TALI DIGITAL LIMITED
ACN 108 150 750

SPP PROSPECTUS

For the following:

(a) an offer to each Eligible Shareholder to subscribe for a minimum of $2,500 and up to a maximum of $30,000 worth of Shares under the Company's security purchase plan (**SPP**) to raise up to $500,000, at an issue price of $0.05 per Share, together with one (1) free Attaching Option for every three (3) Shares subscribed for and issued (the **SPP Offer**); and

(b) an offer of up to 18,666,666 Attaching Options to Placement Participants, on the basis of one (1) free Attaching Option for every three (3) Shares subscribed for and issued under the Placement (**Placement Options Offer**),

(together, the **Offers**).

In the event that less than $500,000 is applied for under the SPP Offer by Eligible Shareholders, the Directors will seek to place that number of Shares at an issue price of $0.05 per Share and Attaching Options to raise up to $500,000 when combined with the amount raised under the SPP Offer (**Shortfall Offer**).

SECURITY PURCHASE PLAN INFORMATION

The SPP Offer is currently scheduled to close at **5:00pm (AEST) on 22 September 2026**. Valid applications must be received by that time. Details of how to apply for Securities are set out in the SPP Application Form accompanying this Prospectus.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as highly speculative.

STEINEPREIS PAGANIN

TABLE OF CONTENTS

1. TIMETABLE AND IMPORTANT NOTES 1
2. BACKGROUND TO THE OFFERS 4
3. DETAILS OF THE OFFERS 6
4. PURPOSE AND EFFECT OF THE OFFERS 11
5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES 14
6. RISK FACTORS 19
7. ADDITIONAL INFORMATION 26
8. DIRECTORS' AUTHORISATION 33
9. DEFINITIONS 34

CORPORATE DIRECTORY

Directors

Dr David Brookes
Executive Chairman

Mr William Hamilton
Non-Executive Director

Mr George Rolleston
Non-Executive Director

Company Secretary

Mr Tim Luscombe

Registered Office

Suite 1.01, 117 Camberwell Road
Hawthorn East VIC 3123

Telephone: 1300 082 013
Website: www.talidigital.com
Email: investors@talidigital.com

Auditor

RSM Australia Partners
Level 27, 120 Collins Street
Melbourne VIC 3000

Share Registry*

Automic Registry Services
Level 5, 126 Phillip Street
Sydney NSW 2000

Telephone: 1300 288 664 (within Australia)
Telephone: + 61 2 9698 5414 (outside Australia)

Legal Advisers

Steinepreis Paganin
Level 14, QV1 Building
250 St Georges Terrace
Perth WA 6000

Lead Manager

62 Capital Pty Ltd
Level 50, 108 St Georges Terrace
Perth WA 6000

*These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

1. TIMETABLE AND IMPORTANT NOTES

1.1 Timetable

ACTION	DATE
Record Date for the SPP Offer (7:00pm (AEST))	Friday, 21 August 2026
Announcement of SPP and lodgement of Appendix 3B with ASX (prior to commencement of trading)	Monday, 24 August 2026
Issue of Shares under Tranche 1 of the Placement and lodgement of Appendix 2A with ASX	Friday, 28 August 2026
Release of updated Appendix 3B and lodgement of this Prospectus with ASIC and ASX	Tuesday, 1 September 2026
Opening Date of the SPP Offer	Friday, 4 September 2026
Closing Date of the SPP Offer**	Tuesday, 22 September 2026
Announcement of the results of the SPP Offer	Friday, 25 September 2026
Date of the General Meeting	Friday, 25 September 2026
Issue of the Consideration Shares, the Shares under Tranche 2 of the Placement, the Shares and Attaching Options under the SPP Offer and the Attaching Options under the Placement, and lodgement of Appendix 2A with ASX applying for quotation of the Shares issued under the SPP Offer and the Placement	Tuesday, 29 September 2026
Quotation on ASX of the Shares issued under the SPP Offer and the Placement	Wednesday, 30 September 2026
Dispatch of holding statements	Monday, 5 October 2026

* The above dates are indicative only and may change without prior notice. The Company reserves the right, subject to the Corporations Act and the ASX Listing Rules, to vary the dates of the Offers without prior notice, including extending or bringing forward the Closing Date or accepting late applications.

** Subscribers under the SPP Offer should ensure that they have lodged their SPP Application Form and provided application monies by this date.

1.2 Important Notes

This Prospectus is dated 1 September 2026 and was lodged with the ASIC on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act), and options to acquire continuously quoted securities, and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

1.3 ASIC Instrument and ASX Listing Rule 7.2, Exception 5

In certain circumstances, a listed company may undertake a share purchase plan in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**ASIC Instrument**). The ASIC Instrument allows a share purchase plan to be conducted without the use of a prospectus once in any consecutive 12-month period.

As the Company is also offering Attaching Options under the SPP, the Company is unable to rely on the relief granted by the ASIC Instrument in respect of the Attaching Options (as the relief relates to offers of fully paid ordinary shares only) and, therefore, is undertaking the issue of Shares and Attaching Options under the SPP pursuant to this Prospectus.

Having regard to the issue price of the Shares offered under the SPP Offer relative to the volume weighted average market price of Shares as at the date of the announcement of the SPP, the Company is not relying on exception 5 in ASX Listing Rule 7.2 in respect of the SPP Offer. Accordingly, the issue of the Shares and Attaching Options under the SPP Offer is conditional upon Shareholders approving that issue for the purposes of ASX Listing Rule 7.1 at the General Meeting.

1.4 Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of the Attaching Options offered under this Prospectus in respect of the SPP Offer. The Company and the Lead Manager will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website www.talidigital.com. By making an application under the SPP Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

1.5 Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

1.6 Taxation implications

The Directors do not consider it appropriate to give Shareholder's advice regarding the taxation consequences of applying for Securities under this Prospectus. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with applying for Securities under this Prospectus.

1.7 Overseas Investors

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer of Shares or Options in any jurisdiction where, or to any person to whom, it would be unlawful to make such an offer.

1.8 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and our management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6.

1.9 Website – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.talidigital.com. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia and New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus, or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

1.10 Disclaimer

No person is authorised to give information or to make any representation in connection with the Offers described in this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offers. You should rely only on information in this Prospectus.

1.11 Investment Advice

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for securities under this Prospectus.

2. BACKGROUND TO THE OFFERS

2.1 Overview of the Offers

On 24 August 2026, the Company announced that it had received firm commitments from Placement Participants to raise $2,800,000 (before costs) via the issue of Shares at an issue price of $0.05 per Share (**Placement**). Placement Participants will also receive one (1) free Attaching Option for every three (3) Shares subscribed for and issued under the Placement.

The Placement is being conducted in two tranches:

(a) **Tranche 1**: 7,009,121 Shares were issued on 28 August 2026 to raise $350,456 (before costs), using the Company's existing placement capacity under ASX Listing Rule 7.1 (**Tranche 1 Placement**); and

(b) **Tranche 2**: subject to Shareholder approval, the Company will issue:

   (i) 42,990,879 Shares to unrelated professional and sophisticated investors; and

   (ii) 6,000,000 Shares to Directors, Messrs David Brookes, George Rolleston and William Hamilton,

   (together, the **Tranche 2 Placement**).

The issue of the Shares under the Tranche 2 Placement and Attaching Options under the Placement is subject to Shareholder approval at the General Meeting.

The Shares offered pursuant to the Placement will be issued after the Record Date for the SPP Offer. Accordingly, Placement Participants will not be entitled to participate in the SPP Offer in respect of any Shares issued to them under the Placement.

In addition to the Placement, the Company is undertaking the SPP Offer to Eligible Shareholders. Under the SPP Offer, Eligible Shareholders will be entitled to apply for a minimum of $2,500 and up to a maximum of $30,000 worth of Shares in the Company at an issue price of $0.05 per Share. Eligible Shareholders who participate in the SPP Offer will also receive one (1) free Attaching Option for every three (3) Shares subscribed for and issued.

The issue of the Shares and Attaching Options under the SPP Offer is subject to Shareholder approval at the General Meeting.

Dr David Brookes and Mr George Rolleston (or their nominee(s)) have confirmed their intention to subscribe for $30,000 worth of Shares each under the SPP, being the maximum amount for which they may subscribe as Eligible Shareholders under the SPP. The Securities to be issued to Mr George Rolleston and Dr David Brookes (or their nominee(s)) in respect of their participation in the SPP require the approval of Shareholders under Listing Rule 10.11.

The Company is seeking to raise up to $500,000 under the SPP Offer.

To read how Eligible Shareholders can subscribe under the SPP Offer, refer to Section 3.8 below.

The Company intends to apply the funds raised under the Placement and the SPP Offer to fund the Proposed Acquisition, to progress the development of its existing products, general working capital and the costs of the Offers (refer to Section 4.2 for further detail).

Further details in relation to the Placement and the SPP are set out in the ASX announcement released on 24 August 2026 (**Capital Raising Announcement**) and will be set out in the Company's notice of general meeting to be released to ASX on or around 27 August 2026 (**Notice of Meeting**).

2.2 Lead Manager

62 Capital Pty Ltd (AFSL 531982) acted (and continues to act) as the lead manager, broker and sole book runner Placement (**Lead Manager**) pursuant to a mandate letter (**Lead Manager Mandate**). Further details on the Lead Manager Mandate are set out in Section 7.2.

2.3 General Meeting

The Company is holding a general meeting of Shareholders on 25 September 2026 (**General Meeting**). The Notice of Meeting will contain resolutions seeking approval for, among other things:

(a) the issue of the Consideration Shares pursuant to the Proposed Acquisition;

(b) the ratification of the prior issue of the Shares under the Tranche 1 Placement;

(c) the issue of the Shares under the Tranche 2 Placement;

(d) the issue of all Attaching Options to Placement Participants under the Placement Options Offer;

(e) the issue of the Shares and Attaching Options under the SPP Offer;

(f) the issue of Shares and Attaching Options to each of the Directors (or their nominee(s)) to enable them to participate in the Placement; and

(g) the issue of Shares and Attaching Options to Dr David Brookes and Mr George Rolleston (or their nominee(s)) to enable them to participate in the SPP.

Details of the resolutions and further information will be included in the Notice of Meeting expected to be dispatched on 27 August 2026.

3. DETAILS OF THE OFFERS

3.1 The SPP Offer

The SPP Offer is an offer to each Eligible Shareholder to subscribe for a minimum of $2,500 and a maximum of $30,000 worth of new Shares at an issue price of $0.05 per Share, together with one (1) free Attaching Option for every three (3) Shares subscribed for and issued under the SPP Offer. Fractional entitlements will be rounded down to the nearest whole number.

The issue of Shares and Attaching Options under the SPP Offer is subject to and conditional upon receipt of Shareholder approval at the General Meeting for the purposes of ASX Listing Rule 7.1.

The maximum amount proposed to be raised under the SPP Offer is $500,000. If applications exceed $500,000, the Company intends to undertake a scale back to a minimum of $2,500 each, on a pro-rata basis, based on the number of Shares held by the applicant (subject to the ultimate discretion of the Board), so that no more than $500,000 is raised under the SPP Offer. Scale back decisions are made by the Board and are final.

The issue price of $0.05 per Share is fixed and will not vary. There is a risk that the market price of the Shares may rise or fall between the date of this Prospectus and the date on which the Shares are issued under the SPP Offer. This means that the price you pay for the Shares issued to you may be more than, or less than, the market price of the Shares at the time of issue. Eligible Shareholders should monitor the market price of the Shares before deciding whether to apply.

There is also a risk that the market price of Shares may rise or fall between the date on which the Attaching Options are issued and the date on which a holder exercises the Attaching Options. This means that the value of the Attaching Options at any time prior to their exercise may be more than, or less than, their value as at the date of issue. All of the Shares offered under the SPP Offer pursuant to this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

The Attaching Options offered under this Prospectus will be exercisable at $0.15 each on or before 5:00pm (AEST) on the date which is 5 years after the date of issue and otherwise on the terms set out in Section 5.2. All of the Shares issued upon exercise of the Attaching Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the SPP Offer is set out in Section 4.1. The SPP Offer is non-renounceable, which means that Eligible Shareholders may not transfer their rights to any Securities offered under the SPP Offer.

No funds will be raised from the issue of Attaching Options, as the Attaching Options are free attaching to Shares issued under the SPP Offer on a one (1) for three (3) basis.

3.2 The Placement Options Offer

The Placement Options Offer is an offer of one (1) free Attaching Option for every three (3) Shares subscribed for and issued under the Placement to participants in the Placement. Fractional entitlements will be rounded down to the nearest whole number.

Based on the number of Shares issued under the Placement, up to 18,666,666 Attaching Options may be issued under the Placement Options Offer.

All of the Shares issued upon exercise of the Attaching Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

The issue of the Attaching Options under the Placement Options Offer is subject to and conditional upon receipt of Shareholder approval at the General Meeting for the purposes of ASX Listing Rule 7.1.

3.3 Eligibility to participate in SPP Offer

Only Eligible Shareholders may participate in the SPP Offer.

If you are the only registered Shareholder of a holding of Shares, but you receive more than one SPP Offer (for example because you hold Shares in more than one capacity), you may only apply for one parcel of Shares with a value of up to $30,000. The Company reserves the right to reject any application for Shares under this Prospectus to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

In the event of oversubscriptions by the Closing Date, the Directors may, in their absolute discretion, scale back applications on a pro-rata basis, based on the number of Shares held by the applicant (subject to the ultimate discretion of the Board) to a minimum of $2,500. Participation in the SPP Offer is optional and is subject to the terms and conditions set out in this Prospectus.

3.4 Shortfall Offer

In the event that less than $500,000 is applied for under the SPP Offer by Eligible Shareholders, the Directors will seek to place any Shares and Attaching Options not taken up pursuant to the SPP Offer under the Shortfall Offer (**Shortfall Securities**).

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be $0.05 being the price at which Shares have been offered under the SPP Offer. Shortfall Securities issued under the Shortfall Offer will be issued subject to Shareholder approval.

The allocation of the Shortfall Securities will be at the absolute discretion of the Board. Accordingly, do not apply for Shortfall Securities unless instructed to do so by the Directors.

3.5 Minimum subscription

There is no minimum subscription to the Offers.

3.6 Not underwritten

The Offers are not underwritten.

3.7 Fees and Commissions payable

The Company reserves the right to pay commissions of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensees in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

3.8 Applications

SPP Offer

Eligible Shareholders may apply under the SPP Offer by completing the SPP Application Form accompanying this Prospectus in accordance with the instructions outlined on the SPP Application Form.

