REPLACEMENT PROSPECTUS

RENERVE LIMITED
ACN 614 848 216

Offer of up to 35,000,000 Shares at an issue price of $0.20 per Share to raise up to $7,000,000 (before costs and expenses of the Offer).

The Offer is subject to a minimum subscription of 25,000,000 Shares to raise $5,000,000 (before costs and expenses of the Offer).

Lead Manager – Alpine Capital Pty Ltd

This document is important. You should read it in its entirety. You should consult your stockbroker, accountant or other professional adviser before deciding whether to invest in Shares.

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IMPORTANT NOTICE

This Prospectus is an important document and requires your prompt attention. You should read it carefully. It is important that you consider the risk factors (see section 6) before deciding on your course of action as these could affect the financial performance of ReNerve Limited (**ReNerve** or **Company**).

Offer

The Offer contained in this Prospectus is an invitation to acquire Shares in the Company.

Lodgement and listing

This Replacement Prospectus (**Prospectus**) is dated 29 October 2024 and a copy of this Prospectus was lodged with ASIC on that date. It contains certain changes to and replaces the Prospectus dated 16 October 2024. In summary, amendments were made to:

- clarify that the Company's ability to continue as a going concern is not contingent on successful completion of the Offer;
- highlight certain risks associated with an investment in the Company in the Chairman's letter (including risks relating to intellectual property);
- expand on the summaries of certain material contracts (see section 10);
- clarify elements of the Company's proposed use of funds (including working capital and operating expenses) and the Company's costs of the Offer (see sections 4.10 and 11.8 respectively);
- make the summaries of certain risks associated with an investment in the Company in section 1 clearer and more concise; and
- otherwise improve the accuracy of certain statements made in the Prospectus and to correct other minor drafting and cross-referencing points.

The Company will within 7 days of the date of this Prospectus lodge an application with the ASX for admission of the Company to the official list of the ASX and quotation of all Shares (including New Shares issued pursuant to this Prospectus) on the ASX. Neither ASX nor ASIC takes any responsibility for the contents of this Prospectus. The fact that the ASX may admit the Company to its official list is not to be taken in any way as an indication of the merits of the Company or the New Shares offered under this Prospectus.

Expiry Date

No Shares will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. Shares offered pursuant to this Prospectus will be issued on the terms and conditions set out in this Prospectus.

Note to Applicants

This document is important and should be read in its entirety. You should read this entire Prospectus carefully before deciding whether to subscribe for Shares. In particular, you should consider the risk factors that could affect the performance of the Company or the value of an investment in the Company, some of which are outlined in section 6.

The information contained in this Prospectus is not investment advice and does not take into account your investment objectives, financial situation, tax position or particular needs. Before deciding whether to subscribe for Shares, you should consider whether they are a suitable

investment for you in light of your personal circumstances (including financial and taxation issues) and seek professional guidance.

Consider risks of investment

It is important that you read this Prospectus carefully and in full before deciding whether to invest in the Company. In particular, in considering the prospects of the Company you should consider the best estimate assumptions underlying any forward-looking statement, together with the risk factors that could affect the Company's business, financial condition and results of operations, including macroeconomic and market condition risks. Some of the key risk factors that should be considered by prospective investors are set out in section 6 of this Prospectus.

However, there may be risk factors in addition to these that should be considered in light of your personal circumstances. You should carefully consider these factors in light of your investment objectives, financial situation and particular needs (including financial and taxation issues) and seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

Exposure Period

The Corporations Act prohibits the Company from processing the Applications received until after the Exposure Period. The Exposure Period is the 7 day period from the date of this Prospectus and may be extended by ASIC by up to a further 7 days. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants. That examination may result in the identification of deficiencies in this Prospectus, in which case any Application received may need to be dealt with in accordance with section 724 of the Corporations Act.

Jurisdiction

This Prospectus and the **enclosed** Application Form (including any electronic prospectus) do not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. In particular, the distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

United States

The Shares (including the New Shares) have not been, and will not be, registered under the US Securities Act 1933 (**US Securities Act**) and may not be offered or sold in the United States of America, or to, or for the account or benefit of, any person in the USA.

Singapore

This document and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Shares, may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA. This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this

document to any other person in Singapore. Any offer is not made to you with a view to the Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (SFO). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance). No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

Please see section 4.17 for more details.

The financial information in this Prospectus in section 7 and the Investigating Accountant's Report in section 8 have been prepared for use in Australia.

Form of Prospectus

This Prospectus is posted on https://renerve.com.au (**Website**). If you access the electronic version of this Prospectus you should ensure that you download and read the entire Prospectus.

Any references to documents included on the Website are provided for convenience only, and none of the documents or other information on the Website is incorporated by reference in this Prospectus.

Persons who receive a copy of this Prospectus in its electronic form may obtain a paper copy of the Prospectus (including any supplementary document and the Application Form) free of charge by contacting the Company.

Disclaimer

Investors should not rely on any information about the Company or the Shares which is not contained in this Prospectus in making a decision as to whether to acquire Shares under the Offer. No person is authorised to give any information, or to make any representation, in connection with the Company or the issue of Shares which is not contained in this Prospectus. Any information or representation which is not in this Prospectus may not be relied on as having been authorised by the Company, the Directors or any other person in connection with the issue of Shares.

Except as required by law, and then only to the extent so required, no person warrants or guarantees the future performance of the Company or any return in relation to a decision made by an Applicant under this Prospectus.

Speculative investment / dividend policy

The intellectual property assets and business model of the Company are, as yet, unproven, and an investment in the Company should be regarded as speculative.

Accordingly, there is no guarantee of the payment of any dividends or like distributions to successful Applicants by the Company and the ability to pay any dividends will be dependent on generating sufficient revenue and profits to support the payment of dividends.

Forward looking statements

The forward-looking statements in this Prospectus are based on the Company's current expectations, estimates, forecasts and projections about the Company's business and the industry in which the Company operates. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors and which could cause actual results, performance or achievements to differ materially from the expected future results, performance or achievements expressed or implied by the forward-looking statements in this Prospectus. This Prospectus details some important factors and risks which could cause the Company's actual results to differ from the forward-looking statements in the Prospectus.

These forward-looking statements speak only as at the date of this Prospectus. Unless required by law, the Company does not intend to publicly update or revise any forward-looking statements to reflect new information or future events.

Defined terms and glossary

Capitalised words and expressions used in this Prospectus are defined in the Glossary at section 12 of this Prospectus.

Financial amounts

Financial amounts in this Prospectus are expressed in Australian dollars unless otherwise stated. Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding.

Photographs and diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration purposes only and should not be interpreted to mean that any person shown endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Time references

A reference to time in this Prospectus is to Australian Eastern Daylight Time (AEDT) being the local time in Melbourne, Australia, unless otherwise stated.

No cooling-off rights

Cooling-off rights do not apply to an investment in Shares issued or transferred under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

Privacy

The Company collects information about each Applicant provided on an Application for the purposes of processing the Application and, if the Application is successful, to administer the Applicant’s security holding in the Company. By submitting an Application, each Applicant

agrees that the Company may use the information provided by that Applicant on that Application for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX, ASIC and other regulatory authorities.

If an Applicant becomes a security holder of the Company, the Corporations Act requires the Company to include information about the security holder (name, address and details of the securities held) in its public register. This information must remain in the register even if that person ceases to be a security holder of the Company. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Application, the Company may not be able to accept or process your Application.

An Applicant has a right to gain access to the information that the Company and the Share Registry holds about that person subject to certain exemptions under law. Access requests must be made in writing to the Company.

Questions

If you have any questions about how to apply for Shares, please call your broker or the Share Registry on 1300 288 664.

CHAIRMAN'S LETTER

Dear Investor,

The directors of ReNerve Limited (**ReNerve** or the **Company**) are delighted to present this Prospectus for the Initial Public Offer (**IPO**) of new shares in the Company. We take great pleasure in inviting you to become a shareholder of ReNerve by participating in the IPO as part of the proposed listing of ReNerve shares on the Australian Securities Exchange (**ASX**).

ReNerve focusses on developing bio-material based medical devices to deliver superior outcomes in the treatment of peripheral nerve injury (**PNI**) and related applications. The global market for bio-material based devices for the treatment of PNI is growing rapidly from an estimated US$1.68 billion in 2023 to US$6.2 billion by 2031, representing a compound annual growth rate of 17.8%.

PNIs have serious consequences for patients, including deterioration of motor and sensory function, ongoing pain, and over the longer term diminished mental health and independence. Unfortunately, patients are poorly served by the products and surgical procedures that are the current standard of care, many of which were originally developed for other applications, are not easy for surgeons to use, or deliver sub-optimal therapeutic outcomes.

ReNerve aims to deliver significantly better patient outcomes by developing and marketing a comprehensive portfolio of bio-material based medical devices specifically designed for PNI treatment. In particular, the devices have been designed for ease of use in surgery. They are based on bio-materials that incorporate technology specifically developed to promote nerve regrowth through providing an optimised, clean and debris-free environment, minimising scarring and the negative effects of inflammation.

Our first product, the NervAlign® Nerve Cuff, has received regulatory clearance from the United States Food and Drug Authority (**FDA**) and has been launched in the US market. We have secured product approval for the NervAlign® Nerve Cuff in a growing number of US hospitals and seen the cuff used successfully in more than 100 surgical procedures across a range of applications. The NervAlign® Nerve Cuff has demonstrated excellent therapeutic outcomes and has received strong endorsement from a number of leading nerve repair surgeons. The NervAlign® Nerve Cuff is achieving strong sales growth.

ReNerve is currently developing a portfolio of complementary products for PNI treatment. Some of these products are based on the same technology as that used in the FDA-approved NervAlign® Nerve Cuff, which we expect will allow us to achieve regulatory approval and get to market at relatively low cost, with modest risk and in accelerated time frames. In addition, we are developing devices based on our proprietary technology to provide nerve repair solutions for long length PNI, for which there are currently limited satisfactory solutions.

We will use the proceeds from our IPO to invest in the development and approval of our planned new products and to fund the sales and marketing initiatives required to aggressively bring those products to market. With a comprehensive range of medical devices for PNI treatment, we are confident that we will be able to leverage our existing logistics infrastructure, sales networks, customer base and growing brand recognition in the US market to achieve further sales growth.

We are motivated by the opportunity to deliver materially improved therapeutic outcomes to patients suffering from PNI and related nerve damage. We are equally excited about the prospects of building a business that generates material value for shareholders of ReNerve. We would welcome you as an investor in ReNerve to share in that value.

Under the IPO, investors are being offered new shares in the Company at a subscription price of $0.20 per share, to raise a minimum of $5.0 million and up to $7.0 million, as detailed in the Prospectus. Alpine Capital Pty Ltd has been appointed as Lead Manager to the IPO.

ReNerve is an early-stage biotech company, which is currently loss making. Therefore, an investment in the Company is subject to a range of specific risks. For instance, the development of ReNerve's product portfolio may be more costly or take more time than expected, or may not achieve the expected clinical endpoints. Additionally, ReNerve's new products will require regulatory approvals, in most cases as medical devices, and rejection, delay or subsequent loss of regulatory approvals could impact the business. Further, ReNerve is subject to competition from well-established market participants and, potentially, new market entrants. These existing and potential competitors may respond to ReNerve's growth initiatives through aggressive marketing campaigns or price discounting, or through product improvements or new product introductions. Finally, ReNerve's intellectual property strategy (which in part is to rely on confidential know-how and speed to market rather than patent protection) may prove sub-optimal. Please see the IP report in section 9 for further information regarding the IP specific risks, which we encourage you to read in full. These factors may affect ReNerve's market share, sales volumes and margins.

There are of course general risks associated with an investment in ReNerve, including insufficient funding, reliance on key personnel, macroeconomic factors, and risks associated with share market investments generally.
A detailed summary of the main risk factors associated with an investment in the Company is set out in section 6 of the Prospectus. We encourage you to read the Prospectus in full, including the risks outlined in section 6.

The Closing Date for application and payment for shares under the IPO is 5.00pm AEDT on Friday, 15 November 2024, unless the Maximum Subscription of $7 million is reached earlier, or later as determined by the Directors.

We look forward to your support and participation in our IPO, and hope to welcome you as a ReNerve shareholder in the near future.

Yours sincerely

Stephen Cooper
Chairman

KEY OFFER STATISTICS

Offer price	$0.20
Total number of Shares to be issued under the Offer	25,000,000 at Minimum Subscription, and 35,000,000 at Maximum Subscription
Amount to be raised under the Offer	$5,000,000 at Minimum Subscription, and $7,000,000 at Maximum Subscription
Implied market capitalisation at the Offer price	$26,355,624 at Minimum Subscription, and $28,355,624 at Maximum Subscription

INDICATIVE TIMETABLE

Event	**Date**
Lodgement of Prospectus with ASIC	Wednesday, 16 October 2024
Lodgement of Replacement Prospectus with ASIC	Wednesday, 29 October 2024
Opening Date of Offer	Wednesday, 30 October 2024
Closing Date of Offer	Friday, 15 November 2024
Issue of new Shares	Tuesday, 19 November 2024
Expected despatch date of Holding Statements	Tuesday, 19 November 2024
Expected date for Shares to commence trading on ASX	Friday, 22 November 2024

Note: The above dates are indicative only. The Company reserves the right to alter this timetable including the Opening Date of Offer and the Closing Date of Offer. Applicants are advised to lodge their Application Forms as soon as possible after the Opening Date if they wish to invest in the Company.

1. INVESTMENT HIGHLIGHTS

This section is a summary of key information contained in this Prospectus and is not intended to provide full information for investors intending to apply for Shares. This Prospectus should be read and considered in its entirety. The Shares offered under this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or their future value.

TOPIC	SUMMARY	MORE INFORMATION
Company Overview		
Who is the Company and what does it do?	ReNerve Limited ACN 614 848 216 (**Company** or **ReNerve**). The Company is focussed on peripheral nerve injury repair. It develops, commercialises and markets a portfolio of biomaterial-based medical devices used in the protection, repair and/or replacement of peripheral nerves during surgery. Following United States Food and Drug Administration (**FDA**) market clearance for its first product, the NervAlign® Nerve Cuff, ReNerve has successfully built a sales and distribution network and initial customer base in the key US market, which will support sales across the ReNerve product portfolio. ReNerve is developing products with an aim of demonstrating superior efficacy and ease of use through surgical endorsements and published case studies. ReNerve's strategy is to develop and commercialise a broader portfolio of medical devices focussed on nerve repair. It plans to leverage its demonstrated product development skills, proven technology and established US-based logistics and sales infrastructure to grow its business in the USA, with an opportunity in the next 12 to 24 months to address other markets globally. ReNerve will seek to develop a competitive advantage relative to other industry participants by developing and marketing products with superior characteristics in terms of cleanliness, their ability to promote nerve regeneration and their ease of surgical use. In particular, ReNerve proposes to deliver better patient outcomes by developing and selling products that: a) protect nerve regrowth from scarring and the negative effects of inflammation; b) provide an ideal, debris free environment for nerve regeneration and the re-establishment of native condition nerve function; and c) minimise the risks of post-surgery complications.	See section 2

What are the Company's key strengths?	ReNerve's growth plans are underpinned by: a) a senior management team with extensive experience in the development and marketing of tissue-based medical device products; b) a Scientific Advisory Board comprising eminent surgeons with deep experience in the surgical applications and markets on which ReNerve is focussed; c) proven technology and proprietary intellectual property that can be leveraged to deliver superior products for nerve protection, repair or replacement, at relatively low cost, low risk and within accelerated timeframes; and d) the opportunity to grow revenue by offering a suite of high value follow-on products currently under development to a growing network of US customers (surgeons and hospitals), who are already users of ReNerve's NervAlign® Nerve Cuff.	See section 2
What are the Company's key business strategies?	The Company's business strategy is to develop and commercialise a portfolio of products that provide surgeons with a complete range of options for the protection, repair and/or replacement of peripheral and other nerves during surgery. The global market for peripheral nerve injury repair is significant and there is a need for new products that provide more consistent and better patient outcomes. The products and core technologies developed by ReNerve will have application in a range of surgical procedures where peripheral and other nerves need to be protected, repaired and/or replaced. To date the utility of ReNerve's NervAlign® Nerve Cuff has been demonstrated in traumatic injury, breast reconstruction, foot and ankle repairs and carpal tunnel surgery. In particular, ReNerve expects that the technology underpinning the NervAlign® Nerve Cuff and ReNerve's proprietary intellectual property will enable it to accelerate the development and commercialisation of new products currently under development. ReNerve plans to use its existing logistical and sales infrastructure to market these products to current and new customers in the USA, generating sales synergies and increased user demand. In the next 12 to 24 months, ReNerve will also seek to grow its business in markets outside the USA.	See section 2
Industry Overview		
What is the industry in which the Company operates and what are the Company's key markets?	The Company operates in the nerve treatment and replacement market, and more specifically, in the peripheral nerve injury (**PNI**) market. Functioning peripheral nerves help people move, eat, walk, and jump and are the movement and sensation nerves throughout the body and limbs. While PNI is most often associated with trauma, nerves can be injured in	See section 3

	other ways, such as during or after surgery. PNI adversely affects sensation and muscle control and movement, often with chronic pain. Full recovery is uncommon, and outcomes post-surgery are varied. Negative symptoms commonly persist, affecting long term quality of life. Emotional and mental health issues such as depression are common. Although surgeons do have access to products for some nerve injury repair procedures, the outcome of these procedures can vary considerably. ReNerve is focused on developing cleaner, safer, and better products to reduce patient recovery times and deliver improved outcomes, targeting return to native functioning nerves.	
What is the nature and scale of the nerve treatment and replacement market?	The global peripheral nerve injury market was estimated to be worth around USD $1.68 billion in 2023* and is expected to grow at a compound annual growth rate (CAGR) of 17% between 2024 and 2031. Additional nerve injury procedures are performed during breast reconstruction, oral and maxillofacial surgery, foot and ankle repairs, carpal and cubital tunnel revisions and nerve decompressions. **Source: Global Nerve Repair Biomaterials Market Research Report, 2020-2031*	See section 3
What products currently exist in the nerve treatment and replacement market?	Current products on the market in the nerve space include nerve cuffs and wraps, nerve connectors (hollow tubes) and allograft / donor tissue grafts. The two main companies with peripheral nerve repair and replacement products on the market are AxoGen and Integra, both of which have a nerve cuff or wrap and a nerve graft/implant product. Current options for surgeons include several different nerve wraps, 'hollow tubes' know as nerve connectors or conduits, and replacement nerves/nerve grafts either from donor tissue (AxoGen) or Integra's NeuroGen® 3D nerve guide (tube with collagen and chondroitin sulphate from shark) (Yannas et al 1989, Lee et al 2012). However, there remains scope for better nerve cuffs that are safe, clean, naturally absorbed within a functional time and therefore produce better patient outcomes. Likewise, for the replacement of damaged peripheral nerves, there is market demand for more functional and improved products. The key for ReNerve is to develop superior products specifically designed to meet the physiological and clinical needs of nerve repair and replacement, by contrast to many products currently on the market that are effectively adaptations of existing products developed for other applications, often with sub-optimal surgical handling characteristics or patient outcomes.	See section 3
How does regulation affect the nerve treatment and	ReNerve's products are medical devices. The Company's products and manufacturing processes are required to comply with the medical device regulations	See section 3.4

replacement markets?	and international standards applicable to the markets in which the Company operates. The current principal market for the Company's products is the United States, where the Company's products are regulated by the FDA and are subject to and require approval under the Federal Food, Drug, and Cosmetic Act. ReNerve has FDA 510(k) market clearance for its first product, the NervAlign® Nerve Cuff. The NervAlign® Nerve Cuff is also registered in New Zealand. The Company is exploring approvals in other jurisdictions through the relevant regulatory agencies. See section 2.6 for further details regarding the Company's activities in other jurisdictions.	
Company's business model		
What are the Company's products and what are they used for?	The Company has four main products, with the NervAlign® Nerve Cuff on the market in the United States (and New Zealand) and the other three products at various stages of development: • NervAlign® Nerve Cuff – The ReNerve NervAlign® Nerve Cuff is a pliable, semi-permeable, resorbable membrane made of collagen. It is designed to protect traumatised but intact nerves, sutured and short gap nerve repairs where ends have been re-approximated, and suture sites of nerve grafts. The tissue product is made using a proprietary and clean eCOO technology, is biodegradable and is designed to protect from scarring and excess inflammation, while allowing nutrients and neurotrophic factors to pass through to facilitate nerve repair. Studies have shown that when the ReNerve NervAlign® Nerve Cuff was implanted around nerves, no neuroma formation was observed, there were no adverse changes to the nerves, the cuff was full resorbed and allowed for full recovery of the nerve after six months. The ReNerve NervAlign® Nerve Cuff is highly rated for its pliability and use in surgery. The product also has the potential to be used in conjunction with cell therapies to enhance patient recovery. Therefore, the NervAlign® Nerve Cuff can be used in a wide range of nerve repair and nerve replacement surgical procedures. See section 2.6. • The NervAlign® Nerve Conduit – ReNerve is developing the nerve conduit for use in the repair of injured peripheral nerves where a	See section 2

	small gap occurs due to the removal of a small amount of damaged nerve. The Nerve Conduit will be made using the same core eCOO technology as used in the production of the ReNerve NervAlign® Nerve Cuff. ReNerve has successfully completed prototypes of the NervAlign® Nerve Conduit and is investigating commercial scale manufacturing options for the product. The nerve conduit is implanted between two cut ends of the nerve and protects and provides structural support and guidance for the nerve's natural regeneration to occur across a small gap, typically less than 2 cms. Therefore, the nerve conduit acts very much like the nerve cuff in protecting the nerve repair site and promoting nerve regeneration. The nerve conduits have the benefit in the US marketplace that the rate of reimbursement is higher than for nerve cuff products, and therefore tend to be used more frequently in some hospital systems. See section 2.7. • The NervAlign® Nerve Guide Matrix – ReNerve is developing a size-based range of 'off-the-shelf' Nerve Guides for the repair of damaged nerves, as alternatives to autologous harvested nerves and donor nerves. Prototypes of the product have demonstrated excellent results in sheep models. The NervAlign® Nerve Guides will offer surgeons the ability to repair transected nerves (neurotmesis) without the need to harvest a donor nerve from another site in the patient, reducing both the economic and physical impact of the procedure as well as creating an environment for a better outcome for the patient. See section 2.8. • The NervAlign® Bionic Nerve – ReNerve has commenced the process of developing a 'bionic' nerve graft (Bionic Nerve) to repair long nerve gaps. The initial prototypes are assessing natural collagen fibre and polymer technologies, with the goal to have an 'off-the-shelf' nerve that can be cut to measure to replace damaged nerves. Currently there is no effective option for surgeons in the replacement of longer nerves (>3-5 cm), with current options (donor or autologous tissue) providing inconsistent, sub-optimal outcomes. See section 2.9.	
What has been the Company's	In February 2022, ReNerve received the initial market clearance from the FDA for its first product, the NervAlign®	See section 2

early sales experience?	Nerve Cuff, with establishment registration completed in May 2022. Following the initial market clearance letter from the FDA, ReNerve entered into arrangements for outsourced warehousing and logistics via a facility in Minneapolis. This infrastructure allows for product storage, overnight shipping to customers, and invoicing and related accounts receivable functions. Following initial sales in July 2022, in October 2022 ReNerve commenced a soft launch of the NervAlign® Nerve Cuff in the US market. Given ReNerve's capital constraints, ReNerve has entered the US market on a basis that seeks to minimise fixed costs but instead has a primary focus on working with commission based third party sales representatives. ReNerve has commenced by dividing the US into five zones: West, Midwest, South, South-West and North-East. In each of these regions ReNerve has targeted at least one key surgical centre or hospital system as both a cornerstone customer and local reference point. Since the product launch in October of 2022, the company has been working with its distributors to gain product approval for use in as many hospitals as possible across the US. In addition, ReNerve has sought to build relationships with leading surgeons with active practices in peripheral nerve repair or related fields. ReNerve is working with a number of these surgeons in post-market clinical studies to explore the application of the NervAlign® Nerve Cuff in peripheral nerve repair and related applications. The Company and the relevant surgeons will aim to present and publish this data in the future. Notwithstanding the challenges inherent in using an outsourced sales force, the sales and marketing limitations resulting from ReNerve's capital constraints and the strong position of the incumbent market participants, ReNerve has progressively grown its customer base (in terms of hospitals in which the NervAlign® Nerve Cuff is approved for use and in terms of surgeons who are repeat users of the product.) The growing customer base was reflected in strong sales growth for the six months to 30 June 2024, with sales for the period up 250% on the prior period (six months to 31 December 2023) and 73% on the prior corresponding period (six months to 30 June 2023) (both comparisons in US$ terms). This strong performance has continued into the start of the current financial year ending 30 June 2025, with sales for the three month period July to September 2024 up 128% relative to the prior corresponding period (in US$ terms). In May 2022 ReNerve registered the NervAlign® Nerve Cuff in New Zealand. While this is a much smaller market	

	than the US market, ReNerve has had some reference cases in New Zealand.	
Who are the Company's customers?	The Company works with surgeons and hospitals as the customers for ReNerve.	See section 2
In which geographic markets does the Company intend to operate?	The Company currently manufactures the NervAlign® Nerve Cuff in Europe and has a partner in the US to manufacture some of its new product range in the US. In terms of sales and distribution of its products, the Company currently operates primarily in the United States, with limited sales in New Zealand. In 2022 ReNerve entered into a partnership with Yuan Yu for the approval and sales and marketing of the NervAlign® Nerve Cuff in Taiwan, and is well advanced in the regulatory filing process. The Company intends to commence sales and marketing in Taiwan upon receipt of the relevant regulatory approvals. ReNerve will consider entry into additional markets having regard to factors including regulatory approval costs and potential market size, including in due course in Europe and Australia.	See section 2
How does the Company expect to fund its activities?	The Company will fund its operations from the proceeds of the Offer, product sales and from its existing cash reserves.	See section 2
What is the Company's competitive position?	ReNerve has developed and is developing products that provide the supporting and protective environment needed for peripheral nerve regeneration. The ReNerve products are very clean and safe, with no toxic materials or methods used in their production and no residual cleaning elements, unlike other products on the market. This reduces the potential for negative inflammatory responses that can lead to scarring and reduce the quality of the patient's recovery and outcome. ReNerve's products are also designed to be consistent with existing surgical techniques but to offer greater convenience for surgeons. NervAlign® Nerve Cuff studies have shown protection of the nerve post surgery, with full recovery of the nerve after six months, characterised by: • no inflammation; • an absence of neuroma formation; and • full resorption of the cuff. ReNerve is developing optimised products fit for purpose for nerve repair and replacement instead of using products that have been developed for other uses and adapted for nerve repairs. In particular, by contrast with	See section 2

	other products, the ReNerve NervAlign® Nerve Cuff is ultimately absorbed, leaving no residual elements with the repaired nerve present in its native surrounding fascia tissue. In addition, surgeons have rated highly the handling characteristics and pliability of the product.	
Summary of key financial information		
What is the financial position of the Company?	Investors should be aware that the Company is in the early stages of its growth, with a focus on developing its portfolio of product and building its customer base. Accordingly, the Company is currently making a loss. A summary of the Company's financial information is included in section 7 and the Investigating Accountant's Report included in section 8. Applicants should note that past performance is not a reliable indicator of further performance. Investors should be aware that the Company's ability to operate as a going concern is not contingent on successful completion of the Offer. If the Offer was not successful, the Company would deploy other measures to ensure that it could continue to operate as a going concern, including re-prioritising elements of its business plan and R&D program, pursuing other capital raising opportunities (see section 10.13) and management of costs and expenses.	See section 7
Terms and conditions of the Offer		
What is the Offer?	The Company is offering a maximum of 35,000,000 Shares to the public at an issue price of $0.20 each to raise up to $7,000,000 before costs (**Offer**).	See section 4
Is there a minimum and maximum subscription for the Offer?	Yes, the minimum subscription is 25,000,000 Shares to raise $5,000,000 before costs (**Minimum Subscription**) and the maximum subscription is 35,000,000 Shares to raise $7,000,000 before costs (**Maximum Subscription**).	See section 4
Why is the Offer being conducted?	The principal purposes of the Offer are to: • comply with ASX's requirements for listing the Company on ASX; • provide funds to support the growth of the Company, as set out in section 4.4; • provide the Company with access to equity capital markets for future funding needs; and • enhance the public and financial profile of the Company to facilitate further growth of the Company's business.	See section 4
How do I apply for Shares under Offer?	All Application Forms must be completed in accordance with their instructions and must be accompanied by payment in Australian dollars for the full amount of the application at $0.20 per Share.	See section 4

	Payment may be made by BPAY, EFT or via cheque. Cheques must be made payable to "ReNerve Limited – Subscription Amount" and should be crossed "Not Negotiable". Applications under the Offer must be for a minimum of 10,000 Shares (i.e. $2,000).	
What rights and liabilities are attached to the Shares being offered?	The rights and liabilities attaching to the Shares are described in section 11.2.	See section 11.2
Is the Offer underwritten?	No. The Offer is not underwritten. The Offer will be managed by Alpine Capital Pty Ltd (**Lead Manager**).	See section 4.15
Will any capital raising fees be payable in respect of the Offer?	The Lead Manager will be entitled to a fee of 6% of capital raised (comprising a management fee of 4% and a selling fee of 2%). The capital raising fee will be paid in cash. The Company has also agreed to grant the Lead Manager Options in the Company equivalent to 2% of the fully diluted capital of the Company post completion of the Offer with an exercise price of $0.30 and a three-year expiry from the date of issue (**Lead Manager Options**). The grant is conditional on the Lead Manager successfully raising the Minimum Subscription. Based on the Minimum Subscription the Lead Manager will be granted 2,747,513 Lead Manager Options and based on the Maximum Subscription, the Lead Manager will be granted 2,951,594 Lead Manager Options.	See sections 4.16 and 10.9
Will the Shares issued under the Offer be quoted?	The Company will apply to ASX no later than 7 days from the date of this Prospectus for admission of the Company to the official list of ASX, and official quotation of the Shares offered under this Prospectus is expected to be under the code RNV (subject to ASX's confirmation).	See section 4
When will I know if my application was successful?	Holding statements confirming allocations under the Offer will be sent to successful applicants as required by ASX. Holding statements are expected to be issued to Shareholders on or about Tuesday, 19 November 2024.	See section 4
When will the Shares be allotted?	Subject to the Minimum Subscription being raised, allotment of the Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.	See section 4
Can I speak to a representative about the Offer?	Questions relating to the Offer and completion of Application Forms can be directed to the Company's Lead Manager at Charles Reed (email: Charles@alpinecapital.au, contact number: +61 437 533 220).	See section 4

What is the allocation policy?	The allocation of Shares under the Offer will be determined by the Lead Manager in consultation with the Company (the Company will not allocate shares under the Offer in circumstances where to do so would contravene section 606 of the Corporations Act).	See section 4
What are the tax implications of investing in Shares?	The acquisition, holding and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each Shareholder. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring, holding or selling Shares pursuant to the Offer, from a tax perspective and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability or responsibility with respect to the tax consequences of subscribing for Shares under this Prospectus.	See section 4
Is there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on the acquisition of Shares under this Prospectus.	See section 4
Can the Offer be withdrawn?	The Offer is conditional on ASX approving the application. If approval is not given within 3 months after such application is made (or any longer period as ASIC and ASX may permit) the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practical in accordance with the requirements of the Corporations Act. The Offer is also conditional on the Minimum Subscription being achieved. See section 4.11 for information on the Offer Conditions. The Company also reserves the right not to proceed with the Offer at any time before the issue of the Shares and no interest will be paid on any Application monies refunded as a result of the withdrawal of the Offer. See section 4.9.	See sections 4.9 and 4.11
Use of funds		
How will funds raised under the Offer be used?	Funds raised under the Offer will be applied towards: • NervAlign® Nerve Conduit studies and product development • Post market study for the NervAlign® Nerve Cuff • The NervAlign® Nerve Guide Matrix program • The NervAlign® Bionic Nerve program • IPO costs • Working capital and operating expenses	See section 4

Capital structure		
What is the effect of the Offer on the capital structure of the Company?	Following the Offer, the Company's Share capital will be as set out in section 4.12	See section 4
Key risk factors		
Investors should be aware that subscribing for Shares in the Company involves a number of risks. The risk factors are set out in detail in section 6. The risks include risks particular to the industry sectors in which the Company operates and particular to its business strategy, as well as the general risks applicable to all investments in listed shares, which may affect the value of the Shares in the future. An investment in the Company should be considered speculative. This section summarises only some of the risks which apply to an investment in the Company and investors should refer to section 6 for a more detailed summary of risks.		
Are there risks?	Yes This summary should not be relied on. Greater detail is provider in section 6. It is strongly recommended that you read section 6 in full. The risks described in section 6 include risk areas considered specific to the Company which are set out in in section 6 and summarised below.	See section 6
Research and development program	ReNerve's new products require research and development throughout their early stages, and it is possible that ReNerve's development of its product portfolio may prove more costly or take more time than expected, or may not achieve the expected clinical endpoints.	See section 6
Rejection or delay in receiving regulatory approvals	All ReNerve's other products will require regulatory approvals, in most cases as medical devices. Rejection, delay or subsequent loss of regulatory approvals could impact the business.	See section 6
Non-acceptance of ReNerve products by surgeons	ReNerve's marketing strategy relies on acceptance of its products by surgeons.	See section 6
Loss of EMCM exclusivity	ReNerve currently has exclusivity under the EMCM Agreement (its manufacturing and supply agreement). Exclusivity is dependent on ReNerve satisfying certain take or pay exclusivity obligations. Loss of exclusivity could expose the NervAlign® Nerve Cuff to greater competition.	See sections 6 and 10.2
Termination of EMCM Agreement	Termination of the EMCM Agreement is unlikely but is possible if ReNerve breaches its obligations or if EMCM	See section 6

	became insolvent or otherwise incapable of performing its obligations.	
Manufacturing and production risks - EMCM	ReNerve's NervAlign® Nerve Cuff and NervAlign® Nerve Conduit products are to be manufactured in a single location by EMCM, and as such that location is exposed to risks of harm caused by natural or man-made disasters, or operation or human error, which may result in manufacturing disruptions or an inability to manufacture and produce its products for some time. This has the potential to limit, delay or prevent supply of ReNerve's products and have an adverse impact on the availability of ReNerve's products to customers, which would affect contractual obligations, particularly with respect to failure to supply.	See section 6
Manufacturing and production risks – raw materials	Key raw materials used in the manufacture of the products include pigs sourced from the Netherlands. If there were to be any virus or other external force majeure event that diminished access to these resources, this could have an adverse effect on the manufacture of ReNerve's products (by causing delay). Similarly, in relation to all the other items and materials used in assembling the final product, there could be changes in or disruptions of production, in which case alternatives would be required / sought and there may be a need to re-perform validation testing.	See section 6
Competition	ReNerve competes against many existing and potential competitors. ReNerve's competitors may be able to increase market share through aggressive marketing campaigns, product improvements, acquisitions or price discounting, which may affect ReNerve's market share, sales volumes and margins.	See section 6
Reverse engineering / copycat by ReNerve competitors	A significant part of ReNerve's IP strategy is to rely on know-how and speed to market rather than patent protection, and there is a possibility that competitors will seek to replicate ReNerve's products.	See section 6
Intellectual property generally	The value of ReNerve's products depends in part on its success in maintaining trade secrets and other intellectual property rights to protect ReNerve's proprietary technologies. If ReNerve's intellectual property and proprietary technology is not adequately protected, competitors may be able to use the technologies or the goodwill ReNerve has acquired in the marketplace and erode or negate any competitive advantage ReNerve may have, which could harm ReNerve financially.	See section 6

	ReNerve relies on protecting its trade secrets especially with regard to its manufacturing processes. Although ReNerve implements reasonable endeavours to protect its trade secrets, these measures may not always be sufficient to protect its trade secrets. ReNerve may not be able to meaningfully protect its trade secrets and unpatented know-how and keep them secret. ReNerve also cannot be certain that others will not independently develop similar technologies on their own, gain access to ReNerve's trade secrets or have disclosed to them such technologies. This could allow competitors to commercialise products in competition with ReNerve's products and erode its competitive advantage.	
Product liability	Any defects in ReNerve's products may harm ReNerve and its customers' reputation and business. ReNerve may also be subject to warranty and liability claims for damages related to defects in its products. There may also be adverse events reported from the use, misuse or defects of ReNerve's products which could expose ReNerve to product liability claims or litigation.	See section 6
Product recall	A product recall could be imposed if there is a serious adverse event (**SAE**). This risk exists even if a product is cleared or approved for commercial sale by the FDA or other regulatory authorities and manufactured in facilities licensed and regulated by the FDA or other regulatory authorities.	See section 6
Product pipeline and development of new products	ReNerve's future commercial success is dependent on the continued advancement of existing products and the research and development of new products. Developing new products is expensive and time consuming and products may fail to reach the market or to achieve meaningful sales once they have received market clearance.	See section 6
Insufficient funding	ReNerve is in the medical devices business and such businesses require additional capital from time to time to progress development programs. There is no guarantee that ReNerve will be able to raise the funds required in a timely manner or at a reasonable cost when required by it.	See section 6
Reliance on key personnel	There can be no assurance that ReNerve will be able to retain key personnel. The departure of key personnel may adversely affect ReNerve until suitable replacements are recruited.	See section 6
Further testing risk	ReNerve may be required to undertake further testing or clinical trials of its products (if it was directed to do so by regulators), which, by their very nature, are uncertain in their outcome. The trials may also become more complex and larger over time. The trials may fail to reach their designated endpoints, the consequence being that	See section 6

	ReNerve's proposed device may not be an effective treatment.	
Limited history in product development	ReNerve has only successfully brought to market a single nerve repair product (the ReNerve NervAlign® Nerve Cuff) and is dependent on successfully developing and achieving regulatory approval for additional products to implement its strategy of offering a full range of nerve repair products in the US market. There is no guarantee that it will be able to develop and/or achieve regulatory approval for such additional products within the timeframes and/or costs expected.	See section 6
Limited history in sales	ReNerve has less than two years of experience in the sales and marketing of nerve repair products in the US market. There is no guarantee that it will be able to achieve its sales growth, particularly given the uncertain nature and extent of competition from established market participants and new entrants with new products.	See section 6
Reputational risk	ReNerve's reputation is important to its position in the medical devices and nerve repair industries. Reputational damage may be caused in many ways, including adverse outcomes in clinical trials, adverse reactions to products, product contamination issues and employee malfeasance.	See section 6
Activity levels in key industry sectors may change	ReNerve's client base is spread across the healthcare sector. Any adverse developments which affect the healthcare sector could in turn have the potential to reduce the demand for ReNerve's products, which could adversely affect the future financial performance of ReNerve.	See section 6
Directors and management		
Who are the Company's Directors?	The Directors of the Company are: • Stephen Cooper – Independent Chairman • Julian Chick – Chief Executive Officer • David Rhodes – Executive Director and Chief Scientific Officer • Michael Panaccio – Independent Non-executive Director	See section 5
What is the senior management team of the Company?	The Company's senior management team comprises: • Julian Chick – Chief Executive Officer • David Rhodes – Executive Director and Chief Scientific Officer • David Lilja – Chief Financial Officer / Company Secretary	See section 5
What significant benefits and interests are payable to	Whilst the Directors hold Share in the Company, there are no other specific benefits or interests payable to Directors in the connection with the Offer.	See section 5

<table>
<tr><td>Directors connected with the Offer?</td><td></td><td></td></tr>
<tr><td>What are the significant interests of the Directors?</td><td>The following table summarises each of the Directors' holdings in the Company upon completion of the Offer. See section 5.5 for a more detailed breakdown, including an outline of each of the entities that each Director controls or is associated with.

<table><tr><th rowspan="2">Director (including any associated or controlled entities)</th><th colspan="2">Minimum Subscription</th><th colspan="2">Maximum Subscription</th></tr><tr><th>Number of Shares</th><th>% of total Shares on issue</th><th>Number of Shares</th><th>% of total Shares on issue</th></tr><tr><td>Julian Chick</td><td>13,922,276</td><td>10.56%</td><td>13,922,276</td><td>9.82%</td></tr><tr><td>David Rhodes</td><td>11,527,500</td><td>8.75%</td><td>11,527,500</td><td>8.13%</td></tr><tr><td>Stephen Cooper</td><td>10,167,192</td><td>7.72%</td><td>10,167,192</td><td>7.17%</td></tr><tr><td>Michael Panaccio</td><td>3,562,250</td><td>2.70%</td><td>3,562,250</td><td>2.51%</td></tr></table></td><td>See section 5.5</td></tr>
<tr><td colspan="3">Significant interests of key people and related party transactions</td></tr>
</table>

<table>
<tr>
<td>Who are the substantial Shareholders and what will their interests be at completion of the Offer?</td>
<td>The following table summarises each of the substantial Shareholder's holdings in the Company upon completion of the Offer (being those Shareholders with more than 5%). See section 11.4 for a more detailed breakdown, including an outline of each of the entities that each Shareholder controls or is associated with.
<table>
<tr><th rowspan="2">Shareholder (including any associated or controlled entities)</th><th colspan="2">Minimum Subscription ($5,000,000)</th><th colspan="2">Maximum Subscription ($7,000,000)</th></tr>
<tr><th>Number of Shares</th><th>% of total Shares on issue</th><th>Number of Shares</th><th>% of total Shares on issue</th></tr>
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</table>
</td>
<td>See section 11.4</td>
</tr>
<tr>
<td>Is the Company a party to any related party arrangements?</td>
<td>The Company is not party to any related party arrangements.</td>
<td>See section 11.4</td>
</tr>
<tr>
<td colspan="3">Miscellaneous matters</td>
</tr>
<tr>
<td>Will any Shares be subject to escrow?</td>
<td>The Company expects that ASX will impose mandatory escrow on certain Shares to be held for periods of 12 to 24 months.</td>
<td>See section 4.14</td>
</tr>
<tr>
<td>Will the Company pay dividends?</td>
<td>The Board can provide no guarantee as to the extent of future dividends, as these will depend on, among other things, the actual levels of profitability and the financial and taxation position of the Company at the time.</td>
<td>See section 4.23</td>
</tr>
<tr>
<td>What are the tax implications of investing in Shares under the Offer?</td>
<td>The tax consequences of any investment in Shares will depend upon each applicant's particular circumstances. Investors should obtain their own advice before deciding to invest.</td>
<td>See section 11.11</td>
</tr>
<tr>
<td>Where to find more information?</td>
<td>Questions relating to the Offer and the Application Form can be directed to the Company's Lead Manager via Charles Reed (email: Charles@alpinecapital.au, contact number: +61 437 533 220).</td>
<td>N/A</td>
</tr>
</table>

2. COMPANY OVERVIEW

2.1 Introduction

ReNerve is a company focused on developing and marketing medical devices to enhance surgical procedures and patient outcomes for invasive nerve surgery. ReNerve was established to develop a portfolio of products for hand and wrist, foot and ankle, breast, neuro - and plastic surgeons to produce better patient outcomes in the repair and replacement of peripheral nerves. ReNerve proposes to deliver better patient outcomes by developing and selling products that will:

1. protect nerve regrowth from scarring and the negative effects of inflammation;

2. provide an ideal, debris free environment for the nerves to regenerate and re-establish nerve function back to native condition;

3. minimise the risks of post-surgery complications and longer-term detriment to the patient; and

4. offer convenience and surgical ease of use to surgeons engaged in peripheral nerve injury repairs.

Peripheral nerves are all nerves outside of the spinal and central nervous system. Peripheral nerves allow people to move, walk, run, talk, jump and eat. Peripheral nerve function is extremely important to day-to-day life. However, peripheral nerves are often damaged in trauma, accidents, surgery or through congenital defects. Therefore, restoration to injured peripheral nerves is vital to people's lives.

ReNerve competes in the global nerve repair and surgical reconstruction markets. The global market for biological medical devices for peripheral nerve injury repair was valued at USD$1.68Bn in 2023 and forecast to grow to US$6.2Bn in 2031, representing a compound annual growth rate (CAGR) of 17.8% (Global Nerve Repair Biomaterials Market Research Report, 2020-2031). In addition to the healthcare and economic burden (estimated in the US at US$4bn per annum – see section 3), the impact to productivity of peripheral nerve injury (**PNI**) is significant as most patients are of productive age and can face long periods of rehabilitation and varied post-surgery outcomes.

PNI can result from trauma in one of three ways:

1. transection resulting from traumatic nerve injury (e.g. knife, gunshot, motor vehicle accidents, surgical injury, power tool accidents etc);
2. compression (e.g. carpal, cubital, blunt trauma, etc); or
3. neuroma caused by mastectomy, amputations or prior surgery.

All three of these categories of nerve injury can have a severe impact on the peripheral nervous system, adversely affecting the sensory, motor and mixed functions of the patient. ReNerve is focused on developing products to better treat PNI, improve patients' quality of life and promote independence post-surgery.

ReNerve believes that its products can deliver superior nerve regeneration for patients with PNI compared to existing methods of treatment and incumbent nerve repair products. The Company believes the use of its products in PNI surgical procedures can result in patients experiencing a reduction in pain and an increase in motor function, flexibility and nerve use.

ReNerve currently has one (1) product with regulatory clearance for use in the US market along with a portfolio of three (3) additional products at varying stages of development:

1. the NervAlign® Nerve Cuff (see section 2.6);

2. the NervAlign® Nerve Conduit (see section 2.7);

3. the NervAlign® Nerve Guide Matrix (see section 2.8); and

4. the NervAlign® Bionic Nerve (see section 2.9).

ReNerve will focus its capital and human resources on driving further sales growth of the NervAlign® Nerve Cuff product and on the development and commercialisation of other products in its product portfolio for the US and global markets. The Company currently has a network of sales agents in the US market and believes the addition of new products to the ReNerve portfolio will assist in generating incremental sales growth. The Company will consider employing direct sales staff once the number of products and volume of sales within the portfolio is sufficient to require a direct sales approach.

2.2 History

ReNerve was established in 2017 based on experience and know-how developed by its founders, Drs Adamides, Chick and Rhodes, to improve the short-term and longer-term outcome for patients undergoing surgery relating to peripheral nerve damage and related surgical procedures. The Company was established to develop and commercialise a portfolio of products that would allow enhanced and more consistent outcomes for surgeons and patient alike.

Nerve products are generally sold as part of a larger range of products, with AxoGen the only company with a range of products exclusively focussed on nerve repair. ReNerve is developing and commercialising a portfolio of products that are specifically designed to address the physiological and surgical requirements to achieve positive patient outcomes through nerve regeneration, whilst offering surgeons products that are easy to use, convenient and complementary to their skills in peripheral nerve injury repairs.

Dr Adamides is a neurosurgeon. Dr Chick and Dr Rhodes have backgrounds in core science, biotechnology development and commercialisation, particularly in relation to tissue-based medical devices.

2.3 Existing PNI Treatment Methods

Currently, there are few effective options for peripheral nerve injury repair and the longer-term outcomes for patients are varied, often including lost functionality for the patient and related physical and mental health issues. ReNerve's technologies aim to improve the repair, regeneration or regrowth of damaged peripheral nerves, resulting in improved sensory and motor nerve outcomes, and delivering better long term quality of life for patients.

Historically, the *gold standard* for repairing and replacing severely damaged peripheral nerves is based on the use of autologous nerves (nerves harvested from the patient). This involves surgically removing these nerves from 'harvest' sites elsewhere on the patient's body, potentially causing comorbidities as well as leaving lasting nerve damage at the harvest site. An alternative is the use of donor tissue, which has been shown to have mixed outcomes for patients and, depending on methods to prepare, can involve a degree of surgical inconvenience. Currently there is no genuine, convenient, functional, off the shelf practical graft alternative for use by surgeons in injured nerve replacement that can allow regeneration of patients' nerves, thereby re-establishing mobility and limb function. ReNerve's product offering aims to fill this void.

Figure 1: Existing Methods for PNI

• **PNI Classification**	• **Traditional Treatment Methods**			• **ReNerve Possible Treatment Options**
• **Transection**	• **Suture** • Can result in tension at repair site leading to ischemia. • Concentrates sutures at coaptation site.	• **Autograft** • Loss of function at harvest site. • Complication risk including chronic pain. • Limited by the graft length.	• **Synthetic Conduits** • Limited direction for regrowth. • Increased failure rate >5mm gaps. • Repair relies on fibrin clot formation.	• **NervAlign® Nerve Cuff,** • **NervAlign® Conduit,** • **NervAlign® Guide Matrix**
• **Compression**	• **Vein Wrapping** • Requires additional surgical time. • Specific surgical skill. • Creates second surgical site. •	• **Hypothenar Fat Pad** • Only wraps part of the nerve circumference. • Increases surgical procedure time. • Creates an inhibitor to surrounding tissue.	• **Collagen Wraps** • Semi-rigid material limits surgical use. • Degrades over time.	• **NervAlign® Nerve Cuff,** • **NervAlign® Nerve Guide Matrix**
• **Neuroma**	• **Transection Neurectomy** • Can lead to additional neuroma and secondary surgery. • Traction injury. • High risk of recurrence.	• **Burying in Muscle/ Bone** • Can lead to additional neuroma and secondary surgery. • Pain and localised pressure. • Large surgical dissection.	• **Injections** • Success rate estimated ~40.0%. • Temporary solution that reduces over time. • Pharmacological side effects.	• **NervAlign® Nerve Cuff,** • **NervAlign® Nerve Guide Matrix**

ReNerve is focussed on building its pipeline of nerve repair related products to provide surgeons a portfolio of products that will improve the post-surgery outcomes for patients. ReNerve believes that once these products are in market, the Company could leverage its skillset and infrastructure to develop additional products. The experience, core technologies and abilities developed by the Company mean that ReNerve can expand its product pipeline into other related markets such as dura replacement (the tough outer membrane covering the brain) and other soft tissue repairs where the patient outcomes are currently sub-optimal, or the surgeon's treatment or repair options are limited.

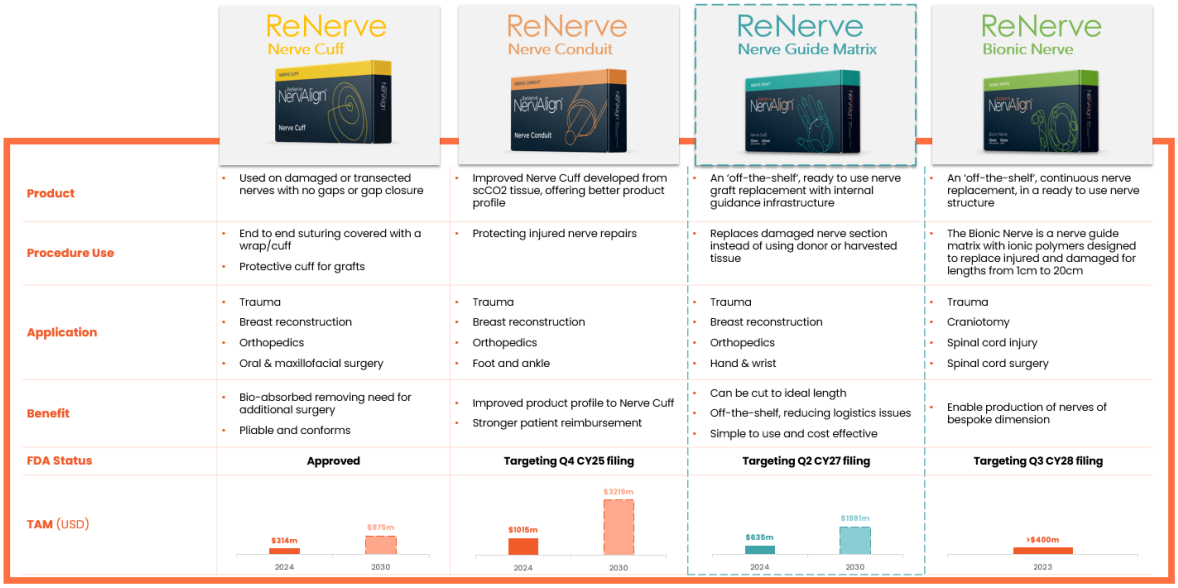
2.4 Introduction to ReNerve Product Portfolio

The outcomes from nerve injuries vary. The greater the damage (including the length of damaged nerves), the poorer the outcome for patients as there are fewer options available to surgeons. ReNerve is developing a portfolio of tissue-based nerve repair products that are cleaner and safer than current alternatives and aim to deliver better outcomes for patients. These products target the repair and/or replacement of peripheral nerves that have been

injured following trauma, malignancy or surgery. The products are designed to be practical for the surgeon, offering ease of use as well as reducing hospital waste and expenditure.

To offer newer, better solutions, ReNerve has four key products, each of which is at a different stage of development and commercialisation.

Figure 2: ReNerve Product Portfolio



ReNerve is developing and commercialising its products under the NervAlign® brand.

2.5 Introduction to eCOO™ Technology

ReNerve is developing a range of innovative products designed to repair nerve injuries, offering a protected environment that facilitates nerve regrowth. These nerve products will be specifically used for situations where the nerve is damaged, transected, missing a small portion or where part of the nerve has been surgically removed due to injury.

ReNerve's first 2 products are the NervAlign® Nerve Cuff and the NervAlign Nerve Conduit. These products are based on technology developed with Leader Biomedical Europe B.V. (**Leader**) and its sister entity, European Medical Contract Manufacturing B.V. (**EMCM**). Leader is the owner of proprietary eCOO™ technology called the eCOO™ Clean method, which uses supercritical CO_2 as one step in a method to clean tissue, including in this case porcine tissue for use in nerve repair. The cleaning process decellularises the tissue through removal of organic materials, nuclei and cellular proteins and inactivates any potential pathogens, leaving behind a clean scaffold to facilitate tissue repair. The NervAlign® Nerve Cuff and the NervAlign® Nerve Conduit products are based on the use of this cleaned tissue. ReNerve has an exclusive licence from Leader to the eCOO™ Clean method for production of nerve repair products. The terms of the commercial arrangements with Leader and EMCM are described in section 10.

Supercritical CO_2 is the use of carbon dioxide under pressure in a supercritical state which exhibits properties of both a gas and a liquid. It is a non-toxic, powerful solvent that under the correct temperature and pressure conditions is a liquid that effectively penetrates tissue, removing cells and organic matter and leaves behind the extra-cellular collagen matrix. This makes it ideal for cleaning and sterilising tissue as it permeates like a gas, cleans like a liquid and is simply removed by release of pressure. It also gentle on the tissue. The CO_2 cleaning method is an environmentally friendly method to produce tissue scaffolds that retain the structural and mechanical properties of the tissue whilst being free of cell debris and reducing pathogen contamination. The eCOO™ Clean method reduces the risk of processing residuals and denaturation of the extra-cellular matrix. Porcine tissue cleaned with the eCOO™ Clean method is very clean and safe, thus facilitating the successful FDA clearance process.

The final tissue product is primarily an inert, Type 1 collagen membrane that retains its natural cross-linking for strength and mechanical and structural properties while also promoting cell attachment, enabling natural tissue regrowth to occur around and through the tissue. Its properties make it ideal for use in surgical reconstructive and repair procedures. As no detergents or ethylene oxide are used in its preparation it is expected to be safer for use in patients than competing products, reducing possible litigation risk for hospitals.

2.6 NervAlign® Nerve Cuff

ReNerve's first product is the NervAlign® Nerve Cuff. This product was developed based on the eCOO™ Technology over a period of 4 years of development collaboration between ReNerve and Leader / EMCM. The product was cleared by the FDA as a medical device in February 2022 and is currently being manufactured by EMCM from porcine tissue which is cleaned using the eCOO™ Technology.

The ReNerve NervAlign® Nerve Cuff is a pliable, semi-permeable, resorbable membrane made of collagen designed to protect traumatised but intact nerves, sutured and short gap nerve repairs where ends have been re-approximated, and suture sites of nerve grafts. The tissue product is biodegradable and is designed to protect from scarring and excess inflammation, while allowing nutrients and neurotrophic factors to pass through to facilitate nerve repair. Studies have shown that when the ReNerve NervAlign® Nerve Cuff was implanted around nerves, no neuroma formation was observed (neuromas are often painful and are a disorganized growth of nerve cells at the site of a nerve injury), there were no adverse changes to the nerves, the cuff was full resorbed and allowed for full recovery of the nerve after six months. The ReNerve NervAlign® Nerve Cuff is highly rated for its pliability and use in surgery. The Nerve Cuff is currently on market in the US and New Zealand.

The product also has the potential to be used in conjunction with cell and regenerative therapies to enhance patient recovery. Therefore, the NervAlign® Nerve Cuff can be used in a wide range of nerve repair and nerve replacement surgical procedures.

The ReNerve NervAlign® Nerve Cuff is cost effective to produce, with the manufacturing process developed and scaled for commercial production. The manufacturing cost of goods sold is less than 10% of the list prices of competing products.

There are several nerve cuff or wrap products currently available on the market, including in the US products with FDA product code JXI, including products from Integra, Stryker and AxoGen. However, many of the products on the market use traditional detergents and toxic chemicals in their manufacturing process, with some sterilized by Ethylene Oxide. No other nerve repair products use the eCOOTM Technology, or can offer the combination of ease of surgical use along with structural and mechanical properties that promote cell attachment and full resorption after surgery.

The NervAlign® Nerve Cuff can be used either alone as a protective wrap around damaged, inflamed or replaced nerves, or in combination with the ReNerve Nerve Guide Matrix and the ReNerve Bionic Nerve replacement, to protect the suture site of implanted nerve guides. The Nerve Cuff can also be used in nerve transfer and 'super charging' procedures and in the reimplantation of harvested grafts or allografts.

The key benefits of the NervAlign® Nerve Cuff are:

(a) semi-permeable – allows small-sized nutrients and neurotrophic factors to pass through yet provides a barrier to scar forming cells. Studies show post implantation remodelling and neovascularisation in the fascia surrounding tissue of the exterior of the nerve cuff.

(b) highly biocompatible – porcine Type 1 collagen is non-inflammatory and well accepted by body.

(c) completely absorbable – the collagen matrix degrades whilst the nerve is repairing. It is degraded and resorbed by normal metabolic processes.

(d) easy to use – the NervAlign® Nerve Cuff can be used as a flat or tubular implant to protect repaired nerve injuries. The NervAlign® Nerve Cuff is very pliable and conforms to shape for easy repair of transected nerves repaired with tension-less nerve repair techniques.

(e) non-toxic manufacturing process – important with changing requirements for devices in theatre. No ethylene oxide sterilisation.

(f) low immunogenicity and no residual cells or nuclei.

(g) high surgical performance rating as the material is pliable and conforms around the nerve.

(h) strong and yet thin making it suitable for all transected nerve repairs, particularly fingers, hands and feet.

Studies have shown that, after six months following implantation of the NervAlign® Nerve Cuff, there was no inflammation, no neuroma formation and full nerve recovery.

Figure 3: ReNerve Nerve Cuff in clinical use.

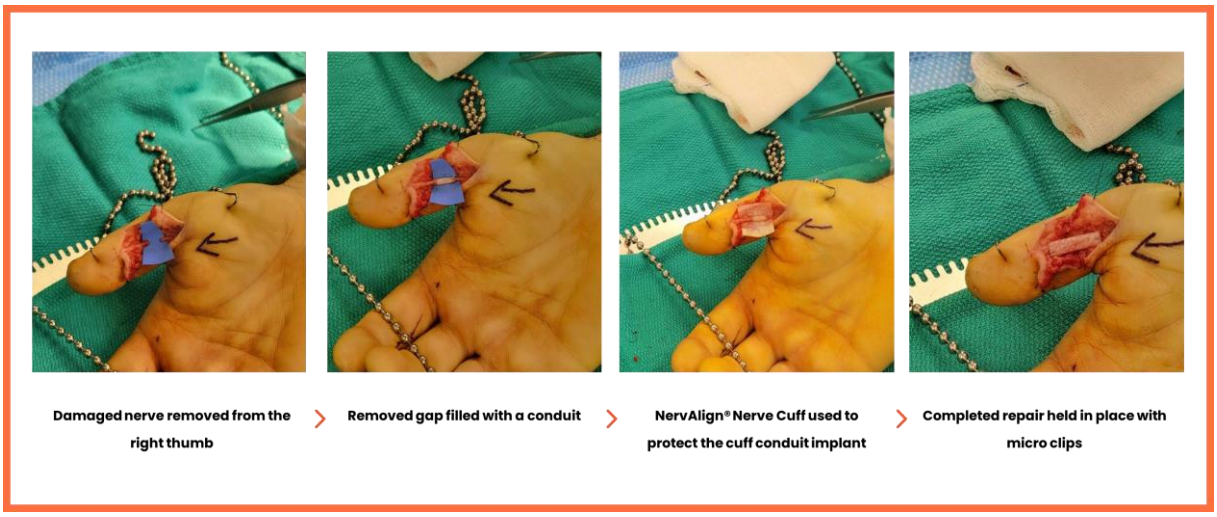
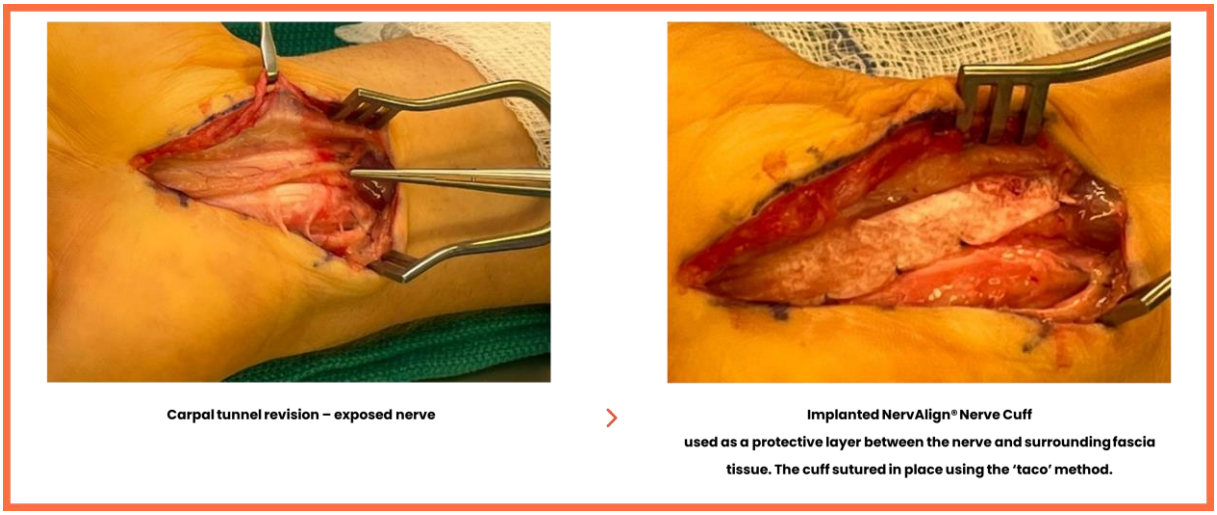


Figure 4: ReNerve Nerve Cuff in carpal tunnel PNI repair.



Sales & Marketing Strategy for NervAlign® Nerve Cuff

The Company has an initial focus on the US market, having achieved FDA clearance for marketing in the jurisdiction. However, ReNerve will look to expand sales to other countries, particularly as it finds partners in attractive jurisdictions. In some jurisdictions ReNerve will require clinical data. ReNerve is building a repository of US clinical cases to use in the future for regulatory approval in jurisdictions where clinical data is required, such as Europe.

