

28 November 2018

Announcement

National Stock Exchange of Australia

Level 3

1 Bligh Street

Sydney NSW 2000

Market Announcement

iQnovate subsidiary qualified by US regulator to undertake capital raise and applies to list on Nasdaq Stock Exchange

- iQnovate Ltd (NSX: IQN) is pleased to announce that the United States Securities and Exchange Commission (SEC) has now qualified the Form 1-A filing for the Initial Public Offering (IPO) of the common stock of Glucose Biosensor Systems (Greater China) Holdings, Inc. (GBSG). GBSG is a subsidiary of iQnovate Ltd.
- GBSG has applied to list its shares on the Nasdaq Stock Exchange ("Nasdaq") under the symbol "GBSG". iQnovate expects GBSG to start trading on Nasdaq upon completion of the offering; provided that GBSG has met or exceeded the capital raising requirements for admission to the Nasdaq.
- The offering is for a minimum of 750,000 shares to raise US\$9.0m and a maximum of 2,083,334 shares to raise US\$25.0m, at an offering price of US\$12.00 per share. Subject to completion, these offering terms imply that GBSG's value will be between US\$128m (with minimum raise) and US\$145m (with maximum raise).
- At the time of IPO, iQnovate's holding in GBSG is valued at US\$80,190,000.00.
- This offering has been qualified by the SEC under the SEC Regulation A+ Tier 2 regime.
- A US based placement agent/underwriter has been engaged to offer the shares on a best efforts basis to prospective investors and will have the right

to engage other FINRA¹ member firms as it deems appropriate to assist in the offering.

About GBSG

GBSG is a development stage medical device company that is commercialising a novel "smart" biosensor salivary glucose monitoring system in Mainland China, Hong Kong, Vietnam and Bangladesh.

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About iQnovate Ltd

Bridging science with business

iQnovate is a scientifically driven life science asset management organisation. It has exceptional organic research and development capability. This enables iQnovate to conceptualise, source, validate and commercialise biotechnology assets that have extraordinary and potentially disruptive outcomes, thus advancing human health.

iQnovate.com

Forward-Looking Statements

This announcement contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact in this announcement are forward-looking statements, including but not limited to, the proposed IPO. These forward-looking statements involve known and unknown risks and uncertainties and are based on current expectations and projections about future events and financial trends that iQnovate and GBSG believe may affect the financial condition, results of operations, business strategy and financial needs, including the expectation that the IPO will be successfully completed.

Readers can identify these forward-looking statements by words or phrases such as "may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "potential," "continue," "is/are likely to" or other similar expressions.

¹ FINRA – Financial Industry Regulatory Authority

iQnovate and GBSG undertake no obligation to update forward-looking statements to reflect subsequent occurring events or circumstances, or changes in its expectations, except as may be required by law. Although iQnovate and GBSG believe that the expectations expressed in these forward-looking statements are reasonable, they cannot assure you that such expectations will turn out to be correct, and they caution readers that actual results may differ materially from the anticipated results.

This announcement shall not constitute an offer to sell or a solicitation of an offer to buy any referenced securities, nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction.