Patrys Limited

ACN 123 055 363

Entitlement Offer

2 for 11 non-renounceable pro rata entitlement offer of Patrys ordinary shares at an offer price of $0.017 (1.7 cents) per New Share to raise $2,415,263 (before costs)

The Entitlement Offer is fully underwritten by Somers and Partners Pty Ltd (AFSL 403684)

Entitlement Offer closes at 5.00pm (Melbourne time) on Friday, 9 February 2018

This is an important document which is accompanied by a personalised Entitlement and Acceptance Form for you to subscribe for new ordinary shares in Patrys Limited. You should read this document carefully in its entirety. This document is not a prospectus under the Corporations Act and has not been lodged with Australian Securities and Investments Commission. You should call your professional adviser if you have any queries.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

IMPORTANT NOTICES

This Information Booklet is dated 15 January 2018.

Defined terms used in these important notices have the meaning given in this Information Booklet.

The Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues)) Instrument 2016/84 which allows entitlement issues to be offered without a prospectus. As a result, this offer is not being made under a prospectus and it is important for Eligible Shareholders to read and understand the information on Patrys Limited ACN 123 055 363 (**Patrys**) and the Entitlement Offer made publicly available, before taking up all or part of their Entitlement. **This information is important and requires your immediate attention.**

You should read this Information Booklet carefully in its entirety before deciding whether to participate in the Entitlement Offer. By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY®[1] in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Information Booklet and you have acted in accordance with and agree to the terms of the Entitlement Offer in this Information Booklet.

Future performance and forward looking statements

This Information Booklet contains certain forward looking statements with respect to the financial condition, results of operations, projects and business of Patrys and certain plans and objectives of Patrys. Forward looking statements can generally be identified by the use of forward looking words such as 'expect', 'anticipate', 'likely', 'intend', 'propose', 'should', 'could', 'may', 'will', 'predict', 'plan', 'believe', 'forecast', 'estimate', 'target', 'continue', 'objectives', 'outlook', 'guidance' and other similar expressions.

The forward looking statements, opinions and estimates contained in this Information Booklet are based on assumptions and contingencies which are subject to change without notice, as are any statements about market and industry trends, which are based on interpretations of current market conditions. They involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Patrys and its officers, employees, agents and associates, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Any forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Readers are cautioned not to place undue reliance on forward-looking statements. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements. Investors should consider the forward looking statements contained in this Information Booklet in light of those disclosures.

Past performance

Investors should note that past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) future Patrys performance including future share price performance.

Jurisdictions

This Information Booklet is intended for use only in connection with the Entitlement Offer to Eligible Shareholders with a registered address in Australia and New Zealand. This Information Booklet does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

Not for release or distribution in the United States of America

This Information Booklet, or any accompanying ASX announcements or the Entitlement and Acceptance Form, does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Neither this Information Booklet nor the Entitlement and Acceptance Form may be distributed or released in the United States. Neither the entitlements to purchase new ordinary shares in Patrys (**New Shares**) pursuant to the offer described in this Information Booklet (**Entitlements**) nor the New Shares have been, nor will be, registered under the US Securities Act of 1933, as amended (**US Securities Act**), or the securities laws of any state or other jurisdiction of the United States. Neither the Entitlements nor the New Shares may be offered, sold or resold in the United States or to persons acting for the account or benefit of a person in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US State securities laws. In the Entitlement Offer, the Entitlements and the New Shares will only be sold in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in compliance with Regulation S under the US Securities Act.

Risks

Refer to the "Key Risks" section of the Patrys Investor Presentation included in Section 3 of this Information Booklet for a summary of certain general and Patrys specific risk factors that may affect Patrys.

Taxation

There will be a tax implication associated with participating in the Entitlement Offer and receiving New Shares or additional New Shares. Section 4 provides for a general guide to the Australian income tax, goods and services tax and stamp duty implications of the Entitlement Offer for Eligible Shareholders. The guide does not take account of the individual circumstances of particular Eligible Shareholders and does not constitute tax advice. Patrys recommends that you consult your professional tax adviser in connection with the Entitlement Offer.

References to 'you', 'your Entitlement' and 'your Entitlement'

In this Information Booklet, references to 'you' are references to Eligible Shareholders and references to 'your Entitlement' (or 'your Entitlement and Acceptance Form') are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Shareholders, unless the context provides otherwise.

Times and dates

Times and dates in this Information Booklet are indicative only and subject to change. All times and dates refer to Melbourne time. Refer to the 'Key Dates' section of this Information Booklet for more details.

Currency

Unless otherwise stated, all dollar values in this Information Booklet are in Australian dollars (A$).

[1] Registered to BPAY Pty Ltd ABN 69 079 137 518

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LETTER FROM THE CHAIRMAN

15 January 2018

Dear Shareholder

On behalf of Patrys, I am pleased to invite you to participate in a 2 for 11 fully underwritten non-renounceable pro rata entitlement offer of New Shares at an offer price of $0.017 (1.7 cents) per New Share (**Offer Price**) to raise gross proceeds of approximately $2.4 million (**Entitlement Offer**).

On 15 January 2018, Patrys announced its intention to raise approximately $2.4 million through an Entitlement Offer. This Information Booklet relates to the Entitlement Offer.

The Entitlement Offer is fully underwritten. The proceeds of the Entitlement Offer will be used to fund research and development, intellectual property and working capital requirements and pay offer costs.

Entitlement Offer

Under the Entitlement Offer, Eligible Shareholders have the opportunity to invest in Patrys. The number of New Shares for which you are entitled to subscribe under the Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form that accompanies this Information Booklet. The Offer Price of $0.017 (1.7 cents) per New Share represents a 23% discount to the 30 day VWAP and a 19.0% discount to the closing price of Patrys of $0.021 per share on 10 January 2018.

If you take up your full Entitlement, you may also apply under the Top Up Facility for additional New Shares in excess of your Entitlement at the Offer Price. The allocation of additional New Shares will be subject to the availability of New Shares under the Entitlement Offer. Patrys retains the flexibility to scale back applications for additional New Shares at its discretion (refer to section 2 of this Information Booklet for more information).

The Entitlement Offer is non-renounceable and therefore your Entitlement will not be tradeable on the ASX or otherwise transferable. I encourage you to consider this offer carefully.

Information Booklet

This Information Booklet contains important information, including:

- ASX announcements relating to the Entitlement Offer, including the Investor Presentation, which provides information on Patrys, the Entitlement Offer and key risks for you to consider;
- instructions on how to apply, detailing how to participate in the Entitlement Offer if you choose to do so, and a timetable of key dates;
- information regarding the personalised Entitlement and Acceptance Form that accompanies this Information Booklet, which details your Entitlement and instructions on how to complete it; and
- instructions on how to take up all or part of your Entitlement via BPAY® or by cheque.

If you decide to take this opportunity to increase your investment in Patrys, you must:

- pay your Application Money via BPAY®; or

- return your completed personalised Entitlement and Acceptance Form together with a cheque for your Application Money, to the Share Registry,

before 5.00pm (Melbourne time) on Friday, 9 February 2018,

Instructions on how to apply are set out in this Information Booklet and your Entitlement and Acceptance Form. For further information regarding the Entitlement Offer, call the Patrys Offer Information Line on 1300 850 505 (within Australia) or +613 9415 4000 (from outside Australia) between 9.00 am to 5.00pm (Melbourne time), Monday to Friday during the Entitlement Offer Period.

The Entitlement Offer closes at 5.00pm (Melbourne time) on Friday, 9 February 2018

If you do not wish to take up any of your Entitlement, you do not have to take any action.

If you are uncertain about taking up your Entitlement you should consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

On behalf of the board of Patrys, I have pleasure in inviting you to consider this investment opportunity and thank you for your ongoing support of Patrys.

Yours faithfully,



John Read
Chairman
Patrys Limited

SUMMARY OF ENTITLEMENT OFFER

Entitlement Offer

Entitlement Ratio	2 for every 11 existing Patrys ordinary shares
Offer Price	$0.017 (1.7 cents) per New Share
Size	142,074,317(1) New Shares
Gross Proceeds	$2,415,263

Share Capital

Shares currently on issue	781,408,744
New Shares offered pursuant to the Entitlement Offer	142,074,317(1)
Total Shares on issue after completion of the Entitlement Offer	923,483,061(2)

(1) Assuming no options are exercised prior to the Record Date.
(2) Assuming no options are exercised.

Use of Funds

Funds raised from the Entitlement Offer will be used by Patrys to fund research and development, intellectual property and working capital requirements (including for other business development and Patrys' insurance claims) and to pay offer costs.

Director participation

Each of the Australian resident directors (being John Read and James Campbell) intends to take up in full his Entitlement. The non-Australian resident directors are not eligible to participate in the Entitlement Offer.

A company associated with one of the non-resident directors has agreed to partially sub-underwrite the Entitlement Offer, up to an amount of $200,000. See section 5.16 for further details.

KEY DATES FOR RETAIL ENTITLEMENT OFFER

Event	Date
Announcement of Entitlement Offer	15 January 2018
Record Date for the Entitlement Offer	7.00pm on 18 January 2018
Despatch of Information Booklet and Entitlement and Acceptance Form to Eligible Shareholders	22 January 2018
Entitlement Offer opens	22 January 2018
Entitlement Offer closes	5.00pm on 9 February 2018
Allotment of New Shares under the Entitlement Offer	16 February 2018
Normal trading of New Shares issued under the Entitlement Offer expected to commence on ASX	19 February 2018
Despatch of holding statements	20 February 2018

The timetable above is indicative only and may be subject to change without notice. Patrys, with the consent of the Underwriter, reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws to amend or vary any or all of the dates and times without notice. In particular, Patrys reserves the right to extend the closing date of the Entitlement Offer, accept late applications (either generally or in particular cases) and to withdraw the Entitlement Offer without prior notice.

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

Cooling off rights do not apply to the Entitlement Offer. You cannot withdraw your application once it has been accepted. Eligible Shareholders are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Entitlement Offer opens.

Enquiries

For further information regarding the Entitlement Offer, please call the Patrys Offer Information Line on 1300 850 505 (within Australia) or +613 9415 4000 (from outside Australia) between 9.00am and 5.00pm (Melbourne time) Monday to Friday during the Entitlement Offer Period.

If you have any questions, please consult your stockbroker, accountant or other independent professional adviser.

1 Summary of options available to you

If you are an Eligible Shareholder, you may take any one of the following actions:

- take up all of your Entitlement and, if you do so, you may also apply for additional New Shares under the Top Up Facility (see section 2.6);
- take up part of your Entitlement and allow the balance to lapse; or
- do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements.

