

Company Announcement

Recommended cash takeover offer by Allegra Innovations Pty Ltd ACN 670 616 127 (AI) for Allegra Medical Technologies Limited ACN 066 281 132 (AMT)

AI and the Board of AMT (other than Mr Nick Hartnell) are pleased to announce that they have entered into an agreement, under which AI proposes to acquire all of the issued shares in AMT by way of a recommended off-market takeover bid (Offer). The Board of AMT (other than Mr Nick Hartnell) has unanimously recommended that AMT shareholders accept a cash takeover bid from AI, in the absence of a superior offer and subject to an independent expert concluding that the offer is either fair and reasonable or not fair but reasonable.

The Offer comprises of \$0.004 cash per AMT share.

Mr Nick Hartnell, a director of AMT has not provided a recommendation on behalf of the AMT board as he holds an indirect controlling stake in AI.

AI and AMT advise that they have entered into a Bid Implementation Agreement (BIA) for a recommended off-market cash takeover offer (Offer) by AI to acquire all of the issued fully paid ordinary shares of AMT (AMT Shares).

The Board of AMT (other than Mr Nick Hartnell) unanimously supports the Offer and recommends that AMT shareholders accept the Offer, in the absence of a superior proposal, and subject to an independent expert concluding that the Offer is either fair and reasonable, or not fair but reasonable.

Offer rationale and benefits for both AMT and AI shareholders

AI and the board of AMT (other than Mr Hartnell) consider that the Offer is an acceptable opportunity for AMT shareholders to realise a certain value for their shares at a time when AMT shareholders cannot presently sell their shares on the ASX, along with paying no transaction costs and by selling the shares, having no exposure to the potential risks associated with a continuing investment in a company whose shares remain suspended from quotation on the ASX.

Mr Nick Hartnell, on behalf of AI, said:

"The Offer represents a reasonable opportunity for AMT and its shareholders, given the exceptional circumstances in which it is currently placed. AI has strategic interests that are so aligned with AMT such that they are in a position to make an Offer that allows AMT to avoid ceasing trading and appointing an administrator and allow its shareholders to recover some value on their shares."

The CEO of AMT, Jennifer Swain, said:

"This offer arose following communication with the FDA, (Refer announcement SYDNEY 6 February 2024) which highlighted the need for additional supporting information to initiate a new submission. Given AMT's limited working capital and the significant expense required to obtain the necessary data for a new FDA submission, with no guaranteed result, accepting the Takeover Bid is in the best interest of all shareholders. The Board diligently assessed various strategies and potential buyers to ensure that the chosen course of action would be in the best interest of all shareholders"

There are a number of compelling benefits for shareholders of AMT, including:

- **Reasonable Value.** The Offer represents reasonable value for AMT in the circumstances.
- **Simple Cash Offer.** Being an 'all cash' offer, the Offer provides AMT shareholders with a unique opportunity to realise a certain value for their entire AMT shareholding, with no transaction costs and no exposure to the potential risks associated with a continuing investment in a company whose shares remain suspended from quotation on the ASX.
- **Only Offer.** The Offer is the only offer presently available to AMT shareholders for their AMT Shares. The Offer secures a satisfactory outcome to all AMT Shareholders in light of the challenged circumstances in which the AMT business finds itself.

Overview of AMT

AMT seeks to improve health care standards and expectations of quality of life for patients through constant innovation and development.

Overview of AI

AI is an orthopaedic devices distribution company with its headquarters in Sydney. The company owns its own orthopaedic designs and continues to work with companies innovating in new orthopaedic devices and soft tissue reconstruction devices. AI is focussed on developing innovative technology to assist medical practitioners in the provision of orthopaedic services and create a better standard of care for patients.

Summary of the Offer

Under the Offer, AMT shareholders will receive \$0.004 cash for each AMT share held. The Offer values AMT at approximately \$478,444.

The main conditions of the Offer are:

- AI and its associates have a relevant interest in excess of 90% of the AMT Shares then on issue;
- no material acquisitions, disposals, commitments in any property or other assets of AMT or any of its subsidiaries;
- no Prescribed Occurrences between the Announcement Date and the end of the Offer Period;
- no Prescribed Occurrences between the Announcement Date and service of this Bidder's Statement;
- no materially adverse action taken by a Regulatory Authority to restrain, prohibit or impede the Offer;
- AMT has complied with conduct of business obligations between the Announcement Date and the end of the Offer Period;
- non-existence or exercise of certain rights; and

The conditions of the Offer are set out in full in Appendix 1. AI retains the right to waive any or all of the conditions of the Offer. A copy of the BIA is set out in Appendix 2.

For further information please contact:

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Jennifer Swain
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Allegra Medical Technologies Limited
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Appendix 1

Conditions to the Offer

The Offer, and any contract resulting from the acceptance of the Offer, are subject to the following conditions:

(a) **Minimum acceptance condition**

Before the end of the Offer Period, AI and its associates have relevant interests in excess of 90% of AMT Shares then on issue.

(b) **No material acquisitions, disposals, commitments, etc**

(i) Between the Announcement Date and the end of the Offer Period, neither AMT nor any of its subsidiaries:

- (A) enters into or announces an intention or proposal to enter into or offers to enter into;
- (B) discloses the existence of; or
- (C) incurs, becomes subject to, or brings forward the time for performance of (or is reasonably likely to incur, become subject to or bring forward the time for performance of),

an obligation or arrangement (other than pursuant to and in the proper discharge of a legally binding obligation entered into and fully disclosed in writing to AMT or fully disclosed to the ASX prior to the Announcement Date) or a decision by it, whether conditional or otherwise:

- (D) to acquire an interest in any property or other assets; or
- (E) to dispose of an interest in any property or other assets;
- (F) to perform or acquire the benefit of any services or supplies of goods or services in relation to any asset, business or interest where the aggregate financial liability of the AMT Group in respect of those services exceeds or may exceed \$50,000 or the term of the arrangement exceeds and cannot be terminated within 3 months;

(ii) Subparagraph (i) shall apply notwithstanding that the prospect of such an arrangement or obligation may have been disclosed to the ASX prior to the Announcement Date, it being the intent that any additional obligation or liability incurred by a member of the AMT Group, even if contemplated in a prior document such as a memorandum of understanding, will be covered by subparagraph (i) unless there has been full disclosure to the ASX prior to the Announcement Date of the incurrence of that additional liability or obligation.

(c) **No Prescribed Occurrences**

Between the period beginning on the date AI gives its Bidder's Statement to AMT and ending at the end of the Offer Period, none of the following events (each a **Prescribed Occurrence**) occurs in relation to AMT or any of its subsidiaries:

- (i) AMT converts all or any of the AMT Shares into a larger or smaller number of shares;
- (ii) AMT or a subsidiary of AMT resolves to reduce its share capital in any way;
- (iii) AMT or a subsidiary of AMT:
 - (A) enters into a buy-back agreement; or
 - (B) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;

- (iv) AMT or a subsidiary of AMT issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (v) AMT or a subsidiary of AMT issues, or agrees to issue, convertible notes;
- (vi) (without limitation to paragraph (b) above) AMT or a subsidiary of AMT disposes or agrees to dispose of the whole, or a substantial part, of its business or property;
- (vii) AMT or a subsidiary of AMT charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (viii) AMT or a subsidiary of AMT resolves to be wound up;
- (ix) a liquidator or provisional liquidator of AMT or of a subsidiary of AMT is appointed;
- (x) a court makes an order for the winding up of AMT or of a subsidiary of AMT;
- (xi) an administrator of AMT, or of a subsidiary of AMT, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (xii) AMT or a subsidiary of AMT executes a deed of company arrangement; or
- (xiii) a receiver, a receiver and manager, or other controller (as defined in the Corporations Act) is appointed in relation to the whole, or a substantial part, of the property of AMT or of a subsidiary of AMT,

provided that a Prescribed Occurrence will not include any matter:

- (xiv) required to be done or procured by AMT under this agreement or which is otherwise contemplated by this agreement; or
- (xv) approved in writing by AI, such approval not to be unreasonably withheld or delayed.

(d) **No Prescribed Occurrences between Announcement Date and service of Bidder's Statement**

Between the period beginning on the Announcement Date up to the date AI gives its Bidder's Statement to AMT, none of the events listed in subparagraphs (c)(i) to (c)(xiii) occurs.

