably withheld. A transfer of the interest in the Fund will require the transferee to accede to the Constituent Documents, including by accepting liability to pay undrawn capital commitments to the Fund of the relevant transferor.

Reporting

The Manager will provide to the Investors within 45 days after the end of each half year:

- unaudited partnership accounts for the Fund;
- a narrative statement in respect of the general performance of the Fund during the half year;
- a narrative statement in respect of each investment and details of the acquisition or realisation of an investment during the half year.

Within 60 days after the end of each financial year, the Manager must provide all relevant information concerning the Fund's investments and income as reasonably necessary to allow each Investor to file its tax returns.

Within 90 days after the end of each Financial Year, the Manager must provide to each Investor partnership accounts for the Financial Year which have been audited by a registered company auditor.

Subsequent Funds

The General Partner and Manager will not raise a subsequent fund with the same or similar investment mandate until the earlier of:

- the expiry of the Investment Period;
- the date the Partnership is wound-up;
- at least 75% of the capital commitments have been called or otherwise committed or reserved for draw down; or
- the date the General Partner or Manager is removed or retires under the Constituent Documents.

Key Person

Matt McNamara will be the key person for the Fund. If a key person event occurs, the General Partner may not commit the Fund to any new investment, unless the General Partner has obtained approval of Investors holding at least 75% of the capital commitments in respect of either a proposed replacement or its election not to replace the person subject of the key person event.

A key person event will include the death, disability, resignation, retirement or other termination of employment with the Manager or in relation to the Fund of the key person, or a material reduction in the business time and attention devoted by either key person to the affairs of the Manager or the Partnership.

Key Risk Factors

Prospective investors should consider that an investment in the Fund carries certain risks. Whilst not exhaustive, a detailed description of key risk factors is presented in section 9.

9. RISK FACTORS

Investment in the Fund entails a high degree of risk and is suitable only for sophisticated investors who understand fully and are capable of assessing the risks of a Fund of this nature.

Prospective investors should consider carefully the following factors (amongst others) in making their investment decision.

These risk factors do not purport to be a complete explanation of the risks involved in investing in the Fund. Prospective investors must read the entire Information Memorandum including all attachments or appendices and must consult their own professional advisors, before deciding to invest in the Fund.

9.1 Past Performance

The performance of previous funds in which the Manager or its principals have been involved cannot be relied upon in assessing the merits of the Fund.

9.2 Reliance on the Manager and its Investment Team

Investors will have no opportunity to control the day-to-day operations, including investment and disposition decisions, of the Fund. They must rely on the ability of the Manager in identifying, structuring, developing and realising potential investments consistent with the Fund's investment objectives and policies.

Whilst it is the intention for the Manager to create and maintain a stable investment team, certain members could leave or become incapacitated which may result in a loss of capital for investors.

9.3 Liquidity

Investing in the Fund requires a long-term commitment from Investors, with no certainty of return. Some of the Fund's investments will be highly illiquid. Consequently, realisation of those investments may require a lengthy time period. There is a risk that market conditions might change before realisation of those investments can take place.

There are also restrictions on transfer of interests in the Fund, which makes an investment in the Fund illiquid. There is a risk that Investors will not be able to exit the Fund at the time of their choosing. There is no right to withdraw from the Fund or redeem interests in the Fund.

9.4 Inability to Source Investment Opportunities

The success of the Fund will depend on the identification and availability of suitable investment opportunities. There is a risk that there may be a lack of suitable investment opportunities for the Fund to invest in, given the Fund's investment philosophy and strategy. This risk is affected by a number of factors including the size of the Fund and the availability of opportunities for investment, within the Fund's intended investment markets.

The effect of the COVID-19 pandemic on investment opportunities for the Fund and the Fund's performance more generally will ultimately depend in part on the duration and severity of the pandemic, the effect of sporadic or sustained lockdowns and travel restrictions on specific companies (including the Manager and its investees) and on the economy more broadly, the nature, extent and duration of government support measures and the diversion of scarce resources to vaccine research and development, among other things.

9.5 Due Diligence

Investments will be made in early stage companies which have limited information available for due diligence. As such, some investments may be made based on limited due diligence and on publicly available information. This may increase the risks to the Fund associated with those investments.

9.6 Investment Failure

One or several investees in the Fund could suffer financial hardship and/or fail. This may lead to a loss of capital for Investors.

9.7 Investment Values Rise and Fall

Interests in the Fund are valued according to the market value of the underlying assets to which they correspond. The value of these assets will rise and fall over time. Ultimately though an Investor's return from the Fund will be determined by distributions received upon the Fund actually realising its investments upon a trade sale or IPO or other exit of the underlying investments. For Investors, the return on investment will depend on the success of the Fund's investments, and there can be no assurances that they will generate target returns. Neither the Manager nor any other entity guarantees any particular rate of return being earned by the Fund or the return of capital.

9.8 Variable Distributions

Distributions will vary from time to time depending on whether exits can be achieved. If exits are unsuccessful no distributions may be made and capital may be lost.

9.9 Economic and Political Risk

In the course of investing, the Fund will be exposed to the direct and indirect consequences of political, economic or social changes in the investment region that could affect adversely its investments. The investments could be affected adversely by changes in the general economic climate or the economic factors affecting a particular industry, changes in tax law or interest rate movements. While the Manager intends to manage or delegate management of the Fund's assets in a manner that will minimise its exposure to such risks, there can be no assurance that adverse political or economic changes will not cause the Fund to suffer losses.

9.10 Legal, Tax and Regulatory Risks

Legal, tax and regulatory changes in the Australian investment environment or otherwise, may occur during the term of the Fund which could have an adverse effect on the Fund. The Fund may not be in a position to take legal or management control of its investments. The Fund may have limited legal recourse in the event of a dispute, and remedies may have to be pursued in the courts.

9.11 Country and Currency

Certain investments of the Fund may be in countries outside of Australia. Foreign investments are subject to additional risks not involved in domestic investments. The value of foreign investments made by the Fund could be materially affected by inflation, currency devaluation, interest rate changes, exchange rate fluctuations, changes in government policies, more volatile and less liquid capital markets, different business environments, natural disasters, armed conflicts, political or social instability and other developments affecting such countries.

Final returns calculated in Australian dollars will be impacted by currency fluctuations where the Fund invests in businesses with company revenues and costs denominated in currencies other than Australian dollars.

9.12 Carried Interest

The existence of carried interest may create an incentive for the Manager to make riskier investments than might otherwise be the case.

9.13 Liability

The Constituent Documents contain provisions that are designed expressly to limit the liability of Investors, in their capacity as investors in the Fund, to the amount of their respective capital commitments. There can be no absolute assurance that the liability of Investors will be limited as intended by those provisions as the ultimate liability of Investors rests with the courts. Each Investor must satisfy itself as to the risks of the limitation and to its liability as an Investor in the Fund.

9.15 Implication of Failing to Meet Calls of the Fund

Pursuant to the Constituent Documents of the Fund, a failure of any Investor in meeting calls by the Manager can result in a forfeiture of that Investor's interest in the Fund and therefore a loss of any paid-up capital from that Investor.

9.16 Investor Change of Status

The Manager has certain rights to require an Investor to dispose of its interests in the Fund if continuing participation by the Investor in the Fund becomes unlawful.

9.17 Leverage

The Fund may use leverage to, among other things, bridge an acquisition in the short term or to bridge late calls. Leverage involves a degree of financial risk and may increase the exposure of the Fund to factors such as rising interest rates, downturns in the economy or deterioration in the conditions of the assets underlying its investments.

The assets of the Fund, including undrawn capital commitments, may be, in whole or in part, offered as security for such leverage. To the extent that the Fund is unable to meet obligations under the leverage facility, there is therefore a risk that undrawn capital commitments will be used to repay leverage.

10. JURISDICTIONAL CONSIDERATIONS

10.1 Australia

This Information Memorandum is not a Disclosure Document or Product Disclosure Statement (nor any similar disclosure document under any applicable law). It is not required to, and does not, contain all the information which would be required in a Disclosure Document or Product Disclosure Statement, or all the information that a prospective investor may desire or should obtain in order to make an informed investment decision. The Fund is not registered as a Managed Investment Scheme under the Corporations Act.

The Manager will only make an offer of interests in the Fund to a person in Australia if the offer to such person does not require a Product Disclosure Statement or other Disclosure Document under the Corporations Act. Accordingly, each prospective investor who receives an offer in Australia will be required to demonstrate that it is a "sophisticated investor" or a "professional investor" within the meaning of the Corporations Act, unless the Manager determines that another exemption is available.

10.2 New Zealand

Offers of interests in the Fund in New Zealand are only being made to investors such that the offer does not require a disclosure under the New Zealand Financial Markets Conduct Act 2013. If you receive this Information Memorandum in New Zealand, you represent and warrant that no exclusion under Schedule 1 of New Zealand financial Markets Conduct Act 2013 applies to any investment you may make in an interest in the Fund.

10.3 Singapore

This Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Information Memorandum and any other document or material in connection with the offer sale, or invitation for subscription or purchase of interests in the Fund may not be circulated or distributed, nor may interests in the Fund be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than an institutional investor pursuant to Section 274 of the Securities and Futures Act ("SFA"), pursuant to an offer that is made on terms that interests in the Fund are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, or pursuant to and in accordance with the conditions of any other applicable provisions of the SFA.



Approved and issued by the Board of the Manager



Matt McNamara
Director

11. GLOSSARY

The following terms as used in this Information Memorandum should be taken to have the following particular meanings.

Adjusted capital commitments means invested capital, less investments written down to zero.

Auditor meaning the auditor of the Fund as appointed in accordance with the Constituent Documents.

Constituent Documents means the constituent documents of the Fund, including the Limited Partnership Deed and each Subscription Deed, which contain the details of the rights and obligations of Investors.

Corporations Act means the Corporations Act 2001 (Cth) as amended and associated regulations.

Disclosure Document has the meaning given in the Corporations Act.

Eligible Venture Capital Investment means an "eligible venture capital investment" as defined in the *Income Tax Assessment Act 1997* (Cth).

ESVCLP means an Early Stage Venture Capital Limited Partnership, which has the meaning given in subsection 118-407(4) of the *Income Tax Assessment Act 1997* (Cth).

FUM having the meaning given under section 1.1.

Fund has the meaning given in section 1.

Fund Entities means the Fund, the Manager, the General Partner and the Ultimate General Partner.

General Partner has the meaning given in section 5.

GIG having the meaning given under section 3.

Grey Innovation Group means the group of companies held by the Grey Innovation Group Pty Ltd (ACN 609 525 322)

GST means the Goods and Services Tax.

Information Memorandum means this Information Memorandum

Innovation and Science Australia means an independent statutory body established to assist with the administration and oversight of the Australian Government's industry innovation and venture capital programmes delivered by AusIndustry, or any replacement thereof.

Investment Period means the period described in section 8.

Investment Plan means the period described in section 8.

Investor has the meaning given in section 5.

Limited Partnership Deed means the limited partnership deed governing the Partnership.

Manager has the meaning given under the "Important Information" section.

Management Fee has the meaning as defined under section 8.

Managed Investment Scheme has the meaning given in the Corporations Act.

Product Disclosure Statement has the meaning given in the Corporations Act.

Subscription Deed means a deed poll in a form approved by the Manager under which a person subscribes for interests in the Fund.

Ultimate General Partner has the meaning given in section 5.

Wholesale Investor means any person to whom the offer, creation or issue of an interest in the Fund would not:

- a) require the Manager or General Partner to prepare a Disclosure Document or Product Disclosure Statement;
- b) require the Fund to be registered Managed Investment Scheme under the Corporations Act; or
- c) otherwise result in a breach of an applicable law by the Manager or the General Partner.



12. CONTACT DETAILS

Manager	Grey Innovation Investment Partners Pty Ltd (ACN 640 474 728)
Attention	Mr Matt McNamara Managing Director Address Level 4/543 Bridge Road Richmond VIC 3121 Fax +61 3 8459 6998 Phone +61 3 8459 6999 Website www.greyinnovation.com
Directors	Mr Matt McNamara Phone +61 438 628 862 Email mattm@greyinnovationventures.com
	Ms Elizabeth Court Phone +61 431 998 317 Email libbycourt@bigpond.com
	Ms Susan Oliver AM Phone +61 408 070 071 Email smoliver@bigpond.net.au
	Mr Jefferson Harcourt Phone +61 401 289 292 Email jefferson.harcourt@greyinnovation.com

APPENDICES

APPENDIX A

Grey Innovation Group Companies

APPENDIX B

Grey Innovation Investment Partners Investment Process

ESVCLP eligibility checklist

Due diligence request list

GREY INNOVATION GROUP COMPANIES



THE NEED

In March 2020, as the world began to lock down to fight COVID-19, global governments looked to boost their respective stockpiles of lifesaving ventilators. As the Australian Government assessed our country's readiness for pandemic, Grey Innovation worked around the clock to develop a viable solution to build ventilators locally; and without reliance on international supply chains.