If you are a retail shareholder that is not an Eligible Shareholder you are an "Ineligible Shareholder". Ineligible Shareholders are not entitled to participate in the Entitlement Offer.

Options available to you	Key considerations
1. Take up all of your Entitlement	You may elect to purchase New Shares at the Offer Price (see section 2 "*How to Apply*" for instructions on how to take up your Entitlement). • The New Shares will rank equally in all respects with existing Shares (including rights to dividends and distributions). • The Entitlement Offer closes at 5.00pm (Melbourne time) on Friday, 9 February 2018. • If you take up all of your Entitlement, you may also apply for additional New Shares under the Top Up Facility. There is no guarantee that you will be allocated any additional New Shares under the Top Up Facility.
2. Take up part of your Entitlement	• If you only take up part of your Entitlement, the part not taken up will lapse. You will not be entitled to apply for additional New Shares under the Top Up Facility. • If you do not take up your Entitlement in full you will not receive any payment or value for those Entitlements not taken up. • If you do not take up your Entitlement in full, you will have your percentage holding in Patrys reduced as a result of the Entitlement Offer.
3. Do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements	• If you do not take up your Entitlement, you will not be allocated New Shares and your Entitlements will lapse. Your Entitlement to participate in the Entitlement Offer is non-renounceable, which means they are non-transferable and cannot be sold, traded on ASX or any other exchange, nor can they be privately transferred. • If you do not take up your Entitlement, you will have your percentage holding in Patrys reduced as a result of the Entitlement Offer.

2 How to apply

2.1 Before making a decision

This Information Booklet (including the ASX Announcements and Investor Presentation set out in section 3 and the Additional Information set out in section 5) should be read carefully and in its entirety before making any decision about your Entitlement. You should be aware that an investment in Patrys involves risks. The key risks identified by Patrys are set out in the "Key Risks" section of the Investor Presentation included in Section 3 of this Information Booklet.

2.2 Entitlement Offer

Patrys intends to raise approximately $2.4 million through the Entitlement Offer. The proceeds of the Entitlement Offer will be used to fund research and development, intellectual property and working capital requirements and pay offer costs.

Eligible shareholders are invited to apply for 2 New Shares for every 11 existing Shares held as at 7.00pm (Melbourne time) on 18 January 2018 (**Record Date**), at the Offer Price of $0.017 per New Share. New Shares issued under the Entitlement Offer will be fully paid and rank equally in all respects with existing Shares.

Eligible Shareholders have the opportunity to take up all or part of their Entitlements under the Entitlement Offer. Eligible Shareholders who take up their full Entitlement may also participate in the Top Up Facility by applying for additional New Shares in excess of their Entitlement.

The Entitlement Offer is non-renounceable. This means Entitlements do not trade on the ASX and cannot be dealt with, sold or transferred.

The Entitlement Offer opens at 9.00am (Melbourne time) on 22 January 2018 and will close at 5.00pm (Melbourne time) on 9 February 2018.

2.3 Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 2 New Shares for every 11 existing Shares you held as at the Record Date. If the result is not a whole number, your Entitlement will be rounded up to the nearest whole number of New Shares.

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding.

If you take up your Entitlement in full, you may also apply for additional New Shares under the Top Up Facility. Any New Shares not taken up by the Closing Date may be made available under the Top Up Facility to those Eligible Shareholders who have taken up their Entitlement in full and applied for additional New Shares. There is no guarantee that you will receive the number of New Shares applied for, or any New Shares, under the Top Up Facility. New Shares will only be allocated under the Top Up Facility if available and if Patrys so determines, in its absolute discretion.

2.4 Consider the Entitlement Offer carefully in light of your particular investment objectives and circumstances

The Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow rights issues to be made without a prospectus. This Information Booklet does not contain all of the information which may be required in order to make an informed decision regarding an application for New Shares offered under the Entitlement Offer. As a result, it is important for you to read carefully and understand the information on Patrys and the Entitlement Offer made publicly available, prior to making any decision in respect

of your Entitlement. In particular, you should refer to this Information Booklet and other announcements made available at www.patrys.com (including announcements which may be made by Patrys after publication of this Information Booklet).

You should consult with your stockbroker, accountant or other professional adviser if you have any queries or are uncertain about any aspect of the Entitlement Offer. You should also refer to the "Key Risks" section of the Patrys Investor Presentation included in Section 3 of this Information Booklet.

2.5 Options available to you

If you are an Eligible Shareholder, you may:

- take up all your Entitlement in full and, if you do so, you may also apply for additional New Shares under the Top Up Facility (see Section 2.6); or
- take up part of your Entitlement and the rest of your Entitlement will lapse (see Section 2.7); or
- do nothing and allow your Entitlement to lapse (see Section 2.8).

2.6 If you wish to take up all your Entitlement or take up all your Entitlement and participate in the Top Up Facility

If you wish to take up all of your Entitlement, you must:

(a) pay your Application Money via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form; or

(b) or, if you are unable to pay via BPAY® (for example, because you are a New Zealand Shareholder who does not have an Australian bank account), complete and return the personalised Entitlement and Acceptance Form with the requisite Application Money,

in each case, by no later than 5.00pm (Melbourne time) on Friday, 9 February 2018.

If you apply to take up all of your Entitlement, you may also apply for additional New Shares under the Top Up Facility. Patrys may treat amounts it receives in excess of the Offer Price multiplied by your Entitlement as an Application to apply for as many additional New Shares in the Top Up Facility as will be paid in full from the excess amounts.

If your Application for New Shares under the Top Up Facility is accepted in whole or in part, your New Shares will be issued to you at the same time that other New Shares are issued under the Entitlement Offer. There is no guarantee that you will be allocated any additional New Shares.

Patrys will pay any refund amounts in Australian dollars to you either by direct credit to your nominated bank account, or by cheque sent by ordinary post to your address, as noted in the share register as at the Closing Date. No interest will be paid on any Application Money received or refunded.

2.7 If you wish to take up part of your Entitlement and let the balance lapse

If you wish to take up part of your Entitlement, you must:

(a) pay your Application Money for the relevant part via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form; or

(b) or, if you are unable to pay via BPAY® (for example, because you are a New Zealand Shareholder who does not have an Australian bank account), complete and return the personalised Entitlement and Acceptance Form with the requisite Application Money,

in each case, by no later than 5.00pm (Melbourne time) on Friday, 9 February 2018.

Any of your Entitlement which you do not take up will lapse. Your percentage shareholding in Patrys will be diluted accordingly.

If Patrys receives an amount that is less than the Offer Price multiplied by your Entitlement, Patrys may treat your payment as an Application for as many New Shares as your Application Money will pay in full and the balance of your Entitlement will lapse.

2.8 If you wish to do nothing and allow your Entitlement to lapse

If you do not wish to take up all or any part of your Entitlement, you do not need to take any further action. Your Entitlement will lapse and your percentage shareholding in Patrys will be diluted accordingly.

2.9 Consequences when an Entitlement lapses

If you do not accept all or part of your Entitlement in accordance with the relevant instructions and all or part of your Entitlement lapses, the New Shares to which you would otherwise have been entitled under the Entitlement Offer may be acquired by the Underwriter or any sub-underwriters or by other Eligible Shareholders under the Top Up Facility.

By allowing all or part of your Entitlement to lapse, you will forego any exposure to increases or decreases in the value of New Shares you would have received had you taken up your Entitlement and you will not receive any value for your Entitlement. Your percentage shareholding in Patrys will be diluted accordingly.

2.10 Payment

You can pay in the following ways:

- by BPAY®; or
- if you are unable to pay by BPAY® (for example, because you are a New Zealand Shareholder who does not have an Australian bank account), by cheque.

Cash payments will not be accepted. Receipts for payment will not be issued.

Patrys will treat you as applying for as many New Shares or additional New Shares as your payment will pay for in full up to your Entitlement plus additional New Shares under the Top Up Facility.

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

(a) Payment by BPAY®

To pay by BPAY®, follow the instructions on the personalised Entitlement and Acceptance Form. You can only pay via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, you must use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your application will not be recognised as valid.

If you pay by BPAY®:

- you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in Section 2.11; and

- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Money.

It is your responsibility to ensure that your BPAY® payment is received by the Patrys Share Registry by no later than 5.00pm (Melbourne time) on Friday, 9 February 2018. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

(b) Payment by cheque

To pay by cheque, complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque in Australian currency for the amount of the Application Money, payable to 'Patrys Limited' and crossed 'Not Negotiable'.

Your cheque must be:

- for an amount equal to $0.017 multiplied by the number of New Shares that you are applying for; and

- in Australian currency drawn on an Australian branch of a financial institution. Payment cannot be made in New Zealand dollars

You should ensure that sufficient funds are held in the relevant account to cover the Application Money as your cheque will be processed on the day of receipt. If the amount of your cheque for Application Money (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower whole number of New Shares as your cleared Application Money will pay for (and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

If you make payment via cheque, your completed personalised Entitlement and Acceptance Form together with Application Money must be received at Patrys' Share Registry no later than the close of the Entitlement Offer, being 5.00pm (Melbourne time) on Friday, 9 February 2018.

2.11 Representations by acceptance

By making a payment by BPAY® or completing and returning your personalised Entitlement and Acceptance Form, you will be deemed to have represented to Patrys that you are an Eligible Shareholder and:

- acknowledge that you have read and understand this Information Booklet and your personalised Entitlement and Acceptance Form in their entirety;

- agree to be bound by the terms of the Entitlement Offer, the provisions of this Information Booklet (including Section 5.6), and Patrys' constitution;

- authorise Patrys to register you as the holder(s) of New Shares allotted to you;

- declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;

- declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;

- acknowledge that once Patrys receives your payment of Application Money via BPAY® or your personalised Entitlement and Acceptance Form you may not withdraw your application or funds provided except as allowed by law;

- agree to apply for and be issued up to the number of New Shares for which you have submitted payment of any Application Money via BPAY® or have specified in the personalised Entitlement and Acceptance Form, at the Offer Price per New Share;

- authorise Patrys, the Underwriter, the Patrys Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Patrys Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;

- declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;

- acknowledge that the information contained in this Information Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;

- acknowledge that this Information Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in Patrys and is given in the context of Patrys' past and ongoing continuous disclosure announcements to ASX;

- acknowledge the statement of risks in the "Key Risks" section of the Patrys Investor Presentation contained in Section 3 of this Information Booklet, and that investments in Patrys are subject to risk;

- acknowledge that neither Patrys nor the Underwriter, nor their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of Patrys, nor do they guarantee the repayment of capital;

- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of Shares on the Record Date;

- authorise Patrys to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you; and

- represent and warrant that the law of any place does not prohibit you from being given this Information Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Entitlement Offer.

