

# Elixinol Wellness Limited

ACN 621 479 794  
(ASX code: EXL)

## PROSPECTUS

### 2024 Non-Renounceable Rights Issue Offer

*For a non-renounceable pro-rata rights issue to Eligible Shareholders on the basis of **1 New Share for every Share** held by Shareholders at the Record Date at an issue price of 0.5 cents per New Share (\$0.005) **together with** 1 New Option (with an exercise price of 0.75 cents (\$0.0075)) for every 2 New Shares issued under the Offer to raise a maximum of approximately \$3.16 million before costs (**Rights Issue Offer**) and the placement of any Shortfall under the Rights Issue Offer. Sub-underwriters will also be offered the Sub-Underwriter Options.*



**Underwritten by Canaccord Genuity (Australia) Limited ACN 075 071 466**

#### IMPORTANT NOTICE

**This document is important and should be read in its entirety.**

If, after reading this Prospectus, you have any questions about the Offer Securities being offered under this Prospectus or any other matter relating to the Offers, then you should consult your professional adviser. An investment in the Offer Securities offered by this Prospectus should be considered speculative.

This Prospectus may not be released to US wire services or distributed in the United States except by the Company to a limited number of shareholders who are employees of the Company or “*accredited investors*” (as defined in Rule 501(a) under the US Securities Act).

This Prospectus has also been prepared in accordance with Section 713 of the Corporations Act.

## IMPORTANT NOTICE

### 1. Prospectus

This Prospectus is dated 19 February 2024. A copy of this Prospectus has been lodged with ASIC on that date. ASIC and its officers take no responsibility for the contents of this Prospectus. No Offer Securities will be issued or allotted on the basis of this Prospectus later than 13 months after the date of this Prospectus (**Expiry Date**).

This Prospectus is a transactional specific prospectus for an offer of continuously quoted securities (being the New Shares offered under this Prospectus) and New Options and has been prepared in accordance with section 713 of the Corporations Act.

This Prospectus does not contain the same level of disclosure as an initial public offering prospectus prepared pursuant to Section 710 of the Corporations Act. In making representations in this Prospectus, regard has been made to the fact that the Elixinol Wellness Limited (**EXL, Elixinol** or 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. Further information is provided in Sections 7.4 and 7.5 of this Prospectus. 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.

The Company will apply to ASX within 7 days of the date of this Prospectus for quotation of the New Shares offered under this Prospectus. The ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may quote the New Shares is not to be taken in any way as an indication of the merits of the Company.

Applications for New Shares and New Options offered pursuant to this Prospectus, including also for any Addition Securities, can only be submitted on the applicable original Entitlement and Acceptance Form which accompanies this Prospectus. Applications for the Shortfall Offer can only be submitted by invitation from the Company upon the Shortfall Application Form. If you are in any doubt about the contents of this document, you should obtain independent professional advice.

### 2. Disclaimer

The information contained in this Prospectus is not investment advice. Before deciding to invest in the Company, you should read and understand the entire Prospectus and, in particular, in considering the Company's prospects, you should consider the risk factors that could affect the Company's performance.

You should carefully consider these risk factors in Section 6 in light of your personal circumstances (including financial and taxation issues) and seek advice from your professional adviser before deciding to invest. Investing in the Company involves risks.

None of the Company, the Directors or any other person gives any guarantee as to the success of the Company, the repayment of capital, the payment of dividends, the future value of the Offer Securities or the price at which the New Shares will trade on the ASX.

Any references to past performance of the Company is no guarantee of future performance.

### 3. No Representations other than this Prospectus

No person or entity is authorised to give any information or to make any representation in connection with the Offers that is not contained in this Prospectus or has not been released to ASX with the authorisation of the Company.

The Application Forms accompanying this Prospectus are important.

Please refer to the instructions in Section 4 of this Prospectus regarding the acceptance of the Offer.

### 4. Forward looking information

Some of the statements appearing in this Prospectus may be in the nature of forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. You should be aware that such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate.

Forward looking statements are subject to many inherent risks and uncertainties before actual outcomes are achieved. Those risks and uncertainties include factors and risks specific to the industry in which the Company operates as well as general economic conditions, interest rates, exchange rates and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and any variation may be materially positive or negative. Forward looking information (including forecast financial information) is subject to uncertainty and contingencies, many of which are outside the control of the Company.

### 5. No cooling off rights apply to this Offer

Cooling off rights do not apply to an investment pursuant to the Offers. This means that, in

most circumstances, you cannot withdraw your Application Form once it has been lodged.

#### **6. Offer Restrictions on Distribution**

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to lodge this Prospectus in any jurisdiction outside of Australia or to otherwise permit a public offering of New Shares or New Options in any jurisdiction outside Australia.

In particular, the Offer Securities have not been, and will not be, registered under the US Securities Act and may only be offered and sold in the United States in accordance with an available exemption from registration under the US Securities Act and applicable US state securities laws.

Return of a duly completed Application Form will be taken by the Company as a representation that that the Applicant is an Eligible Shareholder.

#### **7. Prospectus availability**

Those investors who receive this Prospectus electronically are advised that the issue of securities under this Prospectus is only available to persons receiving the Prospectus in accordance with the distribution restrictions described in item 6 above. A paper copy of this Prospectus may be obtained free of charge from the Company or downloaded from the ASX website. The information on the ASX website or the Company's website do not form part of this Prospectus.

#### **8. Definitions and glossary, financial amounts and time**

Definitions of certain terms used in this Prospectus are contained in Section 9. Unless otherwise indicated, all references to currency are to Australian dollars and all references to time are to Melbourne, Victoria time.

## TABLE OF CONTENTS

<b>Key Offer details</b>	<b>2</b>
<b>Important Dates*</b>	<b>2</b>
<b>1. RIGHTS ISSUE OFFER OVERVIEW</b>	<b>4</b>
<b>2. DETAILS OF THE OFFERS</b>	<b>8</b>
<b>3. EFFECT OF THE OFFERS</b>	<b>17</b>
<b>4. ACTION REQUIRED BY ELIGIBLE SHAREHOLDERS</b>	<b>19</b>
<b>5. RIGHTS AND LIABILITIES ATTACHING TO THE NEW SHARES, NEW OPTIONS AND SUB-UNDERWRITER OPTIONS</b>	<b>24</b>
<b>6. RISKS</b>	<b>26</b>
<b>7. ADDITIONAL INFORMATION</b>	<b>31</b>
<b>8. DIRECTORS' STATEMENT</b>	<b>37</b>
<b>9. DEFINITIONS</b>	<b>39</b>
<b>10. CORPORATE DIRECTORY</b>	<b>41</b>
<b>ANNEXURE A – OPTION TERMS AND CONDITIONS</b>	
<b>APPLICATION FORMS</b>	

## Key Offer details

Key details of the Offer	
Offer to Eligible Shareholders	1 New Share for every Share held at the Record Date at the Issue Price plus: <ul style="list-style-type: none"> <li>• 1 New Option for every 2 New Shares issued under the Offer; and</li> <li>• the Top-Up Facility for Shareholders who subscribe for their full Entitlement</li> </ul>
Issue Price per New Share	0.5 cents per New Share payable in full on Application
Exercise Price per New Option	0.75 cents per New Option
Maximum number of New Shares issued under this Prospectus	632,871,613 (subject to rounding) New Shares
Maximum number of New Options to be issued under this Prospectus	316,435,807 (subject to rounding) New Options
Maximum number of Sub-Underwriter Options which, subject to shareholder approval, may be issued under this Prospectus	316,435,807 (subject to rounding) Sub-Underwriter Options
Maximum proceeds (excluding costs associated with the Offer) if the Maximum Subscription Amount is achieved	Approximately \$3.16 million for New Shares (before expenses and costs of the issue)
Maximum number of Shares on issue following the Offer ( <u>excluding</u> any shares issued upon the exercise of any Options)	1,265,743,226 Shares (subject to rounding)
Maximum number of Options on issue following the Offer ( <u>excluding</u> any shares issued upon the exercise of any Options)	767,691,060 Options (subject to rounding)

## Important Dates\*

Event	Date
<b>Record Date</b> to determine Entitlements under the Rights Issue Offer	22 February 2024
Prospectus (including Entitlement & Acceptance Form and Shortfall Application Form) despatched.	26 February 2024
<b>Opening Date</b>	26 February 2024
<b>Closing Date</b> for acceptances under the Rights Issue Offer and Top-Up Offer	5.00pm on 15 March 2024
<b>Issue of the New Shares and New Options</b>	Before noon (Melbourne time), 22 March 2024
<b>Trading</b> (T+2) of New Shares expected to commence	26 March 2024

\* The above dates are indicative only and subject to change. All dates and times are Australian Eastern Daylight Time (AEDT). The Company reserves the right, subject to the Corporations Act and the Listing Rules, to extend these dates without prior notice including extending the last date for receipt of the Application Form, or to delay or withdraw the Rights Issue Offer and Top-Up Offer at any time without prior notice. If withdrawn, all Application Monies for New Shares which have not been issued will be refunded (without interest) as soon as practicable.

## Letter from the Non-Executive Chairman

On behalf of the Board of Elixinol Wellness Limited (**Company**), I invite you to participate in the Company's fully underwritten non-renounceable pro-rata entitlement offer of 1 New Share for every Share held at an Issue Price of 0.5 cents per New Share, plus 1 New Option for every 2 New Shares issued under the Offer (**Rights Issue Offer**) to raise up to maximum of approximately \$3.16 million.

The Offers may be summarised as follows:

- Eligible Shareholders may subscribe under the Rights Issue Offer for 1 New Share for every Share held as at the Record Date (together with 1 New Option for every 2 New Shares issued under any Shortfall).
- New Shares are priced at 0.5 cents (\$0.005) per New Share.
- There is no minimum subscription to be raised under this Prospectus before the Rights Issue Offer can close.
- Eligible Shareholders may also subscribe for Addition Securities beyond their rights issue Entitlement on the basis that some other existing Shareholders will be either ineligible or may fail to fully take up their Entitlement (**Top-Up Offer**). This Top-Up Offer to apply for Addition Securities is restricted only to Eligible Shareholders (other than Directors and related parties of the Company).
- If there remains any Shortfall after allocation of Entitlements to Eligible Shareholders under the Rights Issue Offer and Top-Up Offer, the Directors also reserve the right for up to 3 months after the close of the Rights Issue Offer to place any Shortfall at the Board's discretion under this Prospectus but at a price no less than the Issue Price (**Shortfall Offer**). Any subscriptions under the Shortfall Offer will be allocated in the Board's absolute discretion.
- The Rights Issue Offer is underwritten by Canaccord Genuity (Australia) Limited. The Company will, subject to shareholder approval, issue Canaccord with up to 316,435,807 Sub-Underwriter Options to be distributed to the sub-underwriters on the same terms as the New Options under the Rights Issue Offer.

A copy this Prospectus has been lodged with ASIC and the ASX and can be accessed on the ASX website or via the Company's website: **Error! Hyperlink reference not valid.**

As announced on 12 February 2024, the funds from the Offers are important and will be applied to complete the purchase of purchase of Ananda Food Pty Ltd ACN 107 362 863 (which is a wholly owned subsidiary of Ecofibre Limited ACN 140 245 263 (ASX:EOF)) and for general working capital purposes. For more information, please see section 2.4 of this Prospectus.

We look forward to your participation in the Offers.

Yours sincerely

**David Fenlon**  
**Non-Executive Chairman**  
**Elixinol Wellness Limited**

## 1. RIGHTS ISSUE OFFER OVERVIEW

### 1.1 Overview of the Offers

This Section is not intended to provide full information for investors intending to apply for New Shares and New Options offered pursuant to this Prospectus. This Prospectus and all of its Sections should be read and considered in their entirety.

Question	Response	Where to find more information
<b>What is the Rights Issue Offer</b>	Non-renounceable offer of New Shares, accompanied by attaching options (i.e., the New Options) as described below ( <b>Rights Issue Offer</b> ).	Sections 2.1 and 2.6
<b>What are the terms of the Rights Issue Offer</b>	1 New Share for every Share held on the Record Date at an issue price of 0.5 cents per Share (\$0.005), plus the grant to the subscribers of 1 New Option expiring 36 months from the date of issue at an exercise price of 0.75 cents for every 2 New Shares issued under the Rights Issue Offer.	Section 2.1
<b>Are the New Shares and Options to be Quoted on the ASX</b>	Yes, the New Shares, New Options and Sub-Underwriter Options will be quoted on the ASX.	Section 2.3 and Annexure A
<b>Can I sell or transfer my Entitlements</b>	No, the Rights Issue Offer is non-renounceable and, accordingly, you cannot offer to sell or transfer any of your Entitlement on ASX or via an off-market transfer.	Section 2.6
<b>Am I an Eligible Shareholder</b>	The Rights Issue Offer and Top-Up are made to Eligible Shareholders registered as a holder of Shares as at 7.00 pm (AEDT) on Thursday, 22 February 2024 ( <b>Record Date</b> ).	Definition of <b>Eligible Shareholder</b> and Section 0
<b>Can I purchase Addition Securities at the same price (Top-Up Offer)?</b>	Yes, the Company is also offering a Top-Up Facility so Eligible Shareholders who fully subscribe for their entitlement under the Rights Issue Offer will also have the right to apply for Addition Securities (not subscribed for by other Eligible Shareholders) at the same Issue Price ( <b>Top-Up Offer</b> ). For every 2 Additional Shares issued, subscribers will also receive 1 New Option.	Sections 2.1 and 2.10
<b>How will the Addition Securities be allocated</b>	The Company reserves the right to scale back any applications for Addition Securities in their absolute and sole discretion where the aggregate of New Shares applied for under the Top-Up Offers exceeds the	Section 2.10

Question	Response	Where to find more information
	<p>available shortfall from Shareholders who have not taken up, or are ineligible to take up, their Entitlement in full.</p> <p>When determining the amount (if any) by which to scale back an application, the Company may take into account a number of factors, including the size of an Applicant's shareholding in the Company, the extent to which an Applicant has sold or bought additional Shares in the Company before and after both the announcement of the Rights Issue Offer and the Record Date, as well as when the application was made.</p>	
<b>Shortfalls – Shortfall Offer</b>	<p>If there remains any Shortfall, the Directors reserve the right for up to 3 months from the close of the Rights Issue Offer to place any Shortfall at their discretion at a price no less than the Issue Price. The issue of Shares (and accompanying Options) under a Shortfall (if any), if issued, will be allocated by the Board in its discretion. In each case, the issue of every 2 New Shares under the Shortfall will be accompanied by the issue of 1 New Option. Application may only be made under the Shortfall Offer pursuant to a Shortfall Application Form.</p>	Section 2.11
<b>Is the Offer underwritten</b>	<p>Yes, the Rights Issue Offer is underwritten.</p> <p>As announced on 12 February 2024, the sub-underwriters to the Rights Issue Offer (introduced by the Underwriter) will receive one (1) for two (2) options for each New Share sub-underwritten (being the <b>Sub-Underwriter Options</b>), issued on the same terms as the New Options. The Sub-Underwriter Options will be subject to shareholder approval - to be sought as soon as practicable.</p> <p>If the Company is unable to obtain shareholder approval to issue up to 316,435,807 Sub-Underwriter Options, the Company will issue the maximum number of Sub-Underwriter Options to the Sub Underwriters as permitted under its unused capacity pursuant to ASX Listing Rule 7.1.</p>	Section 2.9
<b>How do the New Shares rank in comparison to existing Shares</b>	<p>All New Shares issued under the Offers (including on exercise of any Options or Sub-Underwriter Options) will rank equally in all respects with existing Shares from the date of their issue.</p>	Sections 2.18 and 5.1
<b>What are my choices?</b>	<p>As an eligible Shareholder you may:</p>	Section 4.1



Question	Response	Where to find more information
	<ul style="list-style-type: none"> <li>• take up all of your Entitlement under the Rights Issue Offer (and if you have taken up all your Entitlement, you may also apply for participation in the Top-Up Facility under the Top-Up Offer); or</li> <li>• exercise only a portion of your Entitlement and allow the balance to lapse; or</li> <li>• do nothing, in which case all of your Entitlements will lapse, and you will receive no value for those lapsed Entitlements.</li> </ul>	
<p><b>What will be the effect of the Offers on control</b></p>	<p>The effect of the Offers on the control of the Company will vary with the level of Entitlements taken up by Eligible Shareholders under the Offers and the issue of any Shortfall. The Board will not allocate any Addition Securities such that such an allocation would result in a Shareholder having an interest in the Company in excess of 19.9% on the completion of the Offers. In this regard, no Chapter 6 approvals under the Corporations Act will be sought.</p>	<p>Section 3.2</p>
<p><b>How do I apply for New Shares / Options under the Rights Issue Offer</b></p>	<p>Eligible Shareholders can apply for New Shares and New Options under the Rights Issue Offer by making payment by BPAY® or EFT in the amount of the Rights Issue Offer (and Top-Up Offer, if applicable) applied for.</p> <p>You do not need to return the Entitlement and Acceptance Form and the Company will assume that you have applied for that number of New Shares corresponding to the subscription monies paid. You may accept all or part of your Entitlement.</p>	<p>Sections 4.2 and 4.3</p>
<p><b>How do I apply for New Shares / Options under the Shortfall Offer</b></p>	<p>You can apply for New Shares and Options (<b>Additional Securities</b>) under the Shortfall Offer by completing the relevant sections of the Shortfall Application Form accompanying this Prospectus, sending it to the Share Registry and making payment by EFT in the amount of the Shortfall Offer applied for.</p>	<p>Section 4.7</p>
<p><b>How can I obtain further information</b></p>	<p>Contact our Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (from outside Australia) at any time between 9:00am to 5:00pm Monday to Friday until the Closing Date. For advice, actively consult your broker, accountant or other professional adviser.</p>	<p>N/A</p>
<p><b>Risk Factors</b></p>	<p>There are many risks associated with an investment in the Company, including relating to the Company's business, its regulatory environment, its financial</p>	<p>Section 6</p>

Question	Response	Where to find more information
	<p>requirements generally. These risks will in part turn upon the Company's ability to:</p> <ul style="list-style-type: none"><li>• ensure distribution of its product;</li><li>• manage capital expenditure in producing and marketing the products; and</li><li>• ensuring customer acceptance of the products.</li></ul> <p>Refer to Section 6 for a more detailed description of some of these Risk Factors.</p>	

## 2. DETAILS OF THE OFFERS

### 2.1 The Offers

#### **The Rights Issue Offer:**

The Company is offering Eligible Shareholders the opportunity to subscribe for 1 New Share for every Share held at 7:00pm on the Record Date at an Issue Price of 0.5 cents (\$0.005) per New Share, together with the grant of 1 New Option expiring 36 months from the date of issue and an exercise price of exercise price of 0.75 cents for every 2 New Shares issued under this offer (**Rights Issue Offer**).

Your Entitlement under the Rights Issue Offer is shown on, and you may only make application for New Shares and New Options pursuant to, the terms of the accompanying Entitlement & Acceptance Form. Details on how to accept the Rights Issue Offer are set out in Section 4.

#### **The Top-Up Offer:**

Eligible Shareholders who fully subscribe for their entire Entitlement under the Rights Issue Offer may also apply under the Top-Up Facility for Addition Securities known as their **Top-Up Offer**.

The allocation of any Addition Securities will be limited to the extent that there are sufficient New Shares available (after all acceptances have been received under the Rights Issue Offer) which have not been taken up by some of the Eligible Shareholders and have therefore formed a "Shortfall".

#### **The Shortfall Offer:**

Subject to the Corporations Act and the Listing Rules, the Board reserves the right to offer any Shortfall (after the allocations of all New Shares under the Rights Issue Offer and the Top-Up Offer) to other eligible investors within a 3-month period after the close of the Rights Issue Offer.

In each case, each issue of New Shares under any Shortfall will be accompanied by 1 New Option for every 2 New Shares subscribed under the Shortfall. The Options will have an expiry date being the date which is 36 months from the date of issue and an exercise price of exercise price of 0.75 cents.

Application may only be made under the Shortfall Offer pursuant to a Shortfall Application Form.

Under the Underwriting Agreement (see section 2.9 below), subject to shareholder approval (as necessary), the Company will issue to the Underwriter up to 316,435,807 options (being the Sub-Underwriter Options) on the same terms as the New Options to be distributed to sub-underwriters. An application form the Sub-Underwriter Options is also attached to this Prospectus.

### 2.2 Eligible Shareholders

Eligible Shareholders are those holders of Shares who:

- are registered as a holder of Shares as at the Record Date; and
- have an address on the Company's share register in Australia or New Zealand.

Shareholders who do not satisfy each of the above mentioned criteria are regarded as 'Ineligible Foreign Shareholders'. All Ineligible Foreign Shareholders will be sent a letter advising of their inability to participate in the Rights Issue Offer and Top-Up Offer.

The Company, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Shareholder and is therefore able to participate in the Rights Issue Offer and Top-Up Offer, or an Ineligible Foreign Shareholder and is therefore unable to participate in the Rights Issue Offer and Top-Up Offer. The Company disclaims all liability to the maximum extent permitted by law in respect of any determination as to whether a Shareholder is an Eligible Shareholder or an Ineligible Foreign Shareholder.

### 2.3 Size and Nature of the Offers

As at the date of this Prospectus, the Company has on issue 632,871,613 Shares and 134,819,446 Options (at varying expiry dates, all exercisable at \$0.02).

Approximately 632,871,613 New Shares, 316,435,807 New Options, plus 316,435,807 Sub-Underwriter Options will be offered under the Offers to raise approximately \$3.16 million before the expenses of the Rights Issue Offer are taken into account and without the exercise of any of the Options.

There is no minimum subscription under the Rights Issue Offer before the Company may use the funds raised after the close of the Offers.

### 2.4 Use of Funds

The Company proposes to use the funds received\* pursuant to the Offers (assuming the maximum amount is raised and no exercise of any of the Options or Sub-Underwriter Options) as described below:

Indicative expenditure	Description	\$
Complete the purchase of Ananda Food Pty Ltd	As announced on 12 February 2024, the purchase price of Ananda Food Pty Ltd includes an upfront payment of \$2,000,000 and a deferred cash consideration up to a maximum value of \$1,000,000 subject to hurdle requirements based on the performance of Ananda Food Pty Ltd.	<b>\$2,000,000</b>
General Working Capital and capital raising costs**	Day to day working capital requirements and capital raising costs for the Offers	<b>up to \$1,160,000</b>
Maximum funds raised under the Offers	-	<b>\$3.16m</b>

\* As the Rights Issue Offer are underwritten, the maximum raising of \$3.16 million is expected to be raised.

\*\* The Company will pay cash commission to the Underwriter. See section 2.9 for more detail. Any such commission costs have not been taken into account in the use of funds above.

## 2.5 Opening and Closing Date

The Rights Issue Offer and the Top-Up Offer will open for receipt of acceptances on Monday, 26 February 2024. The Closing Date for acceptance of your Entitlement is 5.00pm, Friday, 15 March 2024.

The Company reserves the right, subject to the Corporations Act and the Listing Rules, to extend the last date for the close of the Rights Issue Offer, or to delay or withdraw the Rights Issue Offer at any time without prior notice. Where the Rights Issue Offer is withdrawn, all Application Monies will be refunded (without interest) as soon as practicable by EFT to your bank account.

Any extension of the Closing Date will have a consequential effect on the issue date of New Shares, New Options and any Sub-Underwriter Options.

## 2.6 Entitlements under the Rights Issue Offer

The Rights Issue Offer and the Top-Up Offer (i.e. the Rights Issue Offer) are non-renounceable and therefore Eligible Shareholders cannot offer to sell or transfer any of their Entitlement on ASX or via an off-market transfer (or any other exchange or privately transferred).

Shareholders who do not take up their Rights Issue Offer in full will have their percentage interest in the Company diluted as compared to that percentage as at the date the Rights Issue Offer is made.

Your Entitlement has been calculated and rounded up to the nearest whole number (at the offer ratio) and where the Company receives acceptances in aggregate in excess of the maximum number of available Shares – all acceptances will be pro rata reduced to that maximum available under the Rights Issue Offer.

As described in Sections 2.10 and 2.11, any New Shares not taken up by an Eligible Shareholder by the Closing Date will form part of the Shares available under the Top-Up Offer and Shortfall Offer.

## 2.7 Entitlements and acceptance

The Entitlement of Eligible Shareholders to participate in the Rights Issue Offer will be determined on the Record Date. Your Entitlement is shown on the Entitlement & Acceptance form accompanying this Prospectus.

## 2.8 No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your Application once it has been received.

## 2.9 Underwriting

The Rights Issue Offer are underwritten by Canaccord Genuity (Australia) Limited ACN 075 071 (**Canaccord**).

A summary of the material terms of the Underwriting Agreement is set out below.

### **Fees:**

Canaccord will be paid the following fees:

- » underwriting fee of 4.0%; and
- » issue management fee of 2.0%,

of the total gross amount raised in the Rights Issue.

EXL must also reimburse Canaccord for all reasonable costs and expenses of and incidental to the Rights Issue (including professional and legal fees).

### **Sub-Underwriter Options**

Subject to completion of the Rights Issue Offer and shareholder approval of the Sub-Underwriter Options, EXL agrees to issue Canaccord Genuity (Australia) Limited's nominees, up to 316,435,807 Sub-Underwriter Options on the same terms as the New Options.

If the Company is unable to obtain shareholder approval to issue up to 316,435,807 Sub-Underwriter Options, the Company will issue the maximum number of Sub-Underwriter Options to the sub underwriters as permitted under its unused capacity pursuant to ASX Listing Rule 7.1.

### **Conditions Precedent and Termination Events**

Canaccord Genuity (Australia) Limited's obligation to underwrite the Rights Issue is subject to the satisfaction of certain conditions precedent documented in the Underwriting Agreement that are customary for a transaction of this nature. If one or more of those conditions are not satisfied by the relevant date or if certain events occur, then Canaccord may terminate the Underwriting Agreement.

The events which may trigger termination of the Underwriting Agreement include (but are not limited to) the following:

- » the All Ordinaries Index & Emerging Companies Index as published by the ASX falls below 10% of its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;
- » Official Quotation has not been applied for in respect of the New Shares by 22 March 2024, or having been applied for, is subsequently withdrawn, withheld or qualified;
- » the Prospectus does not contain all the information required by the Corporations Act;
- » it transpires that there is a statement in this Prospectus that is misleading or deceptive in a material respect or likely to mislead or deceive in a material respect, or that there is a material omission from this Prospectus or if any statement in this Prospectus becomes misleading or deceptive in a material respect or likely to mislead or deceive in a material respect or if the issue of this Prospectus is or becomes misleading or deceptive in a material respect or likely to mislead or deceive in a material respect;
- » the Company is prevented from allotting the New Shares within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;

- » the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;
- » any authorisation which is material to anything referred to in this Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter (acting reasonably); and
- » a director or senior manager of EXL is charged with an indictable offence.

## 2.10 Top-Up Facility

Eligible Shareholders (other than Directors and related parties of the Company) may, in addition to taking up their Entitlements in full, apply for any number of Addition Securities in excess of their Entitlements by using the Top-Up Facility (**Top Up Offer**).

Addition Securities will only be available where the total number of New Shares the subject of all Applications received under the Rights Issue Offer is less than the aggregate Entitlements, being approximately 632,871,613 (subject to rounding) New Shares proposed to be issued under the Rights Issue Offer. Any Addition Securities issued will be at the same Issue Price of 0.5 cents per Share (\$0.005) and include the issue of 1 New Option (at no additional cost to the Eligible Shareholder) for every 2 Shares issued to the same Eligible Shareholder under the Top Up Facility.

There can be no guarantee that there will be any allocation of Addition Securities under the Top-Up Facility.

It is an express term of the Top-Up Offer that Eligible Shareholders who apply for Addition Securities are bound to accept a lesser number of Addition Securities than they applied for, or that they may be allocated no Addition Securities at all. In both cases, excess Application Monies will be refunded without interest. The Company reserves the right to scale back any applications for Addition Securities in its absolute and sole discretion where the aggregate of New Shares applied for under the Top-Up Offers exceeds the New Shares available from Shareholders who have not taken up, or are ineligible to take up, their Entitlement in full. When determining the amount (if any) by which to scale back an application, the Company may take into account a number of factors, including the size of an Applicant's shareholding in the Company, the extent to which an Applicant has sold or bought Shares in the Company before and after both the announcement of the Offers and the Record Date, as well as when the application was made.

## 2.11 Shortfall Offer

The Directors also reserve the right, subject to the Corporations Act and the Listing Rules, to place any Shortfall (which includes 1 New Option for every 2 New Shares issued under any Shortfall), at their discretion (other than to Directors and related parties of the Company) within 3 months after the close of the Rights Issue Offer at a price not less than the Issue Price of 0.5 cents (\$0.005) per New Share (**Shortfall Offer**), but only after the issue of Addition Securities (if any) to Eligible Investors under the Top-Up Offer.

Application may only be made under the Shortfall Offer pursuant to a Shortfall Application Form also attached to this Prospectus. The Shortfall Application Form will also be used by sub-underwriters introduced by Canaccord Genuity (Australia) Limited.

## 2.12 Issue and despatch

The issue of New Shares and New Options offered by this Prospectus is expected to occur before noon on 22 March 2024.

It is the responsibility of Applicants to determine their allocation prior to trading in the New Shares. Applicants who sell New Shares without making such determination do so at their own risk.

The Company will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares before the New Shares are listed on the official list of ASX or before they receive their holdings statements, whether on the basis of confirmation of the allocation provided by the Company, the Share Registry or otherwise.

## 2.13 ASX Listing

The Company will make an application for official quotation by ASX of the New Shares, the New Options and Sub-Underwriter Options as offered under this Prospectus.

If the New Shares, New Options or Sub-underwriter Options are not quoted by ASX within 3 months after the date of this Prospectus, the Company will not issue any New Shares, New Options or Sub-Underwriter Options and all Application Monies received will be refunded (without interest) in full to the Applicants.

The fact that ASX may grant official quotation to the New Shares, the New Options and Sub-underwriter Options is not to be taken in any way as an indication of the merits of the Company or the New Shares, New Options or Sub-Underwriter Options. Neither ASX nor any of its officers accepts or takes any responsibility for the contents of this Prospectus.

It is expected that normal trading on ASX will commence in relation to New Shares and the New Options on 26 March 2024.

## 2.14 CHESS

The Company will apply to ASX to participate in CHESS for those Shareholders who have, or wish to have, a sponsoring stockbroker. Shareholders 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, Shareholders will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares allotted to them under this Prospectus. The notice will also advise Shareholders of their Holder Identification Number (**HIN**) and explain, for future reference, the sale and purchase procedures for the New Shares under CHESS and issuer sponsorship.

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

## 2.15 Ineligible Foreign Shareholders

In accordance with ASX Listing Rule 7.7.1 and Section 9A of the Corporations Act, the Company has decided that it is unreasonable to make the Rights Issue Offer to any



Shareholder who is not an Eligible Shareholder as at the Record Date (**Ineligible Foreign Shareholder**), having regard to:

- a) the number of Shareholders with addresses in such other countries as a proportion of total Shareholders in the Company;
- b) the number and value of the New Shares and New Options For those Shareholders would be offered under the Offer; and
- c) the cost to the Company of complying with applicable legal and regulatory requirements in such other countries.

To the extent that there are any Ineligible Foreign Shareholders registered at the Record Date, the Company will send details of the Rights Issue Offer to each Ineligible Foreign Shareholder and advise each Ineligible Shareholder that they will not be offered New Shares and New Options under the Rights Issue Offer.

## 2.16 Overseas shareholders

This Prospectus does not, and is not intended to, constitute an offer to sell, or a solicitation of an offer to buy, any securities in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or solicitation.

This Prospectus does not constitute an offer of New Shares or New Options in any jurisdiction in which it would be unlawful. New Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

### ***New Zealand***

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (New Zealand). In addition, for Eligible Shareholders who subscribe for New Shares, the Company will issue New Options for no consideration.

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (New Zealand). This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

### ***United States***

The New Shares and the New Options have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares, the New Options and the shares underlying the New Options may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

## 2.17 Custodians and nominees

Eligible Shareholders who are nominees or custodians must comply with the following paragraph in relation to the participation of any underlying beneficial owners (**UBH**) of Shares in the Offers.

The offer to apply for Addition Securities under the Top-Up Facility will be available to the UBH of custodians / nominees to the extent the UBH is (i) resident in Australia or New Zealand; or (ii) is in such other jurisdiction as the Company may determine is permissible taking into account applicable laws. Due to legal restrictions, nominees and custodians may not send this Prospectus to any person outside Australia who is not permitted to participate in the Offers in accordance with the preceding sentence.

Custodians and nominees may not participate on behalf of UBHs who are resident in the United States unless those UBH's are "accredited investors" (as defined in Rule 501(a) under the US Securities Act) which sign and return a US investor certificate, together with their applicable application form, that is available from the Company.

Each custodian or nominee who is applying for Addition Securities on behalf of their individual UBH will need to submit a schedule showing the Record Date holding, the Entitlement and the amount of Entitlement and Addition Securities taken up for each UBH.

Each UBH will need to apply for their maximum Entitlement before applying for Addition Securities under the Top-Up Offer. Therefore, the requirement to fulfil a shareholders maximum Entitlement before applying for Addition Securities under the Top-Up Facility won't apply to the registered custodian / nominee holding – the Company intends to process the amount of New Shares as Rights Issue Offer acceptance and also the amount of Addition Securities as additional acceptance under the Top-Up Offer (per schedule supplied by the Custodian).

## **2.18 Rights and liability attaching to New Shares / New Options / Sub-Underwriter Options**

The New Shares issued under the Offers will be on a fully paid basis and will rank equally in all respects with existing Shares. Full details of the rights and liabilities attaching to Shares are set out in the Company's constitution, a copy of which is available for inspection at the Company's registered office during normal business hours. You may also contact the Company's Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) to request a copy of the Company's constitution.

A summary of the important rights attaching to the New Shares is contained in Section 5.1 of this Prospectus. The terms and conditions of the New Options and Sub-Underwriter Options are described in Annexure A to this Prospectus and are otherwise subject to the ASX Listing Rules. The Company will be making application for quotation of the New Shares and also the New Options / Sub-Underwriter Options (as a separate class of listed securities).

## **2.19 Brokerage and Stamp Duty Costs**

No brokerage or stamp duty is payable by Eligible Shareholders on the issue of New Shares, New Options or Sub-Underwriter Options under this Prospectus.

## **2.20 Risks**

There are a number of risks associated with an investment in New Shares, New Options or Sub-Underwriter Options in the Company. A brief overview of some of the key risks is outlined in Section 6. Failing to take up an Entitlement in full means that that Eligible Shareholders could therefore be diluted (and significantly, depending upon their holding size) as a result of the issue of the New Shares, New Options and Sub-Underwriter Options.

An investment in the Company carries certain risks that may impact on the future profitability of the Company and the value of the Company's securities. The Offer Securities should be considered speculative.

The Directors recommend that potential investors carefully consider this Prospectus and consult their professional advisors before deciding whether to apply for New Shares pursuant to this Prospectus.

**Some of the key risk factors affecting an investment in the Company are discussed in Section 6 of this Prospectus.**

### 3. EFFECT OF THE OFFERS

#### 3.1 Effect of the Offer on the capital structure of the Company

The total number of New Shares and New Options to be issued under the Rights Issue Offer (the exact number depends on the level of acceptances), if the Maximum Subscription Amount is achieved, will be up to approximately 632,871,613 New Shares, 316,435,807 New Options and 316,435,807 Sub-Underwriter Options.

The table below sets out, for illustrative purposes only, the existing Share capital structure (before the Offers) together with the impact of the issue of the New Shares and New Options (including the Sub-Underwriter Options) under the Offers. It assumes that no existing options are exercised prior to the Record Date.

	Number of Options	Number of Shares
Existing Shares as at date of the Offers	-	632,871,613
Existing Options as at date of the Offers**	134,819,446	-
Maximum number of New Shares issued under the Offers (approximately) including any New Shares which may be issued under any Shortfall, but excluding any shares to issue upon the exercise of the New Options	-	632,871,613
Maximum number of New Options issued under the Rights Issue Offer and Top-Up Offer (approximately) including any New Options which may be issued under any Shortfall	316,435,807	-
Maximum number of Sub-Underwriter Options which, subject to shareholder approval, can be issued under the Underwriting Agreement	316,435,807	-
<b>Total Securities on issue following completion of the Offers</b> (approximate) <u>assuming</u> maximum raising under this Prospectus and including New Shares which may be issued under any Shortfall, but excluding any Shares issued on exercise of the New Options or Sub-Underwriter Options	767,691,060	1,265,743,226

\*\* This includes Existing Options (unlisted, exercisable at \$0.020, at various expiry dates)

The combined effect of the capital raising (including the Rights Issue Offer, assuming the Maximum Subscription Amount is achieved) will be to increase the number of Shares on issue in the Company and increase the cash held by the Company (before taking into account the expenses of the Offer) by up to approximately \$3.16 million.

The cash expenses of the Offers are expected to be approximately \$100,000, plus any commissions paid by the Company (see section 7.11).

### 3.2 Potential effect on control of the Company

Eligible Shareholders who take up their Entitlements in full should not have their interest in the Company diluted by the Offers.

The potential effect the Offers (including those New Shares which may be issued to take up a Shortfall) will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand, such as:

- a) If all Eligible Shareholders take up their Entitlements under the Rights Issue Offer, then the Rights Issue Offer will have no significant effect on the control of the Company.
- b) If some Eligible Shareholders do not take up all of their Entitlements under the Rights Issue Offer, then the interests of those Eligible Shareholders will be diluted.
- c) The proportional interests of Ineligible Foreign Shareholders will be diluted because those Ineligible Foreign Shareholders are not entitled to participate in the Rights Issue Offer.
- d) Shareholders that apply for Addition Securities under the Top-Up Offer may increase their percentage interests beyond their Entitlement. This would result in the dilution of holdings of those who did not accept their Entitlements in full and those who did not apply for Addition Securities.
- e) There is no Shareholder who would on the completion of the Offers have an interest which would exceed 19.9% (unless in compliance with the provisions of the Corporations Act).
- f) If Eligible Shareholders do not take up all Entitlements under the Rights Issue Offer the Company has reserved the right to issue the Shortfall to eligible investors within 3 months after the close of the Offer. This placement of the Shortfall would result in new investors having interests in the Company. If there is a Shortfall, the Board may decide to issue Addition Securities and Shares to other investors. Depending on the size of any Shortfall, the Board may determine to issue all of the New Share under the Shortfall to the other investors (after allocating all Addition Securities applied for) and this may potentially result in a new investor having a substantial interest in the Company.

### 3.3 Market Price of Shares

The highest and lowest closing market prices of the Shares on ASX during the 3 months of trading up to and including 15 February 2024, and the respective dates of those sales, are:

Highest:	\$0.015 on 23 November 2024
Lowest:	\$0.008 on 15 February 2024

The Issue Price represents a discount of:

- 37.5% discount to the Company's closing price on 15 February 2024 of \$0.008;
- 47.0% discount to the Company's 10 day VWAP of \$0.0094; and
- 52.8% discount to the Company's 30 day VWAP of \$0.0106.

Shareholders will note that the Issue Price is a significant discount to the above Share prices. Notwithstanding that the Issue Price is at a discount; it may still result in a material dilution to those Eligible Shareholders who do not apply for the New Shares (and accompanying New Options).

## 4. ACTION REQUIRED BY ELIGIBLE SHAREHOLDERS

### 4.1 What Eligible Shareholders may do

The number of New Shares to which Eligible Shareholders are entitled (your **Entitlement**) is shown on the accompanying Entitlement and Acceptance Form.

If you do not take up your Entitlement, then your percentage holding in the Company will be diluted (refer to Section 3.2 above).

As an Eligible Shareholder you may:

- take up all or part of your Entitlement (refer to Section 4.2 below);
- take up all of your Entitlement and apply for Addition Securities under the Top-Up Offer (refer to Section 4.3 below); or
- do nothing, in which case all of your Entitlements will lapse (refer to Section 4.4 below).

Eligible Shareholders who take no action in respect of their Entitlement may receive no benefit and their Entitlement will lapse.

The Company is not required to determine whether or not any registered shareholder is acting as a nominee or the identity or residence of any beneficial owners of securities. Eligible Shareholders who are nominees, trustees or custodians are advised to seek independent advice as to how they should proceed.

Ineligible Foreign Shareholders may not take any of the steps set out in Sections 4.2 to 4.3.