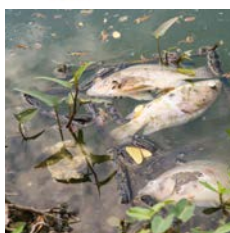
THE SOLUTION

Grey Innovation Group assembled a local consortium of thirty manufacturers to build the ventilators on home soil. With \$500K from the Victorian Government, then another \$34M from the Federal Government, Grey Innovation Group manufactured ~2,000 ventilators in under 6 months, of which 200 devices were purchased by the Victorian Government.



COMMERCIALISATION

Beyond the federal order, export opportunities for the NOTUS ventilator are in discussion. Under the NOTUS umbrella, new technologies for virus protection are being researched. Grey Innovation is leading the call to arms to strengthen local investment in technology and manufacturing to "Make Australia make again".



THE NEED

Governments, industry and environmental groups cannot easily capture and visualise accurate water monitoring data with the current method of laboratory-based analysis of field samples. Issues of water quality are not identified quickly enough to be actionable, reducing potential harm.



THE SOLUTION

Eco Detection real-time water quality monitoring provides laboratory grade data gathered in the field. Applications include environmental, agriculture, municipal, wastewater, aquaculture, horticulture, mining and energy sectors.



COMMERCIALISATION

Series A - \$3M raised with pre-money valuation of \$6M. Series A2 - \$5M raised; concluded with pre-money valuation of \$20M. \$1.6M raised in government grants.

Extensively tested in independent labs and trialled at sites in Australia and New Zealand. Exclusive global license for IP.



THE NEED

Over 85% of terror incidents globally are from home made explosives (HMEs) based on inorganic compounds. A capability gap exists with deployed trace detection systems identifying organic explosive threats only, exposing a critical weakness in the trace detection element for border security and infrastructure markets.



THE SOLUTION

GreyScan is the world's first automated inorganic trace detection. Portable, accurate and faster than lab testing, it supports real-time screening and decision-making when every second counts. GreyScan customers include homeland security, defence, governments, stadium and infrastructure owners, retailers and soon, regulated aviation.



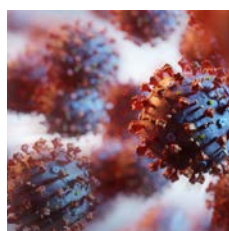
COMMERCIALISATION

Series C - \$10M raised with pre-money valuation of \$60M. Total \$22M in private funding and \$6M in government grants. Commercial product produced in 2018. Established independent manufacturing facility with capacity for production of 2,000 devices annually. Core IP patent protected/perpetual global rights for IP.



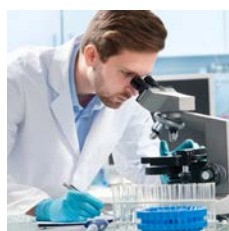
THE NEED

COVID-19 can survive on surfaces long after any deposition through coughing or sneezing from a virus confirmed carrier. Currently there is no way to detect and verify the absence or presence of the virus on surfaces outside a laboratory setting. Proof of cleanliness in public and private sector venues will be a critical step in the return to daily functions and recovery. Rapid human breath testing also in development



THE SOLUTION

The ETD-100 is already deployed for the detection of explosives mixtures on swabs taken from surfaces. The same concept can be applied for the screening of COVID-19 and other viruses with TVD-1. The fast, mobile, cheap and accurate technique can be used by non-experts to screen areas globally. Not just surfaces, development of world-first breath analysis for human testing using GreyScan technology is underway.



VIRUS DETECTION PROJECT

The TVD-1 project will be performed in three phases over fifteen months; Phase I will develop methods for using GreyScan technology to separate and identify the virus. Phase II will re-engineer the existing ETD-100 detector for virus detection. Phase III will support the industrial base required for commercialisation.



**Royal
Adelaide
Hospital**



THE NEED

All type 1 diabetics and 7% of type 2 diabetics are insulin dependent, totalling 7 million patients. Insulin dependent type 2 diabetics will increase by 20% by 2030. The current monitoring approach involves direct analysis of blood. Beyond hypoglycaemia, there are many sympathetic nervous response conditions requiring monitoring including sepsis and hypotension.



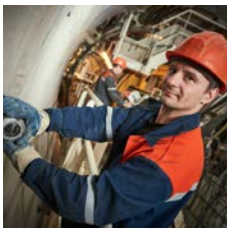
THE SOLUTION

Developed by endocrinologist, Dr Richard Brunet, Firefly is a revolutionary non-invasive device that monitors and alerts at the onset of low blood sugar levels. Hypoglycaemia is a major problem in diabetes causing disability and sometimes death. The device connects to a carers' app allowing remote monitoring of the patient in real-time.



COMMERCIALISATION

Raised \$5M in private funding and \$650K in government grants. Exclusive rights for IP and patent protected in Australia, US, China, Russia and under examination in Europe. Trials by top endocrinologists at multiple hospitals across Australia. Trials provided approx. 10,000 hours of qualified data. Currently part of a multi-site international JDRF funded trial.



THE NEED

Maintenance work of rail infrastructure often needs to be done without complete closure of the tracks. Track maintenance in the rail corridor is considered one of the most hazardous jobs in the industry. Accidents and fatalities still occur at worksites and track worker safety is a major concern.



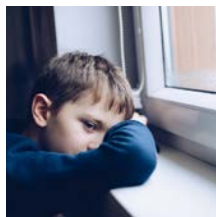
THE SOLUTION

Track Alert System (TAS) is an automatic track warning system that provides an additional safety layer for track workers above the safety systems in place at the worksite offering longer warning times as well as audible and visual alarms. Railways applicable for TAS range from urban rail transit, to pit railways for mining. TAS is also applicable in the road construction industry.



COMMERCIALISATION

Raised \$250K in government grants. Approved by the Australian Rail Track Corporation (ARTC). Systems have been trialled with Aurizon, Metro, RioTinto, and ARTC. Option agreement has been signed with the National University Singapore to evaluate a train wheel monitoring technology with Singapore Mass Rapid transit (SMRT) with the intention of combining the technology with TAS to enhance IP.



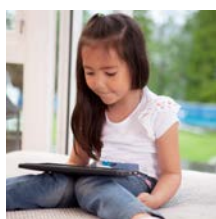
THE NEED

In Australia, 10% of children are identified as having severe attention difficulties. Globally, it's 11% of all children. Childhood attention difficulties have a lifelong impact on education, social skills, relationships, mental health and employment opportunities. The global annual cost of attention difficulties is US\$36-52B. Medication is the most common form of treatment.



THE SOLUTION

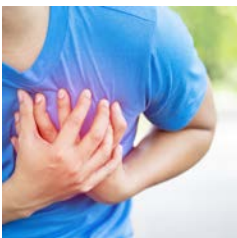
TALi is a world first platform clinically proven to measure and improve childhood attention. It offers parents and clinicians with clear, objective and quantifiable improvements in areas crucial to learning and social interaction. Designed by leading development neuroscientists and based on 20 years of peer reviewed research.



COMMERCIALISATION

ASX:TD1 \$3.1M received in government grants. Registered NDIS provider for reimbursement by government for eligible children under the scheme. Available to all Victorian school children age 5-7 through Victorian Education Dept. Expanded to US. Google for Education Partner status/research program with Duke University. China trademark.

CARDIA



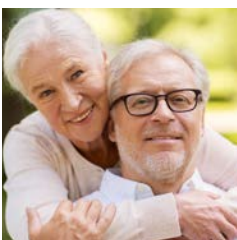
THE NEED

Heart failure affects 26 million people worldwide and is increasing at a rate of 3.1% per year. Chronic kidney disease affects between 10% of the world's population. Hospital readmissions for both conditions are a major economic burden and a key focus for governments, insurers and hospital systems.



THE SOLUTION

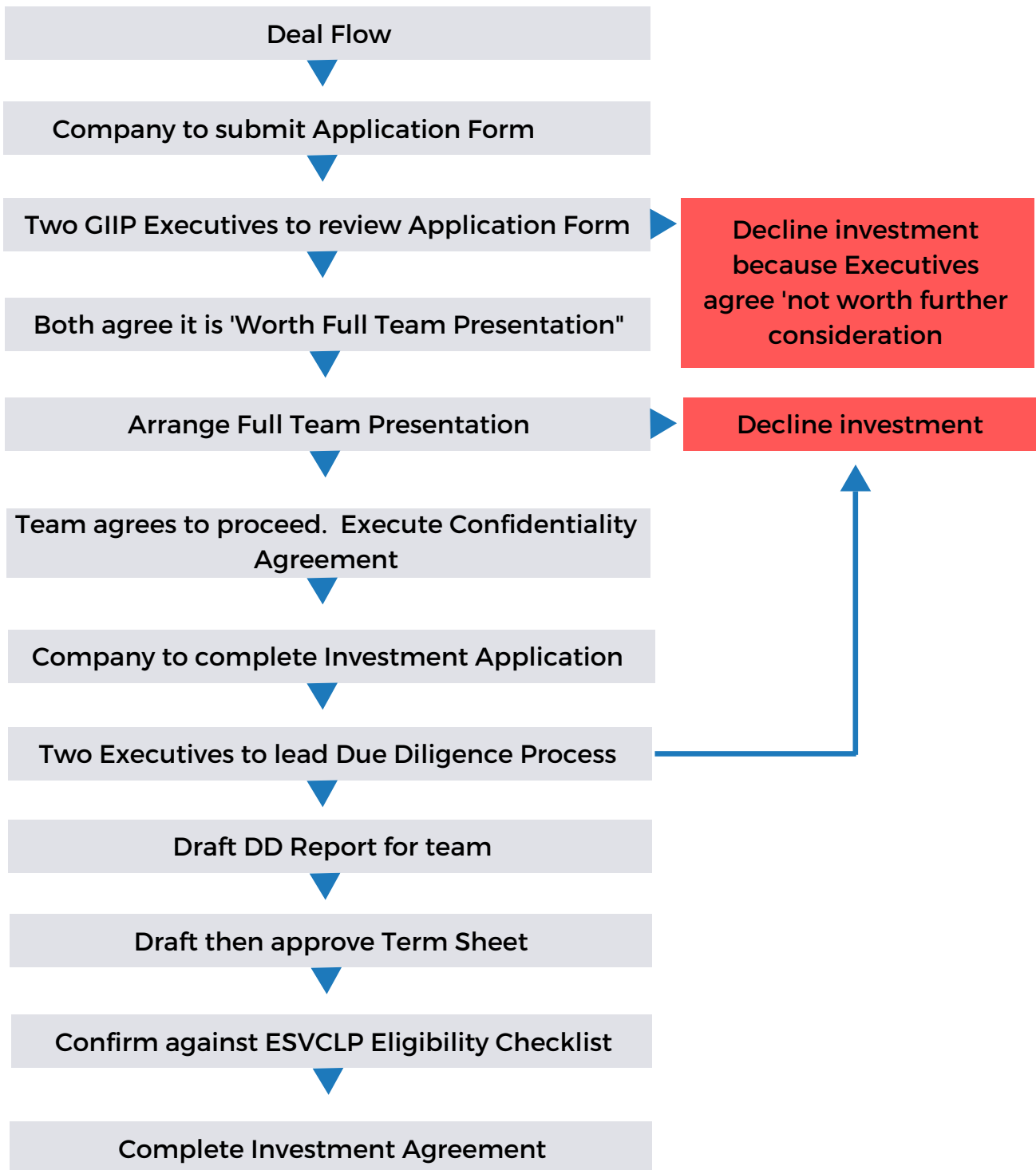
Fluid overload is a key cause of condition deterioration. Osmetric by Cardia is a non-invasive fluid monitoring device for heart failure and chronic kidney disease patients. It allows physicians to monitor patients' fluid status remotely, enabling intervention, reduced hospitalisation rates and improved patient outcomes.



COMMERCIALISATION

\$505K in private funding and \$155K in government grants. Originated from the Alfred Hospital, Melbourne. Grey Innovation and the hospital were commissioned by the Victorian Government to evaluate the feasibility. Successful clinical trials for kidney failure with studies on heart failure patients in Australia and Singapore.

GREY INNOVATION INVESTMENT PARTNERS INVESTMENT PROCESS



ESVCLP ELIGIBILITY CHECKLIST

Name of proposed investee company:

Pty. Ltd.

Date: DD/MM/YYYY

Fund Manager

Compliant?