By making a payment by BPAY® or completing and returning your personalised Entitlement and Acceptance Form, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- you are not in the United States and you are not acting for the account or benefit of a person in the United States;
- you understand and acknowledge that neither the Entitlements nor the New Shares have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States;
- you are subscribing for or purchasing the Entitlements or the New Shares outside the United States in an "offshore transaction" (as defined in Rule 902(h) under the US Securities Act) in compliance with reliance on Regulation S under the US Securities Act;
- you have not and will not send this Information Booklet, the Entitlement and Acceptance Form or any other materials relating to the Entitlement Offer to any person in the United States or any other country outside Australia or New Zealand; and
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Information Booklet, the Entitlement and Acceptance Form or any information relating to the Entitlement Offer to any such person.

2.12 Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions about completing it, please contact the Patrys Offer Information Line on 1300 850 505 (within Australia) or +613 9415 4000 (from outside Australia). The Patrys Offer Information Line will be open from 9.00am to 5.00pm (Melbourne time), Monday to Friday, during the Entitlement Offer Period. If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.

3 ASX Announcements

ASX & Media Release

$2.4 Million Fully Underwritten Rights Issue

- **Fully underwritten non-renounceable 2:11 Rights Issue at 1.7 cents per share to raise approximately $2.4 million before costs**
- **Funds raised to be applied to accelerate development of Deoxymab platform, Patrys' novel cell penetrating anti-DNA antibody for treatment of cancer**
- **Major shareholder and entity associated with non-executive director Michael Stork priority sub-underwriting $200,000 of Rights Issue**

Melbourne, Australia; January 15, 2018: Patrys Limited (ASX: PAB), a therapeutic antibody development company, is pleased to announce a fully underwritten, non-renounceable 2:11 rights issue (Rights Issue) to Eligible Shareholders (defined below) to raise approximately $2.4 million (before costs). New shares are priced at 1.7 cents per share, which is a 19% discount to the last traded price on 10 January 2018 of 2.1 cents per share, and a 23% discount to the 30 day VWAP of 2.21 cents per share. The Rights Issue is fully underwritten by Somers and Partners Pty Ltd.

Patrys is also offering Eligible Shareholders the right to increase their shareholding in the Company (Share Top Up Facility) should there be any shortfall under the Rights Issue.

The proceeds raised pursuant to the Rights Issue and Share Top Up Facility will be used to accelerate development of the Deoxymab platform, further business development of the IgM platform, ancillary other developments, operations, insurance claim prosecution, corporate activities and working capital.

The structure of the Rights Issue with a Share Top Up Facility has been designed to provide the maximum opportunity for existing Patrys shareholders to subscribe for further shares in the Company, while at the same time ensuring that a sufficient amount of capital will be raised. In part, the quantum of this issue has been determined having regard to the Company's stated initiative of pursuing non-dilutive funding. The Directors believe a Rights Issue is the correct structure for this capital raising as it treats all shareholders equally and is non-dilutive to the extent that all shareholders are given the opportunity to participate.

Eligible Shareholders are those shareholders whose registered addresses are within Australia or New Zealand as at 7.00 p.m. (AEDT) on Thursday 18 January 2018 (Record Date). Shareholders with a registered address outside Australia or New Zealand at the Record Date will not be eligible to participate in either the Rights Issue or the Share Top Up Facility.

Fractional entitlements will be rounded up to the nearest whole number and the shares issued under the Rights Issue and the Share Top Up Facility will rank equally with the Company's fully paid ordinary shares on issue.

Patrys' Australian resident directors have indicated their intention to take up their full entitlements, and non-executive director Michael Stork, who is Patrys' largest shareholder has committed $200,000 of priority sub-underwriting of the Rights Issue through an associated entity.

The Rights Issue and Share Top Up Facility is being undertaken without a prospectus in accordance with section 708AA of the *Corporations Act* 2001 (Cth) (Act).

Commenting on the Rights Issue, Patrys Chief Executive Officer Dr James Campbell said:

"Patrys made significant progress with its Deoxymab assets in 2017 and was able to report on anti-cancer activity in a range of pre-clinical cancer models, selective targeting of tumours and synergy with a leading class of novel therapeutics, the PARP inhibitors. The fully underwritten Rights Issue will enable the Company to accelerate development of its Deoxymab assets which Patrys believes may have application across a wide range of malignancies such as gliomas, melanomas, prostate, breast, pancreatic and ovarian cancers."

"Patrys has a busy 2018 ahead with further pre-clinical studies underway that will guide the selection of the cancer indication for initial human development. Several mechanism of action studies will also be pursued. As the Company prepares for an eventual clinical trial for PAT-DX1 it will need to establish a stable cell line and purification methodology, and these activities along with Patrys' business development activities will be key value drivers in 2018."

"The Company welcomes the support of Somers and Partners as underwriter and encourages existing Eligible Shareholders to consider this investment opportunity."

The proposed timetable* for the Rights Issue and Share Top Up Facility is as follows:

Entitlement Issue announced on ASX	Monday, 15 January 2018
Offer Document and Appendix 3B lodged with ASX	Monday, 15 January 2018
Record Date for the Entitlement Issue	Thursday, 18 January 2018
Offer Document dispatched and Entitlement Issue opens	Monday, 22 January 2018
Closing Date for the Entitlement Issue	Friday, 9 February 2018
Issue and allotment of Entitlement Issue Shares	Friday, 16 February 2018
Normal Trading of Entitlement Issue Shares on ASX expected to commence	Monday, 19 February 2018

* Note: This timetable is indicative only and subject to change. The Company reserves the right to change the dates, including the Closing Date without prior notice, subject to the Listing Rules. Any extension of the Closing Date will have a consequential effect on the anticipated date for allotment and issue of the new shares.

Full details of the Rights Issue and the Share Top Up Facility will be contained in the Offer Document to be lodged with the ASX. This will be dispatched to all Eligible Shareholders together with a personalised Entitlement and Acceptance Form, on or about 22 January 2018.

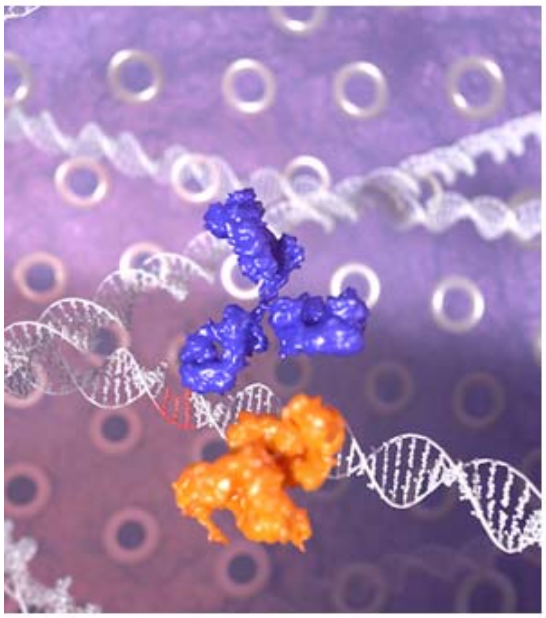
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info@patrys.com

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Ben Walsh
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About Patrys Limited:
Based in Melbourne, Australia, Patrys (ASX: PAB) is focused on the development of antibodies as therapies for a range of different cancers. Patrys has a pipeline of anti-cancer antibodies for both internal development and as partnering opportunities. More information can be found at www.patrys.com.



patrys

Corporate Overview:
15 January 2018

Safe Harbour Statement

The following material is for general information purposes only and is not to be relied upon for the making of an investment decision. Any investment in Patrys Limited ACN 123 055 363 (Patrys) is subject to investment risk including the possibility of loss of capital invested and no return of income or payment of dividends. Neither Patrys nor any other entity or person in or associated with the Patrys group of companies guarantees any return (whether capital or income) or generally the performance of Patrys or the price at which its securities may trade.

In particular, this presentation is not a recommendation, offer or invitation to subscribe for or purchase Patrys securities. It is not for general distribution or third party reliance or use. While it has been prepared from sources Patrys believe to be reliable, Patrys cannot guarantee its accuracy or completeness and undertakes no obligation to advise of changes or updates to any such materials.

These materials are not exhaustive of all of the information a potential investor or their professional adviser would require. Nor do these materials take into account any specific objectives, financial situation or needs of investors. In addition, the past performance of Patrys cannot be assumed as indicative of the future performance of the company. For these and other reasons, before making any investment decision regarding Patrys securities you are strongly recommended to obtain your own up to date independent legal, financial and investment advice – those acting without such advice do so at their own risk.

Where this presentation does contain any forward looking statements, those statements are only made as the date of the presentation and are to be considered "at-risk statements" not to be relied upon as they are subject to further research and to known and unknown risks, uncertainties and other factors that may lead to actual results differing from any forward looking statement. This is particularly the case with companies such as Patrys which operate in the field of researching, discovering, developing, and commercialising potential drugs intended for safe and effective for human treatments or therapies.

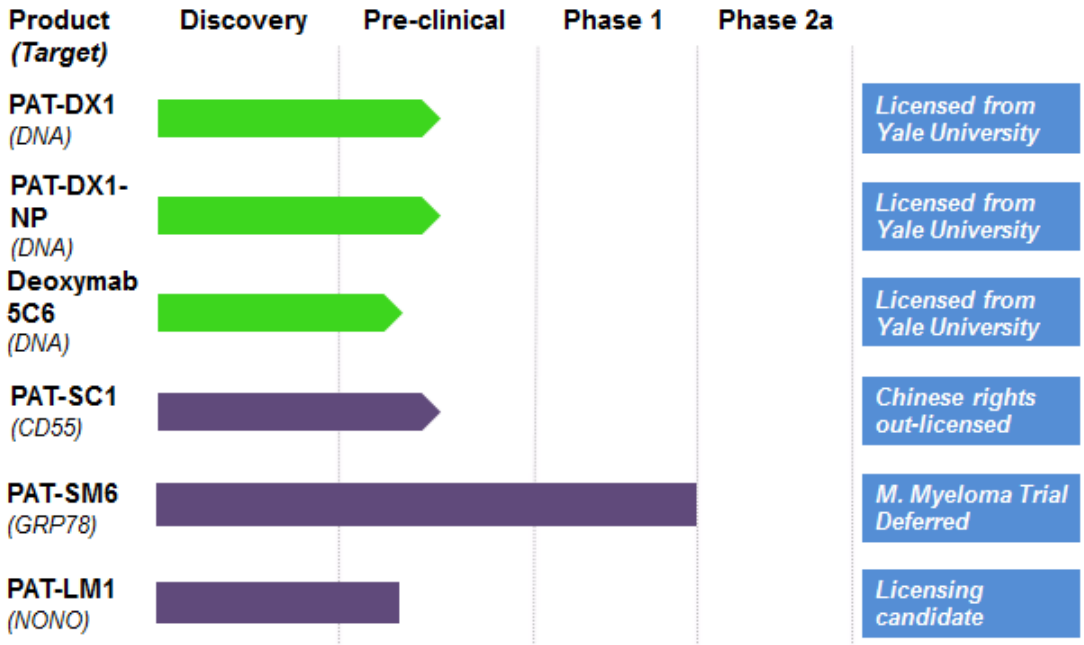
Vision

Patrys is a biopharmaceutical company devoted to the development and commercialisation of novel antibody technologies to improve the clinical outcomes for cancer patients