Pursuant to the SPP Offer, Eligible Shareholders may apply for Shares with a maximum value of $30,000. Eligible Shareholders may participate by selecting one of the following options to purchase Shares under the SPP Offer:

	SPP APPLICATION AMOUNT	NUMBER OF SHARES WHICH MAY BE PURCHASED	NUMBER OF OPTIONS TO BE RECEIVED
Offer A	$2,500	50,000	16,666
Offer B	$5,000	100,000	33,333
Offer C	$7,500	150,000	50,000

	SPP APPLICATION AMOUNT	NUMBER OF SHARES WHICH MAY BE PURCHASED	NUMBER OF OPTIONS TO BE RECEIVED
Offer D	$10,000	200,000	66,666
Offer E	$15,000	300,000	100,000
Offer F	$20,000	400,000	133,333
Offer G	$25,000	500,000	166,666
Offer H	$30,000	600,000	200,000

Where the amount applied for results in a fraction of a Security the number of Shares issued will be rounded down to the nearest whole Security.

To participate in the SPP Offer, payment of the application moneys must be made per the instructions set out on the SPP Application Form, with sufficient time to be received by or on behalf of the Company by no later than 5.00pm (AEST) on the Closing Date.

The Company reserves the absolute discretion to scale back applications under the SPP Offer to a minimum of $2,500 worth of Securities in the manner it sees fit. If the Company undertakes a scale back, you will receive the number of Shares determined by the Company in its absolute discretion which may be less than the number of Shares applied for. In this case, the difference between the application moneys received and the number of Shares allocated to you multiplied by the issue price per Share will be refunded to you by direct credit (to your nominated account recorded with the Company's Share Registry) or a withheld notice will be issued by post with instructions to provide your nominated bank account to the Company's Share Registry, without interest.

If you require assistance in accepting the SPP Offer, please contact the Company's Share Registry, Automic Registry Services on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

The issue of the Shares and Attaching Options under the SPP Offer is subject to and conditional upon receipt of Shareholder approval at the General Meeting for the purposes of ASX Listing Rule 7.1.

Placement Options Offer

The Placement Options Offer will only be extended to the Placement Participants and accordingly Application Forms will only be provided to these participants on invitation by the Directors.

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (AEST) on the Closing Date**.

The issue of the Attaching Options under the Placement Options Offer is subject to and conditional upon receipt of Shareholder approval at the General Meeting for the purposes of ASX Listing Rule 7.1.

3.9 Payment – SPP Offer

(a) **Payment by EFT or BPAY®**

For payment by EFT or BPAY®, please follow the instructions on the SPP Application Form.

You can only make a payment via:

(i) EFT if you are a holder of an account that supports EFT transactions to an Australian bank account; or

(ii) BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please note that should you choose to pay by EFT or BPAY®:

(i) you do not need to submit the Application Form but are taken to have made the declarations on that Application Form; and

(ii) if you do not pay in full for the number of Securities for which you have applied, you are deemed to have applied for such whole number of Securities as is covered in full by your application monies.

It is your responsibility to ensure that your EFT or BPAY® payment is received by the share registry by no later than 5:00pm (AEST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Securities (only where the amount is $1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

3.10 Issue of Securities

Securities issued under the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus. Application moneys will be held in a separate subscription account until the Securities are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application moneys will be for the benefit of the Company and will be retained by the Company irrespective of whether any Securities are issued, and each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all the Securities and/or the number of Securities issued under the Offers. The Directors reserve the right to reject any application or to allocate any Applicant fewer Securities than the number applied for.

Where the number of Securities issued is less than the number applied for, the surplus moneys will be returned by direct credit to your nominated bank account as soon as practicable after the Closing Date. Where no issue of Securities is made, the amount tendered on application will be returned in full by direct credit to your nominated bank account as soon as practicable after the Closing Date. Interest will not be paid on moneys refunded.

3.11 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out in Section 1.1.

If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Securities offered under this Prospectus within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered.

3.12 Restrictions on the distribution of the Prospectus

The Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

The Offers are not being extended, and Securities will not be issued to investors with a registered address which is outside Australia or New Zealand.

Residents of countries outside Australia or New Zealand should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Shares on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

New Zealand

The Offers made to New Zealand investors are regulated offers made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

The Offers and the content of the Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the Offers must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to the Offers. If you need to make a complaint about the Offers, please contact the Financial Markets Authority, New Zealand (http://www.fma.govt.nz). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offers may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Shareholders resident in Australia or New Zealand or holding securities on behalf of persons who are resident overseas are responsible for ensuring that applying for Securities under the Offers does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

3.13 Enquiries

Any questions concerning the Offers should be directed to the Company on 1300 082 013 or the Company's registry, Automic Registry Services on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

4. PURPOSE AND EFFECT OF THE OFFERS

4.1 Purpose of the Offers

(a) **Placement Options Offer**

The purpose of the Placement Options Offer is to satisfy the Company's obligation to issue Placement Participants one (1) free Attaching Option for every three (3) Shares subscribed for under the Placement.

(b) **SPP Offer**

The Company is seeking to raise a further $500,000 from Eligible Shareholders under the SPP Offer by the issue of Shares and Attaching Options, both of which are subject to Shareholder approval at the General Meeting.

(c) **On-Sale Relief**

The Offers are being made such that the relief provided under the ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2026/94 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, if the Attaching Options are issued with disclosure under this Prospectus, then Attaching Options and any Shares issued upon the exercise of any of the Attaching Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised from the issue of the Attaching Options pursuant to this Prospectus, as the Attaching Options are free attaching to the Shares issued under the Placement and the SPP Offer.

4.2 Use of funds

The funds raised from the Capital Raising are planned to be used in accordance with the table set out below:

PROCEEDS OF THE CAPITAL RAISING	FULL SUBSCRIPTION ($3,300,000)	%
Payment of the qualifying financing to Datasphere (US$650,000)	$920,000	27.9%
Due diligence, integration scoping and commercialisation of the Datasphere technology and intellectual property	$580,000	17.6%
Product development and other expenses (existing business)	$650,000	19.7%
Product-related personnel expenses (existing business)	$350,000	10.6%
Sales and marketing (existing business)	$200,000	6.1%
Working capital	$340,085	10.3%
Costs of the Capital Raising	$259,915	7.9%
Total	**$3,300,000**	**100%**

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

If there is a shortfall under the SPP Offer, the Directors have reserved the right to place the shortfall pursuant to the Shortfall Offer.

On completion of the Capital Raising, the Board believes the Company will have sufficient working capital to achieve the above objectives for a period of at least 12 months from the date of this Prospectus. If less than $3,300,000 is raised under the Capital Raising, funds raised would be reallocated to each line item in the table above proportionally.

4.3 Effect of the Offers

The principal effect of the SPP Offer and the Placement Options Offer, assuming the Company issues the maximum number of Securities under the Offers, will be to:

(a) increase the cash reserves by up to $500,000 (before deducting the estimated expenses of the Offers) immediately after completion of the SPP Offer[1];

(b) increase the number of Shares on issue from 53,736,599 to 63,736,599 Shares[2] following completion of the SPP Offer (subject to rounding); and

(c) increase the number of Options on issue from 2,460,516 to 24,460,515 Options following completion of the SPP Offer and the Placement Options Offer.

4.4 Effect of the Offers on capital structure

The effect of the Offers on the Company's capital structure is set out below, which assumes that a total of $500,000 is raised under the SPP Offer (or subsequently taken up under the Shortfall Offer).