United States

As noted above, in February 2022, ReNerve received 510(k) market clearance from the FDA for its first product, the NervAlign® Nerve Cuff. The Company was registered as an establishment in May 2022 enabling it to commence sales. The NervAlign® Nerve Cuff is designated as a Class II medical device. First sales were achieved in the US in July 2022 and ReNerve commenced a soft launch of the product in the US in October 2022. As well as generating growing sales, the initial market entry with the NervAlign® Nerve Cuff has allowed ReNerve to engage the market, raise awareness of the company as well as the NervAlign® brand, and build a growing customer base of hospitals that have granted product approval and surgeons who are repeat users of the product.

Given its capital constraints, the Company has adopted a cost-effective approach to sales and marketing, aiming to minimise fixed costs and instead relying principally on commission-based sales agents. Initially the Company has divided the US into five main regions – West Coast, Midwest, South West, the South and the North East. The Company has a lead sales agent in California (Emerging Surgical) and has established a number of sales agent relationships across the US, with a goal of establishing at least one productive sales agent in each of these regions. ReNerve has aimed to engage sales agents that are familiar with biological tissue products and have existing relationships with surgeons involved in peripheral nerve injury repairs. ReNerve has secured product approval for the NervAlign® Nerve Cuff in a number of key hospital centres and hospital groups that are generating repeat orders for the product. In addition, a number of surgeons are now repeat users of the NervAlign® Nerve Cuff. Surgical feedback to date has been very positive, both in terms of ease of product handling in surgery and in terms of positive patient outcomes. The Company has received no negative feedback and is not aware of any negative patient outcomes for the NervAlign® Nerve Cuff.

There has been continued growth in the number of hospitals in which the product is approved and in the number of surgeons who use the NervAlign® Nerve Cuff on a repeat basis. As a result, while month to month sales remain variable, the Company achieved strong sales growth in the six months ended 30 June 2024. This strong sales growth has continued into the early months of the 2025 financial year.

New Zealand

ReNerve registered the NervAlign® Nerve Cuff in New Zealand through its local NZ sponsor CARSL in late December 2021 via the Medsafe WAND program, and is exploring partnerships with local medical device and product distributors to distribute the NervAlign® Nerve Cuff.

Taiwan

In August 2022, ReNerve entered into a commercial partnership with Yuan Yu in Taiwan to gain approval for and market the product in Taiwan. The two companies are well advanced through the product registration process and anticipate approval of the NervAlign® Nerve Cuff in early 2025.

Notwithstanding the above, if the Company fails to progress its expansion into Taiwan, the Company does not expect this to have a materially adverse impact of the Company, its anticipated growth or financial viability.

Additional jurisdictions

ReNerve will use its FDA 510(k) market clearance as leverage to seek regulatory approval for the NervAlign® Nerve Cuff in additional jurisdictions, such as South America, as part of the company's strategy to ultimately distribute the product globally. ReNerve will aim to work with local distributors to gain market approval and sales in these jurisdictions.

ReNerve is also undertaking clinical studies to build a repository of clinical data to pursue market approval in Europe and other countries.

Opportunities to enter additional markets will be evaluated on a case-by-case basis, having regard to estimated time and costs to achieve market entry by comparison with potential market size and sales.

As ReNerve progresses its other products to market, the NervAlign® Nerve Cuff product will benefit from ReNerve having complementary products in the market, as this provides a broad product selection and allows surgeons to purchase all their requirements for PNI repairs from a single vendor.

Notwithstanding the above, if the Company fails to progress its expansion into these identified additional jurisdictions, the Company does not expect this to have a materially adverse impact of the Company, its anticipated growth or financial viability.

2.7 NervAlign® Nerve Conduit

ReNerve expects its second product to market will be the NervAlign® Nerve Conduit. ReNerve is developing the nerve conduit for use in the repair of injured peripheral nerves where a small gap occurs due to the removal or loss through injury of a small amount of damaged nerve. The NervAlign® Nerve Conduit will be made using the same eCOO™ Clean method as used in the production of the NervAlign® Nerve Cuff.

The NervAlign® Nerve Conduit is designed to be implanted between two cut ends of the nerve and protects and provides structural support and guidance for the nerve's natural regeneration to occur across a small gap, typically less than 2 cms. Therefore the NervAlign® Nerve Conduit acts very much like the NervAlign® Nerve Cuff in protecting the nerve repair site and promoting nerve regeneration. Nerve conduit products have the benefit in the US market place that their rate of reimbursement is higher than for nerve cuff products, and therefore tend to be used more frequently in some hospital systems.

The NervAlign® Nerve Conduit will be made from porcine tissue using the same eCOO™ Clean method that is employed in the manufacture of the NervAlign® Nerve Cuff. Like the NervAlign® Nerve Cuff, the NervAlign® Nerve Conduit is designed to have a beneficial protective function, will guide nerve regeneration across a small nerve gap and will be fully absorbed over time. The NervAlign® Nerve Conduit is designed to have the same positive properties as the NervAlign® Nerve Cuff, in the shape of a conduit to allow for the repair of small nerve gaps.

ReNerve has successfully developed prototypes of the NervAlign® Nerve Conduit with EMCM and initial tensile and compression testing along with stability on rehydration has confirmed that these prototypes possess desirable physical characteristics. These prototypes were produced by hand on small scale and a remaining challenge will be to develop a process for manufacturing the membrane into conduit form in commercial quantities. ReNerve is currently exploring options for developing rolling equipment for the commercial scale manufacture of the NervAlign® Nerve Conduit. To claim an indication of nerve gap repair, ReNerve expects that several bench tests specific to demonstrating adequate strength requirements for the use in a gap environment, shelf life testing and a successful rat model trial will be required prior to seeking FDA clearance for the NervAlign® Nerve Conduit.

The NervAlign® Nerve Conduit complements the existing NervAlign® Nerve Cuff product, although targeting larger nerve defects. Both products will be distributed through the same sales and distribution infrastructure and to the same customer base, providing more extensive solutions for nerve repair. ReNerve expects that surgeon demand for the NervAlign® Nerve

Conduit will be supported by the greater reimbursability and therefore lower effective cost of conduit products in certain US jurisdictions.

2.8 NervAlign® Nerve Guide Matrix (graft)

ReNerve is currently in the early stages of developing its Nerve Guide Matrix product. The NervAlign® Nerve Guide Matrix is intended to be a size-based range of 'off-the-shelf' Nerve Guides for the repair of damaged nerves, as alternatives to autologous harvested nerves and donor nerves.

Currently, when direct end to end repair of an injured nerve is not possible, the damaged segment is excised, and the resulting gap is typically bridged using a healthy nerve graft harvested from the same patient (autologous graft). Surgeons often remove a segment of the sural nerve which is a purely sensory nerve that supplies the foot. This approach not only necessitates an additional procedure, but also results in permanent sensory loss (numbness) and can lead to painful neuroma formation. Furthermore, the diameter and structure of the harvested sural nerve does not always match that of the damaged nerve, potentially leading to size mismatches that require repair and suboptimal outcomes. In patients with significant injuries where long segments or multiple nerves require grafting, the availability of healthy autologous nerves may be limited. In summary, current nerve replacement practice is to use nerves harvested from the patient, which has various disadvantages and potential issues:

(a) secondary surgical site due to harvest (and increased time in theatre);

(b) nerve mismatch in axonal size;

(c) inconvenient product access and use due to surgery required to harvest and prepare the autologous nerve;

(d) potential for local infection at either or both surgical sites and neuroma formation at both sites due to now having two damaged nerves;

(e) loss of nerve function at one or both surgical sites; and

(f) restricted regrowth in the harvested and transplanted nerve due to need for Wallerian degeneration to occur first to eliminate molecules that could inhibit nerve regeneration.

These issues ultimately result in varied outcomes for patients.

Processed nerves that are harvested from human cadavers have been developed as an "off the shelf" alternative to autologous grafts and are currently in use (in particular, the Avance product of AxoGen). However, the availability of cadaveric tissue is limited, the product requires freezer cold storage (from: Avance Nerve Graft IFU) and once thawed cannot be refrozen. This is not as practical as cold (4°C) or off the shelf room temperature storage.

For ReNerve's Nerve Guide Matrix product solution to these issues, a key element is to develop a large-scale harvesting process for isolating and decellularizing nerves of varying diameters and lengths in order to provide a range of nerve guide matrices that better match specific nerves within the human body. ReNerve believes this will result in better patient outcomes through stronger regrowth of the replaced injured nerve compared to the current practice of using harvested nerve grafts or replacements that are often of inappropriate size.

To date ReNerve has undertaken in-house development and sheep testing of the product. ReNerve proposes that this product also be made from porcine tissue but using a different cleaning process from that used for the NervAlign® Nerve Cuff and the NervAlign® Nerve Conduit. The cleaning process developed by ReNerve uses specific types of chemicals, process order and treatment times, giving the Guide Matrix scaffolds that are packaged and terminally sterilised using irradiation. ReNerve's methods aim to achieve complete

decellularisation of the animal tissue so that the body does not recognise the implanted nerve guide as foreign, thereby eliminating the risk of rejection and inflammation and avoiding the requirement for immunosuppression treatments. Prototypes of the product have demonstrated excellent results in sheep models. In particular, at 10 months after implantation the return of nerve conductance was measured, indicating functioning nerves, at a level similar to the gold standard autologous repair.

The NervAlign® Nerve Guides will offer surgeons the ability to repair transected nerves (neurotmesis) without the need to harvest a donor nerve from another site in the patient, reducing both the economic and physical impact of the procedure as well as creating an environment for a better outcome for the patient. The NervAlign® Nerve Guide Matrix is designed to be readily available "off the shelf" and to allow immediate nerve regeneration once implanted with no secondary surgery required.

In summary, the NervAlign® Nerve Guide Matrix is a unique off-the-shelf nerve graft that doesn't require either harvest from the patient (secondary surgical site) or the use of cadaver donor tissue, with the attendant cross-typing and possible cross-transfer risks due to it being from a different person, therefore potentially being recognised as foreign or harbouring a human disease causing agent. The ReNerve NervAlign® Nerve Guide Matrix will be available in various diameters and lengths to allow surgeons to better match recipient nerves for size and diameter. It is designed to provide an ideal environment for nerves to re-establish a native functioning state and therefore to deliver better outcomes for patients post-surgery.

ReNerve entered into a Services Agreement with Collagen Solutions (US) LLC (**Collagen USA**) on 3 July 2023 (**Collagen Agreement**). Under this agreement Collagen USA is to provide development services to ReNerve with the objective of ReNerve obtaining regulatory clearance for the product as a medical device, likely with the FDA. Collagen USA has GMP capability and experience in developing products for clearance by the FDA. Collagen USA will have first right to propose manufacturing terms to ReNerve should regulatory clearance be obtained.

2.9 NervAlign® Bionic Nerve

ReNerve has commenced the process of developing a 'bionic' nerve graft (Bionic Nerve) to repair long nerve gaps. The initial prototypes are assessing natural collagen fibre and polymer technologies, with the goal to have an 'off-the-shelf' nerve that can be cut to measure to replace damaged nerves. Currently there is no effective option for surgeons in the replacement of longer nerves (>3-5 cm), with current options (donor or autologous tissue) providing inconsistent, sub-optimal outcomes. The NervAlign Bionic Nerve will offer the ability to custom manufacture products of different lengths and diameters in addition to the incorporation of electroconductive polymers that can enable electrical stimulation to be used to accelerate nerve regeneration and thereby potentially improve outcomes in the repair of longer nerve gaps.

ReNerve currently has two partnerships developing 'bionic nerves', one polymer fibre based with 3D BioFibR (Halifax, Canada) and one developing patterned polymer materials with Monash University (Australia).

Collagen fibre based bionic nerves.

ReNerve is collaborating with 3D BioFibR to utilise their proprietary, scalable, collagen fibre deposition technology that enables collagen fibres to be produced and deposited in aligned orientations and assembled into nerve materials. This provides the ability to customise the diameter and lengths of products. The work extends on earlier findings by ReNerve and others demonstrating that nerve cells will grow along patterned surfaces, which can thus be used to direct their growth. It is hypothesised that by better guiding nerve growth, there will be fewer misdirected/aberrant neurite extensions and cells that can result in neuroma and instead the nerves will grow more rapidly in the direction required. Furthermore, given the customisable

manufacturability of these nerves, it is possible to incorporate additional molecules or conductive elements to also improve nerve regrowth.

The polymer fibres, combined with the use of the NervAlign® Conduit, would form a fully manufactured nerve graft material.

Patterned polymer based bionic nerves.

ReNerve is working with Monash University to develop patterned synthetic nerve repair materials that have so far demonstrated effectiveness in vitro at directing the growth of neurons. These materials have shown good biocompatibility and are commencing animal testing where their suitability for implantation in nerves and enhancement of nerve repair is being evaluated. In addition, prototype patterned polymers have been coated with electroconductive materials that will ultimately be used to evaluate their ability to speed nerve recovery. This program has potential in peripheral nerve injury repair and other nerve repairs.

Overall, the bionic technologies have the potential to allow the production of "bionic nerves" of all diameters and lengths, offering simple off the shelf surgical solutions. It is expected that the product would be provided dry for long shelf life at room temperature, with a simple rehydration before use.

ReNerve believes that, if successful, the technology has applications beyond peripheral nerves, such as CNS repair. The Company will continue to progress this program with the aim of developing a prototype that can be implanted into an animal model to test its function and utility.

2.10 Competitive advantages of ReNerve NervAlign® products

Historically, many tissue-based medical devices have entered the market as extensions from their original intended medical application. However, the physiological characteristics required for repairing peripheral nerves are not necessarily the same as the requirements for repairs of other injuries. As a result, many nerve repair products currently on the market have sub-optimal characteristics. By contrast, ReNerve is developing its products with a view to addressing the specific physiological and clinical requirements for repairing nerve injuries.

As a result of a targeted product development program, the ReNerve products aim to provide both surgical convenience and better patient outcomes. In particular, ReNerve's products are designed and engineered to deliver:

- therapeutic advantages and superior patient outcomes, with the following advantages:
    - specifically designed for treatment of PNI
    - clean and green
    - minimisation of scarring
    - promotion of nerve re-growth
    - full absorption through natural body processes
- convenience and ease of use for surgeons – designed with surgery in mind
- low cost, thus allowing competitive pricing

Overall, ReNerve is aiming to build a competitive position in the market with a comprehensive portfolio of products to offer to surgeons. Given that all the ReNerve products are being designed to be stored at room temperature, they provide surgeons the flexibility in theatre to select the product best suited for any particular peripheral nerve injury repair. The breadth of

the product range will mean that ReNerve's products will provide solutions for all possible patient repairs.

2.11 Distributor model

The Company's path to profitability will be through the approval and sale of its products, initially into the US market and subsequently into other jurisdictions. The sale of its on-market NervAlign® Nerve Cuff is the first step in this process.

One of the key activities within ReNerve over the past few years has been building manufacturing, logistics and sales and marketing infrastructure, which can now be used for all the products in development.

ReNerve's current go-to-market strategy relies on a distributor model, which involves low fixed costs and lower levels of capital investment in sales and marketing. The Company has already partnered with several distributors in the US and gained significant insight into identifying the most effective distributors. ReNerve intends to continue to expand its sales network via this channel over the next 6 to 12 months. As the Company successfully launches further products and sales volumes grow, ReNerve will consider whether to employ direct sales personnel to complement the existing third party distributor based sales and marketing infrastructure. The Company will work with surgeons to continue to validate its products' functionality and therapeutic benefit, and use this supporting evidence to assist the sales network.

A key factor in delivering product sales growth in the US market is ensuring hospital entrance and reimbursement. Both the NervAlign® Nerve Conduit and the NervAlign® Nerve Guide Matrix are covered under existing Current Procedural Terminology (CPT) coding such as FDA codes 64910, 64911 and 64999, which cover nerve repairs and nervous system procedures. For non-US reference the Company will use the Global Medical Device Nomenclature (GMDN) code 43233. In the US, its NervAlign® Nerve Cuff cost is covered under the diagnosis-related group (**DRG**) system where the entire procedure is funded, including the cost of materials such as nerve cuffs.

2.12 How ReNerve NervAlign® products are manufactured

The NervAlign® Nerve Cuff is currently manufactured by EMCM. ReNerve entered into a manufacturing and distribution agreement (**EMCM Agreement**) with EMCM in 2023 (see section 10). Under the EMCM Agreement, EMCM manufactures the NervAlign® Nerve Cuff as a finished, packaged saleable product for the global market. Using its third party logistics partner Kuro, ReNerve ships finished product to its US warehouse and then through its sales channels to customers. ReNerve expects that EMCM will also manufacture the NervAlign® Nerve Conduit in saleable form. However, ReNerve and EMCM have not yet entered into manufacturing and distribution agreements for the NervAlign® Nerve Conduit.

ReNerve has an agreement with Collagen Solutions to develop the processes for, and produce, GMP manufactured, clinical grade Nerve Guide Matrix material. Furthermore, during the term of the agreement and for nine months after termination of the agreement Collagen Solutions has the exclusive right to negotiate with ReNerve for the manufacture and supply of Finished Products. Initial non-binding terms have been set out as a Schedule to the agreement.

ReNerve envisages distributing the NervAlign® Nerve Guide Matrix through its existing distribution channels in the US.

2.13 Intellectual property overview

A detailed overview of ReNerve's intellectual property portfolio is set out in the intellectual property report in section 9. References in this prospectus to "intellectual property right" includes rights that are contractually enforceable such as rights under confidentiality obligations as well as registrable intellectual property rights such as patents and copyright.

(a) NervAlign® Nerve Cuff

ReNerve entered into a Product Development and Supply Agreement with Leader on 4 May 2018 (see section 10). Under the Product Development and Supply Agreement, ReNerve and Leader agreed to work on developing a collagen patch derived from porcine pericardium for use in the surgical repair of neural injuries. Over the next 4 years Leader and ReNerve developed what has become the ReNerve NervAlign® Nerve Cuff and IP that has the potential to be used in the NervAlign® Nerve Conduit.

Under the Leader Development Agreement, ReNerve paid Leader to provide certain pre-clinical test data for the use of treated porcine tissue. The data was generated whilst Leader had worked on using the same treated porcine tissue, then called NovoMem, aimed at the US market, for periodontal and/or dental surgery procedures to support guided tissue regeneration and guided bone regeneration. NovoMem was produced using Leader's intellectual property rights surrounding and supporting its eCOO™ Technology, eCOO™ Clean and related intellectual property (**Leader IP**). Subsequently Leader ceased the development of NovoMem for dental repair.

ReNerve claims ownership of Product Dossier and the pivotal data required to obtain FDA clearance for the NervAlign® Nerve Cuff. The design testing and specification data that demonstrates the suitability for use as a nerve cuff was essential to the clearance of the product as the NervAlign® Nerve Cuff by the FDA for nerve repair.

In 2023, Leader and ReNerve entered into an agreement (the Leader License Deed – see section 10) under which all rights under the 2018 Product Development and Supply Agreement were terminated and Leader granted to ReNerve a non-exclusive, worldwide, revocable, perpetual, royalty-free licence to the Leader IP but with ReNerve having exclusivity for products in the field of nerve and neural repair. ReNerve has no rights, for example, in relation to the proposed dental products Leader and EMCM were developing.

In 2023, ReNerve and EMCM entered into a Manufacturing and Supply Agreement (the EMCM Agreement – see section 10.2). Under the Leader Licence Agreement, ReNerve will continue to have the licence to the Leader IP so long as the EMCM Agreement remains in force and ReNerve complies with its obligations under it.

EMCM also agreed to supply of the core product exclusively to ReNerve for the term of the agreement. These exclusivity rights are subject to ReNerve meeting obligations (including take or pay type obligations) and other conditions. The term of the EMCM Agreement continues until 28 July 2028 . The terms of the EMCM Agreement are summarised in section 10.2. To date ReNerve has been in compliance with all of its obligations under the EMCM Agreement.

The intellectual property rights owned by Leader (and which are exclusively licensed to ReNerve in the field of nerve and neural repair) comprise the know-how generated by Leader during the development and manufacture of the porcine pericardium membrane and the proprietary supercritical CO_2 cleaning methods called eCOO™ Clean and eCOO™ Technology, which are separate from the know-how and data generated by ReNerve. ReNerve's data includes animal testing data, packaging and stability, viral inactivation, Product Dossier, FDA submission documents as well as additional data conducted at the current international standards for extractables.

The eCOO™ Clean and eCOO™ Technology methods are trade secrets of Leader and EMCM. They have been developed by Leader and EMCM based on using specialised cleaning equipment supplied by Novasterilis. Inc (**NovaSterilis**). Under the agreements to purchase the NovaSterilis equipment NovaSterilis also licenses EMCM to use software necessary for its operation and related IP. Some aspects of the NovaSterilis equipment and processes were patented. These are discussed in the IP Report in section 9. Of note, the production of the NervAlign® Nerve Cuff material utilises the supercritical CO_2 process as well as additional proprietary treatment steps to produce the NervAlign® Nerve Cuff product.

(b) NervAlign® Nerve Conduit.

ReNerve is developing the NervAlign® Nerve Conduit material using the eCOO™ porcine pericardium tissue utilised in its NervAlign® Nerve Cuff. ReNerve will leverage the safety data package in the approval process for the NervAlign® Nerve Cuff to assist in obtaining approvals for the NervAlign® Nerve Conduit. Due to the eCOO™ technology being EMCM proprietary technology, the Conduit will be manufactured by EMCM. ReNerve has arrangements with EMCM concerning development of the NervAlign® Nerve Conduit product but the parties have not yet entered into a formal agreement for this project.

(c) NervAlign® Nerve Guide Matrix

Through extensive research and development, ReNerve has developed a proprietary process that enables it to develop nerve guide matrix products that better match specific nerves within the human body. The process involves the use of a particular sequence of solutions, concentrations, time and temperatures that enables efficient cleaning of dense nerve structures to remove cellular material whilst retaining macrostructural components. The resulting material has the strength of nerve materials and is soft and readily sutured in place. ReNerve is of the view that the proprietary process will result in better patient outcomes through stronger regrowth of the replaced injured nerve compared to the current practice adopted in the field.

The proprietary process will remain a trade secret of ReNerve, which will be protected via confidentiality arrangements with third parties. Patent protection will be considered by ReNerve for the sterilisation storage solutions in which the end product will be stored, which are currently being developed.

ReNerve weighs up invention disclosure, enforceability, prosecution and patent life in its decisions as to whether and when to proceed with patent filing.

(d) Bionic Nerve

ReNerve has a collaborative research and development agreement with 3D BioFibR whereby the parties will conduct collaborative research, with 3D BioFibR using its proprietary technologies to create custom collagen parallel fibre arrays for use by ReNerve. ReNerve will use these fibre arrays to evaluate *in vitro* growth of appropriate surrogate neural cell types on the fibre arrays that have been assembled onto ReNerve's NervAlign® Nerve Cuff product. On successful demonstration of the fibre's ability to direct the cell growth, the materials will be assembled into a nerve configuration for testing in a whole animal system with the goal of developing two new products, the first for peripheral nerve regeneration and the second as a dura mater patch.

ReNerve has been working with Monash University via the ARC Training Centre for Cell and Tissue Engineering Technologies to develop technologies for the development of patterned polymer based bionic nerves that incorporate electroconductive elements. Monash University owns the Project intellectual property and has granted ReNerve an option to acquire from the University an exclusive licence to commercialise the Project intellectual property and Project Materials within the field. Both parties have agreed to negotiate, exclusively, in good faith and each acting reasonably, the terms of the licence in a manner that maximises the return of benefit to Australia, and to execute such licence agreement within one hundred and eighty (180) days or such other period of time as agreed in writing.

2.14 Commercialisation Strategy

The overall strategy for ReNerve is to bring to market a portfolio of clinically effective regenerative tissue based medical devices for the repair of peripheral nerve injuries, thereby improving therapeutic outcomes for patients and delivering consistency for surgeons. With a portfolio of products in the market, ReNerve can become a profitable medical device company.

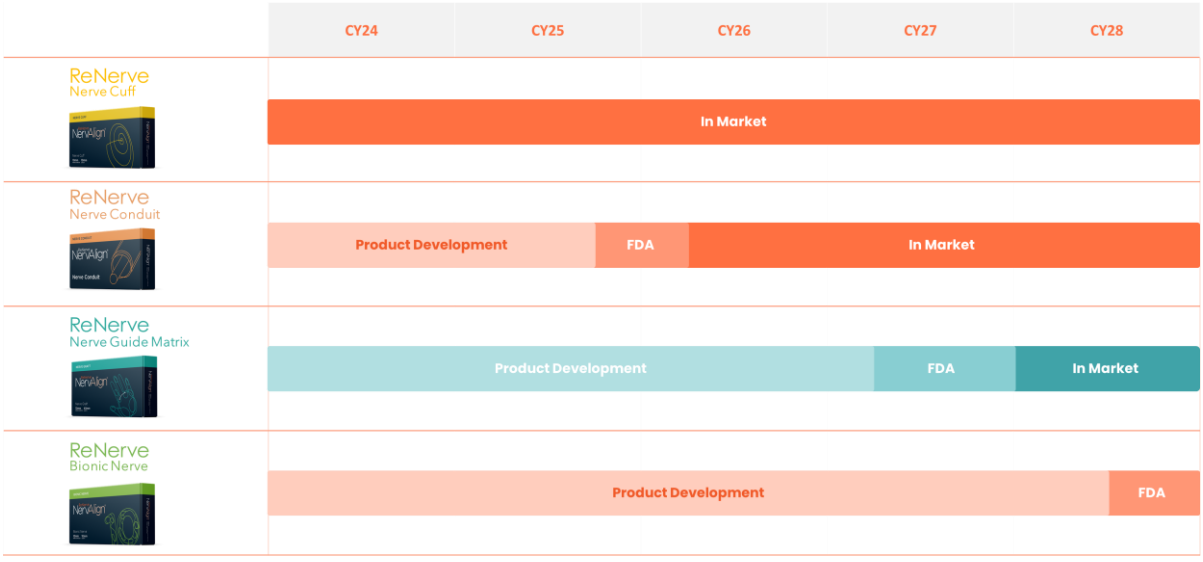
Following the successful release of the NervAlign® Nerve Cuff in the US market and the development of logistics and sales and marketing infrastructure to support that product, ReNerve's growth strategy has two main components:

(a) ReNerve will continue to focus on growing its US customer base and sales of the NervAlign® Nerve Cuff, by securing approval for the product in additional hospitals, engaging with additional surgeons who have the potential to be repeat users of the product, and publishing the results of studies currently underway to demonstrate the superior utility of the NervAlign® Nerve Cuff in various nerve repair applications. ReNerve will consider investing in dedicated sales and marketing resources in the US market to accelerate hospital approvals and to ensure appropriate servicing of existing customers.

(b) ReNerve will leverage its existing customer base, sales and logistics infrastructure, surgeon support and brand awareness by moving to rapidly introduce additional products to the US market. In particular, ReNerve expects that it will be able to gain regulatory approval for and commence marketing of the NervAlign® Nerve Conduit at relatively low cost and low risk on an expedited basis, given the demonstrated safety profile of the eCOO™ Technology on which the product is based. ReNerve plans to follow that with the release of the NervAlign® Nerve Guide Matrix. The availability of a portfolio of products in the US market is expected to underpin strong sales growth:

- ReNerve will be able to sell additional, higher value products into its existing customer base;
- the availability of a broader range of products will help ReNerve secure new customers who seek a "one-shop" supplier of products for use in nerve repair and replacement surgery;
- ReNerve expects to be able to engage higher quality and more productive sales and marketing resources, attracted by the broader range of products available for sale; and
- the NervAlign® Nerve Guide Matrix, in particular, has the potential to address currently unmet medical needs and thereby demand the attention of surgeons in the nerve repair/replacement field, at the same time stimulating demand for ReNerve's other products.

Figure 5 – Key Commercial Milestones



While the US market will remain ReNerve's key focus, the Company will look to leverage its FDA 510(k) market clearance for the NervAlign® Nerve Cuff (and in due course other products) to enter other jurisdictions. ReNerve will consider market entry opportunities having regard to market entry costs, times and potential commercial returns.

In addition, ReNerve has had preliminary discussions on European approval for the NervAlign® Nerve Cuff. The company is currently working with a number of US surgeons to collate cases as a repository of clinical cases for a potential European submission. The Company is also working on two clinical studies that could also be used for a European approval as well as approvals in other jurisdictions such as Australia. The Company will take a similar approach with the NervAlign® Nerve Conduit and NervAlign® Nerve Guide Matrix programs. ReNerve has received interest from surgeons in Australia in participating in clinical testing and therefore will also consider undertaking a clinical study with the NervAlign® Nerve Guide Matrix in Australia.

2.15 Marketing strategy

ReNerve's marketing strategy will continue to focus on the clinical benefits of its products, their ease of use in the surgery and their cost effectiveness compared to existing products on the market. Over time, ReNerve will also build a clinical body of evidence as to the benefits and functionality of its products. It will use these data and study results, together with an aggressive pricing strategy, to win market share and grow sales.

By building market awareness and the sales and marketing infrastructure for its initial product, the NervAlign® Nerve Cuff, ReNerve has established the foundations for the launch of additional products in its portfolio as these come to market.

2.16 Research and development program

ReNerve's core research and development take place in Melbourne, Australia.

ReNerve has established relationships with CSIRO and Monash University, with ReNerve's Executive Director/Chief Scientific Officer also holding an Adjunct Associate Professor position in Materials Science and Engineering at Monash University. These positions enable ReNerve to maintain strong and productive relationships with CSIRO and Monash University, facilitating the development of new nerve repair technology concepts.

ReNerve has developed strong relationships with the Melbourne University Veterinary School and other medical research institutes in Melbourne where it conducts its animal efficacy studies.

ReNerve has established its own research facility to ensure full time dedicated access for its laboratory staff. This will facilitate the more rapid development of the nerve guide matrix technology through to manufacturing as well as support the continued development of the bionic nerve technology.

ReNerve will maintain projects with universities and research organisations that provide access to relevant technology platforms.

3. INDUSTRY OVERVIEW

3.1 Introduction

ReNerve operates in the medical device sector, which is a diverse sector comprising devices from basic syringes and thermometers through to surgical implantable tissue products. The annual global market for medical devices across all types is estimated to be in excess of USD$500bn. ReNerve is focused on the peripheral nerve injury repair market and some associated surgical applications. Specifically, ReNerve's technologies fall largely within the biomaterials market within medical devices, and are included within the medical implantable biomaterials sector. The broader biomaterials market is projected to reach USD$47.5bn by 2025. The current market estimate for biological products in peripheral nerve repair is around USD$1.6bn.

3.2 Overview of the peripheral nerve injury market

While peripheral nerve injury (**PNI**) is most often associated with trauma, nerves can be injured in other ways, such as during or even post-surgery. PNI adversely effects sensation and muscle control and movement, often with chronic pain. Full recovery is uncommon, and these symptoms persist, affecting long term quality of life. Emotional and mental health issues such as depression are common. Although surgeons do have access to certain products for use in some nerve injury repair procedures, the outcome of these procedures can vary considerably. ReNerve is focused on developing cleaner, safer, better products to enhance patient recovery times and outcomes, targeting return to native function nerves. The use of cleaner, safer products during surgery reduces natural negative inflammatory responses, resulting in faster healing and better patient outcomes.

Nerves essentially suffer three types of damage:

(a) Transections (cut) – nerves that have been partially or completely cut through severing the connection.

(b) Compression – crushing or compression of the nerve due to trauma or inflammation such as carpal and cubital tunnel.

(c) Neuroma – the result of amputations, ectomies such as mastectomies and gastrectomies.