### 4.2 Taking up all or part of your Entitlement

You may take up all or part of your Entitlement by

- a) making payment by Bpay® corresponding to the component (part or all) of your Entitlement you wish to accept; or
- b) making payment by EFT corresponding to the component (part or all) of your Entitlement you wish to accept.

by no later than 5:00pm (AEDT) on the Closing Date.

The Issue Price for each New Share accepted under your Entitlement is payable on application. If paying via Bpay® or EFT:

- (a) Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through Bpay® or EFT by the date and time mentioned above;
- (b) you must follow the instructions for Bpay® or EFT set out in the Application Form;
- (c) you do not need to return the Entitlement & Acceptance Form but are taken to make each of the statements and representations on that form referred to in this Prospectus; and
- (d) if you subscribe for less than your Entitlement or do not pay for your full Entitlement, you are taken to have accepted your Entitlement in respect of such

whole number of New Shares / New Options which is covered in full by your Application Monies.

#### **4.3 Applying for Addition Securities by Eligible Shareholders**

As referred to in Section 4.1 above, Eligible Shareholders (other than Directors and related parties of the Company, unless they secure prior shareholder approval) may, in addition to taking up their Entitlements in full, apply for Addition Securities in excess of their Entitlements under the Top-Up Offer.

If you wish to subscribe for Addition Securities in addition to your Entitlement, then you must make the combined payment for your full Entitlement and the Addition Securities you are applying for (at the Issue Price of 0.5 cents (\$0.005) for each Share). If your payment exceeds the amount payable for your full Entitlement, you are taken to have accepted your Entitlement in full and to have applied for such number of Addition Securities which is covered in full by your 'excess' of Application Monies paid by Bpay® or EFT.

Where the aggregate of New Shares applied for under the Top-Up Offers exceeds the New Shares available from Shareholders who have not taken up, or are ineligible to take up, their Entitlement in full, Eligible Shareholders who apply for Addition Securities may be allocated a lesser number of Addition Securities than applied for, or may be allocated no Addition Securities at all, in which case excess Application Monies will be refunded without interest.

#### **4.4 Entitlements not taken up**

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. The number of Shares you currently hold and your rights attaching to those Shares (such as the number of votes) will not be affected should you choose not to accept any part of your Entitlement. If you do not participate in the Rights Issue Offer your percentage holding in the Company will be reduced.

#### **4.5 Payment of Application Monies is binding**

Payment of Application Monies pursuant to this Prospectus constitutes a binding offer to acquire New Shares and associated New Options on the terms and conditions set out in this Prospectus and, once lodged, cannot be withdrawn. The Directors' decision whether to treat an acceptance of any Offer as valid is final.

#### **4.6 Representations you will be taken to have made by accepting**

By signing an Application Form accompanying this Prospectus, you will be deemed to have:

- a) fully read and understood this Prospectus and the Application Form in their entirety;
- b) agreed to be bound by the terms of the Offers, the provisions of this Prospectus and the Company's Constitution;
- c) declared that you are over 18 years of age and have the legal capacity and power to perform all your rights and obligations under the Offers and the Application Form;
- d) authorised the Company to register you as the holder of the New Shares, New Options and where applicable the Sub-Underwriter Options;
- e) acknowledged that once the Company receives any payment of Application Monies pursuant to this Prospectus, you may not withdraw your application or funds provided except as allowed by law;

- f) confirmed that you are an Eligible Shareholder as at the Record Date;
- g) confirmed that you were the registered holder at the Record Date of the Shares indicated in the Entitlement & Acceptance Form as being held by you on the Record Date;
- h) agreed to apply for and be issued up to the number of New Shares, New Options and where applicable the Sub-Underwriter Options for which you have submitted payment of any Application Monies pursuant to this Prospectus, at the Issue Price per New Share;
- i) authorised the Company, the Share Registry and their respective officers, employees or agents to carry out on your behalf all necessary actions for the New Shares, New Options and where applicable the Sub-Underwriter Options to be issued to you;
- j) understood and acknowledged that the information contained in this Prospectus and the Entitlement & Acceptance Form is not investment advice nor a recommendation that the New Shares, New Options or Sub-Underwriter Options (where applicable) are suitable for you given your investment objectives, financial situation or circumstances;
- k) acknowledged that investment in the Company is subject to the risk factors outlined in Section 6 of this Prospectus;
- l) acknowledged that the Company or its related bodies corporate, affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers do not guarantee the performance of the Company or the Share price, nor do they guarantee the repayment of capital;
- m) authorised the Company to correct any errors in the Entitlement & Acceptance Form or any other document provided to you;
- n) agreed to provide any requested substantiation of your eligibility to participate in the Offers and your holding of Shares on the Record Date; and
- o) represented and warranted that:
  - i. unless you are an employee of the Company or an “accredited investors” (as defined in Rule 501(a) under the US Securities Act), you are not in the United States and are not acting for the account or benefit of a person in the United States;
  - ii. the New Shares or New Options have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and accordingly, the New Shares, New Options and the shares underlying the New Options may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws; and
  - iii. you have not sent, and will not send, any materials relating to the Offers to any person in the United States.

#### 4.7 Shortfall Offer

Investors may also apply for New Shares and associated New Options under the Shortfall by completing a Shortfall Application Form (also attached to this Prospectus) upon invitation by the Company. All New Shares issued under the Shortfall Offer will be issued at the same Issue Price of 0.5 cents (\$0.005) per New Share (See Section 2.11 for further details).



Application for any of the Shortfall under the Shortfall Offer may only be made pursuant to a Shortfall Application Form accompanying this Prospectus. By completing and returning a Shortfall Application Form and making a payment pursuant to this Prospectus with respect to the Shortfall, the applicant will be deemed to have made the same representations as stated in sections 4.6(a) to 4.6(o) (other than sections 4(f) and 4(g) for investors who are not already shareholders), with the necessary adjustment to refer to the Shortfall Application Form instead of the Entitlement & Acceptance Form.

To make an application under the Shortfall Offer you must make payment by EFT corresponding to your application under the Shortfall Offer by no later than 5:00pm on the date being 3 months after the close of the Rights Issue Offer.

Please note the Company has signed an Underwriting Agreement with Canaccord Genuity (Australia) Limited under which Canaccord Genuity (Australia) Limited has subject to the terms of the Underwriting Agreement agree to procure applications for any Shortfall.

#### 4.8 **Privacy Act**

If you complete an application for New Shares (or make payment pursuant to this Prospectus), you will be providing personal information to the Company (directly or by the Company's Share Registry). The Company collects, holds and uses that information to assess your application, service your needs as a Shareholder or investor, facilitate distribution payments and corporate communications to you as a Shareholder or investor and carry out administration.

The information may also be used from time to time and disclosed for purposes related to Shareholders' investments to the Company's agents and service providers, such as

- a) 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.
- b) the Share Registry for ongoing administration of the shareholder register;
- c) printers and other companies for the purpose of preparation and distribution of statements and for handling mail; and
- d) legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering and advising on the New Shares and or New Options and for associated actions.

The Company complies with its legal obligations under the *Privacy Act 1988* (Cth). You can access, correct and update the personal information that we hold about you. Please contact the Company or its Share Registry 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), 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 New Shares, the Company may not be able to accept or process your application.

#### 4.9 **Brokerage Commission**

No brokerage is payable by Shareholders who accept the Rights Issue Offer. No stamp duty is payable for subscribing under the Rights Issue Offer. The Company reserves the

right to pay commission to AFSL holders or their authorised representatives based on the amount subscribed by investors introduced by those persons.

#### **4.10 Queries concerning your Entitlement**

If you have any queries concerning your Entitlement or the Offers generally, please contact the Company's Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

#### **4.11 Sub-Underwriter Options**

If you are a nominated sub-underwriter by Canaccord Genuity (Australia) Limited, you should sign and return the attached Sub-underwriting Option Application Form.

## 5. RIGHTS AND LIABILITIES ATTACHING TO THE NEW SHARES, NEW OPTIONS AND SUB-UNDERWRITER OPTIONS

### 5.1 Rights attaching to the securities

The table below summarises some of the key rules in the Company's Constitution in relation to the rights and liabilities currently attaching to Shares. This summary does not purport to be exhaustive and must be read subject to the full text of the Elixinol Constitution. A copy of the Elixinol Constitution is available on EXL's website: <https://www.elixinolwellness.com>.

Shareholders should obtain their own independent advice in relation to their rights and liabilities as holders of Shares in specific circumstances.

Item	Description
<b>Issue of further Elixinol Shares</b>	Subject to the Corporations Act and the ASX Listing Rules, the Elixinol Board has full discretion to issue new Elixinol Shares and grant options over unissued Elixinol Shares.
<b>Variation of class rights</b>	At present, Elixinol's only class of shares on issue is Elixinol Shares. The rights attached to any class of shares may be varied in accordance with the Elixinol Constitution and the Corporations Act.
<b>Elixinol Share transfers</b>	Subject to the ASX Listing Rules, the Corporations Act and any escrow restrictions, the Elixinol Shares are freely transferable. The Elixinol Board may decline to register, or prevent registration of, that transfer of shares or apply a holding lock to prevent a transfer in accordance with the Elixinol Constitution, the Corporations Act or the ASX Listing Rules.
<b>Meetings of members</b>	Each holder of Elixinol Shares is entitled to receive notice of, attend and vote at general meetings of Elixinol and receive all notices, accounts and other documents required to be sent to shareholders of Elixinol under the Elixinol Constitution, the Corporations Act and the ASX Listing Rules. Elixinol must give holders of Elixinol Shares at least 28 days written notice of a general meeting.
<b>Voting</b>	At a general meeting of Elixinol, every holder of Elixinol Shares present in person or by proxy, attorney or representative has one vote on a show of hands and, on a poll, one vote for each Elixinol Share held.  If the votes are equal on a proposed resolution, the chairperson of the meeting has a casting vote, except where the chairperson is also a member of Elixinol, in which case they do not have a casting vote in addition to their deliberative vote.
<b>Dividends</b>	The Elixinol Board may pay interim and final dividends that, in its judgement, the financial position of Elixinol justifies. The Elixinol Board may also pay any dividend required to be paid under the terms of issue of an Elixinol Share, and fix a record date for a dividend and the timing and method of payment.
<b>Rights on winding up</b>	If Elixinol is wound up, then subject to the Elixinol Constitution, the Corporations Act and the rights or restrictions attached to any shares or classes of shares, holders of Elixinol Shares will be entitled to any

Item	Description
	<p>surplus property of Elixinol in proportions of the number of Elixinol Shares held by them.</p> <p>If Elixinol is wound up, the liquidator may, with the sanction of a special resolution of holders of Elixinol Shares, divide the property of Elixinol amongst the holders of Elixinol Shares and decide how the property will be divided between the holders of Elixinol Shares.</p>
<b>Sale of non-marketable parcels</b>	<p>Subject to the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules, the Elixinol Board may sell the Elixinol Shares of a holder of Elixinol Shares who holds less than a marketable parcel by following the procedures set out in the Elixinol Constitution.</p>

## 5.2 Terms and Conditions of the New Options and Sub-Underwriter Options

The terms and conditions of the New Options and Sub-Underwriter Options (which are on identical terms) are described in Annexure A to this Prospectus.