SHARES	NUMBER
Shares on issue as at the date of this Prospectus[1,2]	53,736,599
Shares to be issued under the Tranche 2 Placement[3]	48,990,879
Shares to be issued under the SPP Offer[3]	10,000,000
Shares to be issued under the Proposed Acquisition[4]	22,000,000
Total Shares on issue on completion of the Offers	**134,727,478**

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 5.1.
2. Comprising 46,727,478 Shares on issue as at the Record Date and 7,009,121 Shares issued under the Tranche 1 Placement on 28 August 2026.
3. The issue of the Shares under the Tranche 2 Placement and under the SPP Offer is subject to receipt of Shareholder approval at the General Meeting.
4. The Company has also agreed to issue a further 22,000,000 Consideration Shares pursuant to the Proposed Acquisition. The issue of those Shares is subject to Shareholder approval at the General Meeting and to completion of the Proposed Acquisition.

OPTIONS	NUMBER
Options on issue as at the date of this Prospectus[1]	2,460,516
Attaching Options to be issued under the Placement Options Offer[2,3]	18,666,666
Attaching Options to be issued under the SPP Offer[2,3]	3,333,333
Total Options on issue on completion of the Offers	**24,460,515**

Notes:

1. Comprising:
   (a) 1,250,000 unquoted Options exercisable at $0.10 each on or before 27 November 2028;
   (b) 850,516 unquoted Options exercisable at $0.40 each on or before 15 March 2027;
   (c) 120,000 unquoted Options exercisable at $0.40 each on or before 15 March 2028;
   (d) 120,000 unquoted Options exercisable at $0.80 each on or before 15 March 2028; and
   (e) 120,000 unquoted Options exercisable at $1.20 each on or before 15 March 2028.

[1] Excluding the cash to be raised on the Placement on the basis that the Attaching Options are to be issued free attaching with Shares under the Placement.
[2] Excluding the Shares to be issued pursuant to Tranche 2 of the Placement.

2. The rights and liabilities of the Attaching Options are summarised in Section 5.2.
3. The Attaching Options to be issued under the SPP Offer and the Placement Options Offer are subject to receipt of Shareholder approval at the General Meeting.

4.5 Pro-forma balance sheet

The audited balance sheet as at 30 June 2026 and the pro-forma balance sheet as at 30 June 2026 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming a maximum of $3,300,000 is raised under the Capital Raising, that no existing Options are exercised, and after including the expenses of the Offers.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted above. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	30 JUNE 2026	ADJUSTMENT CAPITAL RAISING	PRO-FORMA
Current assets			
Cash and cash equivalents	973,791	3,040,085	4,013,876
Trade and other receivables	44,869	0	44,869
Inventories	38,375	0	38,375
Investments	4,028	0	4,028
Other current assets	20,234	0	20,234
Total current assets	**1,081,297**	**3,040,085**	**4,121,382**
Non-current assets			
Intangible assets	0	0	0
Total non-current assets	0	0	0
Total assets	**1,081,297**	**3,040,085**	**4,121,382**
Liabilities			
Current liabilities			
Trade and other payables	246,435	0	246,435
Deferred income	189,499	0	189,499
Total liabilities	**435,934**	**0**	**435,934**
Net assets	**645,363**	**3,040,085**	**3,685,448**
Equity			
Issued capital	216,081,773	3,040,085	219,121,858
Reserves	340,926	0	340,926
Accumulated losses	(215,777,336)	0	(215,777,336)
Total equity	**645,363**	**3,040,085**	**3,685,448**

5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

The following is a summary of the more significant rights and liabilities attaching to the Options and Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Securityholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

5.1 Rights and liabilities attaching to Shares

(a) **General meetings**

Shareholders are entitled to receive notice of, and to attend and vote at, general meetings of the Company, in person or by proxy, attorney or corporate representative. The Company may hold a general meeting at two or more venues using technology, or as a virtual meeting without a physical meeting place, provided that Shareholders as a whole are given a reasonable opportunity to participate.

At least 28 days' notice of a general meeting must be given in writing to each person entitled to receive notice of the meeting. Except as provided in the Corporations Act, no Shareholder may call a general meeting. However, Shareholders with at least 5% of the votes that may be cast at a general meeting may requisition the Directors to call and arrange to hold a general meeting under section 249D of the Corporations Act or may call and arrange to hold a general meeting at their own expense under section 249F of the Corporations Act.

(b) **Voting rights**

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

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or corporate representative or, if the Directors so determine, by direct vote;

(ii) on a show of hands, each Shareholder present in person or by proxy, attorney or corporate representative has one vote, except that if a Shareholder has appointed more than one proxy, none of those proxies may vote on a show of hands; and

(iii) on a poll, each Shareholder present in person or by proxy, attorney or corporate representative has one vote for each fully paid Share held and, in respect of each partly paid Share held, a fraction of a vote equivalent to the proportion which the amount paid (not credited) on that Share bears to the total amounts paid and payable (excluding amounts credited) on that Share. Amounts paid in advance of a call are disregarded in calculating that proportion.

A Shareholder has no right to vote at a general meeting in respect of Shares if a call due and payable in respect of those Shares has not been paid, if the person became the holder of those Shares after the time specified by the Company (being not more than 48 hours before the meeting) for the purpose of determining voting entitlements, or if the right is removed or varied by court order.

The chair of a general meeting does not have a casting vote in the case of an equality of votes, whether on a show of hands or on a poll.

(c) **Dividend rights**

Subject to the Corporations Act, the ASX Listing Rules and the rights of the holders of any shares issued with special rights as to dividend, the Directors may determine that a dividend is payable and fix the amount, the time for payment and the method of payment. The Company in general meeting may also determine a dividend but may do so only if the Directors have recommended a dividend, and a dividend determined in general meeting must not exceed the amount recommended by the Directors.

Subject to the rights of the holders of any shares issued with special rights as to dividend, all dividends are apportioned and paid equally on each Share, except that the holder of a partly paid Share is not entitled to a greater proportion of a dividend than the proportion which the amount paid (not credited) on that Share bears to the total amounts paid and payable (excluding amounts credited) on that Share. If a Share is issued on terms that it will rank for dividend from a particular date, that Share ranks for dividend only from that date.

No dividend carries interest as against the Company. The Directors may, before recommending or determining a dividend, set aside out of the profits of the Company such amounts as they think proper as reserves, to be applied at the discretion of the Directors for any purpose to which the profits of the Company may be properly applied. The Directors may deduct from any dividend payable to a Shareholder all money presently payable by that Shareholder to the Company on account of calls or otherwise in relation to Shares.

Subject to the ASX Listing Rules and the Corporations Act, the Company in general meeting or the Directors may establish, and may vary, suspend or terminate, one or more plans under which Shareholders may elect that dividends payable on some or all of their Shares be satisfied by the issue of fully paid ordinary Shares, or that dividends are not determined or paid on some or all of their Shares but that the Shareholder instead receive an issue of fully paid ordinary Shares. Any such plan has effect in accordance with its terms.

(d) **Winding-up**

On a winding up of the Company, and subject to the rights of the holders of any shares issued on special terms and conditions, holders of Shares are entitled to participate in the division of any surplus assets or profits of the Company in proportion to the number of Shares held, irrespective of the amount paid or credited as paid on those Shares (assuming, in the case of any Shares that were partly paid at the commencement of the winding up, that the amount required to make them fully paid has been contributed to the Company).

If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as the liquidator considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the sanction of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

The Shares to be issued will be fully paid and will not be subject to any calls for money by the Directors.

The Company has a first and paramount lien on all Shares registered in the name of a Shareholder (whether solely or jointly with others) for all money presently payable by that Shareholder, or that Shareholder's estate, to the Company, and that lien extends to all dividends payable in respect of those Shares. The amount of the lien is limited to unpaid calls and instalments on the relevant Shares, any amount owed to the Company for Shares acquired under an employee incentive scheme, and any amount the Company is required by law to pay (and has paid) in respect of a Shareholder's Shares, together with reasonable interest and expenses. The Company may sell Shares over which it has a lien where the relevant amount is presently payable and the Company has given the holder at least 14 days' written notice demanding payment.