Two platforms, multiple opportunities

- Two Antibody Platforms
  1. Deoxymabs – unique positioning at the convergence of two transformative anti-cancer technologies; antibodies and DDR therapies
  2. IgMs – completed trials show safety and signals of efficacy, **partnered**
- Differentiated by multiple opportunities for shareholder returns via development and partnering
- Streamlined operations, low cash burn, non-dilutive funding opportunities
- Value being built and **realised**
- Proven Board and Management

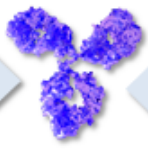
Development Pipeline



Nexus of two transformative anti-cancer therapies

Antibodies (Abs or mAbs)

- Bind cancer antigens
- Various strategies for use
- Used in brain, breast, CLL, colorectal, head and neck, Hodgkin's and Non-Hodgkin's lymphomas, lung, melanoma, prostate and stomach cancers
- Fewer side effects than small molecules
- Estimated Cancer Ab market in 2017 is US$33B*



Deoxymab 3E10

DNA damage response (DDR)

- Uncorrected DNA damage can lead to cancer
- DDR protects cells from DNA damage
- Faulty DDRs allow cancer to develop
- DDR inhibition blocks 'back up' DDR systems, causing cancer cell death
- Healthy cells are resistant to DDR inhibition
- PARP inhibitors approved from 2014

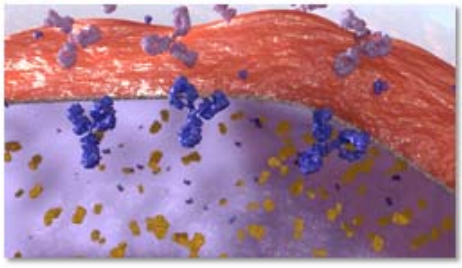
* https://www.transparencymarketresearch.com/monoclonal-antibody-therapeutics-market.html

Deoxymab 3E10

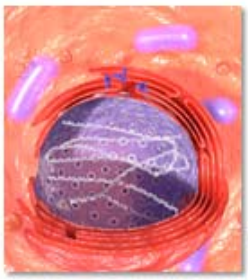
- DeoxyMab 3E10 is a DNA damage response (DDR) therapeutic antibody
- First in class that synergizes with PARP (DDR) inhibitor
- Proven utility as a molecular delivery vehicle
- Previous Phase 1 clinical trial in lupus* showed no safety issues
- Anti-cancer applications licensed from Yale University
- Patrys is developing PAT-DX1, a humanised version of Deoxymab 3E10, to target solid tumors, particularly glioblastoma, pancreatic, breast and ovarian

*Spertini *et al*., Idiotypic vaccination with a murine anti-dsDNA antibody: phase I study in patients with nonactive systemic lupus erythematosus with nephritis. J. Rheumatol. 1999;26:2602–2608

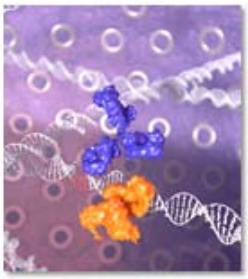
Novel Mechanism of Action



3E10 binds to extracellular DNA then is transported across the plasma membrane via the equilibrative nucleoside transporter (ENT2) pathway



3E10 translocates into the nucleus



3E10 binds to nuclear DNA and inhibits DNA repair

Multiple Development Paths…..

Single agent for DNA repair associated cancers (BRCA- or PTEN-)

Conjugated with nanoparticles for targeted delivery of chemotherapeutics

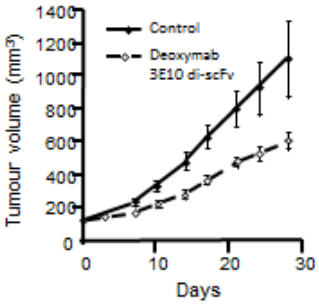


Enhances efficacy of radiation therapy

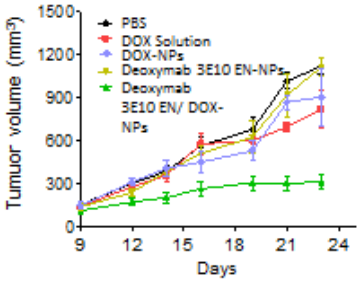
Enhances efficacy of some chemotherapies

…Supported by Strong Pre-clinical Science

Pancreatic BRCA2- cancer xenograft

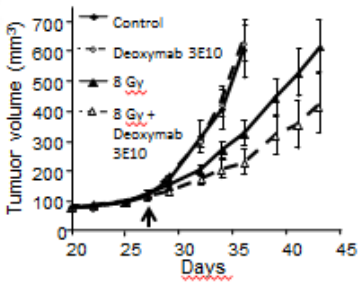


Breast cancer xenograft

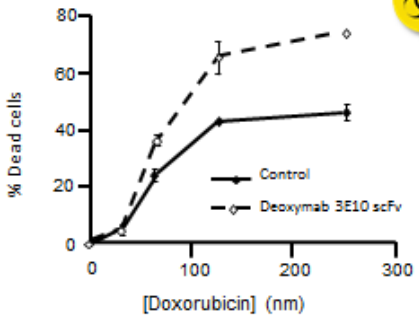




Glioma cancer xenograft



Glioma cancer cells



Research Partnered with Yale University

- James E. Hansen, MD (Principal Investigator)
  - Assistant Professor, Department of Therapeutic Radiology, Yale School of Medicine
  - Physician-scientist and practicing radiation oncologist specialising in treatment of cancers of the brain, head and neck, lung, skin, and lymphatic system
  - 12+ years of experience working with 3E10 and other cell-penetrating Abs
  - Lead inventor on patents pertaining to use of Deoxymabs against cancer

PAT-DX1 – Humanised Lead Candidate

- Optimised for efficacy, manufacturability and novelty
- Novel IP position
- Positive results in multiple pre-clinical studies
  - ✓ Kills colon cancer cells that lack key DNA repair enzymes (BRCA2)
  - ✓ Active against primary human glioblastoma explants from patients
  - ✓ Efficacy indicated in animal model of triple negative breast cancer
  - ✓ Conjugated with nanoparticles, successfully targeted orthotopic glioblastoma brain tumours
  - ✓ Synergizes with PARP inhibitor

Recent Pre-clinical Cancer Antibody Deals

Date	Tech	Seller	Buyer	Total (USD)	Up Front (USD)
Jan-15	Checkpoint regulators: GITR, OX40, LAG-3 and TIM-3	Agenus	Incyte	620M	60M
Mar-15	DR5 (TRAIL-R2), an emerging cancer target	iDD Biotech	GenMab	<100M	3M
Jul-15	Nanobody platform	Ablynx	Merck	6.5B	N/A
Aug-15	Anti-GDF15 MAb	Aveo Oncology	Novartis	315M	15M
Oct-15	Anti-TGF-beta MAb	Xoma	Novartis	480M	37M
Jan-16	Cell-penetrating alphabodies*	Complix	Merck	280M	N/A
May-16	Bi-specific Ab, alternative to CAR-T	Macro-Genics	Janssen	665M	75M
Jul-16	4 early stage Abs	Jounce	Celgene	2.6B	225M
Jun-17	Intracellular delivery platform	Feldan/Elasmogen	Amgen	N/A	N/A
Nov-17	Bi-specific antibody platform	Zymeworks	J&J	282M	50M
*Collaboration expanded in 2017					

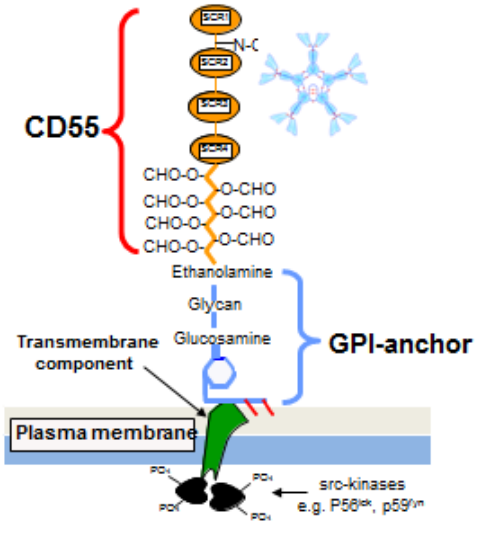
IgM Overview

- Body's first line of defence as part of the innate immune response
- Demonstrated anti-tumour activity in both mice and humans
- Excellent safety profile in humans
  - reduced side effects
- Combination with existing chemotherapeutic treatments potentially without any cumulative toxicology effects
- Able to be manufactured to commercial scale
- 3 antibodies selected for out-licensing under business development program

Initial Therapeutic Candidate, PAT-SC1 – Out-licensed

Current Stage/Competition:

- Hefei Co-source licensed rights to PAT-SC1 for China in 2015
- Hefei currently pursuing CHO cell line development work
- Orphan designation by the FDA for use in gastric cancer
- No other known clinical products targeting CD55



Experienced Board



John Read Chairman
- Experienced Chairman and Director in public, private and government organisations
- Extensive career in venture capital, private equity and commercialisation
- Chairman of CVC Limited (ASX: CVC), previously Eildon Capital Limited (ASX:EDC)



James Campbell
- >20 years of international biotechnology research, management and leadership
- Previously the CFO and COO of ChemGenex Pharmaceuticals Limited (ASX:CXS) and of Evolve Biosystems Inc.