(e) **Conduct of AMT's business**

Between the Announcement Date and the end of the Offer Period, none of the following events occurs:

- (i) except as required by law, AMT or a subsidiary of AMT:
 - (A) increases the remuneration of or pays any bonus or issues any securities or options to, or otherwise varies the employment agreements with, any of its directors or employees except as expressly required under the terms of any employment agreement existing as at the Announcement Date; or
 - (B) accelerates the rights of any of its directors or employees to benefits of any kind; or
 - (C) pays a director, executive or employee a termination payment;
- (ii) AMT or a subsidiary of AMT gives or agrees to give a financial benefit to a related party of AMT within the meaning of Chapter 2E of the Corporations Act;
- (iii) AMT or a subsidiary of AMT enters into any arrangement for the borrowing of any amount;
- (iv) AMT or a subsidiary of AMT provides security over any assets;
- (v) AMT or a subsidiary of AMT enters into any arrangement under which AMT or a subsidiary of AMT may be required to advance or provide financial accommodation to another party;
- (vi) AMT or any of its subsidiaries exercises or waives any pre-emptive rights or rights of first or last refusal in respect of any shares, assets or property held by another person prior to the final date on which those rights may be exercised;
- (vii) AMT declares, pays or distributes any dividend, bonus or other share of its profits or assets by way of dividend, capital reduction or otherwise; or

(viii) AMT or a subsidiary of AMT amends its constitution,
unless already specifically disclosed to the ASX or AI prior to the Announcement Date.

(f) **No regulatory action**

Between the Announcement Date and the end of the Offer Period:

- (i) there is not in effect any preliminary or final decision, order or decree issued by a Regulatory Authority;
- (ii) no action or investigation is announced, commenced or threatened by any Regulatory Authority with respect to AMT or the AMT Group;
- (iii) no application is made to any Regulatory Authority (other than by AI or any associate of AI),

in consequence of or otherwise relating to the Offer (other than an application or determination by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act or if the regulatory action results from action or inaction of AI or its associates) which is reasonably likely to or purports or threatens to:

- (iv) restrain, prohibit or impede, or otherwise materially adversely impact on, the making of the Offer or the completion of any transaction contemplated by the Bidder's Statement (including the acquisition of AMT Shares) or the continued ownership and operation of the business of AMT and its subsidiaries; or
- (v) require the variation of the terms of the Offer; or
- (vi) require or approve the divestiture of any AMT Shares or the divestiture of any assets of any member of the AMT Group or the AI Group.

(g) **Non-existence or exercise of certain rights**

Between the Announcement Date and the end of the Offer Period, there is no person (other than a member of the AI Group) having any rights, being entitled to or exercising any rights, alleging an entitlement, or expressing or announcing an intention (whether or not that intention is stated to be a final or determined decision of that person) and in all cases whether subject to conditions or not, as a result of any change of control event in respect of AMT (including AI acquiring shares in AMT) or any of its subsidiaries or assets, to:

- (i) terminate or alter any material contract to which AMT or any of its subsidiaries is a party;
- (ii) require the termination, modification or disposal or offer to dispose of any material interest or asset, corporate body, other entity, partnership or joint venture (incorporated or unincorporated); or
- (iii) accelerate or adversely modify the nature or performance of any material obligations of AMT or any of its subsidiaries under any material contract.

(h) **Unlisted options**

AMT enters into a deed with each holder of options over AMT Shares to cancel those options for an amount agreed by AMT, the relevant optionholder and AI.

Appendix 2

Copy of the Bid Implementation Agreement

Bid Implementation Agreement

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Allegra Innovations Pty Ltd (AI)

Allegra Medical Technologies Limited (AMT)

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Bid Implementation Agreement

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Details

Date 24 May 2024

Parties

Name	Allegra Innovations Pty Ltd
ACN	670 616 127
Short form name	AI
Notice details	10 Bundaroo Street, Bowral, NSW, 2576 Attention: Craig Martell

Name	Allegra Medical Technologies Limited
ACN	066 281 132
Short form name	AMT
Notice details	Level 8, 18-20 Orion Road, Lane Cove West, NSW, 2066 Attention: Peter Kazacos

Background

- A AI proposes to make the Takeover Bid on the terms set out in this agreement.
- B AI and AMT have agreed to cooperate with each other in the manner set out in this agreement.
- C The AMT Directors (other than Mr Nick Hartnell) have agreed to unanimously recommend the Takeover Bid, subject to the terms of this agreement.

Agreed terms

1. Defined terms and interpretation

1.1 Defined terms

In this agreement:

AMT Board means the board of directors of AMT.

AMT Director means a director of AMT.

AMT Group means AMT and its Related Entities.

AMT Indemnified Parties means AMT, its Related Entities and each of their respective Representatives.

AMT Share means a fully paid ordinary share in AMT.

AMT Shareholder means a holder of one or more AMT Shares.

Announcement is defined in clause 2.

Announcement Date means the date on which the Announcement is made.

ASIC means the Australian Securities and Investments Commission.

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

AI Group means AI and each of its Related Entities.

AI Indemnified Parties means AI, its Related Entities and each of their respective Representatives.

Bidder's Statement means the bidder's statement prepared and issued by AI in respect of the Offer.

Business means the business conducted by AMT and its Related Entities.

Business Day means:

- (a) for receiving a notice under clause 10, a day that is not a Saturday, Sunday, public holiday or bank holiday in the place where the notice is sent; and
- (b) for all other purposes, a day that is not a Saturday, Sunday, public holiday or bank holiday in New South Wales, Australia.

Business Hours means from 9.00am to 5.00pm on a Business Day.

Competing Proposal means any proposal, offer or transaction by a third party (other than AI or its Related Entities) that, if completed, would mean:

- (a) a person would acquire a relevant interest or voting power in 10% or more of AMT Shares or of the securities of any member of the AMT Group;
- (b) a person would enter into, buy, dispose of, terminate or otherwise deal with any cash settled equity swap or other synthetic, economic or derivative transaction connected with or relating to 10% or more of AMT Shares or of the securities of any member of the AMT Group;

- (c) a person would directly or indirectly acquire or obtain an interest (including an economic interest) in all or a substantial part or material part of the business conducted by, or assets or property of, AMT or any member of the AMT Group;
- (d) a person would acquire Control of AMT or any member of the AMT Group;
- (e) a person may otherwise acquire, or merge with, AMT or any member of the AMT Group (including by way of takeover bid, scheme of arrangement, capital reduction, sale of assets, sale of securities, strategic alliance, dual listed company structure, joint venture or partnership); or
- (f) AMT will issue, on a fully diluted basis, 10% or more of its capital as consideration for the assets or share capital or another person,

or any proposal by AMT to implement any reorganisation of capital or dissolution. Each successive material modification or variation of any proposal, offer or transaction in relation to a Competing Proposal will constitute a new Competing Proposal.

Conditions means the conditions precedent to the Offer which are described in Schedule 2.

Control has the meaning given under section 50AA of the Corporations Act and **Controlled** has the same meaning.

Corporations Act means the *Corporations Act 2001* (Cth).

Details means, in respect of a recipient, the notice details for the recipient set out on page 1 of this agreement under the heading 'Details'.

End Date means the end of the Offer Period.

Exclusivity Period means the period beginning on the date of this agreement and ending on the End Date.

Governmental Authority means the Government of Australia, governmental or any semi-governmental, administrative, fiscal or judicial entity or authority, minister, department, office, commission, delegate, instrumentality, tribunal, agency, board, authority or organisation of the Government of Australia, or any of its political sub-divisions.

Independent Expert means an independent expert engaged by the AMT Board to provide an opinion on whether the Offer is fair and reasonable.

Listing Rules means the listing rules of ASX.

Notice is defined in clause 10.

Offer means each offer to acquire AMT Shares to be made to each AMT Shareholder under the Takeover Bid on terms consistent with this agreement.

Offer Period means the period during which the Offer is open for acceptance.

Offer Terms means the conditions of the Offer set out in clause 4.2 and Schedule 2.

Prescribed Occurrence means an event set out in paragraph (c) in Schedule 2.

Register means the share register of AMT maintained under the Corporations Act.

Related Entity means in relation to a party, any entity that is related to that party within the meaning of section 50 of the Corporations Act or which is an economic entity (as defined in any approved Australian accounting standard) that is Controlled by that party.

Representatives means, in relation to an entity, each of its directors, officers, employees, contractors, advisers, financiers and agents.

Rights means all accretions and rights that accrue to or arise from AMT Shares after the date of this agreement, including all rights to receive dividends (but expressly excludes any franking credits attaching to those dividends or any other distribution), to receive or subscribe for shares, notes or other securities and all other distributions or entitlements declared, paid, made or issued by AMT after that date.

Superior Proposal means a written bona fide Competing Proposal which the AMT Board acting in good faith and, after having first obtained written advice from its legal and financial advisers, determines is:

- (a) reasonably capable of being completed, taking into account all aspects of the Competing Proposal; and
- (b) more favourable to AMT Shareholders than the Takeover Bid, taking into account all terms and conditions of the Competing Proposal.

Takeover Bid means an off-market takeover bid by AI (or a member of the AI Group) for all of the AMT Shares to be implemented in compliance with Chapter 6 of the Corporations Act.

Target's Statement means the target's statement to prepared and issued by AMT in respect of the Offer.

Timetable means the timetable in Schedule 1.

1.2 Interpretation

In this agreement, except where the context otherwise requires:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this agreement, and a reference to this agreement includes any schedule or annexure;
- (d) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (e) a reference to **A\$, \$A, dollar** or **\$** is to Australian currency;
- (f) a reference to time is to New South Wales, Australia time;
- (g) a reference to a party is to a party to this agreement, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (h) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (i) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (j) a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (k) the meaning of general words is not limited by specific examples introduced by **including, for example** or similar expressions;

- (l) any agreement, representation, warranty or indemnity by two or more parties (including where two or more persons are included in the same defined term) binds them jointly and severally;
- (m) any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally;
- (n) any statement made by a party on the basis of its awareness, is made on the basis that the party has, in order to establish that the statement is true and not misleading in any respect:
 - (i) made all reasonable enquiries of the officers, managers, employees and other persons who could reasonably be expected to have information relevant to the matters to which the statement relates; and
 - (ii) where those enquiries would have prompted a reasonable person to make further enquiries, made those further enquiries,
 and that, as a result of those enquiries, the party has no reason to doubt that the statement is true and not misleading in any respect;
- (o) a rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of this agreement or any part of it; and
- (p) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day.

1.3 Headings and references to AI

Headings are for ease of reference only and do not affect interpretation.

2. Announcement of Takeover Bid

2.1 Announcement of Takeover Bid

Promptly after the execution of this agreement, AI and AMT must each make a public announcement concerning the Takeover Bid in the form set out in Schedule 3 (**Announcement**).

2.2 Public announcements

- (a) Subject to clause 2.2(b), AMT must not make any public announcement or disclosure in relation to the Takeover Bid (including any announcements or presentations to staff, investors, joint venture partners, commercial contractors, governments or regulatory authorities) other than in a form approved by AI (acting reasonably).
- (b) Where AMT is required by law (including the Listing Rules) to make any announcement or make any disclosure in relation to the Takeover Bid, it may do so only after it (to the extent reasonably practicable without breaching any law or Listing Rule) has given as much notice as reasonably possible to AI and has consulted, to the fullest extent reasonable in the circumstances, with AI.

3. Parties to co-operate

3.1 Co-operation and assistance

Without limiting their obligations under this agreement, the parties must, and must procure that their Representatives:

- (a) work (including by attending meetings and by providing information) in good faith and in a timely and co-operative fashion with the other parties, and provide assistance to each other, to complete the Takeover Bid on the terms set out in this agreement; and
- (b) use all reasonable endeavours to ensure that the Offer is made in accordance with the Timetable.

3.2 Timetable

Without limiting clause 3.1(b), the parties acknowledge the Timetable is an indicative timetable and will consult with each other regularly in relation to:

- (a) performing their respective obligations within the framework established by the Timetable; and
- (b) the need to modify the Timetable.

4. The Offer

4.1 Offer by AI

- (a) AI must make Offers to all AMT Shareholders in consideration for the acquisition of all of their AMT Shares and all Rights attaching to those AMT Shares, subject to the Conditions.
- (b) The Offer will contain provisions to the effect that if any Rights are declared, paid, made, arise or accrue to an AMT Shareholder, AI may deduct from any consideration payable to that AMT Shareholder under the Offer the amount of the Rights, unless the benefit of the Rights is passed to AI.

4.2 Consideration

- (a) The consideration under the Offers will be \$0.004 cash for each AMT Share.
- (b) Nothing in this agreement in any way limits AI's ability to vary the consideration offered under the Offers in a way permitted by law.

4.3 Conditions of Offer

- (a) The Offer and any contract which results from its acceptance will be subject to the Conditions.
- (b) AI is not obliged to, but may, waive any of the Conditions.
- (c) To the extent that it is within its power to do so, each party must use reasonable endeavours to procure that:
 - (i) each of the Conditions is satisfied as soon as practicable after the date of this agreement or continues to be satisfied at all times until the last time it is to be satisfied (as the case may require); and

- (ii) there is no occurrence within the control of either of them (as the context requires) or their Related Entities that would prevent the Conditions being satisfied.

4.4 Variation of Offer

AI may:

- (a) vary the terms of the Offer in any manner permitted by law; or
- (b) waive any Condition, declare the Offer unconditional or extend it at any time.

5. Facilitation of the Offer

5.1 Promotion of Offer

AMT must participate in, and ensure the AMT Board participates in, efforts reasonably requested by AI to promote the merits of the Offer, including meeting with key AMT Shareholders and stakeholders of AMT at the reasonable request of AI.

5.2 AMT Board's recommendation

- (a) AMT represents and warrants, as at the date of this agreement, to AI that it has been advised by each member of the AMT Board (excluding Mr Nick Hartnell) that provided AI complies with clauses 4.1(a), they will, and must procure that the AMT Board will, subject to clause 5.2(b):
 - (i) recommend acceptance of the Takeover Bid and each Offer, and not subsequently change, withdraw or modify that recommendation, in the absence of a Superior Proposal to acquire all AMT Shares;
 - (ii) include in all public statements made after execution of this agreement and relating to the Takeover Bid or Offer a statement to the effect of clause 5.2(a)(i); and
 - (iii) not make any public statement or take any other action that contradicts the recommendation of the Takeover Bid or Offer by the AMT Directors in the absence of a Superior Proposal to acquire all AMT Shares.
- (b) AMT represents and warrants to AI that it has been advised by each AMT Director (other than Mr Nick Hartnell) that he will not, and AMT undertakes to AI that an AMT Director will not, change, withdraw or modify his recommendation except where:
 - (i) the AMT Board (excluding Mr Nick Hartnell) determines that a Competing Proposal constitutes a Superior Proposal; or
 - (ii) the Independent Expert concludes in its independent expert's report (either in the initial version of that report or any subsequent version published) that the Offer is not fair and not reasonable.

5.3 AI's obligations to prepare documentation

AI must prepare for the Takeover Bid:

- (a) a Bidder's Statement; and
- (b) an acceptance form for the Offer,

in each case consistently with clause 4 and in accordance with the Corporations Act.

5.4 AMT's obligations to prepare documentation

AMT must prepare a Target's Statement in response to the Offer consistently with clauses 5.1 and 5.2 and in accordance with the Corporations Act, and which includes:

- (a) a unanimous recommendation by the AMT Board (other than Mr Nick Hartnell) to AMT Shareholders to accept the Offer in respect of all of their AMT Shares in the absence of a Superior Proposal; and
- (b) a statement by AMT that each member of the AMT Board (other than Mr Nick Hartnell) has authorised AMT to make a statement in the Target's Statement that that director intends to accept the Offer in respect of all AMT Shares controlled or held by, or on behalf of, that director or any associate of that director, in the absence of a Superior Proposal.

5.5 Co-operation in relation to documentation

- (a) AI and AMT must co-operate and provide assistance to each other (which includes providing to each other any information reasonably requested) in good faith and otherwise use all reasonable endeavours to ensure that the documents referred to in this clause 5 are completed and dispatched independently as separate documents to AMT Shareholders in accordance with the Timetable.
- (b) Without limiting its obligations under clause 5.5(a), each party must:
 - (i) in the case of AI provide AMT with a copy of an advanced draft of the Bidder's Statement and in the case of AMT provide AI with an advanced copy of the Target's Statement (with parts of the independent expert's report redacted if required by AMT or the Independent Expert) as soon as reasonably practicable after its preparation, and allow the other a reasonable opportunity to provide comments on the draft document (including as to content and presentation);
 - (ii) inform the other if it has any reason to believe that any information in the document prepared by that party is, or becomes, misleading or deceptive in any material respect (whether by omission or otherwise), having regard to the form and context in which it appears, and provide to the other details of the relevant facts and circumstances of which they are aware;
 - (iii) identify to the other the sections of the document that they believe are misleading or deceptive; and
 - (iv) in finalising the draft Bidder's Statement or Target's Statement prepared by them (as the case may be), have reasonable regard to any comments provided to them by the other party.
- (c) Despite any comments or assistance provided by the parties under this agreement:
 - (i) the Bidder's Statement will be the sole responsibility of AI (who will make the final determination as to the form and content of the Bidder's Statement), and none of the AMT Indemnified Parties assumes any responsibility for the accuracy or completeness of the Bidder's Statement; and
 - (ii) the Target's Statement will be the sole responsibility of AMT (who will make the final determination as to the form and content of the Target's Statement), and none of the AI Indemnified Parties assumes any responsibility for the accuracy or completeness of the Target's Statement; and
 - (iii) the advanced draft of the Target Statement provided under clause 5.5(b)(i) must include a draft of the independent expert's report.

5.6 Early dispatch of offers

For the purposes of item 6 in section 633(1) of the Corporations Act, AMT agrees that Offers under the Takeover Bid may be sent to AMT Shareholders on the day on which the Bidder's Statement is sent to AMT or within 28 days after that day.

5.7 Consultation

Subject to AMT's obligations under clause 6.1, AMT must, as far as reasonably practicable, consult with AI within a reasonable time in advance of any action which it is aware may cause a breach of the Conditions.

5.8 Reasonable access

- (a) AMT agrees, subject to clause 5.8(b), from the date of this agreement until the end of the Offer Period, AMT must provide AI with reasonable access to the management, offices, books, records and business operations of AMT.
- (b) AI must ensure that any access under clause 5.8(a) is exercised and conducted in a manner to avoid unreasonable disruption to the conduct of AMT's business and the activities and operations of the AMT Group and its employees.

5.9 Appointment of Directors to AMT Board

AMT represents and warrants to AI that it has been advised by each AMT Director (other than Mr Nick Hartnell) that he will, and AMT must procure that the AMT Board will:

- (a) take all actions necessary to ensure the nominees of AI are lawfully appointed as directors of AMT and represent a majority of the AMT Board once AI acquires a relevant interest in excess of 50% of the AMT Shares; and
- (b) as soon as practicable after AI acquires a relevant interest in 90% or more of the AMT Shares, ensure that all directors on the AMT Board, other than AI's nominees, resign (provided that the board is constituted with the minimum number of directors at all times).

6. Conduct of business

6.1 Business covenants by AMT

- (a) From the date of this agreement up to and including the End Date, AMT must and must procure that the AMT Group does:
 - (i) conduct its business and operations in the ordinary and proper course consistent with past practice, including ensuring that it:
 - (A) maintains the business and assets of the AMT Group;
 - (B) does not grant, or agree to grant, any security interests over any of its assets;
 - (C) does not enter into, or agree to enter to, any loan agreement, or series of loan agreements or any other financial accommodation, other than with a member of the AI Group;
 - (D) does not dispose of, or agree to dispose of, any of its assets to any third party;

- (E) keeps available the services of its officers, employees and contractors; and
 - (F) preserves its relationships with customers, suppliers, licensors, licensees, joint venturers and others with whom it has business dealings,
- except:
- (G) as may be required or contemplated by this agreement; or
 - (H) as may be undertaken with the prior written approval of AI; and
- (ii) not implement or take any step to implement any action that:
 - (A) is referred to in section 652C(1) of the Corporations Act; or
 - (B) would, or would be likely to, prevent a Condition being satisfied or result in a Condition not being satisfied,
 without the prior written consent of AI.

7. Exclusivity

7.1 No existing discussions

Other than in relation to the discussions with AI in connection with the proposed Offer and this agreement, AMT represents and warrants to AI that as at the date of this agreement:

- (a) neither itself, its Related Entities nor any of their respective Representatives is a party to any agreement with a third party entered into for the purpose of facilitating a Competing Proposal by that third party;
- (b) neither itself, its Related Entities nor any of their respective Representatives is participating in any discussions or negotiations with a third party that concern, or that could reasonably be expected to lead to, a Competing Proposal;
- (c) no third party has access to any data rooms established by AMT; and
- (d) AMT has instructed all third parties to whom such data room access was granted to return or destroy the confidential information they accessed through the data room.

7.2 No-shop

Until the End Date, AMT must ensure that neither itself, its Related Entities nor any of their respective Representatives, directly or indirectly solicits, invites, initiates or encourages any Competing Proposal or any enquiries, negotiations or discussions with any third party in relation to, or that could reasonably be expected to lead to, a Competing Proposal or communicate any intention to do any of these things.

7.3 No-talk

Subject to clause 7.6, until the End Date, AMT must ensure that neither itself, its Related Entities nor any of their respective Representatives, directly or indirectly:

- (a) negotiates or enters into or participates in negotiations or discussions with any person; or

- (b) communicates any intention to do any of these things, in relation to, or which may reasonably be expected to lead to:
- (c) a Competing Proposal, even if that person's Competing Proposal was not directly or indirectly solicited, encouraged or initiated by AMT or any of its Related Entities or the person has publicly announced the Competing Proposal; or
- (d) AI's proposed acquisition of all the AMT Shares the subject of the Takeover Bid not proceeding.

7.4 No due diligence

Until the End Date:

- (a) AMT must ensure that neither itself, its Related Entities nor any of their respective Representatives, directly or indirectly:
 - (i) solicits, invites, initiates, or encourages; or
 - (ii) subject to clause 7.6, facilitates or permits, any party other than AI to undertake due diligence investigations on AMT; or
- (b) subject to clause 7.6, AMT must ensure that neither it, its Related Entities nor any of their respective Representatives directly or indirectly makes available to any other person or permits any other person to receive any non-public information relating to AMT, its Related Entities, or any of their businesses and operations, in connection with such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal,

except with the prior written consent of AI.

7.5 Notification of approaches

- (a) Until the End Date, AMT must promptly notify AI in writing of:
 - (i) any approach, inquiry or proposal made to, and any attempt or any intention on the part of any person to initiate or continue any negotiations or discussions with, AMT, any of its Related Entities, or any of their respective Representatives with respect to, or that could reasonably be expected to lead to, any Competing Proposal (whether unsolicited or otherwise);
 - (ii) any request made by any person to AMT, its Related Entities, or any of their respective Representatives, for information relating to AMT or any of its Related Entities or any of their businesses or operations or any request for access to the books or records of AMT or any of its Related Entities, in connection with such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal;
 - (iii) any intention by AMT, any of its Related Entities, or any of their respective Representatives to provide any information relating to AMT or any of its Related Entities or any of their businesses or operations to any person in connection with such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal in reliance on clause 7.6;
 - (iv) any action by AMT, any of its Related Entities, or any of their respective Representatives, or any intention of AMT, any of its Related Entities, or any of

their respective Representatives to take any action, in reliance on clause 7.6 (including under clause 7.5(a)(iii)); or

(v) any breach of this clause 7.5,

even if the restrictions in clauses 7.3, 7.4(a)(ii) and 7.4(b) do not apply because of clause 7.6.

(b) Subject to clause 7.6, a notice given under this clause 7.5 must be accompanied by all material details of the relevant event, including:

- (i) the identity of the person or persons taking any action referred to in clause 7.5(a)(i) or 7.5(a)(ii) or on whose behalf any such action was taken or any person to whom AMT intends to provide information under clause 7.5(a)(iii);
- (ii) the material terms and conditions (including price, conditions precedent, timetable and break free (if any)) of any Competing Proposal or any proposed Competing Proposal (to the extent known)
- (iii) in the case of written materials, a copy of, or in any other case, a written statement of any non-public information relating to the AMT Group's operations made available or received by any person in connection with the formulation, development or finalisation of a Competing Proposal which has not previously been provided to AI; and
- (iv) the circumstances in which any information is provided to such party.

7.6 Fiduciary out

The obligations in clauses 7.3, 7.4(a)(ii), 7.4(b) and 7.5(b) do not apply to the extent they restrict AMT or the AMT Board from taking or refusing to take any action with respect to a Competing Proposal (in relation to which there has been no contravention of this clause 7) provided that:

- (a) the Competing Proposal is bona fide and is made in writing by or on behalf of a person that the AMT Board considers is of reputable commercial standing;
- (b) the AMT Board has determined in good faith after:
 - (i) consultation with AMT's financial advisers, that the Competing Proposal is or may reasonably be expected to lead to a Superior Proposal; and
 - (ii) receiving written advice from its external legal adviser practising in the area of corporate law,

that failing to take the action or refuse to take the action (as the case may be) with respect to the Competing Proposal would, or would reasonably be likely to, constitute a breach of the fiduciary, statutory or legal obligations of the AMT Board.

7.7 Normal provision of information

Nothing in this clause 7 prevents a party from:

- (a) providing information to its Related Entities or its Representatives;
- (b) providing information to any government agency;
- (c) providing information to its auditors, advisers, customers, joint venturers and suppliers acting in that capacity in the ordinary course of business;
- (d) providing information to any AMT Shareholder in accordance with practices as existed between AMT and that AMT Shareholder prior to the date of this agreement;

- (e) providing information required to be provided by law, including without limitation to satisfy its obligations of disclosure in accordance with the Listing Rules, or any governmental agency; or
- (f) making presentations to brokers, portfolio investors, analysts and other third parties in the ordinary course of business.

8. Warranties and undertakings

8.1 Warranties by AMT

AMT represents and warrants to AI:

- (a) it is duly incorporated under the laws of the place of its incorporation and each member of the AMT Group is a corporation validly existing under the laws of its place of incorporation;
- (b) it has the power and authority to sign this agreement and perform and observe all its terms;
- (c) this agreement has been duly executed and is a legal, valid and binding agreement enforceable against it in accordance with its terms;
- (d) the execution, delivery and performance by AMT of this agreement will not:
 - (i) result in a breach of any provision of the constitution of AMT;
 - (ii) result in a breach of, or constitute a default under, any instrument to which AMT is a party or by which AMT is bound and which is material in the context of the transactions contemplated by this agreement; or
 - (iii) result in a breach of any order, judgment or decree of any court or governmental agency to which AMT is a party or by which AMT is bound and which is material in the context of the transactions contemplated by this agreement;
- (e) it is not bound by any contract which may restrict its right or ability to enter into or perform this agreement;
- (f) each member of the AMT Group is solvent and no resolutions have been passed and no other step has been taken or legal proceedings commenced or threatened against it for its winding-up or dissolution or the appointment of a liquidator, receiver, administrator or similar officer over any or all of its assets;
- (g) no regulatory action has been taken which would prevent, inhibit or otherwise have a material adverse effect on its ability to fulfil its obligations under this agreement;
- (h) AMT's financial statements as at, and for the half-year ended, 31 December 2023:
 - (i) were prepared:
 - (A) in good faith; and
 - (B) in accordance with applicable laws and generally accepted accounting principles in Australia; and
 - (ii) give a true and fair view of the financial position and performance of the AMT Group.
- (i) AMT is not in breach of its continuous disclosure obligations under the Corporations Act or the Listing Rules and is not relying on the carve-out in Listing Rule 3.1A to withhold any

information from disclosure, other than as disclosed in writing to AI or its Representatives on or before the date of this agreement;

- (j) AMT is not aware of any act, omission, event or fact that would result in one or more of the Conditions not being satisfied or otherwise fulfilled; and
- (k) the issued AMT securities as of the date of this agreement is 119,611,028 AMT Shares and the AMT Group has not issued, or agreed to issue, any other securities or instruments which may convert into AMT Shares or any other securities in AMT.

8.2 Warranties by AI

AI represents and warrants to AMT:

- (a) it is duly incorporated under the laws of the place of its incorporation;
- (b) it has the power and authority to sign this agreement and perform and observe all its terms;
- (c) this agreement has been duly executed and is a legal, valid and binding agreement enforceable against it in accordance with its terms;
- (d) the execution, delivery and performance by AI of this agreement will not:
 - (i) result in a breach of any provision of the constitution of AI;
 - (ii) result in a breach of, or constitute a default under, any instrument to which AI is a party or by which AI is bound and which is material in the context of the transactions contemplated by this agreement; or
 - (iii) result in a breach of any order, judgment or decree of any court or governmental agency to which AI is a party or by which AI is bound and which is material in the context of the transactions contemplated by this agreement;
- (e) it is not bound by any contract which may restrict its right or ability to enter into or perform this agreement; and
- (f) it is solvent and no resolutions have been passed and no other step has been taken or legal proceedings commenced or threatened against it for its winding-up or dissolution or the appointment of a liquidator, receiver, administrator or similar officer over any or all of its assets.

8.3 Undertaking by AMT

AMT undertakes to AI that it will comply with the law including its continuous disclosure obligations under the Corporations Act and the Listing Rules.

8.4 Acknowledgements

AI and AMT acknowledge that:

- (a) in entering into this agreement:
 - (i) AMT has relied on the representations and warranties provided by AI; and
 - (ii) AI has relied on the representations and warranties provided by AMT;
- (b) the representations and warranties are not extinguished or affected by any investigation into the affairs of the business of the AI or the AMT or any of their related entities; and

- (c) each representation and warranty in this clause 8.4 is severable and survives termination of this agreement.

8.5 Warranty Disclosure

Each of the AMT Warranties is subject to and qualified by:

- (a) anything arising from any information or fact within the actual or constructive knowledge of Mr Nick Hartnell in his capacity as a director of AMT;
- (b) any matter which would be apparent from undertaking a search of ASX announcements made by AMT in the 12 months preceding the date of this agreement;
- (c) any information available on public registers maintained by any of the High Court of Australia, the New South Wales or Victorian Registries of the Federal Court, the Supreme Court (throughout Australia), the New South Wales Land Titles Office (and the equivalent office in each Australian state), the Trade Marks Office, IP Australia and ASIC in respect of the Vendor, as at the date of this agreement; or
- (d) anything required or permitted to be done under this agreement or otherwise required to be done in connection with the legal obligations for the implementation of the Offer.

8.6 Release of Officers

Subject to the Corporations Act, no AMT Director will be liable for anything done or purported to be done in connection with the Offer or any transaction contemplated by this agreement and AMT releases, indemnifies and agrees to keep indemnified each AMT Director from and against any liability, claim, action, damage, cost, expense or loss suffered or incurred by any AMT Director in connection with or arising from the Offer or any transaction contemplated by this agreement, except to the extent the AMT Director has acted fraudulently or has engaged in wilful misconduct or wilful concealment in relation to this agreement. AMT receives and holds the benefit of this clause as agent for its directors and officers.

9. Termination

9.1 Material breach

- (a) Either AI or AMT (**Terminating Party**) may terminate this agreement at any time by giving written notice to the other if:
 - (i) the other is in breach of a material term of this agreement, or any representation or warranty given by the other under this agreement is untrue, inaccurate or misleading in any material respect;
 - (ii) the Terminating Party has given notice to the other of its intention to terminate this agreement under this clause 9.1 and setting out the details of the matters or circumstances giving rise to the termination right; and
 - (iii) in the case of a breach of a material term of this agreement, that breach has not been remedied within five Business Days after that Date.
- (b) On receipt of a notice under clause 9.1(a)(ii), the recipient of that notice must use its reasonable endeavours for the five Business Days referred to in clause 9.1(a)(iii) to remedy the breach that is set out in the notice.

9.2 AI termination events

AI may terminate this agreement at any time by giving written notice to the AMT if:

- (a) AMT is in breach of its obligations set out in clauses 5.1, 5.2, 5.7, 6 or 7;
- (b) the AMT Board (or any one or more members of the AMT Board (other than Mr Nick Hartnell)) change or withdraw their recommendation that AMT Shareholders accept the Offer made under the Takeover Bid in respect of all their AMT Shares or make a public statement indicating that they no longer support the Offer made under the Takeover Bid or that they support a Competing Proposal; or
- (c) a Prescribed Occurrence eventuates.

9.3 AMT termination events

AMT may terminate this agreement at any time by giving written notice to the AI if the AMT Board (or a majority of the directors of AMT (other than Mr Nick Hartnell)) change or withdraw their recommendation in accordance with clause 5.2, provided that AMT has complied with its obligations under clauses 5.2(b) and 7.