These are often classically classified as:

The injured part of the nerve	The result of the injury	Nerve Injury Classification	
		Seddon method	Sunderland method
Myelin	Partial or complete loss of axonal continuity with an intact endoneurium	Neurapraxia	Grade 1
Axon	Damaged axon but the endoneurium is intact	Axonotmesis	Grade 2
Endoneurium	Damaged axon and endoneurium with the perineurium intact	Neurotmesis	Grade 3
Perineurium	Axon, endoneurium and perineurium	Neurotmesis	Grade 4

	damaged with epineurium intact		
Epineurium	Damage to all of the nerve	Neurotmesis	Grade 5

Low grade (grade 1 and 2) nerve trauma typically does not require surgical intervention. However, these patients do require monitoring on progression and recovery and will on occasion require surgery. The main target market for ReNerve will be the more severe nerve injuries graded 3 and above (Neurotmesis).

Nerve repair procedures can involve the suturing of nerves that have been cut (transected) and which remain capable of being sutured together, assuming no tension of the nerve ends. The feasibility of this surgery depends on the level of damage and the time between injury and repair. Sutured nerves may be wrapped for protection by a nerve wrap or cuff, such as the NervAlign® Nerve Cuff.

In cases with more extensive damage to the nerve, or longer injured nerve sections, surgeons may need to remove part or all of the damaged nerve section. Surgeons may attempt to join the separated nerve ends using conduits or small to larger grafts. In some cases, nerve transplants are used to repair the damage. Both the NervAlign® Nerve Conduit and the NervAlign® Nerve Guide Matrix are targeting these markets as part of the surgical procedure to rebuild the damaged nerve (see section 2). In addition, the NervAlign® Nerve Cuff would potentially be applicable in many of these cases to protect both the implanted replacement nerve and the regenerating nerve. In cases where conduits or allograft or harvested grafts are used, the longer the replaced injured nerve, typically the poorer the outcome. The purpose of the NervAlign® Nerve Guide Matrix is to provide consistent outcomes for these cases (see section 2). For nerve transplants, the removed nerve area can still be repaired rather than left unattached with the NervAlign® Nerve Guide Matrix.

For nerves where there are large (long) areas of nerve injury, such as severe trauma from gunshot wounds, industrial accidents or auto accidents, ReNerve is developing the NervAlign® Bionic Nerve, which is planned to allow surgeons to rebuild longer injured nerves (>5cm) while stimulating the distal end of the injury to prevent atrophy of the surrounding tissue (see section 2).

3.3 Market size

ReNerve is primarily focussing on the US market, although over time it will also seek to enter the market in other jurisdictions.

While estimates of the total size of the global peripheral nerve market vary, the Global Nerve Repair Biomaterials report (2024) values the total market size at USD$1.688bn. The report projects that the market will grow at a rate of 17.8% per annum through to 2031. The current market and its growth are being driven by advances in biomaterials, new products coming to market, and an increased awareness of the opportunities for the treatment of nerve repair.

Estimates from the Global Nerve Repair Biomaterials report suggest that the global market size for the three product ranges that ReNerve is developing are as follows:

Product type	2024 estimated market USD$M	2030 estimated market USD$	Estimated annual growth rate
Nerve cuff/wrap	$314m	$975m	17.56%
Nerve conduit	$1,015m	$3,219m	17.91%

Nerve grafts/guide matrix	$635m	$1,991m	17.71%
Total	$1,965m	$6,186m	17.8%

Reproduced from Global Nerve Repair Biomaterials Market Research Report, 2020-2031

The PNI repair market also includes nerve repair procedures resulting from other surgeries, such as breast augmentations, repair of fractures, gender reassignment surgery, lymph node biopsies, implantation of joint prostheses and carpal tunnel releases. Increasingly there is also an interest in repairing damaged nerves post other surgical procedures due to the associated pain resulting from damaged or branched (neuromas) nerves. ReNerve is working with a number of surgeons in clinical studies to further demonstrate the utility and benefits of the ReNerve NervAlign® Nerve Cuff. By clinically illustrating the benefits of the product, ReNerve aims to expand its market penetration.

3.4 Regulatory environment

The Company's products and manufacturing processes are required to comply with the medical device regulations and international standards applicable to the markets in which the Company operates. The products are regulated in most jurisdictions as medical devices rather than as pharmaceutical products.

An effective quality management system is required to ensure safety and quality of products and processes and that they continue to meet regulatory requirements.

ReNerve has established and received certification for its quality management system for medical devices to the ISO13485 standard. ReNerve received ISO13485 certification in May 2021, via Certificate number MD723176 for Design, development, manufacture, storage, and distribution of nerve repair medical devices.

United States

The current principal target market for the Company's products is the United States, where the Company's products are regulated by the United States Food and Drug Administration (FDA) and are subject to and require approval under the Federal Food, Drug, and Cosmetic Act. The FDA granted clearance for ReNerve's principal current product, the NervAlign® Nerve Cuff, in February 2022. ReNerve continues to work with external consultants on defining the best approach to applying for and gaining marketing approval in the US for its NervAlign® Nerve Conduit and NervAlign® Nerve Guide Matrix programs.

New Zealand

New Zealand has a regulatory process called Web Assisted Notification of Devices (WAND), which is administered by the New Zealand Medicines and Medical Devices Safety Authority (MedSafe). For medical devices to be legally supplied in New Zealand they must be listed in the WAND database. Devices must be notified to the WAND database within 30 calendar days of a person or organisation becoming the sponsor of the device. ReNerve has appointed CARSL Consulting as its New Zealand sponsor and obtained WAND registration for the NervAlign® Nerve Cuff in December 2021. As a result, ReNerve is now able to market and sell the NervAlign® Nerve Cuff product in New Zealand.

Other jurisdictions

ReNerve will pursue market clearance and approvals for each of its products globally, including in Europe, Taiwan, South America and Australia, depending on expected market entry costs and projected revenues on a market by market basis. To obtain these approvals, the company will need clinical data. ReNerve is currently undertaking several clinical programs as well as accumulating patient cases with a view to using these for submissions in Europe and Australia

for the NervAlign® Nerve Cuff product range and will take a similar approach with the NervAlign® Nerve Conduit and NervAlign® Nerve Guide Matrix programs.

3.5 What products are currently available in the PNI market?

Several companies have products on the market for peripheral nerve injury repair. AxoGen is the market leader and has a full range of products on the market. Second in the market is Integra, which also offers a range of products. There are several other companies that have nerve wraps on the market, but do not have a broader range of products. These include Alafair and Checkpoint Surgical.

The following table summarises the major market participants together with some of the main products on the market.

Company	Product
AxoGen	Nerve Protector (cuff) / Nerve Connector (conduit) / Avance allograft
Integra	NeuraGen nerve cuff / NeuraGen 3D guide matrix
Checkpoint Surgical	Neuroshield (shellfish based) cuff
Alafair Biosciences	Versawrap cuff
Biocircuit	Nerve tape

3.6 Who are the Company's main competitors and what is the Company's competitive advantage?

Although there are several companies with nerve cuff or wrap products on the market, only AxoGen and Integra have a more extensive product range in the market, albeit some of their products have significant limitations. The opportunity for ReNerve is to bring a range of products to market that physiologically and clinically deliver superior outcomes for patients and surgeons, whilst offering surgeons a complete 'solution package' for all peripheral nerve injury repairs.

The main advantage for ReNerve is that each of its products is specifically designed and developed to achieve a particular outcome in peripheral nerve injury repairs. By contrast, many competitor products are extensions or adaptations of products originally designed for other applications. The ReNerve products are designed to be cost-effective, user friendly, outcome driven products. The product design takes into account feedback from surgeons and their experience with existing surgical options, and aims to resolve these, complementing surgeons' skillsets and making it easier for surgeons to deliver a positive patient outcome.

4. DETAILS OF THE OFFER

4.1 Introduction

Under this Prospectus, the Company is offering up to 35,000,000 Shares at an issue price of $0.20 each to raise up to $7,000,000 before costs based on Maximum Subscription, and 25,000,000 Shares at an issue price of $0.20 each to raise up to $5,000,000 based on Minimum Subscription (**Offer**). The Offer is open to the general public. Investors outside Australia and New Zealand should consider the statements and restrictions set out in section 4.17 before applying for Shares.

The Shares to be issued under the Offer are of the same class and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to Shares can be found in section 11.2.

Applications for Shares under the Offer must be made on the Application Form accompanying this Prospectus and received by the Company on or before the Closing Date. Persons wishing to apply for Shares should refer to section 4.3 and the Application Form for further details and instructions.

4.2 Purpose of the Offer

The principal purposes of the Offer are to:

(a) comply with ASX's requirements for listing the Company on the ASX;

(b) provide funds for the purposes set out in section 4.4;

(c) provide the Company with access to equity capital markets for future funding needs; and

(d) enhance the public and financial profile of the Company to facilitate further growth of the Company's business, including into the Australian market.

This Prospectus is also issued for the purpose of Section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to admission to the ASX official list.

4.3 Applications and Payment

Application Forms

Applications for Shares under the Offer can only be made using the Application Form accompanying this Prospectus. The Application Form must be completed in accordance with the instructions set out on the back of the form.

Applications under the Offer must be for a minimum of 10,000 Shares ($2,000). No brokerage, stamp duty or other costs are payable by Applicants.

An original, completed and lodged Application Form together with a cheque or payment via BPAY or EFT for the Application Monies constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may still be treated by the Company as valid. The Board's decision as to whether to treat an Application as valid and how to construe, amend or complete the Application Form is final.

It is the responsibility of Applicants outside Australia and New Zealand to obtain all necessary approvals in order to be issued Shares under the Offer. The return of an Application Form or

otherwise applying for Shares under the Offer will be taken by the Company to constitute a representation by the Applicant that it:

(a) has received a printed or electronic copy of this Prospectus accompanying the form and has read it in full;

(b) agrees to be bound by the terms of this Prospectus and the Constitution;

(c) makes the representations and warranties in section 4.18 (to the extent that they are applicable) and confirms its eligibility in respect of an offer of Shares under the Offer;

(d) declares that all details and statements in the Application Form are complete and accurate;

(e) declares that it is over 18 years of age and has full legal capacity and power to perform all of its rights and obligations under the Application Form;

(f) acknowledges that once the Application Form is returned or payment is made its acceptance may not be withdrawn;

(g) agrees to being issued the number of new Shares it applies for at $0.20 each (or such other number issued in accordance with this Prospectus);

(h) authorises the Company to register it as the holder(s) of the Shares issued to it under the Offer;

(i) acknowledges that the information contained in this Prospectus is not investment advice or a recommendation that the Shares are suitable for it, given its investment objectives, financial situation or particular needs; and

(j) authorises the Company and its officers or agents to do anything on its behalf necessary for the new Shares to be issued to it, including correcting any errors in its Application Form or other form provided by it and acting on instructions received by the Share Registry using the contact details in the Application Form.

Payment by BPAY or EFT

You may apply for Shares online and pay your Application Monies by BPAY or EFT.

Applicants wishing to pay by BPAY or EFT should complete the online Application Form accompanying the electronic version of this Prospectus which is available at https://apply.automic.com.au/ReNerve and follow the instructions on the online Application Form (which includes the Biller Code and your unique Customer Reference Number (**CRN**)).

You do not need to complete and return a paper Application Form if you pay by BPAY or EFT.

You should be aware that you will only be able to make a payment via BPAY if you are the holder of an account with an Australian financial institution which supports BPAY transactions.

When completing your BPAY or EFT payment, please make sure you use the specific Biller Code and your unique CRN or EFT payment reference provided on the online Application Form. If you do not use the correct CRN or EFT payment reference your Application will not be recognised as valid.

It is your responsibility to ensure that payments are received by 5.00pm (AEST) on the Closing Date. Your bank, credit union or building society may impose a limit on the amount which you can transact on BPAY, and policies with respect to processing BPAY transactions may vary between banks, credit unions or building societies.

The Company accepts no responsibility for any failure to receive Application Monies or payments by BPAY or EFT before the Closing Date arising as a result of, among other things, processing of payments by financial institutions.

Payment by cheque

Cheques must be made payable to the “ReNerve Limited — Subscription Account' and should be crossed 'Not Negotiable'. All Application Monies will be paid into a trust account.

Payments by cheque will be deemed to have been made when the cheque is honoured by the bank on which it is drawn. Accordingly, Applicants should ensure that sufficient funds are held in the relevant account(s) to cover your cheque(s).

If the amount of your cheque(s) for Application Monies (or the amount for which those cheques clear in time for the allocation) is insufficient to pay for the amount you have applied for in your Application Form, you may be taken to have applied for such lower amount as your cleared Application Monies will pay for (and to have specified that amount in your Application Form) or your Application may be rejected.

Completed Application Forms and accompanying cheques must be received by the Company before 5.00pm AEST on the Closing Date by being delivered or mailed to the following addresses:

Delivered to:	**Mailed to:**
Automic Group Level 5 126 Phillip Street Sydney NSW 2000	Automic Group GPO Box 5193 Sydney NSW 2001

Applicants are urged to lodge their Application Forms as soon as possible as the Offer may close early without notice.

4.4 Application monies held in trust

All Application Monies will be held in a separate subscription account on behalf of Applicants until the Shares are issued pursuant to the Offer. Subject to any extension, if the Minimum Subscription is not achieved within a period of 4 months of the date of this Prospectus, all Application Monies will be refunded in full without interest, and no Shares will be issued under the Offer. Any interest earned on Application Monies (including those which do not result in the issue of Shares) will be retained by the Company.

4.5 ASX listing and quotation

The Company will apply to ASX no later than 7 days from the date of this Prospectus for admission of the Company to the official list of ASX, and official quotation of the Shares offered under this Prospectus. Subject to any extension, if the Shares are not admitted to quotation within 3 months of the date of this Prospectus, no Shares will be issued and Application Monies will be refunded in full without interest in accordance with the Corporations Act.

4.6 Allocation and issue of Shares

Subject to ASX granting approval for quotation of the Shares, the issue of Shares will occur as soon as practicable after the Offer closes. All Shares issued under the Offer will rank equally in all respects with existing Shares on issue. Holding statements will be sent to successful Applicants as required by ASX. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares. Applicants who sell Shares before they receive their holding statement will do so at their own risk.

4.7 CHESS and Issuer Sponsorship

The Company will apply to participate in ASX's Clearing House Electronic Subregister System (CHESS) and will comply with the ASX Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on the ASX under which transfers are effected in an electronic form.

When the Shares become approved financial products (as defined in the ASX Settlement Operating Rules), holdings will be registered in one of two sub-registers, an electronic CHESS sub-register or an issuer-sponsored sub-register. For all successful Applicants, the Shares of a Shareholder who is a participant in CHESS or a Shareholder sponsored by a participant in CHESS will be registered on the CHESS sub-register. All other Shares will be registered on the issuer-sponsored sub-register.

Following Completion, Shareholders will be sent a holding statement that sets out the number of Shares that have been allocated to them. This statement will also provide details of a Shareholder's Holder Identification Number (HIN) for CHESS holders or, where applicable, the Shareholder Reference Number (SRN) of issuer sponsored holders. Share certificates will not be issued.

Shareholders will subsequently receive statements showing any changes to their shareholding. Shareholders will receive subsequent statements at the end of each month or if there has been a change to their shareholding on the register and as otherwise required under the ASX Listing Rules and any applicable law. Additional statements may be requested at any other time either directly through the Shareholder's sponsoring Broker (in the case of a holding on the CHESS sub-register) or through the Share Registry (in the case of a holding on the issuer sponsored sub-register). The Company and the Share Registry may charge a fee for these additional issuer sponsored statements.

4.8 Timetable

Important Events	Date
Lodgement of Prospectus with ASIC	Wednesday, 16 October 2024
Lodgement of Replacement Prospectus with ASIC	Wednesday, 29 October 2024
Opening Date of Offer	Wednesday, 30 October 2024
Closing Date of Offer	Friday, 15 November 2024
Issue of new Shares	Tuesday, 19 November 2024
Expected despatch date of Holding Statements	Tuesday, 19 November 2024
Expected date for Shares to commence trading on ASX	Friday, 22 November 2024

Note: The above dates are indicative only. The Company reserves the right to alter this timetable including the Opening Date of Offer and the Closing Date of Offer. Applicants are advised to lodge their Application Forms as soon as possible after the Opening Date if they wish to invest in the Company.

4.9 Withdrawal and discretion regarding the Offer

The Company may withdraw the Offer at any before the issue of new Shares to successful Applicants. If the Offer, or any part of it, does not proceed, Application Monies will be refunded to Applicants (without interest) in accordance with the Corporations Act.

The Company reserves the right to close the Offer or any part of it early, extend the Offer or any part of it, accept late Applications either generally or in particular cases, reject any Application, or allocate to any Applicant fewer Shares that applied for.

There is no assurance that any Applicant will be allocated any Shares, or the number of Shares for which the Applicant has applied. The Company may in its absolute discretion, without notice to any Applicant and without giving any reason:

(a) decline an Application;

(b) accept an Application for its full amount or any lower amount;

(c) determine a person to be eligible or ineligible to participate in any part of the Offer;

(d) waive or correct any errors made by an Applicant in completing their Application Form;

(e) amend or waive the Offer application procedures or requirements in compliance with applicable laws; or

(f) aggregate any Applications that they believe may be multiple Applications from the same person.

4.10 Use of Funds

The funds raised from the Offer will be used for the purposes set out in table below.

Activity	Minimum Subscription ($5m)	Maximum Subscription ($7m)
NervAlign Nerve Conduit studies	$1.1m	$1.1m
Post market study for Nerve Cuff	$0.0m	$0.3m
Nerve Guide Matrix program	$2M	$3M
IPO costs	$0.8m	$0.9m
Working capital and operating expenses*	$1.1m	$1.7m
Total	$5m	$7m

*Working capital and operating expenses above refer to and include the following: premises rental payments, payroll and employment costs, base R&D costs, sales and marketing costs and insurance costs.

Amounts in the above table have been rounded as appropriate. “IPO costs” (as noted above) include both cash and non-cash payments, the latter of which consists of options issued to advisers (see section 4.12). See section 11.8 for further information regarding the costs of the offer.

Additional funding through debt or equity may be considered by the Board where it is appropriate to accelerate a specific project or transaction.

The Directors believe that on completion of the Offer, the Company will have sufficient working capital available from the proceeds of the Offer (as noted above) and its existing cash at bank, expected and received R&D rebates, and operations to fulfil the purposes of the Offer, satisfy the ASX Listing Rule requirements and meet the Company’s business objectives.

The Directors believe that following completion of the Offer, the proceeds from the Offer will last the Company at least 18 – 24 months.

If the Company decides to make any significant acquisitions such acquisitions would be funded by additional financing through debt or equity (subject to any necessary Shareholder approvals).

4.11 Conditions of the Offer

The Offer is conditional upon (**Offer Conditions**):

(a) ASX approving the Listing Application and agreeing to quote the Shares the Official List of ASX; and

(b) the Minimum Subscription under the Offer of 25,000,000 Shares to raise $5,000,000 before expenses being achieved.

There is a risk that the Offer Conditions will not be satisfied. If the Offer Conditions are not satisfied, the Company will not proceed with the Offer. If this occurs no Shares will be issued under this Prospectus and all Application Monies will be refunded (without interest) in accordance with the Corporations Act.

4.12 Capital Structure

The table below provides a summary of the capital structure of the Company at the date of this Prospectus and upon completion of the Offer:

	Minimum Subscription ($5,000,000)		**Minimum Subscription ($7,000,000)**	
	Number of Shares	**% of total Shares on issue**	**Number of Shares**	**% of total Shares on issue**
Existing Shares on issue	95,852,959	72.74%	95,852,959	67.61%
Shares issued on conversion of Convertible Notes	10,925,160	8.29%	10,925,160	7.71%
Total number of New Shares available under the Offer	25,000,000	18.97%	35,000,000	24.69%
Total Shares	131,778,119	100%	141,778,119	100%
No. of restricted Shares	56,385,365	42.79%	56,385,365	39.77%
No. of unrestricted Shares	75,392,754	57.21%	85,392,754	60.23%
Offer Price	$0.20	N/A	$0.20	N/A
Indicative market capitalisation based on the Offer Price	26,355,624	N/A	28,355,624	N/A
Free Float	57.21%	N/A	60.23%	N/A

Notes: The above represents the indicative capital structure following completion of the Offer. Amounts and percentages may vary slightly. Additionally:

a) The above includes, at line item 2, existing convertible notes on issue that convert into shares in the Company on IPO. Between November 2023 and October 2024, the Company raised in aggregate $1,660,000 by the issuance of these convertible notes (**Convertible Notes**). The Convertible Notes accrue interest at a coupon rate of 10% per annum (which is capitalised upon conversion), convert at a discount of 20% to the price per share under the Offer subject to a maximum conversion price of $0.24, and will automatically be converted upon close of the Offer and the Company's listing on the ASX. For the purposes

of the above capital structure table, for the accrual and capitalisation of interest on the Convertible Notes, it has been assumed that the Convertible Notes will convert on 1 November 2024. If this date changes, the number of shares issued upon conversion will be altered slightly to reflect the interest position on the relevant conversion date, and in turn, the capital structure will alter slightly.

b) The above excludes the options issued under the Company's ESOP. The number of shares that would be issued on exercise of the options currently issued under the ESOP is 850,000. See the terms of these options summarised in the table below. The options have been issued to several employees in connection with services rendered to the Company.

c) The above excludes 1,500,000 advisor options issued to Canary Capital, of which 750,000 options have an exercise price of $0.40 and 750,000 options have an exercise price of $0.50 expiring on 25 March 2025. See the terms of these options summarised in the table below.

d) The above excludes 500,000 options issued to Emerging Surgical, 250,000 options of which have an exercise price of $0.35 and 250,000 options which have an exercise price of $0.50 expiring on 15 June 2026. See the terms of these options summarised in the table below.

e) The above excludes the Lead Manager Options in the Company equivalent to 2% of the fully diluted capital of the Company post completion of the Offer with an exercise price equal to 50% premium to the price per share issued under the Offer and a three-year expiry from the date of issue (**Lead Manager Options**). The grant is conditional on the Lead Manager successfully raising the Minimum Subscription. Based on Minimum Subscription the Lead Manager will be granted 2,747,513 Lead Manager Options and based on Maximum Subscription, the Lead Manager will be granted 2,951,594 Lead Manager Options. See the terms of these options summarised in the table below.

The table below provides a summary of the options on issue in the Company at the date of this Prospectus and upon completion of the Offer. Each of the options is exercisable for 1 share:

Security Name	Issuer Holdings	% Issuer Holdings	Total Holders	Total Holdings	Holder
UNL OPT @ $0.40 EXP 25/03/2025	750,000	100.00%	1	750,000	Canary Capital
UNL OPT @ $0.50 EXP 25/03/2025	750,000	100.00%	1	750,000	Canary Capital
UNL OPT @ $0.35 EXP 15/06/2026	15,000	100.00%	1	15,000	Emerging Surgery
UNL OPT @ $0.50 EXP 15/06/2026	15,000	100.00%	1	15,000	Emerging Surgery
UNL OPT @ $0.35 EXP 15/06/2026	15,000	100.00%	1	15,000	Emerging Surgery
UNL OPT @ $0.50 EXP 15/06/2026	15,000	100.00%	1	15,000	Emerging Surgery
UNL OPT @ $0.35 EXP 15/06/2026	25,000	100.00%	1	25,000	Emerging Surgery
UNL OPT @ $0.50 EXP 15/06/2026	25,000	100.00%	1	25,000	Emerging Surgery
UNL OPT @ $0.35 EXP 15/06/2026	35,000	100.00%	1	35,000	Emerging Surgery
UNL OPT @ $0.50 EXP 15/06/2026	35,000	100.00%	1	35,000	Emerging Surgery
UNL OPT @ $0.35 EXP 15/06/2026	35,000	100.00%	1	35,000	Emerging Surgery
UNL OPT @ $0.50 EXP 15/06/2026	35,000	100.00%	1	35,000	Emerging Surgery
UNL OPT @ $0.35 EXP 15/06/2026	15,000	100.00%	1	15,000	Emerging Surgery
UNL OPT @ $0.50 EXP 15/06/2026	15,000	100.00%	1	15,000	Emerging Surgery
UNL OPT @ $0.35 EXP 15/06/2026	20,000	100.00%	1	20,000	Emerging Surgery
UNL OPT @ $0.50 EXP 15/06/2026	20,000	100.00%	1	20,000	Emerging Surgery
UNL OPT @ $0.35 EXP 15/06/2026	25,000	100.00%	1	25,000	Emerging Surgery
UNL OPT @ $0.50 EXP 15/06/2026	25,000	100.00%	1	25,000	Emerging Surgery

UNL OPT @ $0.35 EXP 15/06/2026	30,000	100.00%	1	30,000	Emerging Surgery
UNL OPT @ $0.50 EXP 15/06/2026	30,000	100.00%	1	30,000	Emerging Surgery
UNL OPT @ $0.35 EXP 15/06/2026	35,000	100.00%	1	35,000	Emerging Surgery
UNL OPT @ $0.50 EXP 15/06/2026	35,000	100.00%	1	35,000	Emerging Surgery
UNL OPT @ $0.35 EXP 11/09/2029	600,000	100.00%	3	600,000	ESOP
UNL OPT @ $0.25 EXP 17/04/2028	60,000	100.00%	1	60,000	ESOP
UNL OPT @ $0.25 EXP 17/04/2028	40,000	100.00%	1	40,000	ESOP
UNL OPT @0.35 EXP 01/07/2029	150,000	100.00%	3	150,000	ESOP
UNL OPT @0.30 EXP 3 YEARS	2,951,594*	100.00%	1	2,951,594*	Alpine Capital
Total	**5,801,594**			**5,801,594**	

Notes: * This assumes Maximum Subscription of the Offer. Based on Minimum Subscription the Lead Manager will be granted 2,747,513 Lead Manager Options and based on Maximum Subscription, the Lead Manager will be granted 2,951,594 Lead Manager Options.

4.13 Control implications

The substantial holders of the Company and their respective holdings (including their associated entities), before the Offer and then based on Minimum and Maximum Subscription of the Offer, is summarised in the below table.

Director / Senior Executive (and their associated entities)	Pre IPO		Minimum Subscription ($5,000,000)		Maximum Subscription ($7,000,000)	
	Number of Shares	% of total Shares on issue	Number of Shares	% of total Shares on issue	Number of Shares	% of total Shares on issue
Julian Chick: Julian Chick Viomaj Pty Ltd Violeta Traicevski & Julian Chick	13,922,276	13.04%	13,922,276	10.56%	13,922,276	9.82%
David Rhodes: Lucen Pty Ltd	11,527,500	10.80%	11,527,500	8.75%	11,527,500	8.13%
Stephen Cooper: Zetland Road Pty Ltd	10,167,192	9.52%	10,167,192	7.72%	10,167,192	7.17%

All of the above are either directors or senior management of the Company.

There are no persons other than these officers and their associates expected to have a substantial holding in the Company as at completion of the Offer.

4.14 Escrow Arrangements

Under the Listing Rules, ASX may determine that securities issued to promoters, seed capital investors and vendors of classified assets have escrow restrictions placed on them. Such securities may be required to be held in escrow for up to 24 months from quotation of the

Company's Shares, during which time they must not be transferred, assigned or otherwise disposed of.

The Company expects that Shares held by Directors and certain Pre-IPO Shareholders will be subject to escrow. Prior to admission to the official list of ASX, the Company will enter into escrow agreements with the relevant holders in relation to the securities subject to mandatory escrow in accordance with the Listing Rules.

The restriction on 'dealing' is broadly defined and includes, among other things, selling, assigning, transferring or otherwise disposing of any interest in the Shares, encumbering or granting a security interest over the Shares (except to the extent outlined in this section), doing, or omitting to do, any act if the act or omission would have the effect of transferring effective ownership or control of any of the Shares or agreeing to do any of those things. There are limited circumstances in which the escrow may be released early, namely:

(a) to allow the escrowed Shareholder to accept an offer under a takeover bid in relation to its Shares if holders of at least half of the Shares the subject of the bid that are not held by the escrowed Shareholders have accepted the takeover bid;

(b) to allow the Shares held by the escrowed Shareholders to be transferred or cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act;

(c) to allow escrowed Shareholders to participate in a buyback or capital reduction; or

(d) on the death or incapacity of the escrowed Shareholder.

The Company is also proposing further voluntary escrow arrangements with certain holders of shares, which are yet to be finalised as at the date of this Prospectus.

The table below details the Shareholders and their expected compulsorily and voluntary escrowed Shares on Completion.

The number of Shares to be restricted shown in the table below is based on the Company's estimations only and is subject to final determination by ASX.

Holder	Compulsory Escrow	Voluntary Escrow	Total Escrow	Period
Related Parties / Promotors				
Julian Chick Julian Chick Viomaj Pty Ltd Violeta Traicevski & Julian Chick	12,242,276	1,680,000	13,922,276	24 months
David Rhodes Lucen Pty Ltd	11,377,495	150,005	11,527,500	24 months
Michael Panaccio Michael Panaccio Cristiana Panaccio Starfish Ventures Pty Ltd	2,062,250	1,500,000	3,562,250	24 months
Stephen Cooper Zetland Road Pty Ltd	5,417,187	4,750,005	10,167,192	24 months
CANARY CAPITAL PTY LTD	137,500	550,000	687,500	24 months
EPIGENE PTY LTD	12,500	50,000	62,500	24 months
Seed Capitalists / Other				
COMMONWEALTH SCIENTIFIC AND INDUSTRIAL RESEARCH ORGANISATION	-	2,030,000	2,030,000	12 months
ALEXIOS ADAMIDES NEUROSURGERY PTY LTD	-	2,455,000	2,455,000	12 months
DAVID LILJA GROUP	71,233	445,831	517,064	12 months
EMERGING SURGICAL INCORPORATED	545,450	300,000	845,450	12 months
RUDEL PTY LTD	-	1,845,938	1,845,938	12 months

DR MIHIR DESAI	150,000	150,000	300,000	12 months
DR BRYAN LOEFFLER	300,000	-	300,000	12 months
MARGIN HOLDINGS (AUST) PTY LTD	-	665,000	665,000	12 months
ROPEHAWN INVESTMENTS PTY LTD	176,027	2,843,237	3,019,264	12 months
DR ALICE WOO	150,000	-	150,000	12 months
SEAN MCCARTHY	150,000	150,000	300,000	12 months
AUSTRALIAN INSTITUTE OF REGENERATIVE SURGERY PTY LTD	150,000	300,000	450,000	12 months
NICOLA AND SIMON SMITH	91,438	1,525,000	1,616,438	12 months
OTHER (GENERAL SEED CAPITALISTS)	1,961,994	-	1,961,994	12 months
Total Escrowed Shares			**56,385,365**	
Total Escrowed Shares % (Minimum Subscription)			**42.79%**	
Total Escrowed Shares % (Maximum Subscription)			**39.77%**	

The Company will announce final escrow arrangements to ASX prior to quotation of Shares.

4.15 Offer management / Underwriting

The Offer will not be underwritten.

Alpine Capital Pty Ltd (**Lead Manager**) will manage the Offer on a best endeavours basis.

4.16 Capital Raising Fees

The Lead Manager will be entitled to a fee of 6% of capital raised (comprising a management fee of 4% and a selling fee 2%). The capital raising fee will be paid in cash.

The Company has also agreed to grant the Lead Manager Options in the Company equivalent to 2% of the fully diluted capital of the Company post completion of the Offer with an exercise price equal to 50% premium to the price per share issued under the Offer and a three-year expiry from the date of issue (**Lead Manager Options**). The grant is conditional on the Lead Manager successfully raising the Minimum Subscription. Based on Minimum Subscription the Lead Manager will be granted 2,747,513 Lead Manager Options and based on Maximum Subscription, the Lead Manager will be granted 2,951,594 Lead Manager Options.

More information on the Lead Manager's mandate is set out in section 10.9.

4.17 Foreign Investor Restrictions

No action has been taken to register or qualify this Prospectus, the Shares or the Offer or otherwise to permit a public offering of the Shares in any jurisdiction outside Australia and New Zealand.