Mike Stork
- Managing Director of Stork Holdings Ltd, active in Canadian technology start-up sector
- Director of a number of leading Canadian technology start-up companies



Suzy Jones
- Founder and Managing Partner of DNA Ink, a life sciences advisory firm in San Francisco
- 20 years at Genentech in BD, product development and immunology research - including managing the Rituxan team, the first Mab launched to treat cancer

Scientific Advisory Board



Dr Pamela M. Klein

- Medical training, then U.S. National Cancer Institute
- Vice President, Development at Genentech, led development of a large portfolio of drugs including all the HER (Herceptin, Tarceva, Perjeta), Apoptosis (antibodies and small molecules) and Hematology compounds
- Chief Medical Officer of Intellikine (acquired by Millennium/Takeda)
- Advisor to a range of different biotech and investment companies, with roles on Scientific Advisory Boards and Corporate Boards



Dr Allen Ebens

- PhD at UCLA and a Post-Doc at UCSF
- 5 years with Exelixis in the Discovery Biology group
- 11 years at Genentech in the Research Oncology working from concept to clinic across multiple therapeutic platforms including antibodies, small molecule drugs, antibody-drug conjugates, and cell-based therapies
- Established the oncology research lab at Juno Therapeutics
- Currently Senior Director, Immune Oncology at NGM Biopharmaceuticals

Financial Snapshot

Financial Parameter	Measurement
ASX: PAB	781 million shares
Daily volume (3 mth):*	4.08 million shares
Market Capitalization:*	$16.3 million
Cash held:**	$1.3 million
Net burn rate:	$1.3 million in 2016-17
Significant Shareholders:	Board of Directors (13.4%) including Stork Holdings (12.3%), Dr Calder (11.1%). Top 20 hold 47%

* Effective 12 January, 2018
** Reported 30 September, 2017

Supported by Multiple Potential Assets

- Federal Government R&D Tax Rebate
  - Estimated $290k for 2016/17 financial year (approved overseas finding)
- Ongoing insurance claims
  - Pursuing insurance claims related to the failed manufacturing run of PAT- SM6 in 2014/15
  - $1,272,332 in insurance recoveries received in 2015
  - Given the magnitude, number and complexity of the claims this is a protracted process

Delivered Against 2017 Objectives

- Completion of *in silico* design and optimisation of 3E10 ✓
- Pre-clinical testing of multiple Deoxymab 3E10 candidates ✓
- Lead candidate selection for Deoxymab 3E10 program ✓
- Pre-clinical data and publications on Abs and targets ✓
- Ongoing development of PAT-SC1 (via strategic alliance) ✓
- Additional alliances and collaborations ✓

Looking Ahead

DX1-nanoparticle delivery – breast cancer animal data	Jan 2018
DX1-nanoparticle tumor localization – breast cancer	Jan 2018
DX1 ability to cross the blood brain barrier – brain cancer	Feb-2018
DX1 in combination with PARPi – brain cancer animal data	Mar-2018
Initiate stable cell line development of PAT-DX1	Q1, 2018
Select target indication for PAT-DX1 clinical development	Q2, 2018
Partnership discussions Deoxymab and IgM platforms	Ongoing
Collaborations	Ongoing

Key Risks

Investment in the Company involves risks that may be higher than the risks associated with an investment in other companies. The shares to be issued under the Rights Issue and the Share Top Up Facility carry no guarantee with respect to the payment of dividends, returns of capital or the market value of the shares.

Before deciding to participate in any of the offers detailed in this Offer Document, you should refer to announcements made by the Company to the ASX to ensure you understand the operations of the Company and appreciate the risks involved with investing in the Company. Further, you should consider the investment in the context of your individual risk profile for speculative investments, investment objectives and individual financial circumstances.

Nothing in this presentation is financial product advice and this document has been prepared without taking into account your investment objectives or personal circumstances.

The business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company.

Accordingly, an investment in the Company should be regarded as speculative and investors should be in a position to bear the loss of their entire investment. Before deciding whether to invest in the Company potential investors should seek professional advice from their accountant, stockbroker, lawyer or other professional advisor.

Set out on the following pages are some Specific and General risks that the Company is exposed to.

Specific Risks - i

Innovative technological development	The Company's product range includes candidates that are in pre-clinical development and need to be further tested before they can progress to human clinical trials. Pre-clinical and clinical development of the Company's product candidates could take several years to complete, and might fail for a number of reasons including but not limited to lack of efficacy, failure to obtain regulatory approval, difficulty or failure to manufacture the Company's products on a large scale, or toxicity. There is no guarantee that Patrys' products will be commercially successful.
Regulatory risks	The research, development, manufacture and sale of products deploying the Company's technology is subject to a number of regulations prescribed by government authorities in Australia and overseas. Generally, there is a high rate of failure for drug candidates proceeding through pre-clinical and clinical trials. Further, even if the Company views the results of a trial to be positive, the FDA or other regulatory authorities may disagree with the Company's interpretation of the data. Thus, any product deploying Patrys' technology may be shown to be unsafe, non-efficacious, difficult or impossible to manufacture on a large scale, uneconomical to market, compete with superior products marketed by third parties, fail to secure meaningful reimbursement approval, or not be as attractive as alternative treatments.
Dependence on service providers and third party collaborators	The Company relies upon independent third party service providers and third party collaborators including academic institutions to complete the development and commercialisation of its products. The Company therefore is exposed to the risk that any of these parties can experience problems related to operations, financial strength or other issues, which in turn could negatively impact the progress or success of the Company's product development efforts.

Specific Risks - ii

Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.
Intellectual Property	The Company's ability to leverage its innovation and expertise depends upon its ability to protect its intellectual property including maintaining patent protection for its product candidates and their respective targets. The Company owns, or has licensed issued and pending patent applications covering a range of antibodies, cell lines, molecular targets, potential drug candidates and platform technologies. The prospect of attaining patent protection for products such as those Patrys proposes to develop is highly uncertain and involves complex and continually evolving factual and legal questions. The Company may incur significant costs in prosecuting, or defending its intellectual property rights.
Competition risk	The biotechnology and bio-pharmaceutical sectors are highly competitive and subject to rapid and significant technology change. The development of therapeutics is very difficult and demanding; even more so if this competition is against competitors who may have larger resources than the Company. A number of companies, both in Australia and overseas, may be developing products that target similar markets that Patrys is targeting. Patrys may face competition from companies with superior technologies or greater resources. As a result, there is the risk that the Company may be beaten to the market by one or more competitors.

Specific Risks - iii

Currency risk	Revenue and expenditure in overseas jurisdictions are subject to the risk of fluctuations in foreign exchange markets. The Company carries on part of its business outside of Australia and intends to continue to do so. Accordingly, revenues and payments will be made in those countries' currencies and may deviate from budgeted expectations if there are adverse currency fluctuations against the Australian dollar.
Requirement to raise additional funding	The Company may be required to raise additional funds in the future. There is no guarantee that Patrys will be able to raise such additional capital when it is required, or on terms satisfactory to the Company. If the Company is unsuccessful in obtaining funding when required, Patrys may need to delay, scale down or cease its operations.
Risk of delay and continuity of operations	Patrys may experience delays in achieving some or all of its milestones, including but not limited to product development, completion of trails, obtaining regulatory approvals manufacturing delays, or delays in sales or out licensing. The Company is also dependent on amongst other things its technology, key personnel and IT systems. Any disruption or delay to any key inputs could impact adversely on the Company.

General Risks - i

Securities investment	Applicants should be aware that there are risks associated with any securities investment. The prices at which the Company's securities trade may be above or below the issue price, and may fluctuate in response to a number of factors. There can be no assurance that an active market may exist for the Company's shares. Furthermore, the stock market, and in particular the market for biotech companies, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such companies. These factors may materially affect the market price of the securities, regardless of the Company's operational performance.
Share market conditions	The market price of the securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for securities in general and biotech stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.
General economic climate and share market conditions	Factors such as global credit risks, inflation, government policies, currency fluctuation, interest rates and supply and demand have an impact on operating performance and stock market prices. The Company's future performance and the market price for its listed securities may be affected by these factors that are beyond the Company's control.

General Risks - ii

Underwriting risk	The Company has entered into an Underwriting Agreement under which the underwriters have agreed to fully underwrite the Rights Issue, subject to the terms and conditions of the Underwriting Agreement. If certain conditions are not satisfied or certain events occur, the underwriters may terminate the Underwriting Agreement. Termination of the Underwriting Agreement may have a material adverse impact on the proceeds raised under the Rights Issue. Termination of the Underwriting Agreement could materially adversely affect he Company's business, cash flow, financial condition and results.
Litigation risk	There is a risk that Patrys may in the future be the subject of or require to commence litigation, mediation or arbitration. The impact of such actions may have a material adverse impact on the Company.
Taxation and Accounting Standards Risks	Changes to the rate of taxes imposed on Patrys or changes in tax legislation or changing interpretations enforced by taxation authorities, whether in Australia or such other foreign jurisdiction in which the Company may operate, may lead to an increase in Patrys' taxation obligations and a reduction in potential shareholder returns. Personal taxation liabilities are the responsibility of each individual shareholder, Patrys is not responsible either for taxation or tax penalties incurred by investors. Australian accounting standards are set by the Australian Accounting Standards Board (AAS Board) and are outside the directors and Patrys' control. Changes to accounting standards issued by the AAS Board may have a material adverse impact on the financial performance and position of Patrys as reported in its financial statements.

For Further Information

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Ph: +61 3 9670 3273
Email: info@patrys.com
Website: www.patrys.com

4 Australian Tax considerations

This section summarises certain Australian income tax, capital gains tax (**CGT**), goods and services tax (**GST**) and stamp duty implications of the Entitlement Offer for Eligible Shareholders who hold their New Shares on capital account.

This section does not take account of the individual circumstances of particular Eligible Shareholders and does not constitute tax advice. For instance, this section does not consider the position of Eligible Shareholders who:

- are not resident solely in Australia for Australian income tax purposes;
- are in the business of security trading, or who hold their existing shares on revenue account or as trading stock (including shareholders such as banks, insurance companies and shareholders carrying on a business of security trading);
- are exempt from Australian income tax;
- acquired their existing shares under an employee share or option plan, or in return for services provided; or
- are subject, or have elected to become subject, to the Taxation of Financial Arrangements (**TOFA**) provisions of the Australian income tax law.

This section does not purport to be a complete analysis of the potential tax consequences of the Entitlement Offer and is intended only to provide a general guide to the Australian tax implications. Eligible Shareholders should seek advice from an appropriate professional advisor in relation to the tax implications of the Entitlement Offer based on their own individual circumstances.

The comments below are based on the Australian tax law as it applies as at 9:00am (Melbourne time) on 15 January 2018. Other than as expressly discussed, the comments do not take into account or anticipate changes in Australian tax law or future judicial interpretations of law after this time unless otherwise specified.

4.1 Issue of Entitlement

The issue of the Entitlement should not in itself result in any amount being included in the assessable income of an Eligible Shareholder.

4.2 Exercise of Entitlement and applying for additional New Shares

New Shares will be acquired where the Eligible Shareholder exercises (i.e. takes up) all or part of their Entitlement under the Entitlement Offer. Additional New Shares will be acquired where the Eligible Shareholder elects to acquire additional New Shares under the Top Up Facility.

An Eligible Shareholder will not derive any assessable income, or make any capital gain or capital loss, at the time of exercising their Entitlement under the Entitlement Offer or acquiring additional New Shares under the Top Up Facility.

For Australian CGT purposes, New Shares will be taken to have been acquired on the day that an Eligible Shareholder exercises their Entitlement and additional New Shares will be taken to have been acquired on the date the additional New Shares were issued to the Eligible Shareholder. Each of the additional New Shares will constitute a separate asset for CGT purposes.

The cost base of each New Share and additional New Share will be equal to the Offer Price payable for each New Share and additional New Share respectively (plus any

non-deductible incidental costs the Eligible Shareholder incurs in acquiring the New Shares and additional New Shares). For CGT purposes, the Eligible Shareholder will need to apportion the cost of each New Share and additional New Share over the separate assets that comprise the Entitlement Offer on a reasonable basis.

4.3 Lapse of Entitlement

If an Eligible Shareholder does not accept all or part of their Entitlement in accordance with the instructions, that Entitlement will lapse and the Eligible Shareholder will not receive any consideration for their Entitlement that is not taken up. There should be no tax implications for an Eligible Shareholder from the lapse of the Entitlement.

4.4 Taxation in respect of Dividends on New Shares

Where dividends on a New Share are paid by Patrys, those dividends will constitute assessable income of the relevant Australian resident Eligible Shareholder.

An Australian tax resident Eligible Shareholder who is an individual or complying superannuation entity should include the dividend in their assessable income in the year the dividend is paid, together with any franking credit attached to that dividend. Such Eligible Shareholder should be entitled to a tax offset equal to the franking credit attached to the dividend subject to being a "qualified person" (refer to comments below). The tax offset can be applied to reduce the tax payable on the Eligible Shareholder's taxable income. Where the tax offset exceeds the tax payable on the Eligible Shareholder's taxable income, such Eligible Shareholder should be entitled to a refund of the excess franking offsets.

A corporate Eligible Shareholder is also required to include both the dividend and the associated franking credit as assessable income arising from their holdings of New Shares or additional New Shares. A tax offset is then available up to the amount of the franking credit on the dividend. Excess franking credits received cannot give rise to a refund, but may be converted into carried forward tax losses. Any future dividends or distributions made in respect to the New Shares and the additional New Shares will generally be subject to the same taxation treatment as dividends or distributions made on existing shares held under the same conditions.

Where a dividend paid by Patrys is unfranked, the Eligible Shareholder will be required to include the unfranked amount in their assessable income and there will be no offset entitlement.

4.5 New Shares and additional New Shares held at risk

The benefit of franking credits can be denied where an Eligible Shareholder is not a "qualified person", in which case the Eligible Shareholder will not be able to include an amount for the franking credits in their assessable income and will not be entitled to a tax offset. There are special rules for working out whether a trust can be a "qualified person" and Eligible Shareholders that are trustees should obtain their own tax advice to determine if these rules have been satisfied.

Broadly, to be a qualified person, an Eligible Shareholder must satisfy the holding period rule and, if necessary, the related payment rule. The holding period rule requires an Eligible Shareholder to hold the New Shares and additional New Shares "at risk" for more than 45 days continuously, measured as the period commencing the day after the Eligible Shareholder acquires the New Shares and additional New Shares (respectively) and ending on the 45th day after the New Share and additional New Shares (respectively) become ex-dividend. The dates the New Shares and additional New Shares are acquired and disposed of are ignored for the purposes of determining the 45 day period. Any day on which an Eligible Shareholder has a materially diminished risk of loss or opportunity for gain and respect of the New Shares or additional New Shares (e.g. entering into a contract to sell the New Shares or additional New Shares) will not be counted as a day on which the Eligible Shareholder held the New Shares or additional

New Shares "at risk". This holding period rule is subject to certain exceptions, including where the total franking offsets of an individual in a year of income do not exceed AU$5,000.

Under the related payment rule, a different testing period applies where the Eligible Shareholder has made, or is under an obligation to make, a related payment in relation to a dividend paid by Patrys. The related payment rule requires the Eligible Shareholder to have held the New Shares and additional New Shares at risk for a period commencing on the 45th day before, and ending on the 45th day after, the day the New Shares and additional New Shares become ex-dividend. Practically, this should not impact an Eligible Shareholder who continues to hold New Shares and additional New Shares and does not pass the benefit of the dividend to another person. Eligible Shareholders should obtain their own tax advice to determine if these requirements have been satisfied.

Specific integrity rules prevent taxpayers from obtaining a tax benefit from additional franking credits where dividends are received as a result of dividend washing. Eligible Shareholders should consider the impact of this measure given their own person circumstances.

4.6 Disposal of New Shares or additional New Shares

As each share comprising the Entitlement Offer is a separate CGT asset, the disposal of New Shares or additional New Shares will constitute a disposal for CGT purposes. Accordingly, the capital proceeds referrable to the disposal of each individual share will need to be determined by apportioning the total capital proceeds received from the disposal of the New Shares or additional New Shares on a reasonable basis.

On disposal of a New Share or an additional New Shares, an Eligible Shareholder will make a net capital gain if the capital proceeds received on disposal exceed the total costs base of the New Share or additional New Share. An Eligible Shareholder will make a net capital loss if the capital proceeds are less than the total reduced cost base of the New Share or additional New Share.

Eligible Shareholders that are individuals or complying superannuation entities and that have held their New Shares or additional New Shares for 12 months or more (excluding the date of acquisition and the date of disposal) at the time of disposal should be entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting capital losses). The CGT discount factor is 50% for individuals and trustees and 33.33% for complying superannuation entities. The CGT discount is not available to companies that are not trustees.

For the purpose of determining whether the New Shares have been held for 12 months or more (excluding the date of acquisition and the date of disposal), Eligible Shareholders will be taken to have acquired them when they exercise their Entitlement under the Entitlement Offer. For the purpose of determining whether the additional New Shares acquired under the Top Up Facility have been held for 12 months or more (excluding the date of acquisition and the date of disposal), Eligible Shareholders will be taken to have acquired them at the date the additional New Shares were issued.

Eligible Shareholders that make a capital loss can only use that loss to offset other capital gains from other sources (i.e. the capital loss cannot be used against taxable income on revenue account). However, if the capital loss cannot be used in a particular income year it may be carried forward for use in future income years, provided certain loss utilisation tests are satisfied and applicable.

4.7 Taxation of Financial Arrangements

The application of the TOFA provisions depends on the specific facts and circumstances of the Eligible Shareholder. Eligible Shareholders should seek advice from an appropriate professional advisor in relation to the implications of the TOFA provisions.

4.8 Tax File Number

If an Eligible Shareholder has quoted their Australian Business Number (**ABN**), Tax File Number (**TFN**) or an exemption from quoting their TFN exists, this quotation or exemption will also apply in respect to any New Shares or additional New Shares acquired by that Eligible Shareholder.

4.9 GST

The taking up of the New Shares and additional New Shares will be classified as a "financial supply" for Australian GST purposes. Accordingly, Australian GST will not be payable in respect of amounts paid for the acquisition of the New Shares or additional New Shares. Subject to certain requirements, there may be a restriction on the entitlement of Eligible Shareholders to claim an input tax credit for any GST incurred on costs associated with the acquisition of New Shares or additional New Shares acquired under the Top Up Facility.

4.10 Stamp duty

Stamp duty will not be payable in respect of the taking up of New Shares or additional New Shares.

5 Important information

This Information Booklet (including the ASX announcements in Section 3) and enclosed personalised Entitlement and Acceptance Form (**Information**) have been prepared by Patrys.

This Information Booklet is dated 15 January 2018 (including the Patrys Investor Presentation and the Offer Launch Announcement published on the ASX website on 15 January 2018). This Information remains subject to change without notice and Patrys is not responsible for updating this Information.

There may be additional announcements made by Patrys after the date of this Information Booklet and throughout the Entitlement Offer Period that may be relevant to your consideration of whether to take up or do nothing in respect of your Entitlement. Therefore, you should check whether any further announcements have been made by Patrys (by visiting the ASX website at www.asx.com.au) before submitting your application to take up your Entitlement.

No party other than Patrys has authorised or caused the issue of this Information, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information.

This Information is important and requires your immediate attention.

You should read this Information carefully and in its entirety before deciding how to deal with your Entitlement. In particular, you should consider the risk factors outlined in the "Key Risks" section of the Patrys Investor Presentation included in Section 3 of this Information Booklet, any of which could affect the operating and financial performance of Patrys or the value of an investment in Patrys.

You should consult your stockbroker, accountant or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

5.1 Trading of New Shares

It is the responsibility of each applicant to confirm their holding before trading in New Shares. Any applicant who sells New Shares before receiving written confirmation of their holding will do so at their own risk.

Patrys and the Underwriter disclaim all liability whether in negligence or otherwise (to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statement, whether on the basis of confirmation of the allocation provided by Patrys, the Registry or the Underwriter.

If you are in any doubt as to these matters, you should first consult with your stockbroker, accountant or other independent professional adviser.

5.2 Eligible Shareholders

This Information contains an offer of New Shares to Eligible Shareholders in Australia, and has been prepared in accordance with section 708AA of the Corporations Act as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84. Accordingly, neither this Information Booklet nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC and no prospectus for the Entitlement Offer will be prepared. These documents do not contain, or purport to contain, all of the information that a prospective investor may require in evaluating a possible investment in Patrys. They do not and are not required to contain all of the information which would be required to be disclosed in a prospectus.

Shareholders who are not Eligible Shareholders are Ineligible Shareholders. Patrys reserves the right to determine whether a shareholder is an Eligible Shareholder or an Ineligible Shareholder.

5.3 Ineligible Shareholders

Patrys has decided that it is unreasonable to make offers under the Entitlement Offer to shareholders who have registered addresses outside Australia and New Zealand. Patrys has had regard to the number of such holders in those places and the number and value of the New Shares that they would be offered, and the cost of complying with the relevant legal and regulatory requirements in those places.

Ineligible Shareholders are not eligible to participate in the Entitlement Offer due to securities laws restrictions on the offer of New Shares in certain jurisdictions.

5.4 Ranking of New Shares

New Shares issued under the Entitlement Offer will be fully paid and rank equally in all respects with existing Shares. The rights and liabilities attaching to the New Shares are set out in Patrys' constitution, a copy of which is available online at Patrys' website: www.patrys.com.

5.5 Risks

The Investor Presentation details important factors and risks that could affect the financial and operating performance of Patrys. You should refer to the "Key Risks" section of the Investor Presentation which is included in Section 3 of this Information Booklet. You should consider these factors in light of your personal circumstances, including financial and taxation issues, before making a decision in relation to your Entitlement.

5.6 Reconciliation, Top-Up Shares and the rights of Patrys and the Underwriter

The Entitlement Offer is a complex process and in some instances investors may believe that they will own more Shares than they ultimately did as at the Record Date or are otherwise entitled to more New Shares than initially offered to them. These matters may result in a need for reconciliation. If reconciliation is required, it is possible that Patrys may need to issue additional New Shares to ensure that the relevant investors receive their appropriate allocation of New Shares. These additional New Shares would be issued, if required, at the Offer Price.

Patrys also reserves the right to reduce the size of an Entitlement or number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders or other applicable investors, if Patrys believes in its complete discretion that their claims are overstated or if they or their nominees fail to provide information requested to substantiate their claims. In that case, Patrys may, in its discretion, require the relevant shareholder to transfer excess New Shares to the Underwriter at the Offer Price per New Share. If necessary, the relevant shareholder may need to transfer existing Shares held by them or to purchase additional Shares on-market to meet this obligation. The relevant shareholder will bear any and all losses caused by subscribing for New Shares in excess of their Entitlement and any actions they are required to take in this regard.

By applying under the Entitlement Offer or Top Up Facility, those doing so irrevocably acknowledge and agree to do the above as required by Patrys in its absolute discretion. Those applying acknowledge that there is no time limit on the ability of Patrys nor the Underwriter to require any of the actions set out above.

5.7 No cooling off rights

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

5.8 Rounding of Entitlements

Where fractions arise in the calculation of an Entitlement, they will be rounded up to the nearest whole number of New Shares.

5.9 Notice to nominees and custodians

If Patrys believes you hold Shares as a nominee or custodian you will have received, or will shortly receive, a letter in respect of the Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter.

Persons acting as nominees for other persons must not take up any Entitlements on behalf of, or send any documents related to the Entitlement Offer to, any person in the United States or any person that is acting for the account or benefit of a person in the United States. Persons in the United States and persons acting for the account or benefit of persons in the United States will not be able to take up any of their Entitlements and may receive no value for any such Entitlements held.

Nominees and custodians may not distribute any part of this Information Booklet, or take up Entitlements on behalf of persons, in the United States or in any other country outside Australia and New Zealand except to beneficial shareholders who are professional or institutional shareholders in other countries (other than the United States) where Patrys may determine it is lawful and practical to make the Entitlement Offer.

Patrys is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing Shares or Entitlements.

5.10 Not investment advice

This Information Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Patrys is not licensed to provide financial product advice in respect of the New Shares. This Information does not purport to contain all the information that you may require to evaluate a possible application for New Shares, nor does it purport to contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with Patrys' other periodic statements and continuous disclosure announcements lodged with ASX, which are available at www.patrys.com.

Prospective investors should conduct their own independent investigation and assessment of the Entitlement Offer and the information contained in, or referred to in, this Information Booklet. An investment in Patrys is subject to investment risk including possible loss of income and principal invested. Before deciding whether to apply for New Shares, you should consider all materials sent to you in relation to the Entitlement Offer and any relevant materials lodged with ASX, and whether the New Shares are a suitable investment for you in light of your own investment objectives, financial circumstances and investment needs (including financial and taxation issues) and having regard to the merits or risks involved (including the "Key Risks" set out in the Investor Presentation). If, after reading the Information, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other professional adviser or call the Patrys Offer Information Line on 1300 850 505 (within Australia) or +613 9415 4000 (from outside Australia) between 9.00am and 5.00pm (Melbourne time) on Monday to Friday during the Entitlement Offer Period.

5.11 Quotation and trading

Patrys has applied to the ASX for official quotation of the New Shares in accordance with the ASX Listing Rule requirements. If ASX does not grant quotation of the New Shares, Patrys will repay all Application Money (without interest).

Subject to approval being granted, it is expected that normal trading of New Shares allotted under the Entitlement Offer will commence at 10.00am (Melbourne time) on 19 February 2018.

5.12 Continuous disclosure

Patrys is a "disclosing entity" under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

Patrys is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, Patrys has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of Patrys shares. That information is available to the public from ASX.

Some documents are required to be lodged with ASIC in relation to Patrys. These documents may be obtained from, or inspected at, an ASIC office.

5.13 Information availability

If you are in Australia, you can obtain a copy of this Information Booklet during the Entitlement Offer Period on Patrys' Entitlement Offer website at www.patrys.com or you can call the Patrys Offer Information Line on 1300 850 505 (within Australia) or +613 9415 4000 (from outside Australia) between 9.00am and 5.00pm (Melbourne time) on Monday to Friday during the Entitlement Offer Period.

A replacement Entitlement and Acceptance Form can also be requested by calling the Patrys Offer Information Line.

If you access the electronic version of this Information Booklet, you should ensure that you download and read the entire Information Booklet. The electronic version of this Information Booklet on the Patrys Entitlement Offer website will not include an Entitlement and Acceptance Form.

5.14 Foreign jurisdictions

This Information has been prepared to comply with the requirements of the securities laws of Australia. To the extent that you hold Shares or Entitlements on behalf of another person resident outside Australia, it is your responsibility to ensure that any participation (including for your own account or when you hold Shares or Entitlements beneficially for another person) complies with all applicable foreign laws and that each beneficial owner on whose behalf you are submitting the personalised Entitlement and Acceptance Form is not in the United States and not acting for the account or benefit of a person in the United States.

The New Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders of Patrys with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

Patrys has determined that it is unreasonable to extend the Entitlement Offer to Ineligible Shareholders because of the small number of such Shareholders, the number and value of Shares that they hold and the cost of complying with the applicable regulations in jurisdictions outside Australia and New Zealand.

This Information Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia.

The distribution of this Information (including an electronic copy) outside Australia is restricted by law. If you come into possession of this Information, you should observe such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

5.15 Underwriting of Entitlement Offer

Patrys has entered into an underwriting agreement (**Underwriting Agreement**) with Somers and Partners Pty Limited (the **Underwriter**) who has agreed to manage and fully underwrite the Entitlement Offer. As is customary with these types of arrangements:

- the obligations of the Underwriter to underwrite the Entitlement Offer are subject to the satisfaction of certain conditions precedent in respect of the Entitlement Offer including compliance with applicable law, satisfactory due diligence and other documentation;
- Patrys has agreed, subject to certain carve-outs, to indemnify the Underwriter and its directors, officers, employees and agents from and against all losses directly or indirectly suffered or incurred in connection with the Entitlement Offer;
- Patrys has given certain representations, warranties and undertakings in connection with (among other things) the Entitlement Offer as to Patrys' accounts, intellectual property, compliance with applicable law, due diligence and offer documentation;
- the Underwriter may terminate the Underwriting Agreement and be released from their obligations under it on the occurrence of certain events, including (but not limited to) where:
    - the S&P ASX 200 Index falls by 10% or more below the level as at the close of business on the Business Day prior to the date of the Underwriting Agreement and remains at that level or below for a certain period;
    - Patrys does not dispatch this Information Booklet to Shareholders on the agreed date or the Information Booklet or the Entitlement Offer is withdrawn by Patrys;
    - a statement contained in the Entitlement Offer materials is or becomes misleading or deceptive or likely to mislead or deceive, or the Entitlement Offer materials omit any information they are required to contain (having regard to the provisions of section 708AA of the Corporations Act and any other applicable requirements);
    - Patrys fails to lodge with the ASX a notice in accordance with section 708AA(2)(f) and section 708AA(7) on the agreed date or such notice is defective, or a supplementary statement is issued or is required to be issued under the Corporations Act;
    - Patrys fails to lodge an Appendix 3B in relation to the New Shares with ASX by the required time or ASX has advised Patrys that it will or may not grant official quotation to the New Shares on or prior to the agreed date or the official quotation is qualified or conditional (other than as agreed);
    - ASX, ASIC or any other person proposes to conduct any enquiry, investigation or proceedings, or to take any regulatory action or to seek any remedy, in connection with the Entitlement Offer or the Entitlement Offer materials, or publicly foreshadows that it may do so;

- Patrys is prevented from issuing the New Shares within the time required time;
- any statement or estimate in the Entitlement Offer materials which relates to a future matter is or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe;
- an application is made by ASIC for an order under Section 1324B or any other provision of the Corporations Act in relation to the Entitlement Offer materials and that application has not been dismissed or withdrawn;
- the Takeovers Panel makes a declaration that circumstances in relation to the affairs of Patrys are unacceptable circumstances under Pt 6.10 of the Corporations Act;
- any authorisation which is material to anything referred to in this Information Booklet is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter acting reasonably; or
- Patrys ceases to be capable of issuing, at the relevant date, a notice under section 708A(5)(e) of the Corporations Act to allow secondary trading of any shortfall securities;
- a director or senior manager of Patrys is charged with an indictable offence;
- there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, the Democratic People's Republic of Korea, or the Peoples Republic of China or any member of the European Union other than hostilities involving Libya, Afghanistan, Iraq, Iran, Syria, Lebanon or Israel;
- Patrys defaults or breaches any terms, condition, covenant or undertaking under the Underwriting Agreement or any representation, warranty or undertaking given by Patrys in the Underwriting Agreement is or becomes untrue or incorrect in a material respect;
- Patrys materially contravenes any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- an event occurs which gives rise to a material adverse effect or any adverse change or any development including a likely material adverse effect in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of Patrys including, without limitation, if any forecast in the Information Booklet becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
- any of the due diligence results or verification materials are misleading or deceptive, materially false or there was a material omission from them or any information supplied by Patrys or any person on its behalf to the Underwriter in respect of any aspect of the Entitlement Offer or the affairs of Patrys is or becomes misleading or deceptive or likely to mislead or deceive;
- without the prior approval of the Underwriter a public statement is made by the Company in relation to the Entitlement Offer or the Information

Booklet other than a statement the Company is required to make by any applicable authority or applicable law;

- o there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy that has not previously been publicly disclosed or proposed;
- o a Prescribed Occurrence (as defined in the Underwriting Agreement) occurs other than as disclosed in the Offer Document;
- o Patrys suspends payment of its debts generally or an event of insolvency occurs in respect of Patrys or a judgment in an amount exceeding $100,000 is obtained against Patrys and is not set aside or satisfied within 7 days;
- o litigation, arbitration, administrative or industrial proceedings are commenced against Patrys;
- o there is a change in the composition of the board of Patrys or a change in the senior management of Patrys without the prior written consent of the Underwriter;
- o there is a material change in the major or controlling shareholdings of Patrys (other than as a result of the Entitlement Offer or a matter disclosed in the Entitlement Offer materials) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to Patrys;
- o there is a delay of more than 2 Business Days in the timetable agreed with the Underwriters without the prior consent of the Underwriter;
- o an act outside the control of Patrys affecting Patrys' business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- o Patrys passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- o Patrys alters its capital structure in any manner not contemplated by the Information Booklet or the Underwriting Agreement excluding the issue of any Shares upon exercise of Options, such Options having been disclosed to the ASX as at the date of this Agreement; or
- o a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

The ability of the Underwriter to terminate the Underwriting Agreement in respect of some events will depend upon whether the event has, or is likely to have (individually or in the aggregate), a material adverse effect on the success or settlement of the Entitlement Offer; the business, financial position or prospects of Patrys; or whether it may give rise to a liability of the Underwriter.

