CONTROL BIONICS

28 September 2026

ASX ANNOUNCEMENT

Breach of Listing Rule 10.1

During the year ended 30 June 2026, Phoenix Development Fund Limited (**Phoenix**) offered CBL a $400,000 loan facility to be secured over the R&D tax incentive refund expected to be received in approximately August 2026. Phoenix is a substantial shareholder of CBL. The offer by Phoenix was accepted as the terms were superior to any other R&D tax incentive funding arrangements being offered in the market. All other R&D tax incentive funding arrangements required granting security over the proceeds of the refund.

The entering into of the loan was disclosed in note 16 to its audited financial statements for the year ended 30 June 2026 as follows:

> "On 28 April 2026, the Company entered into a $400,000 loan facility with Phoenix Development Fund Limited, secured against the Company's anticipated FY26 R&D tax incentive refund. The facility bears interest at 12% per annum and was repayable by 30 September 2026, subject to earlier repayment upon receipt of the R&D tax incentive refund. Under the terms of the facility, the Company was required to enter into a General Security Agreement in favour of the lender; as at 30 June 2026, this had not yet been executed."

The General Security Agreement (**GSA**) was not executed on the request of Phoenix on the basis of advice received by Phoenix that the entering into the GSA may be a breach of ASX Listing Rule 10.1.

Accordingly, at all times, the loan from Phoenix was unsecured and the GSA has never been executed.

The loan was repaid in full in August 2026.

ASX Notice

CBL has been advised by the ASX that even though the GSA has not been executed, ASX considers that CBL has breached ASX Listing Rule 10.1 by entering into a facility agreement that requires CBL to grant the lender a General Security Agreement over its R&D refund receivable. The R&D refund receivable is a "substantial asset" for the purposes of ASX Listing Rule 10.1.

Control Bionics Limited
ABN: 45 115 465 462

Registered Office
Level 4, 11-13 Pearson Street
Cremorne, Victoria, 3121, Australia

T: +61 3 9897 3576
W: controlbionics.com

CBL arrangements to comply with its obligations under ASX Listing Rule 10.1.

The management of CBL are required to seek approval from the Board for all equity and debt funding transactions and all other transactions to be entered into with non-arm's length entities including the entities subject to ASX Listing Rule 10.1.

Under its charter, the Audit and Risk Committee is responsible for reviewing and monitoring related party transactions. The ARC identifies counterparties as to whether they are related parties, will determine the value of any relevant asset or security interest and assess whether shareholder approval is required. It will seek legal advice if necessary.

The Board considers that the current arrangements are adequate to meet its obligations under the ASX Listing Rules.

This announcement was authorised by the CBL Chairman, Mr Stephen Rix.