In addition, where a law imposes on the Company a liability to make a payment in respect of a Shareholder (for example, in respect of tax or duty), the Shareholder must indemnify the Company, the Company has a first and paramount lien over that Shareholder's Shares and dividends for the relevant amount, may recover that amount from the Shareholder as a debt, and may refuse to register a transfer of the Shares until it is paid. If a Shareholder fails to pay such an amount and does not comply with a notice from the Directors requiring payment within a period of at least 14 days, the Shares (including fully paid Shares) may be forfeited by resolution of the Directors.

(f) **Transfer of shares**

Subject to the Constitution, the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules, there is no restriction on the transfer of Shares. Shares may be transferred by a proper ASX Settlement transfer, by any other method of transferring or dealing in Shares introduced by or acceptable to ASX and operated in accordance with the ASX Settlement Operating Rules, or by an instrument of transfer in writing in any usual or common form or in any other form approved by the Directors.

The Company may ask ASX Settlement to apply a holding lock to prevent a transfer, or may refuse to register a paper-based transfer, in the circumstances permitted by the Constitution and the ASX Listing Rules, including where the Company has a lien on the Shares, where the Company is served with a court order restricting the holder's capacity to transfer the Shares, during the escrow period applicable to restricted securities, or where the transfer does not comply with the terms of an employee incentive scheme. The Company must refuse to register a paper-based transfer if some or all of the Shares are reserved for a bidder because the holder has accepted an off-market bid, unless the bid is not, or is no longer, subject to a defeating condition and the transfer is to or at the direction of the bidder. The Company must notify the holder or lodging party in writing of any holding lock or refusal to register, and the reason for it, within five business days.

(g) **Sale of unmarketable parcels**

If a Shareholder holds less than a marketable parcel of Shares (as defined in the ASX Listing Rules), the Directors may invoke the divestment procedure in the Constitution. Under that procedure the Company must give the Shareholder written notice stating that the Shares are liable to be sold unless the Shareholder notifies the Company, before a date specified in the notice (which must be at least six weeks after the notice is sent), that the Shareholder wishes to retain them. If the Shareholder does not give that notice and the holding remains less than a marketable parcel at that date, the Company may sell the Shares as the Shareholder's agent and attorney and account to the Shareholder for the proceeds of sale.

(h) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares to such persons, at such times and on such terms and conditions, and with such preferred, deferred or other special rights or restrictions, as they see fit, and may grant to any person options or other securities with rights of conversion to Shares for any consideration and for any period.

(i) **Variation of rights**

The Constitution sets out the procedure for varying or cancelling the rights attached to a class of shares. Under the Constitution, the rights attached to shares in a class may be varied or cancelled only by special resolution of the Company and either by special resolution passed at a separate meeting of the members holding shares in that class, or with the written consent of members holding at least 75% of the votes in that class. This applies whether or not the

Company is being wound up. The Company must give written notice of the variation or cancellation to the members of the affected class within seven days after the variation or cancellation.

Under section 246D of the Corporations Act, where a variation or cancellation of class rights is not supported unanimously by the class, members with at least 10% of the votes in that class may apply to the Court to have the variation or cancellation set aside. An application may only be made within one month after the variation or cancellation, and the variation or cancellation does not take effect until the end of that period or, if an application is made, until the application is withdrawn or finally determined. The Court may set aside the variation or cancellation if satisfied that it would unfairly prejudice the applicants.

(j) **Alteration of constitution**

Under section 136(2) of the Corporations Act, the Constitution may be modified or repealed only by special resolution of Shareholders. A special resolution is a resolution passed by at least 75% of the votes cast by Shareholders entitled to vote on the resolution. As the Company is listed on ASX, at least 28 days' notice of the meeting must be given under section 249HA of the Corporations Act, and the notice of meeting must set out an intention to propose the special resolution and state the resolution.

5.2 Terms and Conditions of the Attaching Options

The terms and conditions of the Attaching Options are as follows:

(a) **Entitlement**

Each Attaching Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Attaching Option will be $0.15 (**Exercise Price**).

(c) **Expiry Date**

Each Attaching Option will expire at 5:00pm (AEST) on the date that is five years from the date of issue (**Expiry Date**). An Attaching Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Attaching Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Attaching Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified by the Company (**Notice of Exercise**) and payment of the Exercise Price for each Attaching Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Attaching Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Attaching Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Attaching Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Attaching Options without exercising the Options.

(k) **Change in exercise price**

An Attaching Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Attaching Option can be exercised.

(l) **Transferability**

The Attaching Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

6. RISK FACTORS

6.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business, and which relate to the Proposed Acquisition and the Technology. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.2 Company specific

In addition to the general market and economic risks noted in Section 6.4, investors should be aware of the risks specific to an investment in the Company. The major risks are described below.

(a) **Completion of the Proposed Acquisition**

Completion of the Proposed Acquisition is conditional on a number of conditions precedent. There is no guarantee the conditions precedent will be satisfied. If the Proposed Acquisition does not complete, the Company will not acquire Datasphere or any interest in the memristive in-memory computing technology and the memristive Memory Processing Unit (**Technology**). There is no guarantee that the Company would be able to identify or complete an alternative transaction on comparable terms, or at all.

(b) **Technion Memorandum of Understanding**

The Technion Research & Development Foundation Ltd (**TRDF**) has granted Datasphere an option to procure a licence to the Technology via a memorandum of understanding (**Technion MOU**). Following exercise of the option under the Technion MOU, the parties will need to negotiate and agree the terms of a formal licence agreement. The option may only be exercised once Datasphere has received US$650,000 of qualifying financing and expires on 3 October 2026 (unless extended). Until a licence agreement is executed, neither Datasphere nor the Company will hold a licence to the Technology.

If a licence is granted, the licensee will have a number of obligations to TRDF, including raising capital within specified timeframes, together with a range of payment obligations. These payment obligations include a royalty on net sales, sublicensing fees, and reimbursement of TRDF's historical patent prosecution and maintenance costs. Together, these represent significant funding commitments that will require the Company to raise capital materially in excess of the amount raised under the Capital Raising.

Separately, the Technology is at an early stage of development. It has not been proven to work at a commercial scale and requires significant further research, testing and investment before it can be incorporated into products and sold. There is no guarantee that it will be successfully developed or commercialised.

Processing-in-memory and memristive computing are the subject of active research and development globally. There is no guarantee that the Technology can be fabricated at acceptable yields or cost, that it will perform as expected, that it can be scaled, or that it can be integrated with the Company's existing platform and products. Development timeframes and costs may materially exceed the Company's current expectations, and the Technology may never be successfully developed or commercialised.

(c) **Integration risk**

The rationale for the Proposed Acquisition is to support the development of the Company's existing platform into a secure, artificial intelligence assisted data processing platform. The integration of an early-stage hardware technology with the Company's existing platform involves technical, operational and management risk. Integration may take longer, cost more or deliver less benefit than anticipated, may change prioritisation of management attention and resources in the Company's existing business and may not be achievable at all.

(d) **Additional requirements for capital**

The funds raised under the Capital Raising, together with the Company's existing cash reserves, are considered by the Directors to be sufficient to meet the Company's immediate objectives over the next 12 months. Additional funding will be required beyond that period to implement the Company's business plans, to satisfy the financing obligations contemplated by the Technion MOU, to take advantage of acquisition or other business opportunities, and to meet any unanticipated liabilities or expenses.