This Prospectus does not constitute an offer or invitation to subscribe for Shares in any jurisdiction in which, or to any person whom, it would not be lawful to make such an offer or invitation or issue under this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus may not be released or distributed in the United States or elsewhere outside Australia and New Zealand, unless it has attached to it the selling restrictions applicable in the jurisdictions outside Australia and New Zealand, and may only be distributed to persons to whom the Offer may lawfully be made in accordance with the laws of any applicable jurisdiction.

United States

The Shares (including the New Shares) have not been, and will not be, registered under the US Securities Act 1933 (**US Securities Act**) and may not be offered or sold in the United States of America, or to, or for the account or benefit of, any person in the USA.

Singapore

This document and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Shares, may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA. This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore. Any offer is not made to you with a view to the Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (SFO). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance). No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

4.18 Representations by Applicants

Each Applicant will be taken to have represented, warranted, agreed and acknowledged as follows:

(a) it agrees to become a shareholder of the Company and to be bound by the terms of the Constitution and the terms and conditions of the Offer set out in this Prospectus;

(b) it acknowledges having personally received a printed or electronic copy of this Prospectus (and any supplementary or replacement prospectus) and the accompanying Application Forms, and having read them in full;

(c) it understands that the Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered, sold or resold in the United States;

(d) is not in the United States, or acting for a person in the United States;

(e) it has not sent and will not send this Prospectus or any material relating to the Offer to any person in the United States; and

(f) it will not offer or sell the Shares in the United States or in any other jurisdiction outside Australia or New Zealand.

4.19 Risk factors

As with any share investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in section 6 of this Prospectus. The Shares on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, applicants should read this Prospectus in its entirety, consider all factors in light of their individual circumstances and seek appropriate professional advice.

4.20 Exposure period

In accordance with Chapter 6D of the Corporations Act, this Prospectus is subject to an Exposure Period of 7 days from the date of lodgement with ASIC. The Exposure Period may be extended by ASIC by a further period of up to 7 days.

The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this Prospectus. If deficiencies are detected, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. During the Exposure Period, electronic and hard copies of this Prospectus will be made available upon request to the Company. Applications received during the Exposure Period will not be processed until after expiration of the Exposure Period. No preference will be conferred on Applications received during the Exposure Period and all such Applications will be treated as if they were simultaneously received on the Opening Date.

4.21 Privacy Disclosure

Persons who apply for Shares pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect hold and use that personal information to assess applications for Shares, to provide facilities and services to Shareholders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for Shares will not be processed. In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained by that Shareholder through contacting the Company's Lead Manager, Alpine Capital, by email at charles@alpinecapital.au, or the Share Registry, by email at hello@automicgroup.com.au or telephone on 1300 288 664 (Within Australia) or + 61 (2) 9698 5414 (from outside Australia).

4.22 Financial forecasts

The Directors do not believe that they have a reasonable basis to reliably forecast future earnings of the Company and, accordingly, financial forecasts are not included in this Prospectus.

4.23 Dividends

The intellectual property assets and business model of the Company are, as yet, unproven, and an investment in the Company should be regarded as speculative.

Accordingly, there is no guarantee of the payment of any dividends or like distributions to successful Applicants by the Company and the ability to pay any dividends will be dependent on generating sufficient revenue and profits to support the payment of dividends.

4.24 Enquiries

This Prospectus is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, lawyer, accountant or other professional adviser without delay.

Questions relating to the Offer and the Application Form can be directed to the Company's Lead Manager, Alpine Capital, via Charles Reed (email: Charles@alpinecapital.au, contact number: +61 437 533 220), or the Share Registry, by email at hello@automicgroup.com.au or telephone on 1300 288 664 (Within Australia) or + 61 (2) 9698 5414 (from outside Australia).

5. BOARD AND MANAGEMENT

5.1 Board of directors

The Directors bring to the Board relevant skills and experience, including industry and business knowledge, financial management and corporate governance expertise.

The Board of Directors of the Company consists of:

Directors	Experience, Qualifications and Background
Chairman Stephen Cooper	Stephen Cooper is a director of Grant Samuel Group Pty Limited, a leading independent Australian investment banking business. Stephen has over twenty-five years of experience in investment banking and has been responsible for numerous corporate advisory assignments including public company takeovers, mergers, business sales and acquisitions, schemes of arrangement, capital raisings and business valuations. He has served as the chairman of an ASX-listed biotechnology company, Avexa Ltd. Mr Cooper will be a non-executive director.
Non-Executive Director Michael Panaccio	Michael Panaccio is one of the founders of Starfish Ventures, a venture capital firm that invests in early stage technology companies and plays an active role in the management of its portfolio. Michael has been a director of numerous technology businesses in Australia and the USA including SIRTeX Medical Ltd, Engana Pty Ltd (acquired by Optium Inc), Energy Response (sold to EnerNoc Inc), ImpediMed Ltd, and Protagonist Therapeutics Inc. He currently serves on the boards of MetaCDN Pty Ltd, Margin Clear Pty Ltd, Marp Therapeutics Pty Ltd and Cylite Pty Ltd. Dr Panaccio will be a non-executive Director.
Executive Director David Rhodes	Dr David Rhodes has more than 20 years' experience in healthcare and biotechnology industries, where he has held numerous senior management roles and developed technologies through to market approval. Previous roles include senior researcher at Amrad, Chief Scientific Officer of the medical devices company Admedus Ltd, senior executive and Head of Drug Discovery and Senior Vice President Biology at Avexa Ltd. Amrad, Admedus and Avexa were all ASX listed companies. Dr Rhodes has successfully led multiple technology development programs attracting significant levels of funding from many State and Federal Government initiatives and research institute programs. He publishes in high impact peer reviewed journals and is an inventor on numerous patents. David is an Adjunct Associate Professor in the Faculty of Engineering at Monash University and previously a member of the Australian Regenerative Medicine Institute Leadership Advisory Board. David has a PhD in Biochemistry.

Directors	Experience, Qualifications and Background
Executive Director Julian Chick	Dr Julian Chick is an experienced healthcare executive with over 25 years' experience in senior management including in ASX listed companies Avexa and Admedus. His roles have included Chief Executive Officer, COO and Head of Business Development, as well as running early and late stage R&D projects and launching medical devices into the global markets. Dr Chick while COO at Admedus Ltd was involved in the R&D development, regulatory approval and launch of several tissue products in North America, Europe and Asia. He has ten years' experience in investment banking and advisory and has also held a role as an analyst reviewing healthcare and biotechnology investment opportunities for private equity investors and venture capitalists. Julian has a PhD in Muscle Physiology.

5.2 Senior Management

The Company's senior management will consist of:

Director	Experience, Qualifications and Background
Executive Director Julian Chick	See section 5.1
Chief Scientific Officer David Rhodes	See section 5.1
Chief Financial Officer and Company Secretary David Lilja	David Lilja (B.Bus, MBA, CTA, MIPA) is a qualified accountant and experienced company secretary with over 20 years' experience within the professional services industry working closely across a wide range of industries. David will supply his services through his firm, DLK Advisory, which provides a breadth of support to its clients including outsourced CFO and Company Secretary services. The Company does not consider that its current level of operations justifies it retaining a full time CFO and company secretary.

5.3 Interest of Directors and Management

Other than as disclosed in this Prospectus, no existing or proposed Director holds at the date of this Prospectus, or has held in the 2 years prior to the date of this Prospectus, an interest in:

(a) the formation or promotion of the Company;

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or in connection with the Offer; or

(c) the Offer,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to an existing or proposed Director for services in connection with the formation or promotion of the Company or the Offer, or to induce them to become, or qualify as, a Director.

5.4 Shareholding requirements

Directors are not required to hold any Shares under the Constitution of the Company.

5.5 Directors' security holdings

Set out below are the anticipated relevant interests of the Directors in Shares and their voting power as at the date of this Prospectus.

Director (and their associated entities)	Pre IPO		Minimum Subscription ($5,000,000)		Maximum Subscription ($7,000,000)	
	Number of Shares	% of total Shares on issue	Number of Shares	% of total Shares on issue	Number of Shares	% of total Shares on issue
Julian Chick: Julian Chick Viomaj Pty Ltd Violeta Traicevski & Julian Chick	13,922,276	13.04%	13,922,276	10.56%	13,922,276	9.82%
David Rhodes: Lucen Pty Ltd	11,527,500	10.80%	11,527,500	8.75%	11,527,500	8.13%
Stephen Cooper: Zetland Road Pty Ltd	10,167,192	9.52%	10,167,192	7.72%	10,167,192	7.17%
Michael Panaccio: Michael Panaccio Cristiana Panaccio Starfish Ventures Pty Ltd	3,562,250	3.34%	3,562,250	2.70%	3,562,250	2.51%

5.6 Director’s Remuneration

The Constitution provides that each Director is entitled to such remuneration from the Company as the Directors decide, but the total amount provided to all non-executive directors must not exceed in aggregate the amount fixed by the Directors prior to the first annual general meeting. The maximum aggregate remuneration for all non-executive directors has been set at an amount of $300,000.00 per annum under the Constitution. The remuneration of the Directors must not be increased except pursuant to a resolution passed at a general meeting of the Company where notice of the proposed increase has been given to Shareholders in the notice convening the meeting.

Set out below is the initial remuneration payable by the Company to each Director.

Director	Role	Annual Salary (including director fees and any superannuation)
Stephen Cooper	Independent Chairman	$63,000
Michael Panaccio	Independent non-executive director	$43,000

5.7 Senior management security holdings

Set out below are the anticipated relevant interests of senior management in Shares and their voting power upon completion of the Offer (excluding any executive Directors whose interest have already been set out in section 5.5).

Senior Management (and their associated entities)	Pre IPO		Minimum Subscription ($5,000,000)		Maximum Subscription ($7,000,000)	
	Number of Shares	% of total Shares on issue	Number of Shares	% of total Shares on issue	Number of Shares	% of total Shares on issue
David Lilja: Dunbarrim Pty Ltd	358,331	0.34%	358,331	0.27%	358,331	0.25%

5.8 Senior management remuneration

Set out below is the initial remuneration payable by the Company to senior management.

Management	Role	Annual Salary (including director fees and any superannuation)
Julian Chick	Chief Executive Officer	$350,000
David Rhodes	Chief Scientific Officer	$290,000

5.9 Executive and Director Share Option Plan

The Company has adopted the Executive and Director Share Option Plan (**ESOP**) to reward directors, executives and other senior management for the achievement of KPIs (**Participants**) and to better align their interests with the interests of Shareholders.

Under the ESOP the Company may grant Options to eligible Participants and may lend to eligible Participants the exercise price of the Options.

In accordance with the rules of the ESOP, the Board will determine, in its sole and absolute discretion, the terms and conditions of future issues of Options which under the ESOP including, but not limited to, the following:

(a) which individuals will be invited to participate in the ESOP;

(b) the number of Options to be granted to each Participant;

(c) the exercise price of each Option granted to Participants;

(d) the expiry date of the Options granted to Participants; and

(e) the terms on which the Options will vest and become exercisable, including any vesting conditions or performance hurdles which must be met.

If Shares are quoted on ASX at the time the Options are exercised, the Company will apply to the ASX for quotation of the Shares issued on exercise of the Options in accordance with the ASX Listing Rules.

In the event of any reorganisation on or prior to the relevant expiry date of any Option, the rights of the holder of the Options will be changed to the extent necessary to comply with the ASX Listing Rules. A holder of Options may not participate in a rights or similar issue unless the Options are exercised prior to the relevant record date.

In the event of a change of control of the Company, all Options will vest and exercise conditions are waived, to allow the holder to exercise the Options prior, and subject to, the relevant change of control.

Shares allotted on exercise of Options will rank equally in all respects with all other issued Shares from the date of allotment and will be held subject to the Constitution.

The ESOP will operate subject to the ASX Listing Rules and all applicable laws.

5.10 Corporate Governance

The Board is committed to maximising Shareholder value and financial return and sustaining the growth and success of the Company's business. In conducting business with these objectives, the Board is tasked with ensuring that the Company is properly managed to protect and enhance Shareholder interests, and that the Company, its Directors, officers and employees fulfil their functions effectively and responsibly.

(a) Board

The Board comprises four Directors, including the Independent Non-Executive Chairman, the Chief Executive Officer, one Executive Director and one Independent Non-Executive Director. Detailed biographies of the Directors are provided in section 5.1.

Each Director has confirmed to the Company that he anticipates being available to perform his duties as a non-executive Director or executive Director as the case may be without constraint from other commitments.

(b) Independence of the Board

The Board considers that a director is an independent director where that director is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company and its Shareholders. Generally, when determining the independence of a director, the

Company also considers the factors relevant to assessing the independence of a director listed in Recommendation 2.3 of the ASX Corporate Governance Principles and Recommendations.

The Board considers that Stephen Cooper and Michael Panaccio are free from any business or other relationship that could materially interfere with, or reasonably be perceived to materially interfere with, the independent exercise of his judgment and is able to fulfil the role of independent director for the purposes of ASX.

Notwithstanding the above, Stephen Cooper (through his entity Zetland Road Pty Ltd) will hold greater than 5% of the Company at completion of IPO. Notwithstanding this the Company still considers him to be independent. The substantial holding is a function of the current small size of the Company. He is not likely to continue to hold in excess of 5% as the Company grows and develops. The value of Mr Cooper's investment in the Company to date does not represent a material percentage of his overall net wealth. Mr Cooper is a director of Grant Samuel and has significant experience in Corporate Governance and takes his role of independent Chairman with great responsibility.

Whilst the present directors seek to establish a Board which is made up of a majority of independent directors over time, this must also be balanced with the benefits of maintaining access to the skills and experience of these two executive and non-independent non-executive directors. Consequently, the Board has plans to expand its membership to include additional non-executive directors.

The directors, and their independence status is summarised as follows:

- Julian Chick – Chief Executive Officer – not independent
- David Rhodes – Executive Director – not independent
- Michael Panaccio – Independent Non-executive Director
- Stephen Cooper – Independent Chairman

(c) Board Charter

The responsibilities of the Board are set out in the Company's Board Charter, which has been prepared having regard to the ASX Corporate Governance Principles and Recommendation.

(d) Board Committees

The Board has established two standing committees to assist the Board in fulfilling its responsibilities as described in the table below.

Each of these committees has the responsibilities described in the committee charters adopted by the Company (which have been prepared having regard to the ASX Corporate Governance Principles and Recommendations). A copy of the charter for the above committees is available on the Website.

The Board may also establish other committees from time to time to assist in the discharge of its responsibilities.

BOARD COMMITTEE	KEY RESPONSIBILITIES	INITIAL COMPOSITION
Audit and Risk Committee	Monitoring and advising the Board on the Company's risk management, audit and regulatory compliance policies and procedures	Chair – Stephen Cooper; Michael Panaccio, David Rhodes

BOARD COMMITTEE	KEY RESPONSIBILITIES	INITIAL COMPOSITION
Remuneration and Nomination Committee	Establishing the policies and practices of the Company regarding the remuneration of Directors and senior management and reviewing all components of the remuneration framework. Advising the Board on the composition of the Board and its committees.	Chair – Michael Panaccio; Stephen Cooper, Julian Chick

(e) Policies

The Company has adopted various policies, taking into account the recommendations in the ASX Corporate Governance Principles and Recommendations. These policies are available on the Website and include:

- **Code of Conduct:** A code of conduct that sets out the standards of conduct and behaviour the Company expects from its Directors, officers, employees and contractors;
- **Disclosure and Communication Policy:** This policy describes the procedures in place which are designed to ensure that the Company complies with its continuous disclosure obligations This policy **also** describes how the Company will ensure effective communication with its shareholders and broader stakeholders;;
- **Securities Trading Policy:** This policy outlines when Directors and key management personnel may deal with the Company's securities, particularly at times when the market may not be fully informed as to the Company's progress, and explains how insider trading laws affect their dealings in the Company's securities;
- **Diversity Policy**: This policy sets out the Company's policy for achieving an inclusive and diverse workplace, at all levels and how the Company aims to ensure that its objectives can be measured and improved;
- **Whistleblower Policy**: This policy identifies the types of concerns that may be reported under the policy and sets out the processes the Company has put in place to follow up and investigate complaints whilst ensuring the confidentiality of the Whistle Blower's identity and their protection from retaliation;
- **Privacy Policy**: This policy describes how the Company manages personal information of persons dealing with the Company in accordance with the Privacy Act 1988 and other relevant privacy legislation and regulations; and
- **Anti-Bribery and Corruption Policy**: This policy provides a framework of guidelines and principles to encourage ethical behaviour in ReNerve's business conduct.

(f) ASX Corporate Governance Principles and Recommendations

The Board has evaluated the Company's current corporate governance policies and practices in light of the ASX Corporate Governance Principles and Recommendations.

A Corporate Governance Compliance statement can be found on the Company's website at renerve.com.au which briefly addresses the areas where the Company has departed from the recommendations contained in the ASX Corporate Governance Principles and Recommendations. The Board is of the view that with the exception of the departures set out in such table, it otherwise expects to comply with all of recommendations in the ASX Corporate Governance Principles and Recommendations.

The Directors intend to appoint additional suitably qualified and experienced independent directors to the Board when circumstances permit.

(g) Company Secretary

The Company Secretary is responsible for ensuring that Board procedures and policies are followed and provides advice to the Board including on matters involving corporate governance and the ASX Listing Rules. All Directors have unfettered access to the advice and services of the Company Secretary.

5.11 Summary of Executive Employment Contracts

Julian Chick

The Company has entered into an executive employment agreement with Julian Chick dated on or around 11 October 2024 which provides for his full-time employment with the Company as CEO. In addition to the remuneration arrangements referred to in section 5.8, this agreement:

- allows Julian Chick's employment to be terminated on six months' notice by either party;
- allows the Company to terminate Julian Chick's employment with immediate effect if Julian Chick engages in serious misconduct;
- imposes typical confidentiality obligations on Julian Chick, which survive termination of his employment with the Company;
- provides for Julian Chick to assign to the Company all of his intellectual property rights arising out of his employment with the Company or the performance of his duties;
- restricts Julian Chick from soliciting employees of the Company, for up to 1 year after termination of his employment; contains a framework for Julian Chick to participate in both short term and long term incentive schemes of the Company, subject to certain performance criteria and milestones being met; and
- otherwise contains provisions typical for an executive employment agreement.

David Rhodes

The Company has entered into an executive employment agreement with David Rhodes dated on or around 15 October 2024 which provides for his full-time employment with the Company as CSO. In addition to the remuneration arrangements referred to in section 5.8, this agreement:

- allows David Rhodes's employment to be terminated on six months' notice by the Company;

- allows the Company to terminate David Rhodes's employment with immediate effect if David Rhodes engages in serious misconduct;
- imposes typical confidentiality obligations on David Rhodes, which survive termination of his employment with the Company;
- provides for David Rhodes to assign to the Company all of his intellectual property rights arising out of his employment with the Company or the performance of his duties;
- restricts David Rhodes from soliciting employees of the Company, for up to 1 year after termination of his employment; contains a framework for David Rhodes to participate in both short term and long term incentive schemes of the Company, subject to certain performance criteria and milestones being met; and
- otherwise contains provisions typical for an executive employment agreement.

6. RISK FACTORS

This section 6 describes potential risks associated with the Company and an investment in Shares in the Company. It does not list every risk that may be associated with the type of business or an investment in Shares and the occurrence or consequences of some of the risks described in this section 6 are partially or completely outside the control of the Company and its Directors and management.

The selection of risks described in this section has been based on an assessment of a combination of the probability of the risk occurring and the impact of the risk if it did occur. The assessment is based on the knowledge of the Company as at the date of this Prospectus. The risks may change or other risks may emerge after that date.

Before applying for Shares, you should be satisfied that you have a sufficient understanding of the risks involved in making an investment in the Company and whether it is a suitable investment, having regard to your investment objectives, financial circumstances and taxation position. It is recommended that you seek professional guidance from your stockbroker, solicitor, accountant or other independent and qualified professional adviser before deciding whether to invest.

Prospective investors should be aware that the risks outlined in this section 6 should be considered in conjunction with the other information disclosed in this Prospectus. There can be no guarantee that the Company will achieve its stated objectives or that any forward looking statements contained in this Prospectus will be realised or otherwise eventuate. References in this section to "the Company" are to the Company and its business and operations.

6.1 Risks specific to the Company

(a) Research and development program

ReNerve's new products require research and development throughout their early stages. It is possible that ReNerve's development of its product portfolio may prove more costly or take more time than expected, or may not achieve the expected clinical endpoints.

(b) Rejection or delay in receiving regulatory approvals

In February 2022, ReNerve received market clearance from the FDA for its primary product, the NervAlign® Nerve Cuff. FDA Market Clearance was granted in response to ReNerve's submissions and engagements with the FDA. The NervAlign® Nerve Cuff is designated as a Class II medical device.

All ReNerve's other products will require regulatory approvals, in most cases as medical devices. Rejection, delay or subsequent loss of regulatory approvals could impact the business. Jurisdictions outside of the US will likely require clinical data and ReNerve is engaging surgeons in Australia and in the US. to support the generation of suitable data. In addition, once regulatory approval is obtained in the US, clinical data can be obtained and used to support additional regulatory filings. The Directors assess rejection or delay risks for other approvals as low given the Company's significant internal expertise in obtaining these types of clearances.

(c) Non-acceptance of ReNerve products by plastic or neurosurgeons

ReNerve's marketing strategy relies on acceptance of its products by surgeons. The Directors and in particular Dr Alex Adamides who is himself a prominent neurosurgeon, are confident the products commencing with NervAlign® Nerve Cuff will be accepted by surgeons. The Company is also actively interacting with surgeons on a frequent basis about its products to ensure that it is developing products to meet surgeons requirements.

(d) Loss of EMCM exclusivity

ReNerve currently has exclusivity under the EMCM Agreement (its manufacturing and distribution agreement) with EMCM. Exclusivity is dependent on ReNerve satisfying certain take or pay obligations. Loss of exclusivity could expose the NervAlign® Nerve Cuff to greater competition. ReNerve considers it unlikely that it will not be able to satisfy the take or pay obligations in the EMCM Agreement and maintains a strong, ongoing relationship with EMCM. See section 10.2 for more information on the EMCM Agreement.

(e) Termination of EMCM Agreement

Termination of the EMCM Agreement is unlikely but is possible if ReNerve breaches its obligations or if EMCM became insolvent or otherwise incapable of performing its obligations. If it was terminated, ReNerve would be protected initially by the fact that ReNerve's NervAlign® Nerve Cuff product has a 30-month shelf life, meaning that ReNerve could service its market with existing product supplies until a new manufacturer could be established.

ReNerve currently has a licence to the Leader IP (see section 2.13). The licence is revocable only in the case ReNerve breaches the terms of the licence or its obligations under the EMCM Agreement. ReNerve believes that if EMCM became insolvent or otherwise incapable of performing its obligations, ReNerve would not be prevented from continuing to manufacture and distribute the NervAlign® Nerve Cuff product through an alternative manufacturer. However ReNerve would need to work with such alternative manufacturer to develop a method and process for manufacturing the NervAlign® Nerve Cuff, which could be a substantial exercise.

(f) Manufacturing and production risks - EMCM

ReNerve's NervAlign® Nerve Cuff and NervAlign® Nerve Conduit products are to be manufactured in a single location by EMCM, and as such that location is exposed to risks of harm caused by natural or man-made disasters, or operation or human error, which may result in manufacturing disruptions or an inability to manufacture and produce its products for some time. This has the potential to limit, delay or prevent supply of ReNerve's products and have an adverse impact on the availability of ReNerve's products to customers, which would affect contractual obligations, particularly with respect to failure to supply.

If EMCM were unable to continue operations altogether for example due to loss of accreditation or insolvency, or alternatively the agreement with EMCM was breached and terminated, ReNerve would then need to source a new manufacturer, which could be a substantial exercise and be disruptive to marketing and sales.

(g) Manufacturing and production risks – raw materials

Key raw materials used in the manufacture of the product include pigs sourced from the Netherlands. In turn, if there were to be any pathogen or other external force majeure event that diminished access to these resources, this could have an adverse effect on the manufacture of ReNerve's product (by causing delay).

Similarly, in relation to all of the other items and materials used in assembling the final product – there could be changes to or interruptions of/cessations in production – in which case alternatives would be required / sought and revalidation testing may need to be undertaken.

(h) Competition

ReNerve competes against many existing and potential competitors. ReNerve's competitors may be able to increase market share through aggressive marketing campaigns, product improvements, acquisitions or price discounting which may affect ReNerve's market share and margins.

(i) Reverse engineering / copycat by ReNerve competitors

A significant part of ReNerve's IP strategy is to rely on know-how and speed to market rather than patent protection, and there is a possibility that competitors will seek to replicate ReNerve's products. See section 9.

Please see the IP report in section 9 for further information regarding the IP specific risks, which we encourage you to read in full.

(j) Intellectual property generally

The value of ReNerve's products depends in part on its success in obtaining and maintaining intellectual property rights and protecting ReNerve's proprietary technology.

If ReNerve's intellectual property and proprietary technology is not adequately protected, competitors may be able to use the technologies or the goodwill ReNerve has acquired in the marketplace and erode or negate any competitive advantage ReNerve may have, which could harm ReNerve financially.

ReNerve also relies on protecting its trade secrets especially with regard to its manufacturing processes. Although ReNerve implements reasonable endeavours to protect its trade secrets, these measures may not always be sufficient to protect its trade secrets. ReNerve may not be able to meaningfully protect its trade secrets and unpatented know-how and keep them secret.

ReNerve also cannot be certain that others will not independently develop similar technologies on their own, gain access to ReNerve's trade secrets or have disclosed to them such technologies. This could allow competitors to commercialise products in competition with ReNerve's products and erode its competitive advantage.

Please see the IP report in section 9 for further information regarding the IP specific risks, which we encourage you to read in full.

(k) Product liability

Any defects in ReNerve's products may harm ReNerve and its customers' reputation and business. ReNerve may also be subject to warranty and liability claims for damages related to defects in its products. There may also be adverse events reported from the use, misuse or defects of ReNerve's products which could expose ReNerve to product liability claims or litigation.

Additionally, there may even be instances where if there is a serious adverse event, that is not explicitly linked to the product, such as the death of a patient (because of a clinician or natural causes) who has used the product, then this may trigger a product recall and review.

(l) Product recall

A product recall could be imposed if there is a serious adverse event (**SAE**). This risk exists even if a product is cleared or approved for commercial sale by the FDA or other regulatory authorities and manufactured in facilities licensed and regulated by the FDA or other regulatory authorities.

(m) Product pipeline and development of new products

ReNerve's future commercial success is dependent on the continued advancement of existing products and the research and development of new products. Developing new products is expensive and time consuming and products may fail to reach market or sell.

(n) Insufficient funding

ReNerve is in the medical devices business and such businesses require additional capital from time to time in order to progress development programs. There is no guarantee that

ReNerve will be able to raise the funds required in a timely manner or at a reasonable cost when required by it.

(o) Reliance on key personnel

There can be no assurance that ReNerve will be able to retain key personnel. The departure of key personnel may adversely affect ReNerve until suitable replacements are recruited.

(p) Further testing risk

ReNerve may be required to undertake further testing of its products (if it was directed to the by FDA as part of their clearance and approval processes) via trials which, by their very nature, are uncertain in their outcome. The trials also become more complex and larger over time. The trials may fail to reach their designated endpoints, the consequence being that ReNerve's proposed device may not be an effective treatment.

(q) Limited history in product development

ReNerve is relatively newly formed and has limited history in the medical devices and nerve repair markets and commercialisation of nerve repair products. There is no guarantee that it will be able to achieve its business goals in the medical devices and nerve repair business. As a result, ReNerve's business prospects could be adversely affected, which could reduce ReNerve's standing in the investment community and negatively impact its share price.

(r) Limited history in sales

ReNerve is relatively newly formed and has limited history in the sale of medical devices and nerve repair products. There is no guarantee that it will be able to achieve its business goals in the medical devices and nerve repair business.

(s) Reputational risk

ReNerve's reputation is important to its position in the medical devices and nerve repair industries. Reputational damage may be caused in many ways, including adverse outcomes in clinical trials, adverse reactions to products, product contamination issues and employee malfeasance.

(t) Activity levels in key industry sectors may change

ReNerve's client base is spread across the healthcare sector. Any adverse developments which impact the healthcare sector, could have the potential to in turn reduce the demand for ReNerve's products, which could adversely affect the future financial performance of ReNerve.

6.2 General risks of an investment in the Company

(a) Macro-economic risks

The Company and its business are exposed to changes in general global economic conditions. For example, adverse macroeconomic conditions such as economic recessions, downturns or extended periods of uncertainty or volatility, may influence spending by the Company's customers. This may affect the Company's future financial performance and operating performance, the price of the Shares and the Company's ability to pay dividends.

(b) Trading and liquidity in shares

There can be no guarantee that an active market for the Shares will develop. There may be relatively few potential buyers or sellers of the Shares on the ASX at any given time. This may increase the volatility of the market price of the Shares. It may also impact the prevailing market price at which Shareholders are able to sell their Shares.

(c) Stock market conditions

Stock market conditions may affect the value of the Company's quoted securities regardless of its operating performance. Stock market conditions are affected by many factors such as:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- change in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and healthcare stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in it.

(d) Shareholders may suffer dilution

In the future, the Company may elect to issue Shares or engage in fundraisings including to fund acquisitions that the Company may decide to make. While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12 month period (other than where exceptions apply), Shareholders may be diluted as a result of such issues and fundraisings.

(e) Currency movements may be unfavourable

(f) The Company currently conducts business primarily in the United States and its sales are principally denominated in US dollars. Certain costs associated with the sourcing of the Company's products are denominated in Euros. Should the Australian dollar appreciate materially against the US dollar, or weaken materially against the Euro, such movements may cause losses. Such losses may reduce the Company's profitability, ability to pay dividends and service debt obligations. Adverse taxation changes may occur

There is the potential for changes to tax laws. Any change to the current rates of taxes imposed on the Company is likely to affect returns to Shareholders. An interpretation of taxation laws by the relevant tax authority that is contrary to the Company's view of those laws may increase the amount of tax to be paid or cause changes in the carrying value of tax assets in the Company financial statements. In addition, any change in tax rules and tax arrangements may have an adverse effect on the level of dividend franking and Shareholder returns (if any).

(g) General investment risk

The price at which Shares are quoted on the ASX may increase or decrease due to a number of factors. These factors may cause the Shares to trade at prices below the price at which the Shares are being offered under this Prospectus.

There is no assurance that the price of the Shares will increase following the quotation on the ASX, even if the Company earnings increase. Some of the factors which may affect the price of the Shares include:

- fluctuations in the domestic and international market for listed stocks;

- general economic conditions, including interest rates, inflation rates, exchange rates, or changes to government fiscal, monetary or regulatory policies, legislation or regulation (in Australia, the United States and potentially elsewhere);
- inclusion in or removal from market indices;
- the nature of the markets in which the Company operates;
- general operational and business risks; and
- other factors which may negatively affect investor sentiment and influence the Company specifically or the stock market more generally, include acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other man-made or natural events.

7. FINANCIAL INFORMATION

This section contains a summary of the Company's Financial Information and is to be read in conjunction with the Investigating Accountant's Independent Limited Assurance Report (set out in section 8 of this Prospectus) and prepared by the Independent Accountant, PKF Melbourne Corporate Pty Ltd (**PKF**). Investors should note the scope and limitations of that report.

The Financial Information contained in this section 7 comprises the Company's Statutory Historical Financial Information being the audited Historical Statement of Profit or Loss and Other Comprehensive Income and the audited Historical Statement of Cash Flows for the years ended 30 June 2024 (**FY24**), 30 June 2023 (**FY23**) and 30 June 2022 (**FY22**), and the audited Statement of Financial Position as at 30 June 2024 (together, the **Statutory Historical Financial Information**).

The Financial Information includes the Company's Pro Forma Historical Statement of Financial Position as at 30 June 2024 which shows the effect of the Offer on the Company (**Pro Forma Financial Information**).

The Statutory Historical Financial Information has been extracted from the audited financial reports for FY24, FY23 and FY22, which were audited by William Buck Audit (Vic) Pty Ltd (**WB Audit**) who issued an unqualified audit opinion in respect of these financial periods.

The Financial Information was prepared by management and was adopted by the Directors. The Directors are responsible for the preparation and presentation of the Historical and Pro Forma Financial Information in this Prospectus.

All amounts disclosed in this section 7 are presented in Australian dollars (AUD) unless otherwise noted. Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding.

The information in this section should also be read in conjunction with the risk factors set out in Section 7 and other information contained in the Prospectus.

7.1 Pro Forma Financial Information

The accounting policies used to prepare the Pro Forma Financial Information are the same as the accounting policies used in preparation of the financial statements of the Company for FY24, FY23 and FY22 and are set out in this section 7. The pro forma assumptions on which the Pro Forma Financial Information has been based are set out in section 7.4 below.

7.2 Income Statement

Set out below is the Historical Statement of Profit or Loss and Other Comprehensive Income for the Company for FY24, FY23 and FY22.

HISTORICAL STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	AUDITED 30 JUN 2024 $	AUDITED 30 JUN 2023 $	AUDITED 30 JUN 2022 $
Revenue			
Sales	177,373	128,494	-
Purchase of inventories	(178,621)	-	-
Movement in inventories	177,998	-	-
Total cost of sales	**(623)**	**-**	**-**
Gross profit	**176,750**	**128,494**	**-**
Other income	421,662	399,870	578,171
Expenses			
Administration expenses	(642,951)	(605,563)	(553,101)
Depreciation and amortisation expense	(150,337)	(146,242)	(19,983)
Employee benefits expense	(1,110,389)	(854,681)	(557,881)
Finance costs	(290,246)	(6,965)	(1,490)
Marketing	(443,778)	(338,378)	-
Professional fees	(174,188)	(82,017)	(163,718)
Research and development expenses	(771,468)	(297,795)	(1,039,478)
Loss before income tax expense	**(2,984,945)**	**(1,803,277)**	**(1,757,480)**
Income tax expense	**-**	**-**	**-**
Loss after income tax expense for the year attributable to the owners of ReNerve Limited	**(2,984,945)**	**(1,803,277)**	**(1,757,480)**
Other comprehensive income for the year, net of tax	**-**	**-**	**-**
Total comprehensive loss for the year attributable to the owners of ReNerve Limited	**(2,984,945)**	**(1,803,277)**	**(1,757,480)**

7.3 Statement of Financial Position

Set out below is the Historical Statement of Financial Position as at 30 June 2024 for the Company, the subsequent events and pro forma adjustments that have been made to it, and the Pro Forma Statement of Financial Position. These adjustments reflect various assumptions including the impact of the Offer that will be in place following completion of the Offer, as if they had occurred or were in place as at 30 June 2024.

With the exception of the subsequent events and pro forma adjustments noted in the table below, in the opinion of the Directors no other material transactions have occurred between 30 June 2024 and the date of this Prospectus, that require disclosure.

STATEMENT OF FINANCIAL POSITION	NOTE	AUDITED 30 JUN 2024	SUBSEQUENT EVENT ADJUSTMENTS	PRO FORMA ADJUSTMENTS - MIN	PRO FORMA BALANCE AFTER OFFER - MIN	PRO FORMA ADJUSTMENTS - MAX	PRO FORMA BALANCE AFTER OFFER - MAX
Current assets							
Cash and cash equivalents	3	711,909	460,250	4,442,771	5,614,931	6,319,771	7,491,931
Trade and other receivables	4	437,192	(377,068)		60,124		60,124
Inventories		177,998			177,998		177,998
Prepayments		10,959			10,959		10,959
Monies held in trust		80,349			80,349		80,349
Total current assets		**1,418,407**	**83,182**	**4,442,771**	**5,944,360**	**6,319,771**	**7,821,360**
Non-current assets							
Plant and equipment		29,281			29,281		29,281
Right-of-use assets		20,709			20,709		20,709
Intangibles		6,978			6,978		6,978
Other deposits		44,165			44,165		44,165
Total non-current assets		**101,133**	**-**	**-**	**101,133**	**-**	**101,133**
Total assets		**1,519,540**	**83,182**	**4,442,771**	**6,045,493**	**6,319,771**	**7,922,493**
Current liabilities							
Trade and other payables		168,466			168,466		168,466
Lease liabilities		21,835			21,835		21,835
Accrued expenses		37,437			37,437		37,437
Employee benefits		252,258			252,258		252,258
Convertible notes	5	1,192,680	992,351	(2,185,031)	-	(2,185,031)	-
Total current liabilities		**1,672,676**	**992,351**	**(2,185,031)**	**479,996**	**(2,185,031)**	**479,996**
Non-current liabilities							
Employee benefits		23,036			23,036		23,036
Total non-current liabilities		**23,036**	**-**	**-**	**23,036**	**-**	**23,036**
Total liabilities		**1,695,712**	**992,351**	**(2,185,031)**	**503,032**	**(2,185,031)**	**503,032**
Net assets		**(176,172)**	**(909,169)**	**6,627,802**	**5,542,461**	**8,504,802**	**7,419,461**
Equity							
Issued capital	6	8,076,928	118,224	6,618,298	14,813,450	8,474,305	16,669,457
Reserves	7	202,703	9,616	209,275	421,593	224,820	437,138
Accumulated losses	8	(8,455,803)	(1,037,009)	(199,770)	(9,692,582)	(194,323)	(9,687,134)
Total equity		**(176,172)**	**(909,169)**	**6,627,802**	**5,542,461**	**8,504,802**	**7,419,461**

7.4 Assumptions used in preparing the Pro Forma Statement of Financial Position

The Pro Forma Statement of Financial Position as at 30 June 2024 is based on the Statement of Financial Position of the Company as at 30 June 2024 incorporating the following adjustments:

Subsequent Events

1. The Company issued $755,000 in Convertible Notes to various Note holders in September 2024. The Convertible Notes are also subject to a fair value adjustment, with interest accruing at 10.0% of the face value. The terms of the Convertible Notes provided that the Convertible Notes will convert into Shares upon IPO.

2. In September 2024, the Company received a tax refund of $377,068 relating to its eligibility to the federal governments research and development (R&D) tax incentive program.

3. During the three months to September 2024, the Company incurred approximately $533,077 in operating expenses (excluding costs of the Offer), which were funded through existing cash reserves.

4. In July and September 2024, the Company issued $144,545 in share-based payments representing the issuance of 722,725 Shares at an issue price of $0.20 to Emerging Surgical and members of the Science Advisory Board as partial compensation for services rendered. See sections 4.12 and 10.12 for further details regarding these payments.

5. In July and September 2024, the Company granted a total of 750,000 options to several employees at an exercise price of $0.35 per option. The fair value vested up to the date of the IPO is $9,616, and this amount has been included in the proforma financial statements. Refer to section 4.12 of the Prospectus for further details of Employee Share Options.

Impact of IPO

6. At the Minimum Subscription, the issue of 2,747,513 free unlisted Advisor Options to the Lead Manager, Alpine Capital Pty Ltd exercisable at $0.30 and expiring 3 years from the date of issue. The 2,747,513 Advisor Options have been valued at $209,275 using a Black-Scholes pricing model and are included as part of the Costs of the Offer. Refer to section 10.9 of the Prospectus for further details of the Lead Manager Mandate and Advisor Options respectively.

7. At the Maximum Subscription, the issue of 2,951,594 free unlisted Advisor Options to the Lead Manager, Alpine Capital Pty Ltd exercisable at $0.30 and expiring 3 years from the date of issue. The 2,951,594 Advisor Options have been valued at $224,820 using the Black-Scholes pricing model. Refer to section 10.9 of the Prospectus for further details of the Advisor Options.

8. The Offer consists of the issue of 25,000,000 Shares and up to 35,000,000 Shares at an Offer price of $0.20 each to raise between $5 million under the Minimum Subscription and up to $7 million under the Maximum Subscription before costs pursuant to the Prospectus.

9. Costs of the Offer are presented on a net of GST recoverable basis and include only those costs estimated to be payable by the Company which may be less than the actual Costs of the Offer. Based on the Minimum Subscription, the costs of the Offer yet to be incurred are estimated to be $766,503 net of GST recoverable under the Minimum Subscription. The costs of the Offer (yet to be incurred) not directly attributable to the capital raising are expensed through accumulated losses while the remainder is offset against issued capital. The portion of costs expensed and capitalised based on the Minimum Subscription is $199,770 and $566,733 respectively.

10. Costs of the Offer are presented on a net of GST recoverable basis and include only those costs estimated to be payable by the Company which may be less than the actual Costs of the Offer.

Based on the Maximum Subscription, the costs of the Offer yet to be incurred are estimated to be $905,049 net of GST recoverable under the Maximum Subscription. The costs of the Offer (yet to be incurred) not directly attributable to the capital raising are expensed through accumulated losses while the remainder is offset against issued capital. The portion of costs expensed and capitalised based on the Maximum Subscription is $194,323 and $710,726 respectively.

11. Conversion of the face value of the Convertible Notes (including accrued interest) totalling approximately $1,748,025 at an effective conversion price of $0.16 will result in approximately 10,925,160 Shares being issued at the date of the Offer. The conversion of the Convertible Notes also fully eliminates the value of the derivative financial instrument of $437,006 at the date of the Offer. The total value of the Convertible Notes, including accrued interest, plus the derivative financial instrument of $2,185,031 is reflected as an adjustment to issued capital, which reflects the issue of 10,925,160 shares at the Offer price of $0.20.

7.5 Statement of Changes in Cash Flows

Set out below is the Historical Statement of Cash Flows for the Company for FY24, FY23 and FY22.

HISTORICAL STATEMENT OF CASH FLOWS	AUDITED 30 JUN 2024 $	AUDITED 30 JUN 2023 $	AUDITED 30 JUN 2022 $
Cash flows from operating activities			
Cash receipts from customers	125,086	19,011	-
Payments to suppliers and employees	(2,803,446)	(2,095,421)	(2,230,334)
Interest received	45,102	27,271	685
Receipts from research and development grant credits	340,410	545,650	350,487
Government grants and incentives		32,613	20,000
Net cash used in operating activities	**(2,292,848)**	**(1,470,876)**	**(1,859,162)**
Cash flows from investing activities			
Payments for plant and equipment	(4,980)	(43,094)	(115,894)
Payments for intangibles	-	(2,742)	-
Proceeds / (Payments) for security deposits	511,552	(511,552)	-
Net cash from/used in investing activities	**506,572**	**(557,388)**	**(115,894)**
Cash flows from financing activities			
Proceeds from convertible notes	905,000	-	-
Proceeds from issue of shares	-	2,205,000	1,628,801
Share issue transaction costs	-	(137,850)	(103,462)
Repayment of lease liabilities	(86,295)	(69,592)	(9,773)
Net cash from financing activities	**818,705**	**1,997,558**	**1,515,566**
Total net cash used in operating, investing and financing activities	**(967,571)**	**(30,706)**	**(459,490)**
Cash and cash equivalents at the beginning of the period	1,679,480	1,710,186	2,169,676
Cash and cash equivalents at the end of the period	**711,909**	**1,679,480**	**1,710,186**

7.6 Notes to the Financial Statements

The following is a summary of the material accounting policies adopted by the Company in preparation of the Historical and Pro Forma Financial Information. The accounting policies have been consistently applied, unless otherwise stated.

Note 1. Significant Accounting Policies

The principal accounting policies adopted in the preparation of the Financial Information in this Prospectus are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or Amended Accounting Standards and Interpretations Adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Historical Cost Convention

The financial statements have been prepared under the historical cost convention.

Comparative figures

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current period.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Information, are disclosed in note 2.

Revenue recognition

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Government grants

Government grants are recognised in the profit or loss on a systematic basis over the periods in which the Company recognises, as expenses, the related costs for which the grants are intended to compensate.

R&D tax offset receivable

For financial reporting purposes, the R&D tax offset is reported as other income. A credit will be recognised within other income when there is reasonable assurance that R&D tax offset will be received and conditions will be complied with.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Convertible loan notes issued by the Company have been treated as hybrid financial instruments, consisting of a liability classified and measured at amortised cost, and an embedded derivative financial liability, representing the conversion feature of these notes.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss.

In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	3-10 years
Computer and equipment	3-4 years
Leasehold improvements	3-10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Website

There has been some cost associated with establishing the company website and related company information.

Patents and trademarks

Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years. Research and development expenses not directly linked to the acquisition of patents and trademarks are expensed as incurred.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Provisions

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Going concern

The Company incurred a loss of $2,984,945 for the year ended 30 June 2024, net cash outflows from operating activities of $2,292,848 and net cash inflows from investing activities of $506,572. As at 30 June 2024, the Company had cash and cash equivalents of $711,909.

The Company’s ability to operate as a going concern is not contingent on successful completion of the Offer. If the Offer was not successful, the Company would deploy other measures to ensure that it could continue to operate as a going concern, including re-prioritising elements of its business plan and R&D program, pursuing other capital raising opportunities (see section 10.13) and management of costs and expenses. As a result, the financial information has been prepared on a going concern basis.

The Statutory Historical and Pro Forma Financial Information does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Company be unable to continue as a going concern.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the Financial Information requires Management to make judgements, estimates and assumptions that affect the reported amounts in the Financial Information. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management

believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the Financial Information are discussed below.

Recognition of convertible notes

The company has issued Convertible Notes with a face value of $1.00 that accrue interest on a simple, non-compounding rate of 10% per annum. Each note will automatically convert upon IPO into shares at 80% of the IPO price, with the price per share that the Convertible Notes convert to ordinary shares in the event of an IPO capped at $0.24 per share.

The Convertible Notes are recorded as an embedded derivative and separated from their underlying host contract with the embedded derivative separated from its host contract on the basis of its substantive terms, with the value of the derivative liability being calculated first and the host liability being initially valued at the residual value after separating the embedded derivative.

The fair value of the embedded derivative has been determined by calculating the conversion discount between the IPO price and the conversion price. The average conversion discount represents the fair value of the embedded derivative. The conversion price has been fixed at 80% of the IPO price implying a conversion discount of 20%.

Research and development claims

The company is entitled to claim grant credits from the Australian Government in recompense for its research and development program expenditure. The program is overseen by AusIndustry, which is entitled to audit and/or review claims lodged for the past 4 years. In the event of a negative finding from such an audit or review AusIndustry has the right to rescind and claw back those prior claims, potentially with penalties. Such a finding may only occur in the event that those expenditures do not appropriately qualify for the grant program. In their estimation, considering also the independent external expertise they have contracted to draft and claim such expenditures, the directors of the company consider that such a negative review has a remote likelihood of occurring.

Note 3. Cash and Cash Equivalents

	AUDITED 30 JUN 2024	SUBSEQUENT EVENT ADJUSTMENTS	PRO FORMA BALANCE AFTER OFFER - MIN	PRO FORMA BALANCE AFTER OFFER - MAX
Audited balance of ReNerve at 30 June 2024	711,909	711,909	711,909	711,909
Subsequent event adjustments:				
General operations and working capital	-	(533,077)	-	-
Costs of the Offer paid net of GST recoverable [1]	-	(138,741)	-	-
Funds received from issue of convertible note	-	755,000	-	-
Receipt of FY24 R&D Refund	-	377,068	-	-
	-	**460,250**	**-**	**-**
Pro forma adjustments:				
Issue of Shares under the Offer	-	-	5,000,000	7,000,000
Costs of the Offer net of GST recoverable and excluding the Lead Manager Options	-	-	(557,229)	(680,229)
	-	**-**	**4,442,771**	**6,319,771**
Total Cash and Cash Equivalents	**711,909**	**460,250**	**5,614,931**	**7,491,931**

Note:

1. Subsequent event adjustment to Cost of Offer net of GST recoverable assumes minimum subscription.

Note 4. Trade and Other Receivables

	AUDITED 30 JUN 2024	SUBSEQUENT EVENT ADJUSTMENTS	PRO FORMA BALANCE AFTER OFFER - MIN	PRO FORMA BALANCE AFTER OFFER - MAX
Audited balance of ReNerve at 30 June 2024	437,192	437,192	437,192	437,192
Subsequent event adjustments:				
Receipt of FY24 R&D Refund	-	(377,068)	-	-
	-	**(377,068)**	**-**	**-**
			-	**-**
Total Trade and Other Receivables	**437,192**	**(377,068)**	**60,124**	**60,124**

Note 5. Convertible Note

	AUDITED 30 JUN 2024	SUBSEQUENT EVENT ADJUSTMENTS	PRO FORMA BALANCE AFTER OFFER - MIN	PRO FORMA BALANCE AFTER OFFER - MAX
Audited balance of ReNerve at 30 June 2024	1,192,680	1,192,680	1,192,680	1,192,680
Subsequent event adjustments:				
Issue of convertible notes	-	755,000	-	-
Fair value adjustment [1]	-	198,470	-	-
Interest on convertible notes [2]	-	38,881	-	-
	-	**992,351**	**-**	**-**
Pro forma adjustments:				
Conversion of convertible notes on IPO	-	-	(2,185,031)	(2,185,031)
	-	**-**	**(2,185,031)**	**(2,185,031)**
Total Convertible Notes	**1,192,680**	**992,351**	**-**	**-**

Notes:

1. Fair value adjustment on convertible notes issued in September 2024 has been determined by calculating the conversion discount between the IPO Price and the conversion price, representing a conversion discount of 20%; and

2. Interest accrued calculated based on an assumed IPO Date of 1 November 2024.

The Convertible Notes have the following features:

- Each Note has a face value of $1 and will automatically convert upon IPO into shares at 80% of the IPO price. The price per share that the Convertible Notes will convert to ordinary shares in the event of an IPO is capped at $0.24 per share.

- In the event that an IPO does not occur, the Convertible Notes will mature on 1 December 2024, after which the notes and interest will convert to ordinary shares at the issue price equal to the Company's previous raise (AUD$0.20); and

- Interest accrues on the Notes at a simple, non-compounding rate of 10.0% per annum. Convertible loan notes issued by the Company have been treated as hybrid financial instruments, consisting of a liability classified and measured at amortised cost, and an embedded derivative financial liability, representing the conversion feature of these notes.

As at the date of this Prospectus, there are 1,660,000 Convertible Notes. The purpose of issuing the Convertible Notes was to raise capital for the Company to facilitate future growth and provide liquidity. All Convertible Notes will be automatically converted at Completion of the IPO and there will be no Convertible Notes on issue from the Listing date.

Note 6. Issued Capital

Ordinary fully paid shares

	NUMBER OF SHARES - MIN NO.	SHARE CAPITAL - MIN $	NUMBER OF SHARES - MAX NO.	SHARE CAPITAL - MAX $
Audited balance of ReNerve at 30 June 2024	95,130,234	8,076,928	95,130,234	8,076,928
Subsequent event adjustments:				
Issue of share based payments	722,725	144,545	722,725	144,545
Costs of the Offer (net of GST recoverable)	-	(26,321)	-	(26,321)
	722,725	**118,224**	**722,725**	**118,224**
Pro forma adjustments:				
Issue of Shares under the Offer	25,000,000	5,000,000	35,000,000	7,000,000
Conversion of convertible notes	10,925,160	2,185,031	10,925,160	2,185,031
Advisor options costs	-	(209,275)	-	(224,820)
Costs of the Offer (net of GST recoverable)	-	(357,458)	-	(485,906)
	35,925,160	**6,618,298**	**45,925,160**	**8,474,305**
Total Issued Capital	**131,778,119**	**14,813,450**	**141,778,119**	**16,669,457**

Notes:

1. Subsequent event adjustment to Cost of Offer net of GST recoverable assumes minimum subscription.

2. Conversion of convertible notes represents the conversion of the face value of the Convertible Notes (including accrued interest) totalling $1,748,025 at the effective conversion price of $0.16.

Note 7. Reserves

	AUDITED 30 JUN 2024	SUBSEQUENT EVENT ADJUSTMENTS	PRO FORMA BALANCE AFTER OFFER - MIN	PRO FORMA BALANCE AFTER OFFER - MAX
Audited balance of ReNerve at 30 June 2024	202,703	202,703	202,703	202,703
Subsequent event adjustments:				
Issue of Options[1]	-	9,616	-	-
	-	**9,616**	**-**	**-**
Pro forma adjustments:				
Advisor Options	-	-	209,275	224,820
	-	**-**	**209,275**	**224,820**
Total Reserves	**202,703**	**212,319**	**421,594**	**437,139**

Note:

1. In July and September 2024, the Company granted a total of 750,000 options to several employees at an exercise price of $0.35 per option. The fair value vested up to the date of the IPO is $9,616, and this amount has been included in the proforma financial statements.

Set out below are the key inputs and terms used in the valuation of Advisor Options:

Refer to section 4.12 of the Prospectus for further details of the Advisor Options.

	ADVISOR OPTIONS TO LEAD MANAGER - MIN	ADVISOR OPTIONS TO LEAD MANAGER - MAX
Number of Options	2,747,513	2,951,594
Underlying share price	0.20	0.20
Exercise price	0.30	0.30
Expected volatility	70.00%	70.00%
Life of Options (years)	3	3
Expected dividend	-	-
Risk free rate	4.29%	4.29%
Value per Option	0.07617	0.07617
Value per tranche	209,275	224,820

Note 8. Retained Earnings

	AUDITED 30 JUN 2024	SUBSEQUENT EVENT ADJUSTMENTS	PRO FORMA BALANCE AFTER OFFER - MIN	PRO FORMA BALANCE AFTER OFFER - MAX
Audited balance of ReNerve at 30 June 2024	(8,455,803)	(8,455,803)	(8,455,803)	(8,455,803)
Subsequent event adjustments:				
Issue of share based payments	-	(144,545)	-	-
Interest on convertible notes	-	(38,881)	-	-
Fair value adjustment	-	(198,470)	-	-
Issue of Options	-	(9,616)	-	-
General operations and working capital	-	(533,077)	-	-
Costs of the Offer expensed to retained earnings (net of GST recoverable)	-	(112,420)	-	-
	-	**(1,037,009)**	**-**	**-**
Pro forma adjustments:				
Costs of the Offer expensed to retained earnings (net of GST recoverable)	-	-	(199,770)	(194,323)
	-	**-**	**(199,770)**	**(194,323)**
Total Retained Earnings	**(8,455,803)**	**(9,492,812)**	**(9,692,582)**	**(9,687,134)**

Note:

1. Subsequent event adjustment to Cost of Offer net of GST recoverable assumes minimum subscription.

7.7 Commitments and Contingencies

At the date of this Prospectus no material commitments, contingent assets or contingent liabilities exist that we are aware of, other than those disclosed in the Prospectus.

8. INVESTIGATING ACCOUNTANT'S REPORT

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Corporate Pty Ltd
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16 October 2024

The Directors
ReNerve Limited
Suite 3, 21 Vale Street
North Melbourne VIC 3051

Dear Directors

Independent Limited Assurance Report on Historical Financial Information and Pro Forma Financial Information

1. Introduction

ReNerve Limited ("**ReNerve**" or the "**Company**") has requested PKF Melbourne Corporate Pty Ltd ("**PKF Corporate**") to prepare this Independent Limited Assurance Report (the "**Report**") for inclusion in a prospectus to be dated on or about 16 October 2024 (the "**Prospectus**") relating to the offer of between 25 million Ordinary Shares ("**Minimum Subscription**") and up to 35 million Ordinary Shares ("**Maximum Subscription**") at an issue price of $0.20 per share to raise between $5 million to $7 million respectively in the proposed initial public offering and listing of the Company on the Australian Securities Exchange ("**ASX**").

Expressions and terms defined in the Prospectus have the same meaning in the Report, unless otherwise specified.

The Report has been prepared by PKF Corporate, which holds an Australian financial services licence under the Corporations Act 2001 (AFS Licence No. 222050).

The Report is an Independent Limited Assurance Report, the scope of which is set out below. A copy of the Financial Services Guide is attached at Appendix A.

2. Scope

You have requested PKF Corporate to perform a limited assurance engagement in relation to the statutory historical and pro forma historical financial information (the "**Financial Information**") described below and disclosed in Section 7 of the Prospectus.

2.1 Statutory Historical Financial Information

The Statutory Historical Financial Information comprises of:

- the audited statutory historical statement of profit or loss and other comprehensive income for the Company for the financial years ended 30 June 2022, 2023 and 2024;
- the audited statutory historical statement of cash flows for the Company for the financial years ended 30 June 2022, 2023 and 2024;
- the audited statutory historical statement of financial position for the Company as at 30 June 2024; and
- the key accounting policies of the Company relevant to the Statutory Historical Financial Information.

The financial statements of the Company for the financial years ended 30 June 2022, 2023 and 2024 have been audited by William Buck (Audit) Pty Ltd ("**WB Audit**").

The Statutory Historical Financial Information has been extracted from the financial statements of the Company for the financial years ended 30 June 2022, 2023 and 2024and were audited in accordance with Australian Auditing Standards by WB Audit.

WB Audit's audit report was issued with an unmodified audit opinion for the financial years ended 30 June 2022, 2023 and 2024.

The Statutory Historical Financial Information is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

However, the Statutory Historical Financial Information has been prepared in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards and other mandatory professional reporting requirements, and the significant accounting policies summarised in Section 7 of the Prospectus.

For the purposes of preparing the Report, we have performed limited assurance procedures in relation to the Statutory Historical Financial Information in order to state whether, on the basis of the procedures described, anything comes to our attention that would cause us to believe that the Statutory Historical Financial Information is not prepared or presented fairly, in all material respects, by the Directors in accordance with the stated basis of preparation.

Our limited assurance procedures consisted primarily of:

- comparison and analytical review procedures;
- discussions with Management, Directors and Advisors of the Company; and
- review of working papers, accounting records and other documents of the Company and its auditors.

2.2 Pro Forma Historical Financial Information

The Pro Forma Historical Financial Information comprises of:

- the pro forma historical statement of financial position for the Company as at 30 June 2024; and
- the key accounting policies of the Company relevant to the Pro Forma Historical Financial Information.

The Pro Forma Historical Financial Information reflects the effects of the subsequent events and pro forma adjustments described in Section 7 of the Prospectus.

The stated basis of preparation of the Pro Forma Historical Financial Information are the recognition and measurement principles contained in Australian Accounting Standards applied to the Statutory Historical Financial Information and the events and/or transactions to which the subsequent events and the pro forma adjustments related, as described in Section 7 of the Prospectus as if those events and transactions had occurred as at the date of the Statutory Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position.

The Pro Forma Historical Financial Information has been compiled by the Company to illustrate the impact of the events and transactions described in Section 7 of the Prospectus on the Company's financial position as at 30 June 2024.

Our limited assurance procedures consisted primarily of:

- comparison and analytical review procedures;
- discussions with Management, Directors and Advisors of the Company; and
- review of working papers, accounting records and other documents of the Company and its auditors.

3. Directors' Responsibility

The Directors of the Company are responsible for the preparation of the Statutory Historical Financial Information and the Pro Forma Historical Financial Information, including its basis of preparation and the selection and determination of the pro forma adjustments made to the Pro Forma Historical Financial Information.

The Directors are also responsible for such internal controls as the Directors determine are necessary to enable the preparation of the Statutory Historical Financial Information and the Pro Forma Historical Financial Information that are free from material misstatement, whether due to fraud or error.

4. Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Statutory Historical Financial Information and the Pro Forma Historical Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements *ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures to the accounting records in support of the Financial Information.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent of that for an audit. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed an audit. Accordingly, we do not express an audit opinion about the Statutory Historical Financial Information or the Pro Forma Historical Financial Information.

5. Subsequent Events

Apart from the matters dealt with in the Report and elsewhere in the Prospectus, and having regard to the scope of our engagement, nothing has come to our attention that would cause us to believe that matters arising after 30 June 2024, other than matters dealt with in the Report and the Prospectus, would require comment on, or adjustments to, the Financial Information contained in Section 7 of the Prospectus, or would cause that information to be misleading or deceptive.

6. Conclusions

6.1 Review statement on the Financial Information

Based on our independent review, which is not an audit, nothing has come to our attention that causes us to believe that the Financial Information of the Company, as set out in Section 7 of the Prospectus, comprising:

- the audited statutory historical statements of profit or loss and other comprehensive income for the Company for the financial years ended 30 June 2022, 2023 and 2024;
- the audited statutory historical statements of cash flows for the Company for the financial years ended 30 June 2022, 2023 and 2024; and
- the pro forma and statutory historical statement of financial position for the Company as at 30 June 2024,

is not prepared or presented fairly, in all material respects, in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards, and the Company's accounting policies, and in the case of the Pro Forma Historical Financial information, on the basis of the pro forma transactions and/or adjustments described in Section 7 of the Prospectus.

7. General Advice Warnings

The Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to take the place of professional advice and investors should not make specific investment decisions in reliance on the information contained in the Report. Before acting or relying on any information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.

8. Restrictions on use

Without modifying our conclusions, we draw attention to Section 7 of the Prospectus, which describes the purpose of the Financial Information prepared, being for inclusion in the Prospectus. As a result, the Financial Information may not be suitable for use for another purpose. We disclaim any assumption of responsibility for any reliance on this report, or on the financial information to which it relates, for any purpose other than that for which it was prepared.

9. Notice to investors outside Australia

Under the terms of our engagement the Report has been prepared solely to comply with the Standard on Assurance Engagements applicable to Corporate Fundraisings and/or Prospective Financial Information.

The Report does not constitute an offer to sell, or a solicitation of an offer to buy, any securities. We do not hold any financial services licence or other licence outside of Australia. We are not recommending or making any representation as to the suitability of any investment to any person.

10. Consent

PKF Corporate has consented to the inclusion of the Report in the Prospectus in the form and context in which it is included, but has not authorised the issue of the Prospectus. Accordingly, PKF Corporate makes no representations regarding, and takes no responsibility for, any other statements, or material in, or omissions from, the Prospectus.

Yours faithfully

PKF Melbourne Corporate Pty Ltd

Steven Perri
Director

Stefan Galbo
Director

Appendix A

Financial Services Guide

This Financial Services Guide provides information to assist retail and wholesale investors in making a decision as to their use of the general financial product advice included in the above report.

PKF Corporate

PKF Corporate holds Australian Financial Services Licence No. 222050, authorizing it to provide general financial product advice in respect of securities to retail and wholesale investors.

Financial Services Offered by PKF Corporate

PKF Corporate prepares reports commissioned by a company or other entity ("**Entity**"). The reports prepared by PKF Corporate are provided by the Entity to its members.

All reports prepared by PKF Corporate include a description of the circumstances of the engagement and of PKF Corporate's independence of the Entity commissioning the report and other parties to the transactions.

PKF Corporate does not accept instructions from retail investors. PKF Corporate provides no financial services directly to retail investors and receives no remuneration from retail investors for financial services. PKF Corporate does not provide any personal retail financial product advice directly to retail investors nor does it provide market-related advice to retail investors.

General Financial Product Advice

In the report, PKF Corporate provides general financial product advice. This advice does not take into account the personal objectives, financial situation or needs of individual retail investors.

Investors should consider the appropriateness of a report having regard to their own objectives, financial situation and needs before acting on the advice in a report. Where the advice relates to the acquisition or possible acquisition of a financial product, an investor should also obtain a product disclosure statement relating to the financial product and consider that statement before making any decision about whether to acquire the financial product.

Independence

At the date of this report, none of PKF Corporate, Mr Stefan Galbo nor Mr Steven Perri have any interest in the outcome of the capital raising, nor any relationship with the Company or any of its Directors. Fees for this report are not contingent on the outcome, content or future use of this report.

Drafts of this report were provided to and discussed with the Directors and management of the Company and its advisors. Certain changes were made to factual statements in this report as a result of the reviews of the draft reports. There were no alterations to the methodology or conclusions that have been formed by PKF Corporate.

PKF Corporate and its related entities do not have any shareholding in or other relationship with the Company that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to this independent report on the Financial Information.

