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19 November 2013

NOTICE UNDER SECTION 708AA OF THE CORPORATIONS ACT 2001 (CTH)

Cogstate Limited (ABN 80 090 975 723) (**Cogstate**) has today announced a fully underwritten non-renounceable rights issue (**Rights Issue**) under which its shareholders with registered addresses in Australia and New Zealand and certain shareholders in the United States of America (**Eligible Shareholders**) will be offered one fully paid ordinary share in Cogstate (**New Share**) for every eight fully paid ordinary shares held on the record date, at an issue price of \$0.37 per New Share. The New Shares will rank equally with all other fully paid ordinary shares of Cogstate.

As at the date hereof, Cogstate also announced that it has agreed to issue a total of 9,364,865 ordinary shares to Douglas Rosenberg (as trustee of the Douglas Rosenberg 2008 Revocable Trust) and Dagmar Dolby (as trustee of the Dagmar Dolby Trust) at an issue price of \$0.37 per New Share, in connection with separate private placements (**Placements**). Cogstate expects to issue these shares on or about 22 November 2013. The number of ordinary shares on issue post the Rights Issue and the Placements will be approximately 98,532,933.

Cogstate expects to despatch the Offer Document and Entitlement and Acceptance form to Eligible Shareholders on, or around 3 December 2013.

In accordance with section 708AA(2)(f) of the Corporations Act 2001 (Cth) (**Act**), Cogstate hereby gives notice that:

- 1) Cogstate will offer the New Shares for issue without disclosure to investors under Part 6D.2 of the Act;
- 2) Cogstate is giving this notice under section 708AA(2)(f) of the Act;
- 3) As a disclosing entity, Cogstate is subject to regular reporting and disclosure obligations;
- 4) As at the date of this notice, Cogstate has complied with:
 - a) the provisions of Chapter 2M of the Act as they apply to Cogstate; and
 - b) section 674 of the Act;
- 5) As at the date of this notice, there is no information:
 - a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and



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- b) that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:
- i) the assets and liabilities, financial position and performance, profits and losses and prospects of Cogstate; or
 - ii) the rights and liabilities attaching to the New Shares.
- 6) Below is information concerning the potential effect that the issue of the New Shares will have on the control of Cogstate and the consequences of that effect.

Change in capital structure

The capital structure of Cogstate before and after the Rights Issue is set out below:

Issued Shares	Number of Shares
Total issued capital of Cogstate at the date of this notice	78,219,964
Number of shares to be issued under the Placements	9,364,865
Number of New Shares offered under the Rights Issue	10,948,104
Total issued capital of Cogstate at completion of the Placements and the Rights Issue	98,532,933

Underwriter and Sub-underwriter

The offer is fully underwritten by Taylor Collison Limited (**Underwriter**) and fully sub-underwritten by Dagmar Dolby (as trustee of the Dagmar Dolby Trust) (**Sub-underwriter**), a major shareholder of Cogstate.

Following the Placements (but not taking into account the effect of the Rights Issue), the shareholding of the Sub-underwriter will be as set out below:

Shareholder	Number of Shares	Percentage of Total Shares in Cogstate
Dagmar Dolby (as trustee of the Dagmar Dolby Trust)	8,108,108	9.3%

The Underwriter does not hold any shares in Cogstate.

Potential control effects

With regard to the potential effect that the issue of New Shares may have on the control of Cogstate, an analysis of the potential shareholding of the Sub-underwriter following completion of the Rights Issue under two scenarios has been undertaken (see below).



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Although the participation of the Sub-underwriter in the Rights Issue (as an Eligible Shareholder and as the sub-underwriter) will increase its shareholding in Cogstate, it is not expected to have any material effect on the control of Cogstate

Scenario 1 – Estimated entitlement take up by Eligible Shareholders

The following table shows the capital structure of Cogstate if 70% of all entitlements are taken up by Eligible Shareholders under the Rights Issue (including the Sub-underwriter taking up its full entitlement). The Board of Directors considers Scenario 1 to be a realistic outcome of the Rights Issue, on the basis that Mr. Martyn Myer AO and his associated family interests (**Associated Entities**) have indicated that they intend to take up 100% of their entitlements.

Under this Scenario, the Sub-underwriter will take up 3,284,431 New Shares (being the New Shares not taken up by Eligible Shareholders under the Rights Issue) in its capacity as sub-underwriter of the Rights Issue.

Shareholder	Number of Shares	Percentage of Total Shares in Cogstate
Dagmar Dolby (as trustee of the Dagmar Dolby Trust)	12,406,053	12.6%
Martyn Myer AO and Associated Entities	16,584,541	16.8%
Other Shareholders	69,542,339	70.6%
Total issued capital of Cogstate	98,532,933	100.0%

Scenario 2– No entitlements are taken up by Eligible Shareholders, other than Mr. Martyn Myer AO and his Associated Entities.

The following table shows the capital structure of Cogstate if no Eligible Shareholders elect to take up any of their entitlements other than Mr. Martyn Myer AO and his Associated Entities, who have indicated that they intend to take up 100% of their entitlements. This Scenario shows the maximum possible shareholding of the Sub-underwriter in Cogstate following the Rights Issue (assuming the full participation in the Rights Issue by Mr. Myer AO and his Associated Entities).

Under this Scenario, the Sub-underwriter will take up 9,105,377 New Shares (being the New Shares not taken up by Eligible Shareholders under the Rights Issue) in its capacity as sub-underwriter of the Rights Issue.

Shareholder	Number of Shares	Percentage of Total Shares
Dagmar Dolby (as trustee of the Dagmar Dolby Trust)	17,213,485	17.5%
Martyn Myer AO and Associated Entities	16,584,541	16.8%
Other Shareholders	64,734,907	65.7%
Total issued capital of Cogstate	98,532,933	100.0%



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