## 6. RISKS

Shareholders should consider the investment in the context of their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Shareholder should consult their own stockbroker, solicitor, accountant or other professional adviser before deciding whether or not to invest in the Offer Securities.

An investment in New Shares should be regarded as very speculative and involves many risks. The New Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

If any of the following risks actually occurs, our business, prospects, financial condition and results of operations could be materially and adversely affected, the trading price of the Shares could decline and you could lose all or part of your investment.

### 6.1 Speculative nature of investment

This section 6 identifies some (but not all) of the major risks associated with an investment in the Company. There may be other risks which the Directors and/or management of the Company are unaware which may impact upon the Company, its operations and/or the value and performance of the Offer Securities and the Company generally. This is not an exhaustive list of the relevant risks and the risks set out below are not in order of importance. Many of the risks below are outside the control of the Company and its directors. These risks and other risks not specifically referred to below, may in the future materially adversely affect the value of the Company's shares and their performance.

An investment in Offer Securities should be regarded as very speculative and involves many risks. The Offer Securities carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.

Intending Applicants should carefully consider and evaluate the Company, its assets and its business and whether the Company's Shares are suitable to acquire having regard to their own investment objectives and financial circumstances and taking into consideration the material risk factors, as set out below. Applicants should also read the Company's prior continuous disclosure announcement to the ASX market in order to fully appreciate the risks particular to an investment in the Company and in particular the risks faced by the Company in the continued development and proposed commercialisation of its intellectual property rights.

Any potential investor should be aware that subscribing for New Shares involves various risks. The New Shares to be issued carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those shares.

### 6.2 Business risks associated with the Company

**Sufficiency of funding:** The Company has limited financial resources and will need to raise additional funds from time to time to finance the continued development, sale and distribution of its products. The directors of EXL regularly monitor the EXL Group's cash position on an ongoing basis and continue to explore debt and capital markets funding to support the going concern and working capital requirements associated with EXL's revenue base..

**Acquisition risk:** Completion of the Ananda Food Pty Ltd acquisition is conditional on raising sufficient funds under the Rights Issue Offer and the satisfaction of a number of customary conditions.

**Integration risk:** Assuming the Ananda Food Pty Ltd acquisition completes, substantial effort and cost will be required to integrate the two businesses. The anticipated benefits arising from the acquisition could either not being achieved or achievement being delayed.

**Agricultural risk and climate change risk:** EXL is exposed to agricultural risk as the business is reliant on agricultural products. As such, the business is subject to the risks inherent in the agriculture industry. These risks include insects, plant diseases, storm, fire, frost, flood, water availability, water salinity, pests, bird damage and force majeure events. These risks may impact the financial performance through increased costs (from low yields or increased prices from low supply) or lack of supply to address customer demands.

**Supplier arrangements:** EXL has arrangements with a number of key suppliers. To the extent that EXL Group entities cannot secure and retain key suppliers, their respective abilities to maintain consistent production levels may be compromised, which in turn may have an adverse impact on the financial performance and position of EXL.

**Risk of adverse events, product liability or other safety issues:** As with all food or nutraceutical products, there is a risk that the products sold by EXL could cause serious or unexpected side effects, including risk or injury to consumers. Should any of EXL's products be associated with safety risks such as misuse or abuse, inadvertent mislabelling, tampering by unauthorised third parties, or product contamination or spoilage, several materially adverse outcomes could occur, including:

- » Regulatory authorities may revoke any approvals that have been granted, impose more onerous facility standards or product labelling requirements, or force EXL to conduct a product recall;
- » EXL could be subject to regulatory action or be sued and held liable for any harm caused to customers; or
- » EXL's brands and reputation could be damaged.

These may all impact the financial performance of the EXL Group.

**Systems, security and data privacy:** While EXL has policies and procedures in place to address system security and data risks, there is a risk that these may not be adequate, which could adversely affect EXL's reputation and financial position. There is also a risk that systems are not scalable or have the ability to leverage the synergies of the different businesses across the EXL Group. This may lead to a financial impact and loss in revenue and profitability.

**Key management personnel and employees:** EXL relies upon its ability to attract and retain experienced and high performing executives and other employees. The failure to achieve this may impact upon EXL's ability to develop and meet its strategies, and may lead to a loss in revenue and profitability.

**Change to laws or regulations:** EXL Group's operations are highly regulated and could be adversely affected by changes in laws, regulations or regulatory policy in the jurisdictions in which it operates. The operations and proposed operations of EXL Group are subject to a variety of laws, regulations and guidelines related to the retail sale of hemp-derived products. The hemp-derived CBD industry is evolving globally, including in the USA and in Europe and the United Kingdom. It is likely that governments worldwide will continue to explore the benefits, risks and operations of companies involved in the hemp sector. EXL Group's business, prospects, reputation, performance and financial condition could all be affected by changes to law and regulation, changes to policies, and changes in the supervisory activities and expectations of its regulators across all of the

jurisdictions in which it operates. In particular, the regulation of hemp is developing and, as a result, a change in government or increase in political lobbying may result in a change in government policy and an amendment of legislation and/or regulation. For example, there is a risk that the allowable levels of THC in hemp products sold in the US may change. This could potentially result in additional processing costs and impact the overall financial performance of EXL Group. There is a further risk that the US Food and Drug Administration (FDA), the regulator which regulates ingestible and topical products including CBD products, may seek to change the laws and regulations governing the manufacturing and marketing of CBD products in the US. This could include current 'good manufacturing practice' regulation, nutrition and allergen labelling, and label claim regulations and safety requirements including, as applicable, 'new dietary ingredient' and 'generally recognised as safe' regulations. In the US, given that many of the applicable laws and regulations are determined at the State level, there is also a risk that the regulatory regime governing the EXL Group's US operations and distribution network becomes further fragmented and difficult to comply with. The introduction of new legislation or amendments to existing legislation by governments, or the respective interpretation of the legal requirements, in any of the legal jurisdictions which governs the operations or contractual obligations of EXL Group, could impact adversely on the assets, operations, and the financial performance of the EXL group and the industry in general. Regulatory compliance and the management of regulatory change are an important part of EXL's planning processes. EXL intends to continue to invest in compliance and the management and implementation of regulatory change and, at the same time, significant management attention and resources will be required to update existing or implement new processes to comply with new regulations (such as obligations to provide certain data and information to regulators) or new interpretations of existing laws or regulations. The failure of EXL to appropriately manage and implement regulatory change, including failing to implement effective processes to comply with new regulations, could in the future result in EXL failing to meet a compliance obligation, and this could in turn lead to a financial impact and loss in revenue and profitability.

**Loss of key relationships:** The hemp-derived CBD industry is undergoing rapid growth and change, which has resulted in increasing consolidation and formation of strategic relationships. It is expected that this consolidation and strategic partnering will continue. Acquisitions or other consolidating transactions could harm EXL in a number of ways. EXL may lose strategic relationships if third parties with whom EXL has arrangements with are acquired by or enter into relationships with a competitor (which could cause EXL to lose access to necessary resources). EXL's current competitors could become stronger, or new competitors could form from consolidations. This could cause EXL to lose access to markets or expend greater resources in order to stay competitive. Separately, the relationship between EXL and third parties may deteriorate organically, which may have an adverse impact on the business of EXL Group.

**Production risk:** The ability for EXL Group entities to cultivate and produce products is dependent on a number of key inputs and their related costs. These key inputs include raw materials, electricity, water, other utilities and skilled labour. Any significant interruption or negative change in the availability or cost of these inputs could materially impact the production of the business and subsequently, the operating results of EXL. In particular, given the nature of the raw materials used by each of the EXL Group entities, supply may be limited to a single or limited number of suppliers, with access to these raw materials more competitive than conventional ingredients. As a result, there is an enhanced risk of difficulties in securing the required supplies, or to do so on appropriate terms.

**Reputational risk:** There is a risk that incidents beyond the control of EXL Group entities could occur which would have the effect of reducing patient, medical/scientific or regulatory confidence, or preferences for cannabis or medicinal cannabis products generally. This

reputational risk could result from incidents involving members of EXL Group or other non-related industry participants.

**Protection of intellectual property:** EXL's success will depend on, in part, its ability to protect its intellectual property, including its trade marks, copyright, trade secrets and know-how. To the extent EXL fails to protect its intellectual property or infringes a third party's intellectual property, EXL may face increased competition from similar products, have to cease using certain intellectual property or be liable for damages. In the event that this occurs, there is a risk that it has a materially adverse impact on EXL's operations, financial performance and future prospects.

**Competition risk:** The industries in which the current EXL Group entities are involved is subject to domestic and international competition. While the entities will undertake all reasonable due diligence in their business decisions and operations, they will have no influence or control over the activities or actions of their competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of EXL. Some of EXL's competitors and potential competitors may have significantly more financial resources and marketing experience than EXL which may lead to reduced margins and loss of revenue or loss of market share for EXL. Further, EXL revenues in the future may be reduced as the industry consolidates and seeks revenue accretion at the expense of profit margin.

**Uncontracted sales:** A material proportion of EXL's revenue is derived from uncontracted customer relationships, with sales made under standard terms and conditions. There is a risk that these customer relationships may not be able to be maintained, or new relationships may not be formed, on terms acceptable to EXL. Additionally, given the uncontracted nature of these relationships, it is not possible to guarantee consistency of sales volumes, price or terms going forward. EXL's financial performance could be materially and adversely impacted by wholesale customers:

- » materially changing their trading terms;
- » promoting the products of one or more of EXL's competitors; or
- » refusing to promote or stock EXL's products or significantly reducing orders for its products.