- | | |
|--|--------|
| • Total investment amount doesn't exceed 20% of committed capital? | Yes/No |
| • Total investment in non-Australian companies <=20% of committed capital? | Yes/No |
| • All potential conflicts of interest declared and managed according to Conflicts of Interest Policy? | Yes/No |
| • Investment is at risk and not listed? | Yes/No |
| • Investment incorporated in Australia with ABN? | Yes/No |
| • Total company assets do not exceed \$50M? | Yes/No |
| • More than 50% of company employees are domiciled in Australia? | Yes/No |
| • More than 50% of company assets are situation in Australia? | Yes/No |
| • More than 75% of assets are used for eligible activities? | Yes/No |
| • More than 75% of employees are engaged in eligible activities? | Yes/No |
| • More than 75% of total assessable income derived from eligible activities? | Yes/No |
| • The company has a qualified auditor? | Yes/No |
| • Completed GP's Investment Summary report (attach)? | Yes/No |
| • Are there conflicts? (If yes, has the conflict been entered into the Conflicts Register?) | Yes/No |
| • Is the investment one of; shares in a company, options to acquire shares or convertible notes issued by the company? | Yes/No |

General Partner

- | | |
|--|--------|
| • Grey Innovation Group will own <40% of investee company at time of initial GIVI investment? | Yes/No |
| • Is the investment an eligible investment? | Yes/No |
| • Is the investment consistent with Investment Plan? | Yes/No |
| • Has the Manager provided a satisfactory Investment Summary report? | Yes/No |
| • Has the Investment Committee approved the investment? | Yes/No |
| • Has the Subscription Agreement been legally reviewed and approved by Investee and the Manager? | Yes/No |

Compliance Manager

- | | |
|---|--------|
| • Has the General Partner entered this and all investments into the Investments Register? | Yes/No |
| • Has the latest Quarterly Report included all new investments? | Yes/No |
| • Has the Financial Year accounts and Investment Register been audited? | Yes/No |

DUE DILIGENCE REQUEST LIST

General Corporate Information

- Business plan
 - Team (background/capability)
 - Market size and opportunity
 - Completion assessment and barriers to entry
 - Legal DD (shareholder agreement, current shareholders (any red flags), current debt etc.)
- Corporate facility details (owned/lease/terms) - provide agreements
- Corporate presentation/pitch deck
- Company constitution/Articles of Association

Technology and Development Path

- Company documents supporting the scientific Proof of Principle
- Peer reviewed documents supporting the technology and efficacy claims
- Peer reviewed review documents on the target Sector or Indication
- Key Opinion Leader comments
- Scientific Posters and Abstracts
- Preclinical data packages for each program including timelines and budgets
- Clinical data packages for each program including timelines and budgets

Manufacturing

- Manufacturing Plan including agreements - communications with potential partners
- Cost of goods analysis

Intellectual Property

- Summary of IP and key patents
- Ownership/license agreements relating to company IP assets
- IP audits and Freedom to Operate report
- Independent IP lawyer opinion on patent portfolio
- Discovered prior art and the strategy for dealing with said prior art

Company Strategy including returns and exits

- Is there a board approved business plan?
- Describe how the project will be commercialised
- Describe the potential exit opportunities
- Describe the estimated returns and timelines to exit of income

DUE DILIGENCE REQUEST LIST

Regulatory Path, Strategy and Communications

- Regulatory steps required for approval
- Regulatory strategy including timelines and reports
- All material communications with the regulatory authorities TGA/EMA/FDA
- Regulatory status for each product
- "Environmental benefits statement" covering the estimated lifetime benefit to the environment in terms of reduction in atmospheric carbon or the reduction in landfill waste or environmental monitoring as the first step in pollution prevention or details of any additional benefits to the overall environment

Marketing and Sales

- Marketing plan
- Pricing and reimbursement analysis
- Sales and marketing organisation chart

Key Personnel and Management

- Management (current and proposed)
- Board of Directors (current and proposed) - names and backgrounds/CVs
- Advisory Board - names and backgrounds/CVs
- Board meeting minutes (past 12 months)
- Organisational chart pre and post capital raise

Capital Structure and Requirements - Outline the funding sought for the commercialisation opportunity and proposed development program/milestones

- Current capital structure
- 3-year forecast/budgets
- 5-year financial reports
- Cash requirements and capital raising structure (placement, rights, etc.)
- A detailed 'Use of Funds'
- History of capital raised - who and including pre-money and post-money valuations

Milestones, Timelines and Exit

- Key milestones/timelines to exit or income including financials required to achieve
- Likely acquirers
- Comparable exits
- Potential partners/licensing agreements

