

**ASX Announcement | 11 July 2019**  
**Visioneering Technologies (ASX:VTI)**

**Cleansing Notice under section 708A(12C)(e) of the**  
**Corporations Act 2001 (Cth)**

**Atlanta, Georgia, USA 11 July 2019:** US-based medical device company and producer of the NaturalVue® (etafilcon A) Multifocal 1 Day Contact Lenses **Visioneering Technologies, Inc (ASX: VTI), (Visioneering or Company)**, gives this notice under section 708A(12C)(e) of the Corporations Act 2001 (Cth) (the **Corporations Act**), as inserted by ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82 (**ASIC Instrument**).

On 6 June 2019, the Company entered into a Convertible Note Purchase Agreement with TIGA Trading Pty Ltd (**TIGA**) for the issue of between 2.3 million and 3.0 million secured, unquoted convertible notes (each with a face value of \$US1.00 each) to TIGA or its nominees (**Convertible Notes**) to raise an aggregate amount of between US\$2.3 million and US\$3.0 million (equivalent to approximately A\$3.3 million to \$A4.3 million) (**Convertible Note Issue**).

The Convertible Note Issue was approved by stockholders for the purposes of ASX Listing Rule 7.1 at a special meeting held on Tuesday, 2 July 2019.

A total of 3,000,000 Convertible Notes have been issued to TIGA and certain nominees of TIGA (**Noteholders**) today after all conditions precedent were met, including allotment occurring under the Company's underwritten, non-renounceable rights offering announced on 6 June 2019. The Convertible Note Issue raised US\$3 million.

The Convertible Notes have been issued without disclosure under Part 6D.2 of the Corporations Act. The issue of this Cleansing Notice enables any CDIs which may be issued by the Company to Noteholders or any subsequent holders of the Convertible Notes following a conversion of all or part of the Convertible Notes, to be on-sold to retail investors without further disclosure.

The Company gives notice that:

- (a) the Convertible Notes were issued without disclosure to investors under Part 6D.2 of the Corporations Act; and
- (b) this Cleansing Notice is being given in accordance with section 708A(12C)(e) of the Corporations Act (as inserted by the ASIC Instrument).

Neither ASIC nor the ASX take responsibility for the contents of this Cleansing Notice. The terms of the Convertible Notes are summarised under the heading, 'Rights and liabilities attaching the Convertible Notes' below.

**1. The contents of this Cleansing Notice**

This Cleansing Notice sets out the following:

- (a) in relation to the Convertible Notes:
  - i. the effect of the issue of the Convertible Notes on the Company;

- ii. a summary of the rights and liabilities attaching to the Convertible Notes; and
  - iii. a summary of the rights and liabilities attaching to the CDIs which may be issued on conversion of the Convertible Notes;
- (b) information relating to the Company's status as a disclosing entity; and
- (c) any information that:
- i. has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
  - ii. is information that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
    - A. the assets and liabilities, financial position and performance, profits and losses, and prospects of the Company; and
    - B. the rights and liabilities attaching to the securities being offered.

## **2. The effect of this issue on the Company**

The principal effect of the issue of the Convertible Notes on the Company will be to:

- (a) increase the cash reserves of the Company by US\$3,000,000 (before any expenses associated with the issue of the Convertible Notes);
- (b) increase the indebtedness of the Company by the aggregate face value of the Convertible Notes (US\$3,000,000) plus all accrued but unpaid interest payable on that amount;
- (c) grant the Noteholders security over the Company's assets; and
- (d) if the Convertible Notes are converted into CDIs, increase the number of CDIs on issue in the Company, with the maximum number of CDIs issued on conversion of face value and interest being no more than 69,565,217 CDIs (assuming an exchange rate of US\$1.00:A\$0.69).

### ***Financial Impact***

The proforma financial position of the Company, as at 31 December 2018, adjusted to take into account the Placement, Rights Offering and Convertible Note Issue, is set out in the Offer Booklet dated 6 June 2019 for the Rights Offering.