The Underwriter will be paid a 4% underwriting fee and a 1% management fee on the Offer Proceeds for providing these services and will be reimbursed for certain expenses.

The Underwriter may elect that the underwriting fee and management fee will be satisfied by the issue of 7,103,714 Shares to the Underwriter or its nominee at the Offer Price.

Neither the Underwriter nor any of its directors, officers, employees or agents have authorised or caused the issue of this Information Booklet, or made or authorised the making of any statement that is included in this Information Booklet or any statement on which a statement in this Information Booklet is based, and they do not take any responsibility for this Information Booklet or any action taken by you on the basis of such information. To the maximum extent permitted by law, the Underwriter and each of its directors, officers, employees and agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you (directly or indirectly) as a result of your participation in the Entitlement Offer and this Information Booklet being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. Neither the Underwriter nor its directors, officers, employees or agents make any recommendations as to whether you or your related parties should participate in the Entitlement Offer nor do they make any representations or warranties to you concerning this Entitlement Offer, or any such information and you represent, warrant and agree that you have not relied on any statements made by the Underwriter or any of its respective directors, officers, employees or agents in relation to the New Shares or the Entitlement Offer generally.

5.16 Sub-underwriting of Entitlement Offer

A major shareholder of Patrys, Stork Holdings 2010 Ltd, a company associated with Mr Mike Stork, a director of Patrys, has agreed to partially sub-underwrite the Entitlement Offer up to an amount of $200,000, being 11,764,705 New Shares. Stork Holdings 2010 Ltd will not take up its Entitlement under the Entitlement Offer. However, if Stork Holdings 2010 Ltd's sub-underwriting commitment is called in full, Stork Holdings 2010 Ltd's holding will decrease from 12.25% to 11.64% of the shares on issue in Patrys.

Stork Holdings 2010 Ltd's obligations to partially sub-underwrite the Entitlement Offer will terminate if the Underwriter’s obligations to underwrite the Entitlement Offer terminate.

Stork Holdings 2010 Ltd will not receive a sub-underwriting fee from the Underwriter or Patrys in respect of the amount sub-underwritten.

5.17 Governing Law

This Information, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in Victoria, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

5.18 Disclaimer of representations

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

Any information or representation that is not in this Information Booklet may not be relied on as having been authorised by Patrys, or its related bodies corporate, in connection with the Entitlement Offer. Except as required by law, and only to the extent so required, none of Patrys, nor any other person, warrants or guarantees the future performance of Patrys or any return on any investment made pursuant to this Information Booklet or its content.

5.19 Withdrawal of the Entitlement Offer

Patrys reserves the right to withdraw all or part of the Entitlement Offer and this Information Booklet at any time, subject to applicable laws, in which case Patrys will refund Application Money in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest. In circumstances where allotment under the Entitlement Offer has occurred, Patrys may only be able to withdraw

the Entitlement Offer with respect to New Shares yet to be issued under the Entitlement Offer.

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

5.20 Privacy

Patrys collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in Patrys.

By submitting an Entitlement and Acceptance Form, you will be providing personal information to Patrys (directly or through the Share Registry). Patrys collects, holds and will use that information to assess your Application. Patrys collects your personal information to process and administer your shareholding in Patrys and to provide related services to you. Patrys may disclose your personal information for purposes related to your shareholding in Patrys, including to the Share Registry, Patrys' related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that Patrys holds about you. To make a request for access to your personal information held by (or on behalf of) Patrys, please contact Patrys through the Share Registry.

6 Glossary

Application	the payment of the relevant Application Money via BPAY® in accordance with the instructions on the Entitlement and Acceptance Form or the submission of a completed Entitlement and Acceptance Form accompanied by the relevant Application Money
Application Money	the total amount payable for the New Shares applied for via BPAY® or a completed Entitlement and Acceptance Form
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited ABN 98 009 624 691, or the financial market operated by it, as the context requires
CGT	capital gains tax
Closing Date	5.00pm (Melbourne time) on Friday, 9 February 2018
Corporations Act	Corporations Act 2001 (Cth)
Eligible Shareholder	a person who: o is registered as a holder of Shares as at the Record Date; o has a registered address on the Patrys share register in Australia or New Zealand; o is not in the United States and is not acting for the account or benefit of a person in the United States; and o is eligible under all applicable securities laws to receive an offer under the Entitlement Offer.
Entitlement	the right to apply for 2 New Shares for every 11 Existing Shares held as at the Record Date at the Offer Price of $0.017 per New Share pursuant to the Entitlement Offer
Entitlement and Acceptance Form	the entitlement and acceptance form which accompanies this Information Booklet
Entitlement Offer	the non-renounceable pro rata entitlement offer to Eligible Shareholders to apply for 2 New Shares for every 11 Existing Shares held as at the Record Date at the Offer Price of $0.017 per New Share
Entitlement Offer Period	the period that the Entitlement Offer is open
Existing Shares	Shares already on issue on the Record Date
GST	goods and services tax
Ineligible Shareholder	a Shareholder (or beneficial owner of Shares) on the Record Date with a registered address outside Australia and New Zealand or any other jurisdiction that Patrys and the Underwriter agree to whom Listing Rule 7.7.1(a) applies
Information Booklet	this information booklet
Investor Presentation	the presentation to investors released to ASX on 15 January 2018, included in Section 3 of this Information Booklet
Listing Rules	the Listing Rules of ASX

New Shares	Shares to be issued and allotted under the Entitlement Offer, including (if the context requires) the shortfall from the Entitlement Offer issued under the Top Up Facility or to the Underwriter or any sub-underwriters
Offer Price	$0.017 (1.7 cents) per New Share
Patrys	Patrys Limited ACN 107 872 453
Record Date	7.00pm (Melbourne time) on Thursday, 18 January 2018
Share	a fully paid ordinary share in the capital of Patrys
Share Registry	Computershare Investor Services Pty Ltd
Shareholder	a registered holder of Shares
TOFA	Taxation of Financial Arrangements
Top Up Facility	the top up facility under which Eligible Shareholders may apply for New Shares in excess of their Entitlement described in section 2.6
Underwriter	Somers and Partners Pty Limited ABN 46 149 263 543
Underwriting Agreement	the underwriting agreement between Patrys and the Underwriter dated 10 January 2018
VWAP	the volume weighted average price of Shares

CORPORATE DIRECTORY

Patrys Limited
ACN 123 055 363

Registered Office
Level 4, 100 Albert Road
South Melbourne VIC 3205

Website
www.patrys.com

Patrys Offer Information Line
1300 850 505 (within Australia) or +613 9415 4000 (from outside Australia)
Open between 9.00am to 5.00pm (Melbourne time) on Monday to Friday during the Entitlement Offer Period

Patrys Share Registry
Computershare Investor Services Pty Ltd
Yarra Falls, 452 Johnston Street
Abbotsford VIC 3067

Legal adviser
Arnold Bloch Leibler
Level 21, 333 Collins Street
Melbourne VIC 3000
www.abl.com.au

Lead Manager and Underwriter to the Entitlement Offer

Somers and Partners Pty Limited
Level 9, 190 St Georges Terrace
Perth WA 6000

patrys

Patrys Limited
ABN 97 123 055 363

For all enquiries:

Phone:
(within Australia) 1300 850 505
(outside Australia) 61 3 9415 4000

Web:
www.investorcentre.com/contact

PAB
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:

See overleaf for details of the Offer and how to make your payment

Non-Renounceable Entitlement Offer — Entitlement and Acceptance Form

Your payment must be received by 5:00pm (AEDT) Friday, 9 February 2018

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Registration Name & Offer Details

Details of the shareholding and entitlements for this Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. If you accept your full Entitlement, you can also apply for Additional New Shares. Enter the number of New Shares you wish to apply for and the amount of payment for those New Shares.
By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Information Booklet dated 15 January 2018.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of the payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Patrys Limited**" and crossed "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Turn over for details of the Offer ➔

® Registered to **BPAY** Pty Limited ABN 69 079 137 518

Entitlement and Acceptance Form with Additional Shares

X 9999999991 I ND

STEP 1 Registration Name & Offer Details

For your security keep your SRN/ HIN confidential.

Registration Name:
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details:

Existing shares entitled to participate as at 7.00pm (AEDT) 18 January 2018:	**0**
Entitlement to New Shares on a 2 for 11 basis:	**0**
Amount payable on full acceptance at $0.017 per New Share:	**$0.00**

STEP 2 Make Your Payment

BPAY

Biller Code: 999999
Ref No: 1234 5678 9123 4567 89

Contact your financial institution to make your payment from your cheque or savings account.

Pay by Mail:

Make your cheque, bank draft or money order payable to "**Patrys Limited**" and crossed "**Not Negotiable**".
Return your cheque with the below payment slip to:
Computershare Investor Services Pty Limited
GPO BOX 505 Melbourne Victoria 3001 Australia

Lodgement of Acceptance
If you are applying for New Shares and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5:00pm (AEDT) Friday, 9 February 2018. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Patrys Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.
If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5:00pm (AEDT) Friday, 9 February 2018. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. Other Eligible Shareholders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor Patrys Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice
The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at http://www.computershare.com/au.

Detach here

Patrys Limited Acceptance Payment Details

Entitlement taken up: ☐☐☐☐☐☐☐☐

Number of Additional New Shares applied for: ☐☐☐☐☐☐☐☐

Amount enclosed at $0.017 per New Share: **A$** ☐☐☐☐☐☐.☐☐

Payment must be received by 5:00pm (AEDT) Friday, 9 February 2018

Entitlement No: 12345678

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Contact Details

Contact Name _____ **Daytime Telephone** _____

Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A$

12345678912345678 9+0000000001−3051+14