The Company may seek to raise further funds through equity or debt financing or other means. There is no assurance that additional finance will be available when required or, if available, that the terms will be favourable to the Company. Any such financing may involve substantial dilution to Shareholders. A failure to obtain sufficient financing may result in delay or indefinite postponement of the Company's development programmes, or in the loss of rights under the Technion MOU.

(e) **Dilution**

Shareholders who do not participate in the SPP Offer will have their percentage holding in the Company diluted as a result of the Capital Raising and the Proposed Acquisition.

As at the date of this Prospectus there are 53,736,599 Shares on issue. Assuming the Tranche 2 Placement proceeds, the SPP Offer is fully subscribed and the Proposed Acquisition completes, the Company will have 134,727,478 Shares on issue. On that basis, a Shareholder who held 1% of the Shares on issue as at the Record Date and who does not participate in the SPP Offer would hold approximately 0.35% of the Shares on issue on completion, or approximately 0.29% assuming all Options on issue following completion of the Capital Raising are exercised.

Shareholders may be further diluted on exercise of the Attaching Options and by any future issue of Securities, including any capital raising undertaken to satisfy the funding obligations contemplated by the Technion MOU.

(f) **Changes in political and regulatory environments**

The Company is subject to various federal and state-based laws and regulations in Australia as well as other jurisdictions in which the Company operates.

The introduction of new laws and regulations may result in increased expenses for the Company, as it establishes new compliance procedures, retrains its employees and reviews or redevelops products.

New regulatory environments create risk that the regulations will have unintended consequences, or that interpretations may change over time, which could adversely affect the Company's operations and ability to manufacture, sell or distribute some products.

(g) **Operating losses and limited revenue**

The Company has incurred operating losses in each of its recent financial years and generates limited revenue. There is no guarantee that the Company will achieve or sustain profitability, or that any of its products or technologies will generate material revenue.

(h) **Development and commercialisation of technologies**

The Company is relying on its ability to develop and commercialise its technologies. A failure to successfully develop and commercialise its technologies could lead to a loss of opportunities and adversely impact on the Company's operating results and financial position.

(i) **Risks associated with Israel and international operations**

The intellectual property underlying the Technology was developed in Israel and is owned by TRDF, an Israeli entity. The Company's rights under the Technion MOU and any licence agreement will be substantially governed by Israeli law, and enforcement of those rights would require recourse to Israeli courts or arbitral institutions.

Political, economic, security and military instability in Israel and the surrounding region may delay, disrupt or prevent the negotiation of the licence agreement, the conduct of research and development activities, or the Company's ability to exploit the Technology. Changes in Israeli law or policy, including in relation to intellectual property, taxation, foreign investment and national security, may also adversely affect the Company.

(j) **Emerging regulation of artificial intelligence**

The Company's strategy involves increasing use of artificial intelligence technologies within its platform. The regulation of artificial intelligence is evolving rapidly in Australia and internationally and may result in new mandatory obligations relating to transparency, testing, human oversight, record keeping and the use of artificial intelligence in relation to children and in educational settings. The Company may incur significant cost in complying with those requirements, may be required to modify or withdraw products or features, and may face regulatory action, claims or reputational damage if its use of artificial intelligence is found not to comply.

(k) **Reliance on the education sector**

The Company derives substantially all of its revenue from schools, educators and related institutions. Demand for the Company's products is affected by school and government budgets and funding priorities, procurement cycles and approval processes, curriculum and policy changes, and the academic calendar, which results in seasonality in sales. A reduction in education funding, a change in curriculum or policy settings, a loss of, or failure to renew, significant customer relationships, or a failure to obtain or maintain approval to supply within a school system, could each have a material adverse effect on the Company's revenue and financial performance.

(l) **Liquidity and realisation**

There can be no guarantee that an active market in the Company's Shares will develop or continue, or that the price of the Shares will increase. There may be a relatively limited number of buyers, or a relatively large number of sellers, on ASX at any given time. This may increase the volatility of the market price of the Shares and may affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less than the price paid for them.

6.3 Industry specific

(a) **Data loss, theft or corruption**

The Company will store data in its own systems and networks and also with a variety of third-party service providers. Exploitation or hacking of any of the Company's systems or networks could lead to corruption, theft or loss of the data which could have a material adverse effect on the Company's business, financial condition and results. Further, if the Company's systems, networks or technology are subject to any type of 'cyber' crime, its technology may be perceived as unsecure which may lead to a decrease in the number of customers.

As at the date of this Prospectus, the Company is not aware of any material breach of, or unauthorised access to, its systems or networks. However, it is possible that the Company may experience negative publicity if its systems are able to be compromised at some point in the future.

(b) **Intellectual Property**

Securing rights to intellectual property, and in particular patents and other registered rights, is an integral part of securing potential product value from the outcomes of the Company's research and development activities. This applies to the memristive in-memory computing technology the Company is seeking to license via the Proposed Acquisition. Competition in retaining and sustaining protection of intellectual property, and the complex nature of intellectual property in the digital health and technology sectors, can lead to expensive and lengthy disputes for which there can be no guaranteed outcome. The granting of a patent or other registered right does not guarantee that the rights of others are not infringed, nor that competitors will not develop competing technology that circumvents such rights. The Company's success depends, in part, on its ability to obtain and maintain patents and other registered rights, protect trade secrets and proprietary software, algorithms and data, secure and retain licences to third party intellectual property (including the exclusive licence the Company is seeking to secure over intellectual property developed at the Technion – Israel Institute of Technology), and operate without infringing the proprietary rights of third parties. Because the intellectual property position of digital health and technology companies can be highly uncertain and frequently involves complex legal and technical evaluation, neither the breadth of claims allowed in any patents, nor their enforceability, can be predicted.

There can be no assurance that any patents, licences or other intellectual property rights that the Company, Datasphere or TRDF may own, control or licence, now or in the future (including under the proposed Technion licence, which remains subject to negotiation of a definitive agreement and satisfaction of a number of conditions), will afford the Company commercially significant protection, nor that the underlying technology will have commercial applications. Although the Company is not aware of any third-party interests in relation to its intellectual property rights and has taken steps to protect and confirm its interest in these rights, there is always a risk of third parties claiming involvement in technological discoveries or asserting that the Company's products or platform infringe their rights, and if any disputes arise, they could adversely affect the Company. Although the Company will implement all reasonable endeavours to protect its intellectual property, including its software, algorithms, data and platform technology, there can be no assurance that these measures have been, or will be, sufficient.

(c) **Competition and new technologies**

The industry in which the Company operates is highly competitive and is subject to increasing domestic and global competition which is fast-paced and fast-changing. While the Company undertakes all reasonable due diligence in its business decisions and operations, it will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively, or negatively affect the operating and financial performance of the Company's projects and business.

(d) **Research and Development**

The Company can make no representation that any of its research into or development of its technologies will be successful, that the development milestones will be achieved, or that its technologies will be developed into products that are commercially exploitable.

There are many risks inherent in the development of technology products, particularly where the products are in the early stages of development. Projects can be delayed or fail to demonstrate any benefit, or research may cease to be viable for a range of scientific and commercial reasons.

(e) **Privacy concerns**

Regulations in various jurisdictions limit tracking and collection of personal identification and information. If the Company breaches such regulations, the Company's business, reputation, financial position and financial performance may be detrimentally affected. External events may also cause regulators to amend regulations in respect of the collection and use of user information. Any amended regulations may introduce controls which make the operation of certain types of tracking technologies unusable which could damage the Company's financial position and financial performance by adding costs to the Company through the requirement to develop and implement new technology.