### ***Capital Structure***

The capital structure of the Company will be affected by any conversion of the Convertible Notes.

Assuming all face value and interest payments under the Convertible Notes were converted at the conversion price of A\$0.075 (US\$0.052 assuming an exchange rate of US\$1.00:A\$0.69) a total of 69,565,217 CDIs would be issued.

The table below sets out the Company's share capital:

- as at the date of this Cleansing Notice and before the conversion of the Convertible Notes; and

- after the conversion of the Convertible Notes if they are converted into the maximum number of CDIs possible.

	As at date of this Cleansing Notice but before conversion of the Convertible Notes	After maximum conversion of the Convertible Notes (Face Value only)	After maximum conversion of the Convertible Notes (Face Value and all Interest payments)
Shares/CDIs	399,135,152	457,106,166	468,700,369
Outstanding options	14,367,962	14,367,962	14,367,962
<b>TOTAL FULLY DILUTED SHARES</b>	413,503,114	471,474,128	483,068,331

### 3. Rights and liabilities attaching to the Convertible Notes

The following is a summary of the rights, privileges and restrictions attaching to the Convertible Notes. The summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Noteholders.

No.	Key term	Summary
1.	Total purchase price	US\$3,000,000
2.	Face Value	US\$1.00 face value per Convertible Note
3.	Term and maturity date	2 years from the date of issue of the Convertible Notes ( <b>Maturity Date</b> ).
4.	Interest	10.0% per annum payable quarterly in arrears on the last business day of each quarter.
5.	Payment of interest	<p>The Company may pay interest due on a Convertible Note in cash, CDIs or a combination thereof.</p> <p>The Company may only satisfy an interest payment in CDIs with the consent of a Noteholder. Similarly, a Noteholder's request for an interest payment to be paid in CDIs must be agreed to by the Company.</p> <p>If interest is paid in CDIs, the issue price of the CDIs will be the greater of 90% of the average VWAP for the 5 trading days preceding the relevant CDI election, and A\$0.075.</p> <p>The Company currently intends to make interest payments in cash.</p>
6.	Security	The obligations of the Company under the Convertible Notes are secured under a Security Agreement. Subject to certain common

No.	Key term	Summary
		permitted liens, the Noteholders have a first ranking security interest over all of the Company's assets.
7.	Prepayment	Subject to the Noteholders' right to convert the Convertible Notes at any time, the Company may, at any time, with the consent of the Noteholders who together hold Convertible Notes representing a majority of the aggregate unpaid principal amount of all Convertible Notes outstanding ( <b>Majority Holders</b> ), elect to redeem some or all of the Convertible Notes ( <b>Redemption Notes</b> ) by payment of the aggregate face value of the Redemption Notes plus all accrued but unpaid interest on the Redemption Notes. In addition, if the Company redeems the Convertible Notes, it must pay an additional amount equal to 4% of the Face Value of the Redemption Notes if the redemption occurs within 12 months of the date of issue. Thereafter, the additional amount is reduced to 2% of the Face Value of the Redemption Notes.
8.	Conversion terms	<p>A Noteholder may at any time up to the Maturity Date convert some or all of its Convertible Notes into CDIs. There are no conditions that have to be met before the Convertible Notes can be converted.</p> <p>The number of CDIs issuable on conversion of the Convertible Notes is determined by the quotient obtained by dividing the outstanding principal to be converted plus any accrued but unpaid interest thereon by the Conversion Price (defined below).</p> <p>The maximum number of CDIs into which the Convertible Notes may convert is discussed in detail below.</p>
9.	Conversion Price	A\$0.075
10.	Key covenants	<p>While the Convertible Notes are outstanding, the Company must comply with certain covenants, including maintaining a minimum amount of cash on deposit in its bank account and maintaining net cash outflows below a certain threshold (excluding cash used for inventory).</p> <p>In addition, there are typical positive undertakings that the Company must comply with, including procuring that no event of default occurs and performing any action necessary to maintain the quotation of its CDIs on the ASX.</p>
11.	Change of Control	If a change of control of the Company or delisting is likely to occur, the Company must, unless otherwise agreed in writing by the Majority Holders, redeem all Convertible Notes by paying to each Noteholder 104% of the Face Value of Convertible Notes plus all accrued but unpaid interest thereon.

