

ASX Announcement

28 April 2023

SHARE PURCHASE PLAN UNDERWRITTEN

Elixinol Wellness Limited (**Elixinol Wellness**, **EXL** or the **Company**) (**ASX:EXL**) is pleased to announce it has entered into an underwriting agreement (**SPP Underwriting Agreement**) with Canaccord Genuity (Australia) Pty Ltd (**Canaccord**), whereby Canaccord have agreed to underwrite the share purchase plan (**SPP**) to the amount of \$1,000,000. The SPP Underwriting Agreement is dated 28 April 2023.

In consideration for underwriting the SPP, Canaccord will receive an underwriting fee of:

- 3,000,000 fully paid ordinary EXL shares; and
- 6,000,000 options,

subject to shareholder approval at the Annual General Meeting to be held on 31 May 2023. Each option will be exercisable for one EXL share at an exercise price of \$0.02 and will expire two years after the date of issue.

On 5 April 2023, EXL announced to the ASX a \$2.25m capital raising comprising:

- a \$1.25m Placement to new and existing institutional and sophisticated investors, which completed on 14 April 2023; and
- a \$1.0m Share Purchase Plan, allowing existing EXL shareholders the opportunity to participate in the capital raising on the same terms as the Placement.

Shares offered under the Placement and SPP are being offered with one attaching option for one share issued. Each option will be exercisable for one EXL share at an exercise price of \$0.02 and will expire two years after the date of issue. The offer of options is subject to shareholder approval at the Annual General Meeting.

Material terms of the SPP Underwriting Agreement are disclosed in Annexure A of this announcement.

Timetable

The SPP and offer of options is expected to open at 9.00am (AEST) on Monday, 1 May 2023.

The key dates in relation to the SPP and offer of Options are set out below.

Event	Date (2023)
Record Date of SPP	7:00pm (AEST) Tuesday, 4 April
Dispatch of SPP Offer Booklet, SPP Opening Date Lodgement of prospectus for Options with ASX and Option offer opens	Monday, 1 May

Event	Date (2023)
SPP Closing Date	Friday, 19 May
SPP Shortfall Notification Date	Tuesday, 23 May
Announcement of results of SPP	Wednesday, 24 May
SPP Settlement Date (other than Shortfall Shares)	Thursday, 25 May
SPP Issue Date (other than Shortfall Shares)	Friday, 26 May
Normal trading of Securities issued under SPP (other than Shortfall Shares)	Friday, 26 May
Dispatch of holding statements for SPP	Monday, 29 May
Annual General Meeting to consider SPP underwriting and Options	Wednesday, 31 May
SPP Shortfall Settlement Date (subject to Shareholder approval)	Monday, 5 June
Issue of Options and Shortfall Shares issued under SPP Shortfall Offer (subject to Shareholder approval)	Wednesday, 7 June

** All dates and times are indicative and the Company reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws. All times and dates are in reference to Sydney, Australia time.*

This document was authorised to be given to the ASX by the Board of the Company.

Investor relations please contact:

Ron Dufficy, Group CEO & Managing Director
ron.dufficy@elixinolwellness.com

About Elixinol Wellness

Elixinol Wellness Limited (ASX: EXL) is a pioneer in the global hemp industry, innovating, marketing and selling hemp and other plant-derived nutraceutical, cosmetic and food products. The Company's simplified business model is focusing on:

- In the Americas, innovating, marketing and selling high quality Elixinol branded hemp and other plant-derived nutraceutical and skincare products based in Colorado, USA
- In Australia, Hemp Foods Australia is a leading hemp food wholesaler, retailer, manufacturer and exporter of bulk and branded raw materials, and finished products
- In the United Kingdom, South Africa, Japan, Brazil, Mexico and Malaysia (pending approvals), branded hemp and other plant-derived products are available to consumers via exclusive Distribution and/or Trademark and Know-How Licensing Agreements
- Across the Rest of World, expanding distribution of branded hemp and other plant-derived products through reputable distributors as key markets open.

See more at www.elixinolwellness.com

ANNEXURE A

Canaccord is, subject to the terms of the SPP Underwriting Agreement, obliged to subscribe (or procure subscriptions) for any "shortfall" arising under the SPP. A "shortfall" will arise under the SPP if Eligible Shareholders collectively apply for less than \$1 million worth of Shares under the SPP.

Canaccord's underwriting obligation under the SPP Underwriting Agreement is subject to a number of conditions, warranties, undertakings and termination events that are customary for an agreement of this nature. On completion of the SPP, the Company will be required to pay Canaccord an underwriting fee by way of an issue of:

- 3,000,000 EXL shares; and
- 6,000,000 options,

subject to shareholder approval. Each option will be exercisable for one EXL share at an exercise price of \$0.02 and will expire two years after the date of issue.

Canaccord has a number of termination rights which are considered standard for agreements of this nature. The key termination rights are described below:

- **(offer withdrawal)**: the Company withdraws the Placement or the SPP;
- **(suspension)**: ASX announces that the Company's shares will be delisted, removed from quotation, withdrawn from admission to trading status or suspended from quotation;
- **(unable to issue securities)**: the Company is unable to issue or prevented from issuing the SPP Shortfall Shares as contemplated by the SPP Underwriting Agreement;
- **(market conditions)**: the ASX200 Index falls to a level which is 10.0% or more below the level of that index on the close of trading on the Business Day before the date of the SPP Underwriting Agreement and closes at or below that level on:
 - any three consecutive Business Days after the date of the SPP Underwriting Agreement and on or before the Business Day immediately prior to the date of settlement of the SPP Shortfall Shares; or
 - at the close of trading on the Business Day immediately prior to the date of settlement of the SPP Shortfall Shares; or
- **(section 708 determination)**: ASIC makes a determination under section 708A(2) of the Corporations Act.