(f) **Information technology**

With any technical project there are risks associated with the chosen technology, vendors and employees, and in execution. While the Company has engaged subject-matter experts, employs experienced personnel and applies standard security technologies and approaches, there are risks that delivery will fail to meet expectations or deadlines, that technologies become obsolete, that natural disasters occur, that the Company is the subject of a fraud or malicious attack, or that platforms are compromised, in each case resulting in a negative impact on the Company's performance.

(g) **Scalability**

Scalability is the key to any company that is looking at a potential global market. While the Company believes that its technologies, other products, software and its service architecture have been built for scalability, there are no guarantees that its products will be able to meet future demand and requirements of consumers.

6.4 General risks

(a) **Changes in government policy**

Any material adverse changes in relevant government policies or legislation of Australia, or of any other jurisdiction in which the Company operates or holds rights, may affect the viability and profitability of the Company, and consequent returns to investors. The activities of the Company are subject to various federal, State and local laws, including in relation to privacy and data protection, consumer protection, child safety, therapeutic goods, taxation, employment and occupational health and safety.

(b) **Risk of international operations generally**

International sales and operations are subject to a number of risks, including:

(i) potential difficulties in enforcing agreements (including joint venture agreements) and collecting receivables through foreign local systems;

(ii) potential difficulties in protecting intellectual property;

(iii) increases in costs for transportation and shipping; and

(iv) restrictive government actions, such as imposition of trade quotas, tariffs and other taxes.

Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

(c) **Economic conditions and other global or national issues**

General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's development and production activities, as well as on its ability to fund those activities. General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

(d) **Market conditions**

Share market conditions may affect the value of the Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

(i) general economic outlook;

(ii) introduction of tax reform or other new legislation;

(iii) interest rates and inflation rates;

(iv) global health epidemics or pandemics;

(v) currency fluctuations;

(vi) changes in investor sentiment toward particular market sectors;

(vii) the demand for, and supply of, capital;

(viii) political tensions; and

(ix) terrorism or other hostilities.

The market price of Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and small capitalisation technology 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.

(e) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

(f) **Reliance on key personnel**

The Company is reliant on key personnel employed or engaged by the Company. Loss of such personnel may have a material adverse impact on the performance of the Company. In addition, recruiting qualified personnel is critical to the Company's success. As the Company's business grows, it may require additional key financial, administrative, investor and public relations personnel as well as additional staff for operations. While the Company believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success. The loss of key personnel or the inability to attract suitably qualified additional personnel could have a material adverse effect on the Company's financial performance.

(g) **Litigation**

The Company is exposed to possible litigation risks including, but not limited to, intellectual property ownership disputes, contractual claims, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(h) **Dividend Guidance**

No assurances can be given in relation to the payment of future dividends. Future determinations as to the payment of dividends by the Company will be at the discretion of the Board and will depend upon the availability of profits, the operating results and financial condition of the Company, future capital requirements, covenants in any relevant financing agreements, general business and financial conditions and other factors considered relevant by the Board.

(i) **Climate Risk**

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

(i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its business viability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and

(ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(j) **Insurance**

The Company may, where economically practicable and available, endeavour to mitigate some project and business risks by procuring relevant insurance cover. However, such insurance cover may not always be available or economically justifiable, and the policy provisions and exclusions may render a particular claim by the Company outside the scope of the insurance cover. While the Company will undertake all reasonable due diligence in assessing the creditworthiness of its insurance providers, there will remain the risk that an insurer defaults on a legitimate claim by the Company under an insurance policy.

6.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

7. ADDITIONAL INFORMATION

7.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

7.2 Lead Manager Mandate

The Company has entered into a mandate with the Lead Manager pursuant to which the Placement Options Offer is being made, the material terms and conditions of which are summarised below:

Services	The Lead Manager has agreed to act as the lead manager and bookrunner to the Placement.
Fees	In consideration for its services, the Company has agreed to pay a lead manager fee of 6% of the total amount raised under the Placement.
Expenses	The Company has agreed to reimburse the Lead Manager for all reasonable out-of-pocket expenses (together with any applicable GST) incurred in providing its services, which may include travel and accommodation, marketing and communication costs, printing, couriers, meals, sub-contracted research, the engagement of third parties and distribution and postage costs. The Lead Manager must obtain the Company's consent before incurring any single expense greater than $500, and before total aggregate expenses are expected to exceed $5,000.
Term and termination	The appointment is for the Placement only and expires on completion of the Placement. Either party may terminate the appointment on 30 days' written notice. Either party may terminate with immediate effect if the other fails to perform a material obligation and does not remedy that failure within 14 days of written demand. On termination, the Company must reimburse expenses incurred or committed to by the Lead Manager in accordance with the Lead Manager Mandate before the date of termination.
Right of first refusal	For six months following completion of the Placement, the Lead Manager has a right of first refusal to act as the Company's lead financial adviser and capital markets adviser, lead placement agent, lead arranger, lead book-runner or lead manager (as applicable) in connection with any actual or proposed acquisition or disposal transaction in which the Company engages a financial adviser, and any actual or proposed public or private offering of equity, equity-linked, debt or asset-backed securities. Fees for any such engagement are to be agreed at the relevant time and set out in a separate agreement.

The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

7.3 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

(a) it is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and

(c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

    (i) the annual financial report most recently lodged by the Company with the ASIC;

    (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and

    (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below:

DATE	ANNOUNCEMENT
28 August 2026	Notice under Section 708A
28 August 2026	Application for quotation of securities - TD1
27 August 2026	Notice of General Meeting/Proxy Form

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website (www.talidigital.com).

7.4 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act, and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	PRICE	DATE
Highest	$0.135	16 June 2026
Lowest	$0.051	3 June 2026
Last	$0.09	31 August 2026

7.5 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, the Company has no substantial holders. On completion of the Proposed Acquisition, the Placement and the SPP Offer, one or more of the shareholders of Datasphere (or their nominees) and one or more Placement Participants may become substantial holders of the Company.

7.6 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers pursuant to this Prospectus; or

(c) the Offers,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offers.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus and following completion of the Offers is set out in the table below.

Date of this Prospectus

DIRECTOR	SHARES	OPTIONS
David Brookes	290,003[1]	180,000[2]
William Hamilton	Nil	Nil
George Rolleston	2,392,245[3]	Nil

Notes:

1. Comprising:
   (a) 50,001 Shares held indirectly via Elisabeth Brookes <Dahlbrook Family Trust>;
   (b) 20,001 Shares held directly by Dr David Brookes; and
   (c) 220,001 Shares held indirectly via Tarandi 1996 Pty Ltd <Dr DL Brookes Personal Superfund>.
2. Comprising:
   (a) 60,000 unquoted Options exercisable at $0.40 each on or before 15 March 2028 held directly by Dr David Brookes;
   (b) 60,000 unquoted Options exercisable at $0.80 each on or before 15 March 2028 held directly by Dr David Brookes; and

    (c) 60,000 unquoted Options exercisable at $1.20 each on or before 15 March 2028 held directly by Dr David Brookes.

3. Comprising:
    (a) 2,098,862 Shares held indirectly via Asset Growth Fund Pty Ltd;
    (b) 43,383 Shares held indirectly via GPRolleston Super Pty Ltd <G&P Rolleston Super A/C>; and
    (c) 250,000 Shares held indirectly via Mr George Rolleston and Mrs Phoebe Rolleston <Rolleston A/C>.

Completion of the Offers

DIRECTOR	SHARES	OPTIONS
David Brookes[1]	1,890,003	713,333
William Hamilton[2]	1,400,000	466,666
George Rolleston[3]	6,592,245	1,400,000

Notes:

1. Mr Brookes has agreed to subscribe for $50,000 under the Placement. Subject to Shareholder approval under ASX Listing Rule 10.11, Mr Brookes (or his nominee(s)) will be issued 1,000,000 Shares and 333,333 Attaching Options. Mr Brookes has also agreed to subscribe for $30,000 under the SPP. Subject to Shareholder approval under ASX Listing Rule 10.11, Mr Brookes (or his nominee(s)) will be issued 600,000 Shares and 200,000 Attaching Options.
2. Mr Hamilton has agreed to subscribe for $70,000 under the Placement. Subject to Shareholder approval under ASX Listing Rule 10.11, Mr Hamilton (or his nominee(s)) will be issued 1,400,000 Shares and 466,666 Attaching Options.
3. Mr Rolleston has agreed to subscribe for $180,000 under the Placement. Subject to Shareholder approval under ASX Listing Rule 10.11, Mr Rolleston (or his nominee(s)) will be issued 3,600,000 Shares and 1,200,000 Attaching Options. Mr Rolleston has also agreed to subscribe for $30,000 under the SPP. Subject to Shareholder approval under ASX Listing Rule 10.11, Mr Rolleston (or his nominee(s)) will be issued 600,000 Shares and 200,000 Attaching Options.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed $350,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

DIRECTOR	FY ENDED 30 JUNE 2026 $	FY ENDING 30 JUNE 2027 (PROPOSED) $
David Brookes	$65,604[1]	90,000[2]
William Hamilton	$14,095[3]	52,500[4]
George Rolleston	$2,187[5]	52,500[6]

Notes:

1. Comprising $56,141 in director's fees, $6,737 in superannuation contributions and $2,726 in share-based payments.
2. Comprising $80,357 in salary and fees, $9,643 in superannuation.

3. Appointed as a Company director on 24 March 2026. Comprising $14,095 in director's fees.
4. Comprising $52,500 in salary and fees.
5. Appointed as a Company director on 16 June 2026. Comprising $1,953 in director's fees and $234 in superannuation contributions.
6. Comprising $46,875 in salary and fees, $5,625 in superannuation.

7.7 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

(b) promoter of the Company; or

(c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

(d) the formation or promotion of the Company;

(e) any property acquired or proposed to be acquired by the Company in connection with:

  (i) its formation or promotion; or

  (ii) the Offers; or

(f) the Offers,

and no amounts have been paid or agreed to be paid, and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

(g) the formation or promotion of the Company; or

(h) the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin $50,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has not been paid any fees for legal services provided to the Company.

62 Capital Pty Ltd has acted as the lead manager to the Placement. The Company estimates it will pay the Lead Manager the fees set out in Section 7.2 for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, the Lead Manager has not received any funds from the Company.

7.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and

(b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

62 Capital Pty Ltd has given its written consent to being named as lead manager to the Placement. The Lead Manager has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

RSM Australia Partners given its written consent to being named as auditor to the Company in this Prospectus and the inclusion of the 30 June 2026 audited balance sheet of the Company in Section 4.5. RSM Australia Partners has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

7.9 Estimated expenses of the Capital Raising

The total expenses of the Capital Raising are estimated to be approximately $259,915 as follows:

EXPENSE	($)
ASIC Fees	$3,206
ASX Fees[1]	$18,709
Lead Manager Fees[2]	$168,000
Legal Fees	$50,000
Registry, miscellaneous, printing and other expenses	$20,000
Total	**$259,915**

Notes:

1. ASX Fees estimated on the basis of an issue price of $0.05 per Share. The ASX fees may change at the time of issue depending on the number of Securities issued.
2. Being the lead manager fee referred to in Section 7.2, calculated on the total amount raised under the Placement.

7.10 Electronic Prospectus

ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on 1300 082 013 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus, or any of those documents were incomplete or altered.

7.11 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing Option certificates. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

7.12 Privacy Act

If you complete an application for Securities, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act* 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

8. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company, and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

9. DEFINITIONS

$ means Australian dollars.

AEST means Australian Eastern Standard Time.

Application Form means an application form to apply for Securities under an Offer.

Applicant means a person who submits an Application Form.

ASIC means the Australian Securities and Investments Commission.

ASIC Instrument has the meaning given to that term in Section 1.3 of this Prospectus.

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

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Attaching Options means Options offered under this Prospectus on the terms and conditions set out in Section 5.2.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Capital Raising means, together, the Placement and the SPP Offer.

Capital Raising Announcement has the meaning given to that term in Section 2.1 of this Prospectus.

Closing Date means the date specified in the timetable in Section 1.1 of this Prospectus (unless extended or brought forward).

Company means TALi Digital Limited (ACN 108 150 750).

Consideration Shares means the 22,000,000 Shares to be issued to the shareholders of Datasphere (or their nominees) pursuant to the Proposed Acquisition.

Constitution means the constitution of the Company as at the date of this Prospectus.

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

Datasphere means Datasphere Analytics Pty Ltd (ACN 689 577 419).

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholders are Shareholders with a registered address in Australia or New Zealand who were registered holders of Shares on the Record Date, other than in respect of any Shares issued to them under the Placement.

General Meeting has the meaning given to that term in Section 2.3 of this Prospectus.

Lead Manager means 62 Capital Pty Ltd (AFSL 531982).

Lead Manager Mandate has the meaning given to that term in Section 2.2 of this Prospectus.

Notice of Exercise has the meaning given to that term in Section 5.2 of this Prospectus.

Notice of Meeting has the meaning given to that term in Section 2.1 of this Prospectus.

Offers has the meaning given to that term on the cover page of this Prospectus.

Official Quotation means official quotation on ASX.

Opening Date means the opening date of the Offers as specified in the timetable set out in Section 1.1 of this Prospectus (unless varied).

Option means an option to acquire a Share.

Placement has the meaning given in Section 2.1 of this Prospectus.

Placement Options Offer has the meaning given to that term on the cover page of this Prospectus.

Placement Participants means the sophisticated and professional investors, and the Directors, who have agreed to subscribe for Shares (and Attaching Options) under the Placement.

Proposed Acquisition means the proposed acquisition by the Company of 100% of the issued capital of Datasphere pursuant to a binding share sale agreement dated 21 August 2026 between the Company, Datasphere and each of the shareholders of Datasphere, as announced by the Company on 24 August 2026.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out in Section 1.1.

Section means a section of this Prospectus.

Securities means Shares and/or Options.

Share means a fully paid ordinary share in the capital of the Company.

Share Sale Agreement means the binding share sale agreement referred to in the definition of Proposed Acquisition.

Shareholder means a shareholder of the Company.

Shortfall means the Shares and Attaching Options not applied for under the SPP Offer (if any).

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in Section 3.4 of this Prospectus.

Shortfall Securities means those Securities issued pursuant to the Shortfall Offer.

SPP has the meaning given to that term on the cover page of this Prospectus.

SPP Application Form means the Application Form for the SPP Offer.

SPP Offer has the meaning given to that term on the cover page of this Prospectus.

Technion MOU has the meaning given to that term in Section 6.2 of this Prospectus.

Technology has the meaning given to that term in Section 6.2 of this Prospectus.

TMD has the meaning given to that term in Section 1.4 of this Prospectus.

TRDF has the meaning given to that term in Section 6.2 of this Prospectus.

Tranche 1 Placement has the meaning given to that term in Section 2.1 of this Prospectus.

Tranche 2 Placement has the meaning given to that term in Section 2.1 of this Prospectus.