No.	Key term	Summary
12.	Events of Default	<p>If an Event of Default (defined below) occurs at any time prior to the Maturity Date and is continuing, the Noteholder may require the Company to redeem all of the Convertible Notes it holds.</p> <p>Each of the following is an Event of Default:</p> <ul style="list-style-type: none"> <li>if the Company fails to pay any part of the face value of the Convertible Notes and all accrued but unpaid interest on the date on which it is due and payable and such failure is not remedied within 10 business days after the due date for payment; and</li> <li>an insolvency event occurs in relation to the Company.</li> </ul>
13.	Reorganisation of capital	In a reorganisation of capital of the Company, the Convertible Notes must be treated in accordance with the ASX Listing Rules at the time of the reorganisation.
14.	Voting	No voting rights attach to the Convertible Notes.
15.	New issues	The Convertible Notes do not confer any rights to participate in any new issues of securities by the Company.
16.	Quotation	The Convertible Notes will not be listed on the ASX or any other public exchange.
17.	Governing law	New South Wales, Australia.

#### 4. Rights and liabilities attaching to the CDIs and Shares

The CDIs (or Shares) to be issued to Noteholders on conversion of the Convertible Notes will rank equally in all respects with all of the Company's existing CDIs and Shares.

Information about the rights and specific features of CDIs, including the key differences between holding CDIs and holding Shares, is set out in Schedule 1.

A summary of the rights and liabilities attaching to the Shares is set out in the replacement prospectus issued by the Company on 24 February 2017 in connection with its initial public offering of securities on the ASX. As the Company is incorporated under the laws of Delaware in the US, the rights attaching to the Shares are governed by Delaware law, US federal securities laws, the Company's Certificate of Incorporation and its Bylaws.

#### 5. Compliance with disclosure obligations

The Company is a "disclosing entity" under the Corporations Act and, as such, is subject to regular reporting and disclosure obligations under both the Corporations Act and the ASX Listing Rules.

These obligations require the Company to notify the ASX of information about specific events and matters as they arise. In particular, the Company is obliged to continuously disclose to the market promptly and

without delay any information which a reasonable person would expect to have a material effect on the price or value of the Company's securities.

As a registered foreign company, the Company is required to prepare and lodge with ASIC yearly financial statements, accompanied by a directors' statement and any other documents required to be lodged with its financial statements under the laws of the State of Delaware. Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office.

The Company will provide a copy of each of the following documents, free of charge, to any person on request:

- (a) the annual financial report most recently lodged by the Company with ASIC, being the financial report of the Company for the year ended 31 December 2018;
- (b) any half-year financial report lodged by the Company with ASIC after lodgement of annual financial report referred to in (a) and before the lodgement of this Cleansing Notice with ASX; and
- (c) any continuous disclosure documents given by the Company to ASX after the lodgement of the annual financial report referred to in (a) and before the lodgement of this Cleansing Notice with ASX.

A list of the continuous disclosure documents given by the Company to ASX after the lodgement of the financial report referred to in (a) and before the lodgement of this Cleansing Notice with ASX is set out in the table below. All of these documents will be provided, free of charge, to any person on request.