9.4 Other termination events

Either AI or AMT may terminate this agreement by giving written notice to the other if during the Offer Period:

- (a) a Court or Authority issue a final and non-appealable order or ruling or taken action which permanently restrains or prohibits the Offer;
- (b) AI withdraws the Offer for any reason including non-satisfaction of a Condition;
- (c) AI varies the terms of the Offer such that the terms of the Offer are less favourable to the AMT Shareholders than the Offer Terms; or
- (d) the Offer lapses without the Conditions being satisfied or waived.

10. Notices and other communications

10.1 Service of notices

A notice, demand, consent, approval or communication under this agreement (**Notice**) must be:

- (a) in writing, in English and signed by a person duly authorised by the sender; and
- (b) hand delivered or sent by prepaid post or facsimile to the recipient's address for Notices specified in the Details, as varied by any Notice given by the recipient to the sender.

10.2 Effective on receipt

A Notice given in accordance with clause 10.1 takes effect when taken to be received (or at a later time specified in it), and is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post, on the second Business Day after the date of posting (or on the seventh Business Day after the date of posting if posted to or from a place outside Australia);

- (c) if sent by facsimile, when the sender's facsimile system generates a message confirming successful transmission of the entire Notice unless, within eight Business Hours after the transmission, the recipient informs the sender that it has not received the entire Notice, but if the delivery, receipt or transmission is not on a Business Day or is after 5.00pm on a Business Day, the Notice is taken to be received at 9.00am on the next Business Day.

11. Miscellaneous

11.1 Alterations

This agreement may be altered only in writing signed by each party.

11.2 Approvals and consents

Except where this agreement expressly states otherwise, a party may, in its discretion, give conditionally or unconditionally or withhold any approval or consent under this agreement.

11.3 Assignment

A party may not assign or attempt to assign this agreement or any right under this agreement without the prior written consent of the other party.

11.4 Costs

AI agrees to pay the reasonable costs (including legal and IER costs) of AMT incurred in connection with this agreement, the Offer and the transaction contemplated by this agreement, provided such costs are agreed in writing by AI prior to them being incurred.

11.5 Survival

Any indemnity or any obligation of confidence under this agreement is independent and survives termination of this agreement. Any other term by its nature intended to survive termination of this agreement survives termination of this agreement.

11.6 Counterparts

This agreement may be executed in counterparts. All executed counterparts constitute one document.

11.7 No merger

The rights and obligations of the parties under this agreement do not merge on completion of any transaction contemplated by this agreement.

11.8 Entire agreement

This agreement, including its schedules, exhibits and annexures:

- (a) constitute the entire agreement between the parties in connection with its subject matter; and
- (b) in relation to that subject matter, supersedes all previous agreements or understandings between the parties and all prior conditions, warranties, indemnities or representations imposed, given or made by a party.

11.9 Further action

Subject to clause 11.4, each party must do, at its own expense, everything reasonably necessary (including executing documents) to give full effect to this agreement and the transactions contemplated by it.

11.10 Severability

A term or part of a term of this agreement that is illegal or unenforceable may be severed from this agreement and the remaining terms or parts of the term of this agreement continue in force.

11.11 Waiver

A party does not waive a right, power or remedy if it fails to exercise or delays in exercising the right, power or remedy. A single or partial exercise of a right, power or remedy does not prevent another or further exercise of that or another right, power or remedy. A waiver of a right, power or remedy must be in writing and signed by the party giving the waiver.

11.12 Relationship

This agreement does not create a relationship of employment, trust, agency or partnership between the parties.

11.13 Governing law and jurisdiction

This agreement is governed by the law of New South Wales, Australia and each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

Schedule 1 - Timetable

Date	Event
24 May 2024	AI and AMT each make an Announcement.
12 June 2024	AI lodges its Bidder's Statement with ASIC, AMT and ASX. AI dispatches the Bidder's Statements to AMT Shareholders. The Offer Period commences.
3 July 2024	AMT lodges its Target's Statement with ASIC, AI and ASX. The Target's Statement is despatched to AMT Shareholders.
12 July 2024	The Offer Period closes, unless extended.

Note: as acknowledged in clause 3.2, the above timetable is indicative only.

Schedule 2 - Conditions of the Offer

The Offer, and any contract resulting from the acceptance of the Offer, are subject to the following conditions:

(a) **Minimum acceptance condition**

Before the end of the Offer Period, AI and its associates have relevant interests in excess of 90% of AMT Shares then on issue.

(b) **No material acquisitions, disposals, commitments, etc**

(i) Between the Announcement Date and the end of the Offer Period, neither AMT nor any of its subsidiaries:

- (A) enters into or announces an intention or proposal to enter into or offers to enter into;
- (B) discloses the existence of; or
- (C) incurs, becomes subject to, or brings forward the time for performance of (or is reasonably likely to incur, become subject to or bring forward the time for performance of),

an obligation or arrangement (other than pursuant to and in the proper discharge of a legally binding obligation entered into and fully disclosed in writing to AMT or fully disclosed to the ASX prior to the Announcement Date) or a decision by it, whether conditional or otherwise:

- (D) to acquire an interest in any property or other assets; or
- (E) to dispose of an interest in any property or other assets;
- (F) to perform or acquire the benefit of any services or supplies of goods or services in relation to any asset, business or interest where the aggregate financial liability of the AMT Group in respect of those services exceeds or may exceed \$50,000 or the term of the arrangement exceeds and cannot be terminated within 3 months;

(ii) Subparagraph (i) shall apply notwithstanding that the prospect of such an arrangement or obligation may have been disclosed to the ASX prior to the Announcement Date, it being the intent that any additional obligation or liability incurred by a member of the AMT Group, even if contemplated in a prior document such as a memorandum of understanding, will be covered by subparagraph (i) unless there has been full disclosure to the ASX prior to the Announcement Date of the incurrence of that additional liability or obligation.

(c) **No Prescribed Occurrences**

Between the period beginning on the date AI gives its Bidder's Statement to AMT and ending at the end of the Offer Period, none of the following events (each a **Prescribed Occurrence**) occurs in relation to AMT or any of its subsidiaries:

- (i) AMT converts all or any of the AMT Shares into a larger or smaller number of shares;
- (ii) AMT or a subsidiary of AMT resolves to reduce its share capital in any way;
- (iii) AMT or a subsidiary of AMT:

- (A) enters into a buy-back agreement; or
- (B) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (iv) AMT or a subsidiary of AMT issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (v) AMT or a subsidiary of AMT issues, or agrees to issue, convertible notes;
- (vi) (without limitation to paragraph (b) above) AMT or a subsidiary of AMT disposes or agrees to dispose of the whole, or a substantial part, of its business or property;
- (vii) AMT or a subsidiary of AMT charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (viii) AMT or a subsidiary of AMT resolves to be wound up;
- (ix) a liquidator or provisional liquidator of AMT or of a subsidiary of AMT is appointed;
- (x) a court makes an order for the winding up of AMT or of a subsidiary of AMT;
- (xi) an administrator of AMT, or of a subsidiary of AMT, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (xii) AMT or a subsidiary of AMT executes a deed of company arrangement; or
- (xiii) a receiver, a receiver and manager, or other controller (as defined in the Corporations Act) is appointed in relation to the whole, or a substantial part, of the property of AMT or of a subsidiary of AMT,

provided that a Prescribed Occurrence will not include any matter:

- (xiv) required to be done or procured by AMT under this agreement or which is otherwise contemplated by this agreement; or
- (xv) approved in writing by AI, such approval not to be unreasonably withheld or delayed.

(d) **No Prescribed Occurrences between Announcement Date and service of Bidder's Statement**

Between the period beginning on the Announcement Date up to the date AI gives its Bidder's Statement to AMT, none of the events listed in subparagraphs (c)(i) to (c)(xiii) occurs.