**Contracts and agreements:** There are a number of risks associated with EXL's existing contracts and agreements, including those related to previous supply arrangements and property leases. There is a risk that EXL's existing contracts may be terminated, lost or impaired, or renewed on less favourable terms. Some of EXL's contracts can be terminated without cause or on short notice periods (depending on events and circumstances), and although the relevant parties may continue to operate on existing commercial terms, a number of its existing contracts have expired or will shortly expire. A loss of any of EXL's contracts could have an adverse effect on its business, operating and financial performance. Similarly, there is a risk that EXL may not meet its existing obligations under current contracts and agreements. Should this be the case, EXL may be liable (to varying extents) under indemnity provisions in a number of contract and agreements. Any failure to meet these obligations could adversely impact the financial position of EXL.

**Counterparty risks:** EXL has entered, and may enter, into several commercial agreements and arrangements (including licences) with third parties that are, or could be, material to the financial performance and prospects of its business. There is a risk that counterparties may not execute such agreements or, in respect of agreements that have been executed or are executed in the future, the counterparty may fail to meet their



obligations under those agreements and arrangements. Negative commercial consequences will, or are likely to, result from the non-execution of such an agreement or any non-observance of obligations under such agreements. These consequences may include preventing the relevant EXL Group entity from executing a part, or parts, of its business plan. This in turn may result in an adverse effect on EXL's proposed activities and operations, financial performance and prospects.

**Stock Market Volatility:** The price of Shares or the New Options may rise or fall depending upon a range of factors beyond the Company's control and which are unrelated to the Company's operational performance. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors. Investors who decide to sell their New Shares or New Options after the Company's capital raising may not receive the entire amount of their original investment. The price of Shares or New Options listed on ASX may also be affected by multiple factors including the Company's financial performance and by changes in the business environment. The New Shares and the New Options carry no guarantee in respect of profitability, dividends, return on capital, or the price at which they may trade on the ASX. No guarantee can be given that the Company's share price will be greater than the issue price.

**Value of the New Options and Sub-Underwriter Options:** The New Options and Sub-Underwriter Options that are being issued as part of the Offer are issued for no additional consideration but require the exercise price for each Option to be paid at the time of exercise. If the prevailing trading price of the Company's shares during the Option's exercise period is lower than the exercise price for the New Options, then it is likely that the New Options or Sub-Underwriter Options will not be exercised. In this case, for investors, the unexercised New Options or Sub-Underwriter Options will not have a value and will lapse on the respective expiry dates of the New Options or Sub-Underwriter Options. If the New Options or Sub-Underwriter Options are not exercised, or only some are exercised, then the Company may not receive the proceeds that would otherwise be generated if Option holders pay the Option exercise price. This possibility may reduce the amount of capital that the Company would receive if all of the New Options or Sub-Underwriter Options are exercised on or before the respective Option expiry dates.

**Dilution Risk:** Eligible shareholders that do not take up all or part of their entitlements will be diluted by not participating to the full extent in the Rights Issue Offer, but will not be exposed to future increases or decreases in the Company's share price in respect of those shares which would have been issued to them had they taken up all of their Entitlement.

**Economic Risks:** The Company is exposed to economic factors in the ordinary course of business. A number of economic factors / conditions, both domestic and global, affect the performance of financial markets generally, which could affect the price at which the Company's Shares trade on ASX. . Trading prices can be volatile and volatility can be caused by general market risks such as those that have been mentioned. Shares in the Company may trade at or below the price at which they are currently trading on ASX including as a result of any of the factors that have been mentioned, and factors such as those mentioned may also affect the income, expenses and liquidity of the Company. Additionally, the stock market can experience price and volume fluctuations that may be unrelated or disproportionate to the operating performance of the Company.

**Forward-Looking Statements:** There can be no guarantee that the assumptions and contingencies on which any forward-looking statements, opinions and estimates contained in materials published by the Company are based will ultimately prove to be valid or accurate. The forward-looking statements, opinions and estimates depend on various factors, including known and unknown risks, many of which are outside the control of the Company. Actual performance of the Company may materially differ from forecast performance.

## **7. ADDITIONAL INFORMATION**

### **7.1 Nature of the Prospectus**

This Prospectus is a transaction specific prospectus issued under section 713 of the Corporations Act which allows the issue of a transaction specific prospectus in relation to offers of securities (or options to acquire such securities) where those securities are of a class which have been quoted for 3 months before the date of that prospectus.

### **7.2 Indemnification of Directors**

To the extent permitted by law, the Company indemnifies every person who is or has been a Director or officer of the Company against reasonable legal costs incurred in defending an action for a liability incurred or allegedly incurred by the person as an officer of the Company.

### **7.3 Taxation**

The acquisition of Offer Securities and disposal of Offer Securities 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 take independent financial advice about the consequences of acquiring Offer Securities from a taxation viewpoint and generally.

The Directors consider that it is not appropriate to give advice regarding the taxation consequences associated with subsequent disposal of any Offer Securities subscribed for under this Prospectus as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders. The Directors recommend that all Eligible Shareholders consult their own professional tax advisers.

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

### **7.4 Continuous Disclosure and Documents Available for Inspection**

This Prospectus is issued pursuant to section 713 of the Corporations Act.

Section 713 of the Corporations Act enables companies to issue transaction specific prospectuses where those companies are, and have been for a period of 3 months, disclosing entities.

The Company is a "disclosing entity" for the purposes of section 713 of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations which requires it to disclose to ASX any information of which it is, or becomes, aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

Eligible Shareholders intending to participate in the Offers should refer to the announcements made by the Company to the ASX. This information is available from the ASX website, [www.asx.com.au](http://www.asx.com.au) (ASX Code: EXL), and the Company's website, [www.elixinolwellness.com](http://www.elixinolwellness.com).

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.

Additionally, the Company is also required to prepare and lodge with ASX yearly and half yearly financial statements accompanied by a directors' statement and report and an audit review or report. These reports are released to ASX and published on the Company's and ASX's websites.

The Company will provide a copy of each of the following documents, free of charge, to any person who asks for it prior to the Closing Date:

- a) the Annual Report for the financial year ended on 31 December 2022, being the annual financial report most recently lodged with ASIC by the Company;
- b) any continuous disclosure notices given by the Company after the lodgement of the Annual Report referred to in paragraph a) above and before the lodgement of this Prospectus with ASIC. Such notices are listed below under the heading "ASX Releases" in Section 7.6.

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

## 7.5 No Substantial Shareholders

Based on publicly available information as at the date of this Prospectus there are no persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue.

## 7.6 ASX Releases

ASX releases of the Company since the date of lodgement of the Company's latest annual report and prior to the date of lodgement of this Prospectus are listed below:

Date and time	ASX Announcement title
14/02/2024 10:17 AM	Lifting of Trading Halt
14/02/2024 09:48 AM	Update - Proposed issue of securities - EXL
14/02/2024 09:48 AM	Substantial Interest in Entitlement Offer Shortfall
13/02/2024 08:47 AM	Proposed issue of securities - EXL
12/02/2024 11:39 AM	Ananda Food Acquisition and Capital Raising Presentation
12/02/2024 11:06 AM	Ananda Food Acquisition and Proposed Capital Raising
12/02/2024 10:32 AM	Sale of hemp food and animal products business
12/02/2024 09:27 AM	Trading Halt
09/02/2024 08:08 PM	Appendix 3Y - Ronald Dufficy
09/02/2024 07:53 PM	Notification of cessation of securities - EXL
31/01/2024 09:57 AM	Quarterly Activities/Appendix 4C Cash Flow Report
16/01/2024 06:40 PM	Notification of cessation of securities - EXL
27/11/2023 05:17 PM	Change of Phone Number
23/11/2023 05:18 PM	Appendix 3Y - Ronald Dufficy
23/11/2023 05:13 PM	Appendix 3Y - David Fenlon
23/11/2023 05:08 PM	Cleansing Notice
23/11/2023 04:55 PM	Notification regarding unquoted securities - EXL
23/11/2023 04:50 PM	Application for quotation of securities - EXL
30/10/2023 08:53 AM	Quarterly Update & Appendix 4C
25/10/2023 09:04 AM	Investor Presentation October 2023
23/10/2023 08:21 PM	Notification of cessation of securities - EXL

18/10/2023 10:07 AM	Appendix 3Y - Pauline Gately
03/10/2023 06:27 PM	Notification regarding unquoted securities - EXL
03/10/2023 04:25 PM	Appendix 3Y - Ronald Dufficy
03/10/2023 04:22 PM	Application for quotation of securities - EXL
03/10/2023 04:18 PM	Appendix 3Z - Helen Wiseman
03/10/2023 04:17 PM	Appendix 3Y - Helen Wiseman
03/10/2023 04:12 PM	Notification of cessation of securities - EXL
02/10/2023 10:02 AM	Director Resignation and Appointment of new Chair
04/09/2023 05:58 PM	Appendix 3Y - Ronald Dufficy
04/09/2023 05:56 PM	Appendix 3Y - David Fenlon
04/09/2023 05:55 PM	Appendix 3Y - Helen Wiseman
01/09/2023 01:07 PM	Cleansing Notice
31/08/2023 06:06 PM	Notification regarding unquoted securities - EXL
31/08/2023 05:30 PM	Application for quotation of securities - EXL
30/08/2023 12:35 PM	H1 FY2023 Results Presentation
30/08/2023 12:33 PM	H1 FY2023 Results Announcement
30/08/2023 12:30 PM	H1 FY2023 Appendix 4D and Interim Report
23/08/2023 10:50 AM	Ceasing to be a substantial holder
17/08/2023 09:21 AM	Appendix 3X - Pauline Gately
17/08/2023 09:17 AM	Notification regarding unquoted securities - EXL
17/08/2023 09:13 AM	Application for quotation of securities - EXL
17/08/2023 09:13 AM	Application for quotation of securities - EXL
17/08/2023 09:12 AM	Implementation of Scheme of Arrangement with TSN
08/08/2023 10:29 AM	Lodgement of Court Orders - Scheme becomes effective
07/08/2023 05:27 PM	Proposed issue of securities - EXL
07/08/2023 04:32 PM	Court approves Scheme of Arrangement
02/08/2023 12:36 PM	TSN Results from Scheme Meeting
31/07/2023 09:04 AM	Quarterly Activities/Appendix 4C Cash Flow Report
07/07/2023 09:47 AM	Notification of cessation of securities - EXL
29/06/2023 12:45 PM	Scheme Booklet registered with ASIC
29/06/2023 08:47 AM	Update on Proposed Scheme of Arrangement
20/06/2023 12:51 PM	Update on Proposed Scheme of Arrangement
13/06/2023 06:03 PM	Appendix 3Y - Ronald Dufficy
13/06/2023 05:59 PM	Appendix 3Y - Helen Wiseman
08/06/2023 08:59 AM	Notification regarding unquoted securities - EXL
07/06/2023 06:22 PM	Correction to Directors Interest Notices
07/06/2023 10:35 AM	Cleansing Notice
07/06/2023 10:21 AM	Application for quotation of securities - EXL
07/06/2023 10:15 AM	Application for quotation of securities - EXL
06/06/2023 06:58 PM	Proposed issue of securities - EXL
05/06/2023 03:25 PM	Appendix 3Y - Ronald Dufficy
01/06/2023 09:41 AM	2023 AGM - AGM Recording
31/05/2023 12:34 PM	Application for quotation of securities - EXL
31/05/2023 12:26 PM	Appendix 3Y - Ronald Dufficy