Date	ASX Announcement
9 July 2019	Change in substantial holding
4 July 2019	Allotment of Securities under Rights Offering
4 July 2019	Appendix 3B
2 July 2019	Results of Special Meeting of Stockholders
1 July 2019	Completion of Rights Offering
1 July 2019	Extension of voting period - special meeting of stockholders
26 June 2019	Board of Directors Update
25 June 2019	Waiver from Listing Rule 14.7
18 June 2019	Notice of Special Meeting of Stockholders
17 June 2019	Becoming a substantial holder – Tiga Trading Pty Ltd (revised)
17 June 2019	Becoming a substantial holder from TEK (revised)
17 June 2019	Notice of dispatch of rights offering documents
14 June 2019	Becoming a substantial holder – Tiga Trading Pty Ltd

Date	ASX Announcement
14 June 2019	Becoming a substantial holder from TEK
14 June 2019	Change in substantial holding
12 June 2019	Becoming a substantial holder
12 June 2019	Notice given under s.708A(5)(e) of the Corporations Act
12 June 2019	Appendix 3B
7 June 2019	Rights Offering Letters to Visioneering Securities Holders
6 June 2019	Offer Booklet – Non-Renounceable Pro Rata Rights Offering
6 June 2019	Notice given under s708AA(2)(f) of the Corporations Act
6 June 2019	Appendix 3B
6 June 2019	Reinstatement to Official Quotation
6 June 2019	VTI secures commitments for new capital of up to A\$11.1M
6 June 2019	Suspension from Official Quotation
4 June 2019	Trading Halt
4 June 2019	Pause in Trading
15 May 2019	Response to ASX Appendix 4C Query
14 May 2019	Visioneering Technologies Business and Operations Update
13 May 2019	Change in substantial holding
13 May 2019	Appendix 3B (amended)
8 May 2019	Appendix 3B
18 April 2019	Results of the Annual Meeting
18 April 2019	2019 Annual Meeting CEO Presentation
16 April 2019	Ceasing to be a substantial holder
16 April 2019	VTI Creates Educational Series for Practitioners
11 April 2019	Change in substantial holding
9 April 2019	Appendix 4C and Cashflow Report Cover Note
4 April 2019	Ceasing to be a substantial holder

Date	ASX Announcement
29 March 2019	Appendix 4G

### No excluded information

As at the date of this Cleansing Notice, the Company advises that it has complied with its disclosure obligations under the ASX Listing Rules and the Corporations Act and, in particular, there is no information which the Company has excluded from any of its continuous disclosure notices given in accordance with the ASX Listing Rules and the Corporations Act as at the date of this Cleansing Notice which it would be reasonable for investors and their professional advisors to require for the purpose of making an informed assessment of:

- (a) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
- (b) the rights and liabilities attaching to the Convertible Notes and the CDIs (or Shares) that may be issued on a conversion under the Convertible Notes.

### For more information, please contact:

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### About Visioneering Technologies

Visioneering Technologies Inc. (ASX:VTI) is an innovative eye care company committed to redefining vision. Since its founding in 2008, Visioneering has brought together clinical, marketing, engineering, manufacturing and regulatory leaders from top vision care businesses to provide new solutions for presbyopia, myopia and astigmatism.

Headquartered in the US, Visioneering designs, manufactures, sells and distributes contact lenses. Its flagship product is the NaturalVue® Multifocal contact lens, and VTI has expanded its portfolio of technologies to address a range of eye care issues. The company has grown operations across the United States, Australia and Europe and is expanding into Asia with a focus on markets with high rates of myopia.

### Foreign Ownership Restrictions

VTI's CHESS Depositary Interests (**CDIs**) are issued in reliance on the exemption from registration contained in Regulation S of the US Securities Act of 1933 (**Securities Act**) for offers which are made outside the US. Accordingly, the CDIs have not been, and will not be, registered under the Securities Act or the laws of any state or other jurisdiction in the US. As a result of relying on the Regulation S exemption, the CDIs are 'restricted securities' under Rule 144 of the Securities Act. This means that



you are unable to sell the CDIs into the US or to a US person for the foreseeable future except in very limited circumstances after the expiration of a restricted period, unless the re-sale of the CDIs is registered under the Securities Act or an exemption is available. To enforce the above transfer restrictions, all CDIs issued bear a 'FOR US' designation on the Australian Securities Exchange (**ASX**). This designation restricts any CDIs from being sold on ASX to US persons. However, you are still able to freely transfer your CDIs on ASX to any person other than a US person. In addition, hedging transactions with regard to the CDIs may only be conducted in accordance with the Securities Act.