PKF Corporate had no part in the formulation of the Statutory Historical Financial Information, the Pro Forma Historical Financial Information, the proposed capital raising and ASX Listing. Its only role has been the preparation of this report.

Remuneration

PKF Corporate is entitled to receive a fee of approximately $74,000 for the preparation of this report. With the exception of the above, PKF Corporate will not receive any other benefits, whether directly or indirectly, for or in connection with the making of this report.

Complaints Process

As the holder of an Australian Financial Services Licence, PKF Corporate is required to have suitable compensation arrangements in place. In order to satisfy this requirement PKF Corporate holds a professional indemnity insurance policy that is compliant with the requirements of Section 912B of the Act.

PKF Corporate is also required to have a system for handling complaints from persons to whom PKF Corporate provides financial services. All complaints should be in writing and sent to the Complaints Officer, PKF Corporate at level 15, 500 Bourke Street, Melbourne Vic 3000.

PKF Corporate will make every effort to resolve a complaint within 45 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Australian Financial Complaints Authority – GPO Box 3, Melbourne Vic 3001.

9. INTELLECTUAL PROPERTY REPORT

Mr Julian Chick
Managing Director
ReNerve Ltd
jchick@renerve.com.au

10 October 2024

Dear Julian

Patent attorney report – ReNerve Ltd.

This report has been prepared at the request of the directors of ReNerve Limited (hereinafter "ReNerve") for inclusion in a prospectus required for lodgement at the Australian Securities and Investments Commission, and for due diligence purposes, in connection with an initial public offer of shares in ReNerve.

1 FPA's engagement

FPA Patent Attorneys Pty Ltd (hereinafter "FPA") is engaged by ReNerve.

FPA has been asked to comment on the intellectual property position of ReNerve and to provide general information on forms of IP protection available and relevant to ReNerve and the limitations associated with them. This information has been requested in respect of 4 projects identified to us by ReNerve.

There is no existing registered IP owned by ReNerve, other than their trade marks.

2 Executive summary and outline

Section **3** outlines the assumptions made in preparing this report

Section **4** outlines the 4 key projects ReNerve have identified to us. ReNerve has in-licensed intellectual property (IP) associated with its first project "Nerve Cuff" and does not have any registered IP in respect of that project (other than trademarks).

The remaining three projects are still in relatively early stages and do not yet have any registered IP in respect of them. ReNerve may file their own patent and design applications in due course.

Section **5** provides general information on trade secrets and patents and the limitations associated with them.

Section **6** provides general information on data exclusivity.

Section **7** provides general information on design protection and the limitations associated with them.

Section **8** and **9** provides a summary of the ReNerve trade mark portfolio and domain names, and the limitations associated with trade mark protection.

Section **10** outlines general risks pertaining to the ReNerve IP portfolio and commercialisation of the relevant technology.

Section **11** provides FPA's statement of independence.

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3 Assumptions

In preparing the report, FPA have relied on verbal information provided by ReNerve about the projects.

ReNerve have told FPA about a number of licenses and agreements (collectively referred to herein as "Agreements") that they have with third parties (herein "ReNerve partners"). FPA provides patent attorney services which do not include legal advice services relating to licence or other agreements. Accordingly, while FPA have been provided with some Agreements and made some observations as to what an Agreement says about confidentiality and IP, FPA is not able to comment on the validity of those clauses or the Agreements. We have proceeded on the basis of the following assumptions:

- That all Agreements are valid and enforceable.
- That all Agreements adequately protect ReNerve's interest both from the perspective of subject matter (ie ReNerve are conducting work that would fall within the scope of the agreement) and freedom to operate (ie that ReNerve is not conducting work that would infringe on other patent rights).
- That ReNerve is entitled to file, and own, any IP generated in any of the projects except where noted otherwise.
- That arrangements are in place via the Agreements in respect of inventor rights related to any such IP generated, together with an obligation to assign those rights to ReNerve or a ReNerve partner, except where noted otherwise.
- All verbal information provided by ReNerve to FPA is accurate and complete.

4 The ReNerve projects

ReNerve currently have 4 projects:

4.1 Nerve Cuff.

4.2 Nerve Conduit

4.3 Nerve Guide Matrix

4.4 Bionic Nerve.

4.1 NervAlign® Nerve Cuff

NervAlign™ Nerve Cuff is a collagen membrane derived from porcine pericardium, described on their website as being for the surgical repair of transected (cut) and damaged nerves.

ReNerve does not own any patents or patent applications related to this project.

i) The eCOO™ Clean method

We have been told, and have seen agreements explaining, that the NervAlign™ Nerve Cuff is produced by European Medical Contract Manufacturing B.V. ("EMCM") using processes developed by EMCM's parent company, Leader Biomedical Europe B.V. (hereinafter "Leader"). EMCM produces the membranes using a proprietary cleaning method called eCOO™ Clean. ReNerve told us that the eCOO™ Clean method is not the subject of patent protection although one of the steps is (see the Novasterilis patents discussed below).

The eCOO™ Clean method, as a whole, is regarded as a trade secret.

Under a Manufacturing and Supply Agreement entered into in 2023, EMCM manufactures and supplies the porcine pericardium membrane to ReNerve on an exclusive basis for nerve, neural repair or dural repair. ReNerve believes that the EMCM porcine pericardium membranes have not been previously used in the way that ReNerve are; but ReNerve have not had to modify the product produced by EMCM in any way in order to do so.

ii) The eCOO™ Clean method and Novasterilis patents

Leader's eCOO™ Clean method involves a supercritical CO_2 method step and sterilization apparatus in-licensed by EMCM non-exclusively from Novasterilis, Inc.

The Novasterilis License and Sales Agreement in respect of the "Licensed Process" identifies US patent 7,108,832 as describing the technology "*as well as other intellectual property and proprietary information disclosed and licensed to Licensee by Licensor in connection with this Agreement*". No other patents are identified by their number in the License and Sales Agreement but there is a continuation (US patent 8,034,288) and a continuation in part (US patent 8,974,730) of US patent 7,108,832.

Patent	**Status**	**Estimated Term expiration**	**Subject matter**
7,108,832	Expired		A sterilization method and apparatus
8,034,288 – continuation of 7,108,832	Granted and annuity up to date	June 2024 plus 390 days PTA*	Process for cleaning donor soft tissue
8,974,730 – continuation in part of 8,034,288	Granted and annuity up to date	June 2024 plus 680 days PTA*	Process for creating acellular donor soft tissue

*PTA: patent term adjustment. This is additional patent term granted by the US Patent Office (USPTO) to account for delays in the examination process incurred by the USPTO. It is patent term added to the standard 20 year patent term. However, such an adjustment is not always enforceable for the period specified on the face of the patent if, for example, Terminal Disclaimers were required prior to issue – if the PTAs are important, they should be independently verified by a US registered patent attorney.

The supercritical CO_2 sterilisation method is only one part of the eCOO™ Clean method. But as the original Novasterilis patent that protected the method and apparatus has come to the end of its patent term a third party is no longer blocked from using the Novasterilis supercritical CO_2 sterilisation method or a sterilization apparatus having the same functionality as the Novasterilis apparatus. A third party could independently devise, or reverse engineer, a comparable method to the eCOO™ Clean method for preparing the NervAlign™ Nerve Cuff porcine pericardium membrane.

iii) FDA approval

ReNerve have registered the NervAlign Nerve Cuff product with the Food & Drug Administration (FDA) but remain dependent on the agreements with Leader/EMCM and a consistent supply by EMCM of the porcine pericardium membranes. See Section **5** for confidentiality considerations and Section 6 for data exclusivity provisions arising from the FDA approval process.

iv) Summary

In light of the above, and subject to the assumptions listed in Section 3, ReNerve will need to rely upon

- maintaining confidentiality of their process; and
- the exclusivity and continuance of their manufacturing and supply agreement with EMCM in order to restrict potential competitors and to continue their supply of the FDA approved product; and
- EMCM's eCOO™ Clean method for preparing those membranes remaining a trade secret despite third parties now being free to utilise the supercritical CO_2 sterilisation method and apparatus that is part of the eCOO™ Clean method.

4.2 NervAlign® Nerve Conduit

The Nerve Conduit is an application of the material used in the Nerve Cuff product but in the form of a new product being a rolled, hollow tube.

The Nerve Conduit can be utilised where there is a gap between nerves. The Nerve Conduit is expected to act like a straw that protects and retains the physiological environment around the severed nerves that will encourage nerve ends to grow towards one another.

To date, the prototypes have been generated by hand rolling the Nerve Cuff to create the tube and determined to have the necessary tensile strength. This project is therefore aimed at designing tools or equipment that could produce the Nerve Conduits from the Nerve Cuff material in sufficient quantities to be a viable commercial product.

The project is still in the early developmental stage and has not yet generated any registerable IP. Patent protection may be available for any tools designed; similarly design protection may be an option. No formal written agreements are in place yet with any potential partners so the question of ownership of any generated IP will be subject to those future agreements.

4.3 NervAlign® Nerve Guide Matrix.

ReNerve have developed a process to decellularize nerve tissues. The resultant product is a clean nerve extracellular matrix consisting primarily of the nerve scaffold materials collagen and laminin.

A key element of the project is to develop a large-scale isolation process for isolating and decellularizing nerves of varying diameters and lengths in order to provide a range of nerve conduits that better match specific nerves within the human body. This will result in better patient outcomes through stronger regrowth of the replaced injured nerve compared to current the practice of using harvested incorrect sized nerve grafts or replacements.

ReNerve developed a process to 'clean' nerves that to date have been supplied by companies that source raw materials from abattoirs. ReNerve does not own any patents or patent applications related to this process. The order of use of solutions, concentrations, time and temperatures were developed to enable efficient cleaning of the dense nerve structures whilst retaining its macrostructural components. However:

- there is a lot of published and well established methodologies in the field of cleaning and preparing tissues (or other substances) that are intended to interact with biological systems for a medical purpose
- there is a large amount of patents and patent applications already filed in this field;
- ReNerve have told us that the process they developed has minor (albeit effective) variations compared to existing processes in the field for cleaning tissue; and
- commercialisation of the product *per se* will not disclose the process by which it was generated.

In light of these circumstances, ReNerve elected to keep their proprietary process as a trade secret.

ReNerve are exploring different storage solutions for its nerve grafts and conduits during and following the terminal sterilisation by gamma irradiation. Gamma radiation is an industry standard sterilisation process. There may however be patentable subject matter in due course to the sterilisation storage solutions they are working on.

ReNerve has a Services Agreement with Collagen Solutions (US) LLC. The "Project" in the Services Agreement is defined as development services to optimise ReNerve's existing decellularizing process of porcine nerve tissue for use in nerve repair applications.

As Collagen Solutions is engaged to optimise the decellularizing process and for commercial scale up of ReNerve's existing process, it unlikely that the Project will result in any patentable subject matter. But in the event that it does, ReNerve will have exclusive ownership of all right, title and interest in and to that invention/s (other than if the invention constitutes an improvement on Collagen Solutions existing processes).

The Services Agreement includes confidentiality obligations.

4.4 NervAlign® Bionic Nerve

ReNerve have 2 projects under this banner.

4.4A 3D BioFibR Inc (herein 3DBF)

ReNerve and 3DBF have a Collaborative Research and Commercialization Agreement (herein Agreement) dated 21 June 2023.

Under the Agreement the parties conduct collaborative research (the Research Project) with 3DBFs proprietary technology to create custom collagen parallel fibre arrays (Arrays); the 3DBFs fibres closely recapitulate the structure, biomechanics, and biochemical properties of natural collagen structures. ReNerve will use the Arrays to evaluate *in vitro* growth of appropriate neural repair cell types used for nerve regeneration (Sheaths) for testing in whole animal models. The overall goal is to produce two new products: the first for peripheral nerve regeneration and the second for dura regeneration as a dura patch.

The Research Project is still in the R&D phase, with both parties continuing to do work on different aspects. It has not yet generated any registerable IP.

- 3DBF's existing patents and confidential information around the Arrays are Background IP to which ReNerve have no rights other than for the purpose of conducting the project defined in the parameters of the Research Project. If however a license agreement is entered in to and ReNerve continue research and development of either or both products, the Agreement stipulates that 3DBF will grant to ReNerve a non-exclusive license to "all applicable 3DBF patents that are needed by ReNerve".
- ReNerve's confidential information around the Sheaths is Background IP and 3DBF does not have any rights other than for the purpose of conducting the project defined in the parameters of the Research Project.

The Research Project has the potential to result in the development of an invention that is new and inventive over the Arrays and the Sheaths on their own. The Agreement states that any new invention and/or intellectual property arising from the Research Project will be jointly owned (unless agreed otherwise); all employee inventors are obligated (by employment contract or law) to assign their rights to their respective employers.

However the Agreement also states that the right to file for any patent applications is contingent upon a license agreement being entered in to; neither party is permitted to apply for a patent during the Research Project or during the defined period of license negotiations. The ability to file a patent application even under those circumstances is also dependent on both ReNerve and 3DBF keeping all work conducted under the Research Project confidential. The Agreement seeks to safeguard this position by making it a condition that neither party will publish or publicly disclose any data, new inventions or other results without the prior written consent of the other party.

4.4B Monash University CTET Project

ReNerve and Monash University have established and operate an Industrial Transformation Training Centre in the field of Cell and Tissue Engineering Technologies (CTET) via a grant administered by the Australian Research Council (ARC).

The project commenced in mid-2022 with an objective to:

1. Identify biocompatible materials, including electroconductive types, to screen scaffolds for tissue regeneration

2. Test scaffolds for biocompatibility

3. Produce designs for implantable devices compatible with current wearable sensor technologies

The project is very early stage involving a Monash University student and has not yet generated any IP. Patent protection may be available for any biocompatible materials identified but ReNerve have told us that there is quite a lot of publications in this field already. When a field of research is crowded, it makes pursuing patent protection more challenging because it is harder to demonstrate that your invention is different enough to everything that has gone before, and that it is something more than just a routine modification.

Under the terms of the agreement, Monash University will own all rights in any Project IP developed under the agreement.

Design protection may be available for this implantable device once the design is finalised. Designs are a registrable right to protect the way a product looks. They are distinct from patents, which protect the way a product functions. A product may be eligible for both design and patent protection.

5 Trade secrets v Patents

General

This section is intended to provide an overview of the nature and scope of IP rights applicable to the current ReNerve projects set out in Section 4. The overview is not professional advice.

Inventors have 2 choices for protection: patents or trade secrets. They are generally mutually exclusive as the monopoly rights conferred by a patent are granted in exchange for the patentee disclosing their invention. Doing so would be inconsistent with the secrecy needed to have a protectable trade secret. Although it is possible for a single invention to be protected in part by a patent application, and in part by a trade secret.

It is not permissible to keep IP as a trade secret initially, and to seek patent protection at a later time, as this amounts to an impermissible de facto extension of monopoly rights. Such a practice, called "prior secret use" is a ground of invalidity of any patent subsequently granted.

Trade secrets and nature of rights

In Australia, there are no statutory regimes or registration processes for the protection of trade secrets and confidential information (herein referred to collectively as 'trade secrets'). Instead, protection is afforded via contractual and equitable obligations of confidence.

As with any form of IP, there are pros and cons.

A trade secret has value for as long as the information is kept secret. Unlike a patent right, the monopoly is not in exchange for disclosure of the information. Accordingly:

- where a new product or process may not be patentable (for whatever reason); and
- it would be challenging for third parties to reverse engineer the invention; and
- commercialisation of the invention would not result in the disclosure of the invention

a trade secret is a powerful tool whose term is defined only by the loss of secrecy.

<u>*Limitations of trade secrets*</u>

a. The limitation of a trade secret is that it does not stop anyone from independently inventing your same product or process – either by chance or by reverse engineering. It is not an enforceable right under these circumstances, or a right which permits you to exclude others from exploiting an invention.

b. For products and processes such as those of ReNerve, the commercialisation and/or regulatory process requires the provision to the authorities of confidential information which may in turn result in the disclosure of trade secrets. The Food and Drug Administration (FDA) in the United States of America, from which ReNerve have received clearance for the sale of its NervAlign™ Nerve Cuff, abides by The Code of Federal Regulations (CFR).

   The CFR governs, among other things, how government authorities such as the FDA handle information submitted to them that is designated as confidential or as a trade secret. Data and information submitted or divulged to the FDA and designated as a trade secret are not available for public disclosure. But the CFR also states that "*Any such designation will expire 10 years after the records were submitted to the Government*", and this provision may be applicable to ReNerve trade secrets.

   Moreover, all documents submitted to the FDA are subject to the Freedom of Information Act (FOIA). However there is an exemption in the Act that protects from public release "*trade secrets and commercial or financial information obtained from a*

person and privileged or confidential." (5 U.S.C. § 552 (b)(4)). Plus, ReNerve will have a chance to denote which information meets the exemption if and when any FOIA is filed. A FOIA request should therefore have trade secret and commercial confidential information redacted.

c. Maintaining information as secret is also challenging when employees with the information leave – despite the fact that they may have contractual obligations of confidentiality. This risk is of course proportional to the number of people who have the secret/confidential information to start with. And whilst there may be legal actions you can take against the party that disclosed your trade secret without authority, the disclosure may be such that it is impossible to reverse (eg publication on the internet) and hence impossible to take action against third parties who now have that information via legal means.

Patents scope and nature of patent rights

Patent rights, in contrast to trade secrets, are exclusive statutory monopoly rights that enable a party, who may be an owner, to exclude others from exploiting an invention the subject of the relevant patent. That is, they are a negative right, and your ability to exploit your patented invention may in turn be subject to the patent rights of others. This is referred to as your 'freedom to operate'.

The patent system serves to protect the way products and processes function; the design system, referred to below, serves to protect the way a product looks.

i) Rights conferred by a patent

Enforcement rights are only conferred by a granted patent, not a pending application.

While patent rights can vary from jurisdiction to jurisdiction, a party is typically excluded from activities such as making, selling, hiring, or storing a product or process protected by a patent which have not been authorised by the patent owner.

The mere existence of a patent may serve as a deterrent to some third parties from infringing them. But their maximum value can only be extracted if patentees are prepared to enforce their patent rights against third parties who are infringing those rights. Exploitation of an invention and hence, patent infringement, occurs when an unauthorised use of a product or process utilises all of the features of the product or process as defined in the claims of the patent. For example, if a patent claim defines a product with reference to features A, B and C, infringement is found only if the product for which there has been unauthorised use also utilises features A, B and C.

ii) Term of rights

Patent rights are generally for a 20 year term subject to the payment of renewal/annuity fees in all the relevant countries.

Longer terms may be available for pharmaceutical patents to account for regulatory delay; or jurisdictions such as the US recognise delays caused by the patent office during prosecution of the application and have a process for adding time to the patent term. This "patent term adjustment" or "PTA" is mentioned in this report in respect of the Novasterilis US patents.

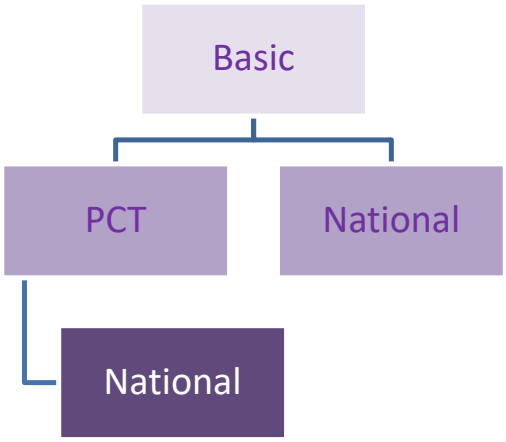
iii) Patentable subject matter

Patents may be granted in respect of products or processes, such as new or improved products, new uses for products and methods of manufacturing products. New uses for products relevantly may include methods of medical treatment. In certain jurisdictions, including Europe, methods of medical treatment *per se* are not patentable. However in such jurisdictions often a substance or composition may be patented for a specific use in a method of treatment and/or for the manufacture of a medicament for medical treatment.

iv) Process by which patents are obtained

Patents are granted on a national basis. International patent protection is based upon a system of well-established and widely adopted international conventions. The first application for a patent for an invention is called the basic application, provisional application or priority application, and its filing date is known as the priority date. If patent applications in other countries are filed

within a year from the priority date, then (in accordance with the Paris Convention, WTO Treaty and bilateral agreements) they retain the effective filing date of the priority date for the purpose of assessing novelty and inventive step.



A basic/provisional application acts as a filing to obtain a priority date. It does not proceed to grant; rather, a later application (national or PCT) must be filed within a year of the priority date to claim the benefit of that filing.

Applications can be filed directly in the country or region within a year of the basic application, or using another convention called the Patents Cooperation Treaty (PCT).

- A national filing is a regular patent application in a particular country or region. It will be examined in most cases by the local or regional patent authorities.
- The PCT allows for a single application to be filed in a single patent office within a year of the basic application, designating all the member states, obtain a preliminary search and opinion, and delay filing into the national and regional intellectual property offices for a period of at least 30 months from the priority date. The PCT currently has 148 members, including all OECD member countries. At the end of this period, national filings must be made in the countries of interest.

The patent application (regardless of whether it is a direct filed national application or a national application that arises from a PCT) is examined in each country (or in some cases regional offices), according to its national laws and procedures. It is a process that takes, on average, 3 to 5 years/country.

The key grounds of assessment are novelty and inventive step, although the assessment will also consider the quality of the patent specification that discloses the invention. The assessment may vary in complexity and depth from office-to-office.

v) Proprietorship

It is a requirement for validity of patents in Australia and other jurisdictions that there be a clear chain of title from the inventor to the applicant or owner. Challenges to proprietorship can be a basis for invalidation of patents.

This will be a particularly important consideration for ReNerve due to the number of ReNerve partners involved in the projects.

Limitations of patent protection

a. It is difficult to know the likelihood of obtaining a patent of commercial usefulness until substantive national searching and examination has been completed. Ultimately it is the objective of the patent examiner, in acting in the relevant public interest, to grant the narrowest possible monopoly to the patent applicant. Given this, it is not unusual for a patent applicant to obtain a patent that is narrower than that intended by the patent

applicant. This can impact on the commercial usefulness and value of a patent, in that it can more easily be designed around.

b. When a patent has been granted, there is generally no guarantee that the patent is valid. At best in certain jurisdictions there is a presumption of validity which is rebuttable. In all relevant countries it is possible to challenge the validity of a patent even after it has been granted by the intellectual property office. A successful challenge to validity will result in the patent being narrowed in scope, or being completely revoked.

c. When granted, a patent may be enforced against an infringer. However, it is possible for an infringer to contest the validity of the patent rights granted by a patent office. This may mean that a patent which is held to be infringed cannot be enforced because it is not valid.

d. A party (for example, an inventor) who has not assigned rights to a patent applicant or patent owner may be entitled to claim ownership of those rights. This may enable the party to contest the right of a patent applicant or patent owner to license or to otherwise transact, or to enforce patent rights in some jurisdictions. This may also enable a party to license or otherwise transact, or to enforce patent rights without consent from a party named in an agreement.

e. Co-ownership of IP can place limitations on each patentees' rights to undertake certain actions; on the other hand, each patentee can undertake certain actions without needing the consent or agreement of the other. The rights and actions that can be taken vary from country to country; but for most countries, the action that arises most frequently is the desire to license or assign the patent, and that requires consent of all patentees.

6 Data exclusivity

"Data exclusivity" refers to the period in which certain *information* that has been provided to a regulatory authority for the purposes of obtaining regulatory approval, remains confidential, or cannot be relied upon by the regulatory authority or a third party in order to obtain regulatory approval of a follow-on product. That means a third party must either wait for the period of exclusivity to expire, or go to the time and expense to generate their own data.

The Federal Food, Drug, and Cosmetic Act (FDCA) provides a period of 6 years of data exclusivity for medical devices approved pursuant to a Premarket Approval (PMA). While the already FDA approved NervAlign® Nerve Cuff did not use the PMA route for regulatory approval, if any future medical devices do, they may be eligible for the 6 years of data exclusivity.

7 Designs

Design registrations or design patents protect the overall appearance of a product or part of a product. They can act as a deterrent to others who might want to copy and commercialise a product with a similar appearance; but as with patents, they must be enforced against third parties who are copying the look of the product.

i) Rights conferred by a design

Under Australian law, registered designs provide the exclusive right to stop others making, selling, importing or exploiting the product that embodies the design. It provides the exclusive right to:

- make the product in the relevant country
- import the product into the relevant country
- sell, hire or otherwise dispose of the product in the relevant country
- use the product in the relevant country
- keep the product in the relevant country
- authorise others to do any of the above.

ii) Term of rights

Design rights are for a 10 year term in Australia, subject to the payment of renewal/annuity fees in all the relevant countries.

iii) Process by which designs are obtained

To be held valid a design must meet certain criteria. In Australia, the design must be "new" i.e. not identical to a design publicly used in Australia or published in a document anywhere in the world, and must be "distinctive" i.e. not substantially similar in overall impression to another design publicly used in Australia or published in a document anywhere in the world.

Each country has its own laws, and may have different criteria to assess validity.

After a design has been granted, renewal or maintenance fees may need to be paid, otherwise the design will cease or expire.

Limitations of design protection

a. Designs are subject to challenge by third parties in each jurisdiction before and after grant, using administrative and/or court based processes on various grounds.

b. When granted, a design may be enforced against an infringer. However, it is possible for an infringer to contest the validity of the design rights granted by an IP office. This may mean that a design which is held to be infringed cannot be enforced because it is not valid.

8 Trade marks

Registered trade marks protect indications which serve to distinguish the goods or services of one competitor from those of others, and provide the owner with the exclusive right to use or authorise others to use the trade mark in relation to the goods and services for which it is registered.

i) Rights conferred by a trade mark

The owner of a registered trade mark has certain rights such as:

- The exclusive right to use the mark in relation to the goods/services for which it is registered.
- The right to take action for infringement against a third party using a substantially identical or deceptively similar trade mark for the same or similar goods/services.
- The right to sell, licence and mortgage the trade mark.

ii) Term of rights

There is no fixed term for trade mark rights in Australia. As long as the annuities/renewals are paid, the trade mark remains in force.

iii) Process by which trade marks are obtained

Trade marks are granted generally on a national or regional basis. International filings are governed by international treaties, in a similar manner to patents, but with a six month priority period. The intellectual property offices in each country in most cases conduct searches and examination prior to registration. Applications are typically pending for a period of 6 months to 2 years prior to grant.

ReNerve has sought trade mark protection for its brand name internationally, using the Madrid protocol, based on trade marks registered in Australia. The Madrid Protocol extends the protection of, in ReNerve's case, their Australian trade mark registration into 122 member countries, all in one request.

Schedule A lists the registered trade marks and trade mark applications that are owned by ReNerve. The information in Schedule A was provided to FPA on 22 July 2024 by ReNerve's trade mark law firm Herbert Smith Freehills.

Due to issues with the language “re” and “nerve” allegedly having a meaning when combined, the ReNerve mark was rejected in several jurisdictions. And while those rejections may have been contestable, further trade marking efforts were directed to the product mark NervAlign™.

Renewal or maintenance fees may need to be paid, otherwise the trade mark will cease or expire.

Limitations of trade mark protection

a. Trade marks are subject to challenge by third parties in each jurisdiction before and after grant, using administrative and/or court based processes on various grounds.

b. When granted, a trade mark may be enforced against an infringer. However, it is possible for an infringer to contest the validity of the trade mark granted by a trade mark office. This may mean that a trade mark which is held to be infringed cannot be enforced because it is not valid.

9 Domain names

ReNerve have the following domains registered:

- renerve.com.au Renewals paid until 9 October 2025
- renerve.au Renewals paid until 10 August 2025
- nervalign.com.au Renewals paid until 24 April 2025
- nervalign.com Renewals paid until 24 April 2026
- nervalign.au Renewals paid until 10 August 2025

Domain names must be renewed annually but can be pre-paid for 2-3 years at a time; the renewals are paid by Melbourne IT each year.

10 Risk pertaining to the ReNerve IP portfolio and commercialisation of related technology

The following is a general outline of risk pertaining to the ReNerve IP portfolio and commercialisation of related technology based on information as reasonably obtainable and understood at the date of this report. It is not legal advice or an exhaustive outline of risk:

- ReNerve are currently only relying on trade secrets to protect their Nerve Cuff and Nerve Graft project. A trade secret does not stop anyone from independently inventing the same product or process – either by chance or by reverse engineering. A trade secret does not give you exclusive rights and the rights to exclude others from exploiting an invention.
- The Nerve Cuff is further based on a proprietary method and product of Leader (now EMCM); their method is also a trade secret and so subject to the same risks of disclosure. If the Leader process is disclosed, third parties could independently produce the porcine pericardium membranes the subject of the Nerve Cuff. This risk is increased by the fact that the supercritical CO_2 method used by Leader in their method is close to coming off, or has already come off, patent in the US.
- As the FDA application process has involved the provision of information to the FDA that was designated as confidential information, the designation may expire after 10 years. If so, that information would then be publicly accessed. The information filed by ReNerve with the FDA is subject to the Freedom of Information Act (FOIA); however there is an exemption for the disclosure of certain confidential information and upon receipt of a request under the FOIA, ReNerve would have the opportunity to denote which information is confidential/a trade secret.
- For any future patent application filings, until such time as the applications are granted, the rights pending in the applications cannot be enforced in most jurisdictions.
- As with any patent application, there can be no certainty that patents will be granted on the applications, and if granted that they will be valid and enforceable. Alternatively, examination of the applications could result in it being necessary to limit the patent

claims of the applications to a point where they cannot provide protection that is commercially useful, advantageous or valuable.

- ReNerve has a number of ReNerve Partners. Employees and students of the ReNerve Partners may be inventors on the projects they work on. If the inventors do not assign, and have no obligation to assign, their rights, they may be entitled to claim ownership of those rights which could interfere with ReNerves's commercialisation of the subject matter of the ReNerve patent portfolio.
- Another party owning prior patent rights exploited by ReNerve in its commercialisation of the invention/s may exclude ReNerve from commercialising those inventions in those jurisdictions where the patent rights exist. That is, ReNerve may not have freedom to operate.

11 Statement of Independence

QANTM Intellectual Property Ltd is owned by Fox BidCo Pty Ltd, a company owned and controlled by funds managed by Adamantem Capital. QANTM owns FPA (Pty) Ltd, Davies Collison Cave Pty Ltd, Davies Collison Cave Asia Pte Ltd, Davies Collison Cave Law Pty Ltd, DCC Advanz Malaysia Sdn Bhd (the DCC businesses) and Sortify.tm Ltd. FPA operates independently of the DCC businesses and Sortify in the provision of IP services to its clients.

Neither FPA, nor any of its Directors has any entitlement to any securities in ReNerve, or has any other interest in the promotion of ReNerve. Furthermore, the payment of fees to ReNerve for the preparation of this report is not contingent upon the outcome of the Prospectus or any other due diligence process.

For and on behalf of FPA Patent Attorneys Pty Ltd.

Schedule A

Trademark	Country	Number	Classes	Status
ReNerve	Australia	1879717	5 and 10	Registered and in force until 12 October 2027
	New Zealand	1410043		
	United Kingdom	1410043		
	Poland	1410043		
NervAlign	Australia	1922410	5 and 10	Registered and in force until 26 April 2028
	Europe	1431539		
	United Kingdom	1431539		
	United States	1431539		

Class 5: Surgical dressings; Surgical dressings being absorbable by the body; Surgical dressings carrying substances to increase the rate of healing of the wounds; Surgical dressings having absorbent qualities; Surgical dressings incorporating collagen; Surgical dressings made from collagen; Surgical glues; Surgical grafts (living tissues); Surgical implants comprised of living tissues; Surgical implants grown from stem cells (living tissues); Tissues for surgical use

Class 10: Apparatus for surgical purposes; Clips for surgical use; Electrical appliances for surgical purposes; Electrically operated surgical apparatus; Electronic endoscopes for surgical use; Endoscopes for surgical use; Implantable materials for surgical use made by knitting synthetic yarn; Infrared apparatus for surgical purposes; Mesh nerve connecting tubes for surgical; Prostheses for surgical treatment; Surgical apparatus and instruments; Surgical graft materials; Surgical grafts (artificial materials); Surgical implant materials; Surgical implants being artificial materials for use in guided tissue regeneration; Surgical implants being artificial replacement materials for human tissue; Surgical implants comprised of artificial materials; Surgical instrumentation; Surgical membranes; Surgical nerve locator devices; Surgical nerve stimulator devices; Surgical prostheses; Surgical prostheses for human use; Surgical prostheses for veterinary use; Surgical suture materials; Surgical transplant materials; Suture materials for surgical use

The Madrid Protocol allows you to extend the protection of your Australian trade mark registration into its member countries, all in one request.

10. SIGNIFICANT CONTRACTS

10.1 Introduction

This section contains highlights of, or reference to, certain contracts which have been identified as significant and relevant to potential investors in the Company. To fully understand all rights and obligations of a significant contract, it would be necessary to review it in full and the summaries should be read in that light. Furthermore, the list of significant and relevant contracts set out below does not purport to be complete or exhaustive.

10.2 Leader Development Agreement

On 4 May 2018 ReNerve entered into a Product Development and Supply Agreement (**Leader Development Agreement**) with Leader Biomedical Europe Holding B.V (**Leader**) under which ReNerve and Leader agreed to work on developing a collagen patch derived from porcine pericardium for use in the surgical repair of neural injuries. Over the next 4 years Leader and ReNerve worked to develop what has become the ReNerve NervAlign® Nerve Cuff and IP that has the potential to be used in the NervAlign® Nerve Conduit. Under the Leader Development Agreement Leader became the owner of the IP developed under the agreement and agreed to grant ReNerve a licence to it, subject to certain conditions. The results independently generated by ReNerve, including the Product Dossier which includes the comprehensive technical data necessary to obtain and maintain registration approval, are ReNerve's exclusive IP. The agreement contemplated that Leader would nominate its sister entity EMCM to undertake manufacturing and supply of the products developed under the agreement (see below in relation to EMCM Agreement). Given the Leader Development Agreement has been terminated (see below) we have not included a summary of the further terms of the document.

10.3 Leader Licence Deed

On or about 27 July 2023 Leader and ReNerve entered into a Deed of Termination, Release and Licence (**Licence Deed**) under which the 2018 Leader Development Agreement and all rights under it were terminated and Leader granted to ReNerve a non-exclusive, worldwide, revocable, perpetual, royalty-free licence of the IP developed under the Leader Development Agreement including intellectual property rights surrounding and supporting its eCOO™ technology, eCOO™ Clean and related intellectual property (**Leader IP**) (**Licence**).

The Licence is revocable by Leader if ReNerve breaches the terms of the licence or the EMCM Agreement (see below). The Licence Deed is otherwise no terminable or revokable.

So long as the EMCM Agreement remains on foot ReNerve is not entitled to sublicence the Leader IP. If EMCM breaches the EMCM Agreement ReNerve may sublicence the Leader IP to an alternative manufacturer.

Neither party may assign the Licence Deed without the written consent of the other party, except that ReNerve can unilaterally assign its rights under the Licence (except for the right to manufacture) to its affiliates by notice to Leader. The Licence Deed otherwise contains standard confidentiality provisions, intellectual property provisions, representations and warranties given by both parties as to capacity, authority and power, none and other general provisions none of which are materially onerous on the Company.

10.4 EMCM Agreement

On 28 July 2023 ReNerve entered into a Product Development and Supply Agreement with EMCM B.V. (**EMCM**) (**EMCM Agreement**). This agreement was contemplated in the 2018 Leader Agreement and in the period leading up to 2023 Leader effectively ceased manufacturing operations and shifted them to EMCM. Under the EMCM Agreement, EMCM is responsible for the commercial manufacture and supply of the ReNerve NervAlign® Nerve Cuff product. The agreement provides that EMCM will manufacture and supply to ReNerve the products listed in Exhibit A to the agreement (**Products**). Exhibit A sets out the specifications

for the NervAlign® Nerve Cuff. The Company will be responsible for paying EMCM fees with respect to the manufacture of the Products at a prescribed per unit rate which broadly is EURO 25.00 for products of 10x10mm sizing, EURO 35.00 for products of 20x30mm sizing and EURO 45.00 for products of 30x40mm sizing, plus various ancillary fees and charges, but no royalty fees will be payable to EMCM.

The EMCM Agreement requires EMCM to procure that Leader grant to ReNerve a licence to the Product IP to permit marketing of ReNerve's products. This licence was granted to ReNerve under the Leader Licence Deed.

Under the EMCM Agreement ReNerve agrees not to arrange for a third party to manufacture the Products and EDMCM undertakes not to sell the Products to third parties. EMCM also agrees not to develop for its own commercial purposes or for third parties products of similar intended use to the Products. If ReNerve does not meet conditions referred to as "Exclusivity Conditions" which are effectively purchasing pre-agree quantities of the Products set out in Exhibit B to the agreement, this form of exclusivity will be lost and EMCM will be free to manufacture for itself or third parties. ReNerve has the ability to pay out E20,000 per cancelled batch to buy out the termination of exclusivity. ReNerve has met all of these requirements to date.

Title in Products manufactured by EMCM passes to ReNerve on payment by ReNerve to EMCM. EMCM is entitled to increase the prices for Products annually by not more than Netherlands CPI. EMCM provides some limited warranties on the Products including a warranty that Products will have a shelf life of 30 months from delivery.

Unless terminated for default which is not remedied by the defaulting party within 2 months' of receiving written notice of the default from the other party, or by mutual agreement, the EMCM Agreement remains in force for 5 years until 28 July 2028 after which it continues indefinitely until one of the parties gives 18 months' notice of termination.

Neither party may assign the EMCM Agreement without the written consent of the other party, subject to usual carve outs for related entities, and the like. The EMCM Agreement otherwise contains standard confidentiality provisions, representations and warranties given by both parties as to capacity, authority and power, none and other general provisions none of which are materially onerous on the Company.

10.5 NovaSterilis Agreements

Under agreements between Leader and EMCM on the one hand and NovaSterilis. Inc (**Novasterilis**) on the other hand (**NovaSterilis Agreements**) Leader and EMCM have purchased sterilisation equipment manufactured by Novasterilis utilises supercritical CO_2 as a powerful solvent that under the correct temperature and pressure conditions is a liquid that effectively penetrates tissue removing cells and organic matter whilst preserving the integrity of the tissue (**NovaSterilis Equipment**). In addition to supplying the NovaSterilis Equipment, under the NovaSterilis Agreements NovaSterilis has granted licences (**NovaSterilis Licences)** of IP including IP that was patented and software relating to supercritical carbon dioxide processes to Leader and EMCM. The licence is to use the IP in the "Licensed Process" which is cleaning and sterilisation using the Novasterilis equipment for the "Licensed Use" which is making the products specified in Appendix A (**Licensed Products**). The Licensed Products may only be sold in the "Territory" defined in the agreement. Leader and EMCM are not entitled to sublicence the IP.

ReNerve is not a party to the NovaSterilis Agreements and therefore there are no obligations imposed on ReNerve pursuant to the documents.

10.6 Collagen Solutions Agreement

On 3 July 2023, ReNerve entered into a Services Agreement (**Collagen Solutions Agreement**) with Collagen Solutions (US), LLC (**Collagen Solutions**) under which ReNerve

engaged Collagen Solutions to optimise ReNerve's existing process for decellularising porcine nerve tissue for use in nerve repair applications.

Collagen Solutions obtained the exclusive right to negotiate with ReNerve for the manufacture and the supply of the porcine nerve products for the term of the Collagen Solutions Agreement and for nine months after the expiration of the term.

ReNerve retains all of its intellectual property, regardless of any improvements Collagen Solutions makes to ReNerve's processes. However, the agreement provides that a royalty is payable to Collagen Solutions in the event any of its intellectual property is required for the ongoing manufacture of the porcine nerve products.

On 18 December 2023, ReNerve and Collagen Solutions entered into an amendment deed which amended the Collagen Solutions Agreement by revising the project scope and payments, and breaking down a phase of the project into sub-phases. If all of the milestones for the identified sub-phases under the Collagen Solutions Agreement are met, ReNerve would be required to pay Collagen Solutions a total of $1,268,340 in tranches (which is significantly back ended to the latter milestones which are not expected to be achieved for at least 10 months).

The Collagen Solutions Agreement can be terminated by either party on 30 days' written notice if the other party commits a material breach or default which is not remedied within the 30 days' written notice period. Either party may terminate the Collagen Solutions Agreement immediately if the other party suffers an insolvency event. Neither party may assign the Collagen Solutions Agreement without the written consent of the other party, subject to usual carve outs for related entities, and the like. The Collagen Solutions Agreement otherwise contains standard confidentiality provisions, representations and warranties given by both parties as to capacity, authority and power, none and other general provisions none of which are materially onerous on the Company.

10.7 3D BioFibR Agreement

On 21 June 2023, ReNerve entered into a collaborative research and commercialisation agreement (**3DBioFibR Agreement**) with 3DBioFibR Inc. (**3DBioFibR**) under which ReNerve and 3DBioFibR agreed to conduct collaborative research using 3DBioFibR's proprietary technology to create custom collagen fibre arrays for testing with a view to develop two new products, the first for peripheral nerve regeneration and the second as a dura path (**3DBioFibR Products**).

The initial term of 3DBioFibR Agreement was to terminate within 1 year from 21 June 2023, unless extended by mutual written agreement of the parties. On 16 September 2024 the parties signed an extension letter extending the term until 30 September 2025.

For a period of one year following the earlier of termination or completion of the research project, ReNerve and 3DBioFibR have the right to enter into a licence agreement (**3DBioFibR Licence Agreement**) under which 3DBioFibR would grant to ReNerve exclusive worldwide rights to 3DBioFibR's portion of any new invention or intellectual property developed under the research project (which would otherwise be jointly owned) for use in the fields of peripheral nerve regeneration and dura regeneration. ReNerve would in turn grant 3DBioFibR exclusive worldwide rights to ReNerve's portion of any new invention outside of the fields of fields of peripheral nerve regeneration and dura regeneration. Under the 3DBioFibR Licence Agreement, ReNerve would also be required to pay 3DBioFibR a licence access fee of US$500,000.00, and separate milestone payments, each of US$500,000. ReNerve would also be required to pay to 3DBioFibR a royalty of 2.5% of gross sales (less costs) of 3DBioFibR Products.

If the 3DBioFibR Licence Agreement is not entered into, then all new inventions and intellectual property will freeze in place and will not be able to be used by either party. This does not

prevent either party from again developing similar products independently without the use of the other party's materials, confidential information, or intellectual property.

Neither party may assign the 3DBioFibR Agreement without the written consent of the other party. The 3DBioFibR Agreement otherwise contains standard confidentiality provisions, representations and warranties given by both parties as to capacity, authority and power, none and other general provisions none of which are materially onerous on the Company.

10.8 Monash University Agreement

ReNerve and Monash University have entered into three agreements in relation to the Australian Research Council Training Centre for Cell and Tissue Engineering Technologies (**Training Centre**).

On 10 February 2022, ReNerve entered into the Participants Agreement with Monash University under which ReNerve became a partner organisation to Monash University in respect of the Training Centre. The Participants Agreement governs the relationship between Monash University and its partner organisations in relation to the Training Centre.

On 14 February 2022, ReNerve entered into a deed poll of accession in relation to the Training Centre, under which, ReNerve became a participant of the Training Centre.

On 3 May 2022, entered into a Project Agreement with Monash University under which ReNerve and Monash University agreed to conduct a project together in accordance with the Participants Agreement in relation to the testing and development of scaffolds used in nerve repair. The project completion date is set for 28 February 2026, and the Project Agreement outlines the funding obligations of the project, and the key milestones of the project.

Neither party may assign the Project Agreement without the written consent of the other party. The Project Agreement otherwise contains standard confidentiality provisions, intellectual property provisions, representations and warranties given by both parties as to capacity, authority and power, none and other general provisions none of which are materially onerous on the Company.

10.9 Lead Manager Mandate

The Company signed a Mandate Letter with Alpine Capital Pty Ltd (**Lead Manager**) on 14 March 2024. Under the Mandate Letter the Lead Manager will manage the Offer on a best endeavours basis and will provide all assistance and advice to the Company in relation to the Offer as is appropriate and necessary, but excluding legal, accounting, regulatory or tax advice.

The Lead Manager will be entitled to a fee of 6% of capital raised (comprising a management fee of 4% and a selling fee 2%). The capital raising fee will be paid in cash.

The Company has also agreed to grant the Lead Manager Options in the Company equivalent to 2% of the fully diluted capital of the Company post completion of the Offer with an exercise price of $0.30 and a three-year expiry from the date of issue (**Lead Manager Options**). The grant is conditional on the Lead Manager successfully raising the Minimum Subscription. Based on Minimum Subscription the Lead Manager will be granted 2,747,513 Lead Manager Options and based on Maximum Subscription, the Lead Manager will be granted 2,951,594 Lead Manager Options.

The Mandate Letter can be terminated by either party for convenience on 7 days' written notice. The Neither party may assign the Mandate Letter without the written consent of the other party. The Mandate Letter otherwise contains standard confidentiality provisions, representations and warranties given by both parties as to capacity, authority and power, none and other general provisions none of which are materially onerous on the Company.

10.10 Independent Accountant Mandate

The Company signed a Mandate Letter with PKF Melbourne Corporate Pty Ltd (**PKF**) on 30 April 2024 (**PKF Mandate Letter**). Under the PKR Mandate Letter, PKF will perform the assignment of preparing a due diligence report and Independent Assurance Report (**IAR**), as well as associated work for the Prospectus in connection with the Company's Offer.

The PKF Mandate Letter contemplates that PKF will be paid a fees totalling between $70,000 and $80,000 (excluding GST) in consideration for providing their services described above.

The Company has agreed to indemnify PKF and its officers, employees and agents against any claim, liability, damage, loss or expense incurred by any of them from their reliance on any information or documentation provided by or on behalf of the Company which is false or misleading or omits material particulars, or arising from any failure to supply relevant documents or information.

The PKF Mandate Letter can be terminated by either party for convenience on 30 days' written notice. The Neither party may assign the PKF Mandate Letter without the written consent of the other party. The PKF Mandate Letter otherwise contains standard confidentiality provisions, representations and warranties given by both parties as to capacity, authority and power, none and other general provisions none of which are materially onerous on the Company.

10.11 Logistics Services Agreement with Kuro

ReNerve has entered into a logistics services agreement with Kuro One Life Sciences, Inc (**Kuro**) dated 1 December 2021 (**Kuro Agreement**). The term of the Kuro Agreement is 12 months with automatic 12 monthly renewals by mutual agreement.

Pursuant to the Kuro Agreement, the outsourced operational services to be provided by Kuro to ReNerve will include:

- warehousing of products;
- product inventory location tracking from receipt by Kuro to ReNerve's specified shipper/location;
- pick, pack, and hand off of components, products, and/or kits to shipper;
- customer service, order fulfillment, replenishment, return product handling at client's direction;
- client customer invoicing at client's direction
- communication necessary to accomplish the outsourced operational services, including set up of phone numbers, emails, as needed/directed by client;
- standard report set /information reports selected by client; and
- interface with customer's quality management system.

In consideration for the services, ReNerve is required to pay a one off onboarding fee of $2,500, followed by a monthly subscription fee of $925 per month as well as other fees and costs depending on specific warehousing, logistics and shipping transactions and services provided by Kuro.

The Kuro Agreement can be terminated by either party for convenience on 90 days' written notice. Neither party may assign the Kuro Agreement without the written consent of the other party, subject to usual carve outs for related entities, and the like. The Kuro Agreement otherwise contains standard confidentiality provisions, representations and warranties given

by both parties as to capacity, authority and power, none and other general provisions none of which are materially onerous on the Company.

10.12 Consultancy Agreement with Emerging Surgical

ReNerve has had an ongoing contract relationship with Emerging Surgical since 2022. Most recently it entered into a Consultancy Agreement dated 10th of March, 2024 with Emerging Surgical to provide market outreach, market development and distributions services in the United States (**ES Agreement**).

The term of the ES Agreement is for 12 months and is reviewed each year. Under the contract ReNerve will pay Emerging Surgical USD$2000 per month in cash and USD$6000 per month to be settled via the issue of equity.

Emerging Surgical will operate as one of several intended local distributors for ReNerve and its NervAlign® Nerve Cuff in the United States and will receive sales commission for sales in the region.

The ES Agreement can be terminated by either party for convenience on 90 days' written notice. The ES Agreement can be terminated immediately if by a party if the other party commits a material breach of the agreement which is not remedied after having 14 days' written notice. Neither party may assign the ES Agreement without the written consent of the other party. The ES Agreement otherwise contains standard confidentiality provisions, representations and warranties given by both parties as to capacity, authority and power, none and other general provisions none of which are materially onerous on the Company.

10.13 Underwriting commitments

On 28 October 2024, the Chairman Mr Stephen Cooper and Managing Director Dr Julian Chick have provided commitments to underwrite a capital raising by the Company if the Offer under this Prospectus does not proceed and if the Board of Directors of ReNerve forms the view at any time before 31 October 2025 that a capital raising is necessary because the Company may not be able to pay its debts as and when they fall due. The commitments are to underwrite up to $75,000 each for a capital raising by the issue of shares or other securities on usual terms for a public unlisted company.

11. ADDITIONAL INFORMATION

11.1 The Company

The Company was registered as an Australian company on 16 September 2016 and is an unlisted public company.

11.2 Rights attaching to Shares

The rights attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours or at https://renerve.com.au/company-policies/. Rights are affected by the Corporations Act, the ASX Listing Rules and statute and general law. The following is a summary of the rights attaching to Shares as set out in the Constitution.

(a) Voting

Subject to any rights and restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders:

- each Shareholder is entitled to vote in person or by proxy, attorney or representative; and
- on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share but in respect of partly paid Shares, shall have such number of votes as bears the same proportion which the amount paid (not credited) is of the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(b) General meetings

Each shareholder is entitled to receive notice of and to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the ASX Listing Rules.

A shareholder may requisition meetings in accordance with the Corporations Act and the Constitution.

(c) Dividends

The Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend.

Subject to the rights of the holders of any Shares created or raised under any special arrangement as to dividends, the dividend as declared shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares in accordance with Part 2.5 of Chapter 2H of the Corporations Act. The Directors may from time to time pay to the shareholders any interim dividends that they may determine.

No dividend shall be payable except out of profits. A determination by the Directors as to the profits of the Company shall be conclusive.

No dividend shall carry interest as against the Company.

In addition, the Company must comply with section 254T of the Corporations Act when declaring a dividend.

(d) Transfer of Shares

Subject to the Constitution, Shareholders may transfer any Share held by them by an:

- ASX Settlement Operation Rules Transfer or any other method of transferring or dealing in Shares introduced by ASX or operated in accordance with the ASX Settlement Operating Rules or Listing Rules and in any such case recognised under the Corporations Act; or
- instrument in writing in any usual or common form or in any other form that the Directors approve.

(e) Issue of Shares

Unissued Shares shall be under the control of the Directors and, subject to the Corporations Act, the Listing Rules, and the Constitution, the Directors may at any time issue such number of Shares either as ordinary Shares or Shares of a named class or classes (being either an existing class or a new class) at the issued price that the Directors determine and with such preferred, deferred, or other special rights or such restrictions, whether with regard to dividend, voting, return of capital or otherwise, as the Directors shall, in their absolute discretion, determine.

(f) Issue of Options

Subject to the Listing Rules, the Directors may at any time and from time to time issue options in the Company on such terms and conditions as the Directors shall, in their absolute discretion determine.

(g) Issue of Preference Shares

Subject to the Listing Rules and the Corporations Act, the Company may at any time and from time to time issue preference Shares, that are liable to be redeemed whether at the option of the Company or otherwise.

(h) Entitlement to Share certificate

A person whose name is entered as a Shareholder in the Register of Shareholders is entitled without payment to receive a Share certificate or notice (as the case may be) in respect of the Share under seal in accordance with the Corporations Act.

If the securities of the Company are CHESS Approved Securities and held in uncertificated mode; then the Company shall allot such CHESS Approved Securities and enter them into the Shareholder's uncertificated holding in accordance with the Listing Rules and the ASX Settlement Operating Rules. In these circumstances, the Shareholder will not receive a Share certificate.

Where the Directors have determined not to issue share certificates or to cancel existing Share certificates, a Shareholder shall have the right to receive such statements of holdings of the Shareholder as are required to be distributed to a Shareholder under the Corporations Act or the Listing Rules.

Where a Share certificate is lost, worn out or destroyed, the Company shall issue a duplicate certificate in accordance with the requirements of section 1070D of the Corporations Act and the Listing Rules.

(i) Variation of rights

If at any time the share capital of the Company is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may be varied, whether or not the Company is being wound up, with the consent in writing of the holders of three-quarters of the issued Shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the Shares of the class. Any variation of rights shall be subject to Part 2F.2 of Chapter 2F of the Corporations Act. The provisions of the Constitution relating to general meetings shall apply so far as they are capable of application and with necessary alterations to every such separate meeting except that a quorum is constituted by two persons who together hold or represent by proxy not less than one-third of the issues Shares of the class.

(j) Winding up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he or she considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different class of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(k) ASX Listing Rules

If the Company is listed on the official list of ASX, notwithstanding anything in the Constitution, if the ASX Listing Rules prohibit an act being done, then that act must not be done. If the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done, and if a provision is required in the Constitution by the ASX Listing Rules, the Constitution will be treated as containing that provision. If any provision of the Constitution becomes inconsistent with the ASX Listing Rules, the Constitution will be treated as not containing that provision to the extent of the inconsistency.

11.3 Continuous Disclosure

The Company will be a disclosing entity for the purposes of Part 1.2A of the Corporations Act. As such, it will be subject to regular reporting and disclosure obligations which will require it to disclose to ASX any information which it is or becomes aware of concerning the Company and which a reasonable person would expect to have a material effect on the price or value of the securities of the Company.

11.4 Substantial Holders

Shareholders who will have a relevant interest in 5% or more of the total Shares on issue upon completion of the Offer are as follows:

Director / Senior Executive (and their associated entities)	Pre IPO		Minimum Subscription ($5,000,000)		Maximum Subscription ($7,000,000)	
	Number of Shares	% of total Shares on issue	Number of Shares	% of total Shares on issue	Number of Shares	% of total Shares on issue
Julian Chick: Julian Chick Viomaj Pty Ltd	13,922,276	13.04%	13,922,276	10.56%	13,922,276	9.82%

Violeta Traicevski & Julian Chick						
David Rhodes: Lucen Pty Ltd	11,527,500	10.80%	11,527,500	8.75%	11,527,500	8.13%
Stephen Cooper: Zetland Road Pty Ltd	10,167,192	9.52%	10,167,192	7.72%	10,167,192	7.17%

Following completion of the Offer but prior to Shares commencing trading on ASX, the Company will announce to ASX details of its top 20 Shareholders by number of Shares.

11.5 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no expert, promoter, underwriter or other person named in this Prospectus who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, holds at the date of this Prospectus, or has held in the 2 years prior to the date of this Prospectus, an interest in:

(a) the formation or promotion of the Company;

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or in connection with the Offer or; or

(c) the Offer,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to any such persons for services in connection with the formation or promotion of the Company or the Offer.

Cornwalls has acted as the legal adviser to the Company in relation to the Offer. Fees payable to Cornwalls for these services are approximately $130,000 plus GST. Cornwalls may receive further fees for additional work done determined on the basis of hours spent at its ordinary hourly rates.

William Buck has acted as the auditors of the Company in relation to the Offer. Fees payable to William Buck for these services are approximately $5,000.00 plus GST. William Buck may receive further fees for additional work done determined on the basis of hours spent at its ordinary hourly rates.

PKF Melbourne has acted as investigating accountant of the Company in relation to the Offer. Fees payable to PKF Melbourne for these services are approximately $74,000.00 plus GST. PKF Melbourne may receive further fees for additional work done determined on the basis of hours spent at its ordinary hourly rates.

11.6 Working capital statement

The Directors believe that on completion of the Offer, the Company will have sufficient working capital available from the proceeds of the Offer and its operations to fulfil the purposes of the Offer and meet the Company's business objectives.

11.7 Consents

Each of the parties referred to below:

(a) does not make the Offer;

(b) does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below or elsewhere in this Prospectus;

(c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified below; and

(d) has given and has not, prior to the lodgement of this Prospectus with ASIC, withdrawn its consent to the inclusion of the statements in this Prospectus that are specified below in the form and context in which the statements appear.

Cornwalls has given and has not before lodgement of this Prospectus withdrawn its written consent to be named in this Prospectus as the Australian legal adviser to the Company in the form and context in which it is named. Cornwalls has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than references to its name.

William Buck has given and has not before lodgement of this Prospectus withdrawn its written consent to be named in this Prospectus as the auditors of the Company in the form and context in which it is named. William Buck has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than references to its name.

PKF Melbourne has given and has not before lodgement of this Prospectus withdrawn its written consent to be named in this Prospectus as the investigating accountant of the Company in the form and context in which it is named. PKF Melbourne has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than references to its name.

There are a number of persons referred to elsewhere in this Prospectus who have not made statements included in this Prospectus and there are no statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in this Prospectus and did not authorise or cause the issue of this Prospectus.

11.8 Expenses of the Offer

The expenses of the Offer are expected to comprise the following amounts, which are net of GST recoverable by the Company.

Expense	Amount (Minimum Subscription)	Amount (Maximum Subscription)
Capital raising fees and corporate advisory fees	$307,500	$430,500
Lead Manager Options costs*	$209,275	$224,820
Legal fees	$136,434	$136,434
ASX listing fees	$122,535	$122,535
ASX in principle-advice fees	$5,500	$5,500
Share registry fees	$15,375	$15,375
Accounting and financial advisory fees	$84,068	$84,068
IAR fees	$81,400	$81,400

Prospectus verification software fees (Atticus)	$11,000	$11,000
Printing, advertising and miscellaneous	$5,500	$5,500
Total	$978,586	$1,117,131

A portion of the Offer expenses has been funded through a pre-IPO capital raise completed by the Company in September 2024. Accordingly, the total expenses of the Offer depicted above may not reconcile precisely with the amounts referred to in section 7.

*The costs associated with the Lead Manager Options are non-cash costs to the Company.

11.9 Privacy

The Company and the Share Registry on its behalf, collect, hold and use your personal information to process your application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration. Once you have become a Shareholder, the Corporations Act requires information about you (including your name, address and details of the Shares you hold) to be included in the Shareholder register. This information must continue to be included in the Company's Shareholder register even if you cease to be a Shareholder. If you do not provide all the information requested in the Application Form, your Application Form may not be able to be processed.

The Company and the Share Registry may disclose your personal information for purposes related to your investment to their agents and service providers including the following:

(a) the Share Registry for ongoing administration of the Shareholder register;

(b) the Lead Manager in order to assess your application;

(c) printers and other companies for the purpose of preparation and administration of documents and for handling mail;

(d) market research companies for the purpose of analysing the Company’s shareholder base and for product development and planning; and

(e) legal and accounting firms, auditors, management consultants and other advisers for the purpose of administering, and advising on, the Shares and for associated actions.

You may request access to your personal information held by the Share Registry on behalf of the Company, by contacting the Share Registry. You will generally be provided access to your personal information (subject to some exceptions permitted by law), but you may be required to pay a reasonable charge to the Share Registry for access. The Company aims to ensure that the personal information it retains about you is accurate, complete and up-to-date. To assist with this, please contact the Share Registry if any of the details you have provided change. In accordance with the requirements of the Corporations Act, information on the Shareholder register will be accessible by members of the public.

11.10 Insurance

ReNerve has comprehensive insurance coverage including public liability, shipping, warehousing and patient liability. The company has covered all parts of its business to ensure minimal risk to the company and shareholders.

11.11 Taxation

The tax consequences of any investment in Shares will depend upon each applicant's particular circumstances. It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them in relation to an investment in Shares under this Prospectus by consulting their own professional tax advisers. Accordingly, the Company

strongly recommends that all applicants obtain their own tax advice before deciding on whether or not to invest. Neither the Company nor any of its Directors accepts any liability or responsibility in respect of the taxation consequences of an investment in Shares under this Prospectus.

Each Director of the Company has authorised the issue of this Prospectus and has consented to it being lodged with ASIC.

Signed for and on behalf of the Company

Julian Chick
Chief Executive Officer

12. GLOSSARY

AEST	Australian Eastern Standard Time
Applicant	A person who applies for Shares
Application	An application for Shares
Application Form	The Application Form attached to this Prospectus
Application Monies	The Offer Price of $0.20 per Share multiplied by the number of Shares applied for
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ACN 008 624 691) or, where the context requires, the Australian Securities Exchange operated by ASX Limited
Biller Code	A unique 4–6-digit code assigned to make BPAY payments under this Offer
Board	Board of directors of the Company
Business	The business of manufacturing and selling nerve treatment and replacement devices
Closing Date	The date by which valid Application Forms must be received being Friday, 15 November 2024or such other dates as the Company may determine in its discretion
Company	ReNerve Limited ACN 614 848 216
Completion	Completion occurs when all of the Shares have been issued by the Company in accordance with the Offer
Constitution	The constitution of the Company
Corporations Act	*Corporations Act 2001* (Cth)
CRN	Customer Reference Number
Director	A director of the Company
Expiry Date	That date which is 13 months after the date of this Prospectus
Exposure Period	A 7 day period from the date of this Prospectus, or another period of days as decided by ASIC
Government Agency	Whether foreign or domestic, a government, whether federal, state territorial or local or a department, office or minister of a government acting in that capacity, or a commission, delegate, instrumentality, agency, board, or other government, semi-government, judicial, administrative, monetary or fiscal, or investigative body, department, tribunal,

	entity or authority, whether statutory or not, and includes any self-regulatory organisation established under statute or any stock exchange, including ASIC and ASX
Investigating Accountant's Report	A report issued by PKF Melbourne Corporate Pty Ltd in respect of the historical financial information
Lead Manager	Alpine Capital Pty Ltd. See sections 4.15, 4.16 and 10.9
Listing Rules	The Listing Rules of ASX
Offer	The offer of Shares under this Prospectus. See section 4.1
Offer Materials	Documents issued or published by or on behalf of the Company in respect of the Offer, including this Prospectus, any investor presentation in respect of the Offer, all correspondence delivered to Shareholders in respect of the Offer and any Application Form
Offer Price	$0.20
Opening Date	Wednesday, 30 October 2024
Option	an option to acquire a Share, subject to satisfaction of any relevant exercise conditions
Pre-IPO Shareholders	A person who is a Shareholders in the Company at a time before commencement of the Offer
Principles and Recommendations	Corporate governance principles and recommendations released by the ASX Corporate Governance Council, Third edition
Quotation	The Shares being quoted for trading on ASX
Share	An fully paid ordinary share in the Company
Shareholder	A person who holds Shares in the Company
Share Registry	Automic Group – 1300 288 664
Takeovers Panel	The Takeovers Panel established under section 171 of the *Australian Securities and Investments Commission Act*
Timetable	The timetable in section 4.4
Website	www.renverve.com.au

13. CORPORATE DIRECTORY

Directors	Julian Chick
	Stephen Cooper
	David Rhodes
	Michael Panaccio
Company Secretary	David Lilja
Registered Office	Level 10, 99 Queen Street Melbourne VIC 3000
Share Registry	Automic Group
Solicitors to the Offer	Cornwalls
	Level 10, 114 William Street, Melbourne, VIC 3000
Investigating Accountant	PKF Melbourne
	Level 15, 500 Bourke Street, Melbourne, VIC 3000
Lead Manager	Alpine Capital Pty Ltd
	Level 4, 20 Bond Street, Sydney, NSW 2000
Auditors	William Buck
	Level 20, 181 William Street, Melbourne, VIC 3000