(e) **Conduct of AMT's business**

Between the Announcement Date and the end of the Offer Period, none of the following events occurs:

- (i) except as required by law, AMT or a subsidiary of AMT:
 - (A) increases the remuneration of or pays any bonus or issues any securities or options to, or otherwise varies the employment agreements with, any of its directors or employees except as expressly required under the terms of any employment agreement existing as at the Announcement Date; or
 - (B) accelerates the rights of any of its directors or employees to benefits of any kind; or
 - (C) pays a director, executive or employee a termination payment;
- (ii) AMT or a subsidiary of AMT gives or agrees to give a financial benefit to a related party of AMT within the meaning of Chapter 2E of the Corporations Act;

- (iii) AMT or a subsidiary of AMT enters into any arrangement for the borrowing of any amount;
- (iv) AMT or a subsidiary of AMT provides security over any assets;
- (v) AMT or a subsidiary of AMT enters into any arrangement under which AMT or a subsidiary of AMT may be required to advance or provide financial accommodation to another party;
- (vi) AMT or any of its subsidiaries exercises or waives any pre-emptive rights or rights of first or last refusal in respect of any shares, assets or property held by another person prior to the final date on which those rights may be exercised;
- (vii) AMT declares, pays or distributes any dividend, bonus or other share of its profits or assets by way of dividend, capital reduction or otherwise; or
- (viii) AMT or a subsidiary of AMT amends its constitution,

unless already specifically disclosed to the ASX or AI prior to the Announcement Date.

(f) No regulatory action

Between the Announcement Date and the end of the Offer Period:

- (i) there is not in effect any preliminary or final decision, order or decree issued by a Regulatory Authority;
- (ii) no action or investigation is announced, commenced or threatened by any Regulatory Authority with respect to AMT or the AMT Group;
- (iii) no application is made to any Regulatory Authority (other than by AI or any associate of AI),

in consequence of or otherwise relating to the Offer (other than an application or determination by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act or if the regulatory action results from action or inaction of AI or its associates) which is reasonably likely to or purports or threatens to:

- (iv) restrain, prohibit or impede, or otherwise materially adversely impact on, the making of the Offer or the completion of any transaction contemplated by the Bidder's Statement (including the acquisition of AMT Shares) or the continued ownership and operation of the business of AMT and its subsidiaries; or
- (v) require the variation of the terms of the Offer; or
- (vi) require or approve the divestiture of any AMT Shares or the divestiture of any assets of any member of the AMT Group or the AI Group.

(g) Non-existence or exercise of certain rights

Between the Announcement Date and the end of the Offer Period, there is no person (other than a member of the AI Group) having any rights, being entitled to or exercising any rights, alleging an entitlement, or expressing or announcing an intention (whether or not that intention is stated to be a final or determined decision of that person) and in all cases whether subject to conditions or not, as a result of any change of control event in respect of AMT (including AI acquiring shares in AMT) or any of its subsidiaries or assets, to:

- (i) terminate or alter any material contract to which AMT or any of its subsidiaries is a party;
- (ii) require the termination, modification or disposal or offer to dispose of any material interest or asset, corporate body, other entity, partnership or joint venture (incorporated or unincorporated); or

- (iii) accelerate or adversely modify the nature or performance of any material obligations of AMT or any of its subsidiaries under any material contract.

(h) **Unlisted options**

AMT enters into a deed with each holder of options over AMT Shares to cancel those options for an amount agreed by AMT, the relevant optionholder and AI.

Schedule 3 - Announcement

24th May 2024



Company Announcement

Recommended cash takeover offer by Allegra Innovations Pty Ltd ACN 670 616 127 (AI) for Allegra Medical Technologies Limited ACN 066 281 132 (AMT)

AI and the Board of AMT (other than Mr Nick Hartnell) are pleased to announce that they have entered into an agreement, under which AI proposes to acquire all of the issued shares in AMT by way of a recommended off-market takeover bid (Offer). The Board of AMT (other than Mr Nick Hartnell) has unanimously recommended that AMT shareholders accept a cash takeover bid from AI, in the absence of a superior offer and subject to an independent expert concluding that the offer is either fair and reasonable or not fair but reasonable.

The Offer comprises of \$0.004 cash per AMT share.

Mr Nick Hartnell, a director of AMT has not provided a recommendation on behalf of the AMT board as he holds an indirect controlling stake in AI.

AI and AMT advise that they have entered into a Bid Implementation Agreement (BIA) for a recommended off-market cash takeover offer (Offer) by AI to acquire all of the issued fully paid ordinary shares of AMT (AMT Shares).

The Board of AMT (other than Mr Nick Hartnell) unanimously supports the Offer and recommends that AMT shareholders accept the Offer, in the absence of a superior proposal, and subject to an independent expert concluding that the Offer is either fair and reasonable, or not fair but reasonable.

Offer rationale and benefits for both AMT and AI shareholders

AI and the board of AMT (other than Mr Hartnell) consider that the Offer is an acceptable opportunity for AMT shareholders to realise a certain value for their shares at a time when AMT shareholders cannot presently sell their shares on the ASX, along with paying no transaction costs and by selling the shares, having no exposure to the potential risks associated with a continuing investment in a company whose shares remain suspended from quotation on the ASX.

Mr Nick Hartnell, on behalf of AI, said:

"The Offer represents a reasonable opportunity for AMT and its shareholders, given the exceptional circumstances in which it is currently placed. AI has strategic interests that are so aligned with AMT such that they are in a position to make an Offer that allows AMT to avoid ceasing trading and appointing an administrator and allow its shareholders to recover some value on their shares."

The CEO of AMT, Jennifer Swain, said:

"This offer arose following communication with the FDA, (Refer announcement SYDNEY 6 February 2024) which highlighted the need for additional supporting information to initiate a new submission. Given AMT's limited working capital and the significant expense required to obtain the necessary data for a new FDA submission, with no guaranteed result, accepting the Takeover Bid is in the best interest of all shareholders. The Board diligently assessed various strategies and potential buyers to ensure that the chosen course of action would be in the best interest of all shareholders"

There are a number of compelling benefits for shareholders of AMT, including:

- **Reasonable Value.** The Offer represents reasonable value for AMT in the circumstances.
- **Simple Cash Offer.** Being an 'all cash' offer, the Offer provides AMT shareholders with a unique opportunity to realise a certain value for their entire AMT shareholding, with no transaction costs and no exposure to the potential risks associated with a continuing investment in a company whose shares remain suspended from quotation on the ASX.
- **Only Offer.** The Offer is the only offer presently available to AMT shareholders for their AMT Shares. The Offer secures a satisfactory outcome to all AMT Shareholders in light of the challenged circumstances in which the AMT business finds itself.

Overview of AMT

AMT seeks to improve health care standards and expectations of quality of life for patients through constant innovation and development.

Overview of AI

AI is an orthopaedic devices distribution company with its headquarters in Sydney. The company owns its own orthopaedic designs and continues to work with companies innovating in new orthopaedic devices and soft tissue reconstruction devices. AI is focussed on developing innovative technology to assist medical practitioners in the provision of orthopaedic services and create a better standard of care for patients.

Summary of the Offer

Under the Offer, AMT shareholders will receive \$0.004 cash for each AMT share held. The Offer values AMT at approximately \$478,444.

The main conditions of the Offer are:

- AI and its associates have a relevant interest in excess of 90% of the AMT Shares then on issue;
- no material acquisitions, disposals, commitments in any property or other assets of AMT or any of its subsidiaries;
- no Prescribed Occurrences between the Announcement Date and the end of the Offer Period;
- no Prescribed Occurrences between the Announcement Date and service of this Bidder's Statement;
- no materially adverse action taken by a Regulatory Authority to restrain, prohibit or impede the Offer;
- AMT has complied with conduct of business obligations between the Announcement Date and the end of the Offer Period;
- non-existence or exercise of certain rights; and

The conditions of the Offer are set out in full in Appendix 1. AI retains the right to waive any or all of the conditions of the Offer. A copy of the BIA is set out in Appendix 2.

For further information please contact:

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Jennifer Swain
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Allegra Medical Technologies Limited
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jenny.swain@allegraorthopaedics.com

Appendix 1

Conditions to the Offer

The Offer, and any contract resulting from the acceptance of the Offer, are subject to the following conditions:

(a) **Minimum acceptance condition**

Before the end of the Offer Period, AI and its associates have relevant interests in excess of 90% of AMT Shares then on issue.

(b) **No material acquisitions, disposals, commitments, etc**

(i) Between the Announcement Date and the end of the Offer Period, neither AMT nor any of its subsidiaries:

- (A) enters into or announces an intention or proposal to enter into or offers to enter into;
- (B) discloses the existence of; or
- (C) incurs, becomes subject to, or brings forward the time for performance of (or is reasonably likely to incur, become subject to or bring forward the time for performance of),

an obligation or arrangement (other than pursuant to and in the proper discharge of a legally binding obligation entered into and fully disclosed in writing to AMT or fully disclosed to the ASX prior to the Announcement Date) or a decision by it, whether conditional or otherwise:

- (D) to acquire an interest in any property or other assets; or
- (E) to dispose of an interest in any property or other assets;
- (F) to perform or acquire the benefit of any services or supplies of goods or services in relation to any asset, business or interest where the aggregate financial liability of the AMT Group in respect of those services exceeds or may exceed \$50,000 or the term of the arrangement exceeds and cannot be terminated within 3 months;

(ii) Subparagraph (i) shall apply notwithstanding that the prospect of such an arrangement or obligation may have been disclosed to the ASX prior to the Announcement Date, it being the intent that any additional obligation or liability incurred by a member of the AMT Group, even if contemplated in a prior document such as a memorandum of understanding, will be covered by subparagraph (i) unless there has been full disclosure to the ASX prior to the Announcement Date of the incurrence of that additional liability or obligation.

(c) **No Prescribed Occurrences**

Between the period beginning on the date AI gives its Bidder's Statement to AMT and ending at the end of the Offer Period, none of the following events (each a **Prescribed Occurrence**) occurs in relation to AMT or any of its subsidiaries:

- (i) AMT converts all or any of the AMT Shares into a larger or smaller number of shares;
- (ii) AMT or a subsidiary of AMT resolves to reduce its share capital in any way;
- (iii) AMT or a subsidiary of AMT:
 - (A) enters into a buy-back agreement; or
 - (B) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;

- (iv) AMT or a subsidiary of AMT issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (v) AMT or a subsidiary of AMT issues, or agrees to issue, convertible notes;
- (vi) (without limitation to paragraph (b) above) AMT or a subsidiary of AMT disposes or agrees to dispose of the whole, or a substantial part, of its business or property;
- (vii) AMT or a subsidiary of AMT charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (viii) AMT or a subsidiary of AMT resolves to be wound up;
- (ix) a liquidator or provisional liquidator of AMT or of a subsidiary of AMT is appointed;
- (x) a court makes an order for the winding up of AMT or of a subsidiary of AMT;
- (xi) an administrator of AMT, or of a subsidiary of AMT, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (xii) AMT or a subsidiary of AMT executes a deed of company arrangement; or
- (xiii) a receiver, a receiver and manager, or other controller (as defined in the Corporations Act) is appointed in relation to the whole, or a substantial part, of the property of AMT or of a subsidiary of AMT,

provided that a Prescribed Occurrence will not include any matter:

- (xiv) required to be done or procured by AMT under this agreement or which is otherwise contemplated by this agreement; or
- (xv) approved in writing by AI, such approval not to be unreasonably withheld or delayed.

(d) **No Prescribed Occurrences between Announcement Date and service of Bidder's Statement**

Between the period beginning on the Announcement Date up to the date AI gives its Bidder's Statement to AMT, none of the events listed in subparagraphs (c)(i) to (c)(xiii) occurs.

(e) **Conduct of AMT's business**

Between the Announcement Date and the end of the Offer Period, none of the following events occurs:

- (i) except as required by law, AMT or a subsidiary of AMT:
 - (A) increases the remuneration of or pays any bonus or issues any securities or options to, or otherwise varies the employment agreements with, any of its directors or employees except as expressly required under the terms of any employment agreement existing as at the Announcement Date; or
 - (B) accelerates the rights of any of its directors or employees to benefits of any kind; or
 - (C) pays a director, executive or employee a termination payment;
- (ii) AMT or a subsidiary of AMT gives or agrees to give a financial benefit to a related party of AMT within the meaning of Chapter 2E of the Corporations Act;
- (iii) AMT or a subsidiary of AMT enters into any arrangement for the borrowing of any amount;
- (iv) AMT or a subsidiary of AMT provides security over any assets;
- (v) AMT or a subsidiary of AMT enters into any arrangement under which AMT or a subsidiary of AMT may be required to advance or provide financial accommodation to another party;
- (vi) AMT or any of its subsidiaries exercises or waives any pre-emptive rights or rights of first or last refusal in respect of any shares, assets or property held by another person prior to the final date on which those rights may be exercised;
- (vii) AMT declares, pays or distributes any dividend, bonus or other share of its profits or assets by way of dividend, capital reduction or otherwise; or

(viii) AMT or a subsidiary of AMT amends its constitution, unless already specifically disclosed to the ASX or AI prior to the Announcement Date.

(f) **No regulatory action**

Between the Announcement Date and the end of the Offer Period:

- (i) there is not in effect any preliminary or final decision, order or decree issued by a Regulatory Authority;
- (ii) no action or investigation is announced, commenced or threatened by any Regulatory Authority with respect to AMT or the AMT Group;
- (iii) no application is made to any Regulatory Authority (other than by AI or any associate of AI),

in consequence of or otherwise relating to the Offer (other than an application or determination by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act or if the regulatory action results from action or inaction of AI or its associates) which is reasonably likely to or purports or threatens to:

- (iv) restrain, prohibit or impede, or otherwise materially adversely impact on, the making of the Offer or the completion of any transaction contemplated by the Bidder's Statement (including the acquisition of AMT Shares) or the continued ownership and operation of the business of AMT and its subsidiaries; or
- (v) require the variation of the terms of the Offer; or
- (vi) require or approve the divestiture of any AMT Shares or the divestiture of any assets of any member of the AMT Group or the AI Group.

(g) **Non-existence or exercise of certain rights**

Between the Announcement Date and the end of the Offer Period, there is no person (other than a member of the AI Group) having any rights, being entitled to or exercising any rights, alleging an entitlement, or expressing or announcing an intention (whether or not that intention is stated to be a final or determined decision of that person) and in all cases whether subject to conditions or not, as a result of any change of control event in respect of AMT (including AI acquiring shares in AMT) or any of its subsidiaries or assets, to:

- (i) terminate or alter any material contract to which AMT or any of its subsidiaries is a party;
- (ii) require the termination, modification or disposal or offer to dispose of any material interest or asset, corporate body, other entity, partnership or joint venture (incorporated or unincorporated); or
- (iii) accelerate or adversely modify the nature or performance of any material obligations of AMT or any of its subsidiaries under any material contract.

(h) **Unlisted options**

AMT enters into a deed with each holder of options over AMT Shares to cancel those options for an amount agreed by AMT, the relevant optionholder and AI.

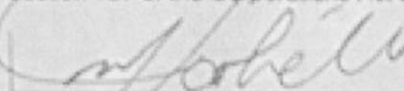
Appendix 2

Copy of the Bid Implementation Agreement

Signing page

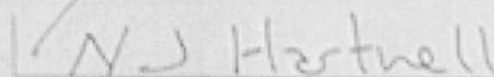
EXECUTED as an agreement.

Executed by Allegra Innovations Pty Ltd
(ACN 670 616 127) in accordance with
section 127 of the Corporations Act 2001



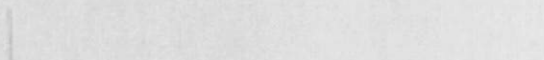
Signature of sole director and sole company secretary

who states that he is the sole director and the sole company
secretary of the company

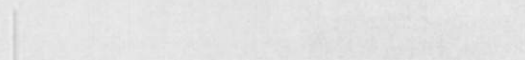


Name of sole director and sole company secretary (print)

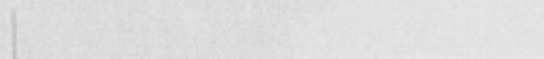
Executed by Allegra Medical Technologies
Limited ACN 066 281 132 in accordance with
Section 127 of the Corporations Act 2001



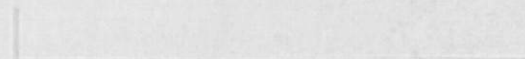
Signature of director



Signature of director/company secretary
(Please delete as applicable)



Name of director (print)



Name of director/company secretary (print)

Signing page

EXECUTED as an agreement.

Executed by **Allegra Innovations Pty Ltd**
(ACN 670 616 127) in accordance with
section 127 of the *Corporations Act 2001*

Signature of sole director and sole company secretary

who states that he is the sole director and the sole company
secretary of the company

Name of sole director and sole company secretary (print)

Executed by **Allegra Medical Technologies
Limited ACN 066 281 132** in accordance with
Section 127 of the *Corporations Act 2001*

Signature of director

Signature of director/company secretary
(Please delete as applicable)

Name of director (print)

Sean Mulhearn

Name of director/company secretary (print)