### **Forward-Looking Statements**

This announcement contains or may contain forward-looking statements that are based on management's beliefs, assumptions and expectations and on information currently available to management.

All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. These include, without limitation, U.S. commercial market acceptance and U.S. sales of our product as well as our expectations with respect to our ability to develop and commercialize new products.

Management believes that these forward-looking statements are reasonable when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. VTI does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. VTI may not actually achieve the plans, projections or expectations disclosed in forward-looking statements. Actual results, developments or events could differ materially from those disclosed in the forward-looking statements.

## Schedule 1 – CHESSE Depository Interests

### ***What is a CHESSE Depository Interest (or CDI)?***

A CHESSE Depository Interest is a unit of beneficial ownership in a share (or beneficial interest in a share) or option of a foreign company, where the underlying share, interest or option is registered in the name of a depository nominee (see ‘What is a depository nominee?’ below), for the purpose of enabling the foreign share, interest or option to be traded on the relevant financial market.

CDI holders receive all direct economic and other benefits of the Shares, including on any liquidation dissolution or winding up of the Company, and receive all notices and company announcements (such as annual reports) that shareholders are entitled to receive from the Company.

### ***What is a depository nominee?***

A depository nominee holds the legal title to the foreign securities on behalf of the CDI holders. The Company has appointed CHESSE Depository Nominees Pty Limited (ACN 071 346 506 and Australian Financial Services Licence Number: 254514) (“**CDN**”) as the depository nominee for its CDIs. CDN is authorised by its Australian Financial Services Licence to operate custodial and depository services, other than investor directed portfolio services, to wholesale and retail clients. CDN does not receive any fees from investors for acting as the depository for the CDIs.

The relationship between the Company, CDN and the holders of CDIs is governed in part by the ASX Listing Rules and the ASX Settlement Operating Rules (each of which has the force of law under the Corporations Act) in combination with the Company’s Bylaws.

### ***Conversion ratio for the Company’s CDIs***

Each of the Company’s CDIs represents one share of Class A common stock (“**Share**”). To obtain one Share, an investor will need to convert one CDI (see ‘How to convert CDIs into Share’ below).

### ***Registers***

The Company operates three registers for the Shares and CDIs:

- an uncertificated register of Shares;
- an uncertificated issuer-sponsored sub-register of CDIs; and
- an uncertificated CHESSE sub-register of CDIs.

The register of Shares is the register of legal title.

The Shares will be uncertificated unless a Shareholder requests a stock certificate from the Company’s US transfer agent, Computershare Trust Company, N.A. (“**US Registry**”), denoting the number of Shares owned.

The Company must ensure that at all times the total number of CDIs on the issuer sponsored sub-register of CDIs and CHESSE sub-register of CDIs reconciles with the number of Shares registered in the name of CDN on the Share register.

The Company will make available for inspection the Share register and the CDI register as if those registers were registers of securities of an Australian listed public company.

### ***Transferring CDIs***

CDI holders who wish to trade their CDIs will be transferring the beneficial interest in the Shares rather than the legal title. The transfer will be settled electronically through CHESSE. Trading in CDIs is essentially the same as trading in other CHESSE approved securities, such as shares in an Australian public company.

### ***How to convert CDIs into Shares***

A CDI holder may either leave their holdings in the form of CDIs (so that legal title remains in the name of CDN) or convert the CDIs to Shares and hold legal title in their own right. CDI holders can convert their ASX listed CDIs to Shares by instructing the Company's CDI registry, Computershare Investor Services Pty Limited, ("**Australian Registry**"), either:

- directly in the case of CDIs on the issuer sponsored sub-register operated by the Company. CDI holders will be provided with a 'CDI Cancellation AU-US Register form' for completion and return to the Registry; or
- through their 'sponsoring participant' (usually your broker) in the case of CDIs which are sponsored on the CHESSE subregister. In this case, the sponsoring broker will arrange for completion of the relevant form and its return to the Registry.

The Australian Registry will then arrange for the transfer of the Shares from CDN to the former CDI holder and a new Statement of Account Holding will be issued. The Shares will be registered in the name of the holder on the Company's share register and trading on the ASX will no longer be possible. The Shares are not and will not in the near future be quoted on any securities exchange. The Shares may bear restrictive legends on the register in accordance with US law.

This process will normally be completed within three to five days once the Registry receives a duly completed and valid instruction. However, the timeframe for conversion cannot be guaranteed.

The Australian Registry will not charge an individual holder a fee for transferring their CDIs into Shares (although a fee may be payable by market participants).

Shareholders can convert their holdings to CDIs by contacting the US Registry and completing a 'CDI Issuance (United States Register to Australian CDI Register) form'. Again, the US Registry will not charge a fee for the conversion (although a fee may be payable by market participants).

The underlying Shares will then be transferred to CDN and a holding statement for the CDIs will be issued to the shareholder. No trading in the CDIs on the ASX can take place until this transfer process is complete.

The contact details for the Australian Registry are as follows:

GPO Box 2975,  
Melbourne, Victoria 3001 Australia  
Telephone: 1300 850 505 (within Australia)  
or +61 3 9415 4000 (outside Australia)  
[www.computershare.com](http://www.computershare.com)

### ***Voting rights***

CDI holders may attend and vote at the Company's general meetings. The Company must allow CDI holders to attend any meeting of shareholders unless relevant US law at the time of the meeting prevents CDI holders from attending those meetings.

In order to vote at such meetings, CDI holders may:

- instruct CDN, as the legal owner, to vote the Shares underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI holders with the notice of meeting or proxy statement for the meeting and this must be completed and returned to the Registry before the meeting;
- inform the Company that they wish to nominate themselves or another person to be appointed as CDN's proxy for the purposes of attending and voting at the general meeting; or
- convert their CDIs into a holding of Shares and vote these at the meeting. Afterwards, if the former CDI holder wishes to sell their investment on the ASX it would need to convert the Shares back to CDIs. In order to vote in person, the conversion from CDIs to Shares must be completed before the record date for the meeting. See above for further information regarding the conversion process.

One of the above steps must be undertaken before CDI holders can vote at shareholder meetings.

CDI voting instruction forms and details of these alternatives will be included in each notice of meeting or proxy statement sent to CDI holders by the Company.

CDI holders are entitled to direct CDN to vote one vote for every CDI held by such holder.

#### ***Dividends and other distributions***

Any dividend declared or other distribution paid in respect of the Shares underlying the CDIs will be distributed to CDI holders. The directors of the Company do not however, envisage that the Company will pay dividends or make other distributions for the foreseeable future.

The Company expects that any dividends declared in the future will be paid in US dollars. Holders of CDIs trading on the ASX will receive an equivalent amount in Australian currency based on the exchange rate on the record date.

#### ***Corporation actions (including bonus issues, rights issues, reconstructions and mergers)***

The Company must administer all corporate actions (including bonus issues, rights issues, reconstructions and mergers) that result in the issue of additional or replacement shares so that the benefits are generally distributed to CDI holders on the same terms as shareholders as though the CDI holders are the holders of the relevant corresponding number of Shares.

#### ***Takeovers***

If a takeover bid or similar transaction is made in relation to the Shares under which CDN is the registered holder, under the ASX Settlement Operating Rules, CDN must not accept the takeover offer unless that acceptance is authorised by the relevant CDI holder. If a CDI holder instructs it to do so, CDN must ensure that the offeror processes the takeover acceptance.