31/05/2023 12:24 PM	Appendix 3Y - David Fenlon
31/05/2023 12:22 PM	Appendix 3Y - Helen Wiseman
31/05/2023 12:08 PM	Notification regarding unquoted securities - EXL
31/05/2023 12:07 PM	Notification regarding unquoted securities - EXL
31/05/2023 11:04 AM	Amended Constitution
31/05/2023 10:40 AM	2023 AGM - Voting Results
31/05/2023 08:52 AM	2023 AGM - Chair's Address
31/05/2023 08:45 AM	2023 AGM - CEO's Presentation
26/05/2023 09:31 AM	Application for quotation of securities - EXL
24/05/2023 09:35 AM	Completion of Underwritten Share Purchase Plan
23/05/2023 08:42 AM	Company Secretary Appointment/Resignation
17/05/2023 10:04 AM	Update on Proposed Schemes of Arrangement
01/05/2023 04:57 PM	Target Market Determination
01/05/2023 01:45 PM	SPP BOOKLET AND OPTIONS PROSPECTUS
28/04/2023 02:52 PM	Update - Proposed issue of securities - EXL
28/04/2023 09:21 AM	Notice of Annual General Meeting
28/04/2023 09:12 AM	SPP Underwriting Agreement
28/04/2023 09:10 AM	Quarterly Update & Appendix 4C
27/04/2023 08:11 AM	Application for quotation of securities - EXL
21/04/2023 08:48 AM	Notification regarding unquoted securities - EXL
21/04/2023 08:41 AM	Update - Schemes of Arrangement
20/04/2023 08:14 AM	Proposed issue of securities - EXL
19/04/2023 09:09 AM	Company Secretary Appointment/Resignation
14/04/2023 05:34 PM	Correction to ASX Announcement - Cleansing Notice
14/04/2023 05:24 PM	Application for quotation of securities - EXL
14/04/2023 10:01 AM	Cleansing Notice
13/04/2023 11:41 AM	Application for quotation of securities - EXL
06/04/2023 10:39 AM	Appendix 3X - Ronald Dufficy
06/04/2023 10:38 AM	Final Directors Interest Notice - Oliver Horn
06/04/2023 10:06 AM	Final Directors Interest Notice - Paul Benhaim
06/04/2023 10:02 AM	Notification of cessation of securities - EXL
06/04/2023 08:32 AM	Board Changes
05/04/2023 11:40 AM	Proposed issue of securities - EXL
05/04/2023 10:22 AM	EXL Successfully Completes Placement & Launches SPP
03/04/2023 09:24 AM	Trading Halt
24/03/2023 08:21 AM	AGM Date Change
28/02/2023 08:41 AM	AGM Date
28/02/2023 08:41 AM	Appendix 3Y
28/02/2023 08:41 AM	FY2022 Results Announcement
28/02/2023 08:39 AM	Corporate Governance Statement and Appendix 4G

The Company may make further ASX announcements after the date of this Prospectus. Copies of the abovementioned announcements (as well as any further announcements) will be available on the ASX website, [www.asx.com.au](http://www.asx.com.au) under the Company's code "EXL".

You are advised to refer to the ASX's website and the Company's website for announcements or updates relating to the Company.

## 7.7 Information excluded from continuous disclosure notices

As at the date of this Prospectus, there is no information that has not been disclosed under the continuous disclosure requirements of the Listing Rules and which the Board considers would reasonably require in order to assess the Company's assets and liabilities, financial position and prospects and the rights and liabilities attaching to New Shares and New Options in the Company.

## 7.8 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director has or had within 2 years before the lodgement of this Prospectus with ASIC, any interest in:

- a) the formation or promotion of the Company;
- b) any property acquired or proposed to be acquired by the Company in connection with its promotion or formation or in connection with the offer of New Shares, New Options or Sub-Underwriter Options; or
- c) the offer of New Shares, New Options or Sub-Underwriter Options, other than as ordinary Shareholders;

and no amounts or benefits have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director:

- d) to induce him or her to become, or to qualify him, as a Director; or
- e) for services rendered by him or her in connection with the promotion or formation of the Company or the offer of New Shares.

The current Directors' and their nominees' current shareholdings and interests in Shares and options (prior to the capital raising the subject of this Prospectus) are as follows:

	David Fenlon & Entities	Ron Dufficy & Entities	Pauline Gately & Entities
<b>Current Number of Shares</b>	1,250,000	7,920,391	9,930,583
<b>Current percentage holding</b>	0.19%	1.25%	1.57%
<b>Current number of options</b>	1,250,000	2,361,112	-
<b>Current number of Performance Share Rights</b>	465,753	1,366,438	-
<b>Current number of Salary Sacrifice Rights</b>	1,250,000	1,805,556	-
<b>Entitlement</b>	1,250,000	7,920,391	9,930,583
<b>Maximum number of Shares following the Offer</b>	2,500,000	15,840,782	19,861,166
<b>Maximum percentage of Shares following the completion of the Offer (assuming there is no Shortfall)</b>	0.19%	1.25%	1.57%

The cash based remuneration currently paid (including superannuation and any cash bonus) to Directors or their nominees during the past two financial years preceding the lodgement of this Prospectus with ASIC is set out below:

Director	FY 2022 \$	FY 2023 \$
Mr David Fenlon	65,513	75,000
Mr Ron Dufficy	345,031	292,500
Ms Pauline Gately	-	21,258

The Directors also received non cash based benefits under the Company's employee incentive scheme during this same 2 year period, which benefits are included in their securities listed in the shareholdings table above.

## 7.9 Related Party Transactions

There are no other related party transactions entered into that have not otherwise been disclosed in this Prospectus.

## 7.10 Restricted securities

The Company as at the date of this Prospectus does not have any of its issued securities classified as 'restricted securities' (as defined in the Listing Rules).

## 7.11 Estimated Costs of the Offer

If the Offers are fully subscribed, the expenses of the Offers (exclusive of GST and before any commissions paid by the Company) are estimated to be approximately as follows:

Expenses	\$
Legal (in the preparation of this Prospectus)	33,506
Additional ASX listing fees and CHESS issue fees	24,282
Registry costs (including printing and postage)	39,006
ASIC lodgement fees	3,206
<b>Total</b>	<b>100,000</b>

*\* Under the Underwriting Agreement, the Company may pay commission of up to 6% of the aggregate amount raised by the Company under the Offers (excluding funds from the exercise of any Options or Sub-Underwriter Options). Any such commission costs would be paid from general working capital.*

## 7.12 Consents and Interests of Parties

Each of the parties referred to in this Section does not make, or purport to make, any statement in this Prospectus other than as specified in this Section and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than the reference to its name or a statement included in this Prospectus with the consent of that party as specified in this Section.

Automic Pty Ltd has given and not withdrawn its written consent to be named herein as the Share Registry to the Company in the form and context in which it is so named. Automic Pty Ltd does not make, or purport to make, any statement in this Prospectus and is not aware of any statement in this Prospectus which purports to be based on a statement made by it and makes no representation, expressed or implied, regarding and takes no responsibility for, any statements in or omissions from this Prospectus.

Canaccord Genuity (Australia) Limited has given and not withdrawn its written consent to be named herein as the Underwriter to the Company in the form and context in which it is so named. Canaccord Genuity (Australia) Limited does not make, or purport to make, any statement in this Prospectus and is not aware of any statement in this Prospectus which

purports to be based on a statement made by it and makes no representation, expressed or implied, regarding and takes no responsibility for, any statements in or omissions from this Prospectus.

Other than as set out below or elsewhere in this Prospectus, all persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation of or distribution of this Prospectus do not have, and have not had in the 2 years before the date of this Prospectus, any interest in:

- » the formation or promotion of the Company;
- » property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the offer of New Shares and New Options pursuant to this Prospectus; or
- » the offer of New Shares and New Options pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) and no other benefit has been given or agreed to be given to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the offer of New Shares and New Options issued pursuant to this Prospectus.

### 7.13 **Electronic Prospectus**

A copy of the Prospectus can be downloaded from the website of the Company at the Elixinol website: [www.elixinolwellness.com](http://www.elixinolwellness.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 Eligible Shareholder. You may obtain a hard copy of this Prospectus free of charge by contacting the Share Registry on 1300 288 664 (within Australia) during business hours or requesting it by email of [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au).

### 7.14 **Financial Forecasts**

The Directors have considered the applicable laws and do not believe that they have a reasonable basis to forecast future earnings, on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast.

### 7.15 **Directors' authorisation**

Each Director of the Company has given, and has not withdrawn, their consent to the lodgement of this Prospectus with ASIC.

## 8. **DIRECTORS' STATEMENT**

The Directors have made all reasonable enquiries in the preparation of this Prospectus and, on that basis, have reasonable grounds to believe that:

- any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in this Prospectus by persons other than Directors,
- other persons making the statement or statements in the Prospectus were competent to make such statements and that those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus



with the ASIC, or to the Directors knowledge, before any issue of New Shares or New Options pursuant to this Prospectus.

This Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to likely investors or their professional advisors.

Each of the Directors of the Company has consented to the lodgement of this Prospectus in accordance with Section 720 of the Corporations Act and has not withdrawn that consent.

**David Fenlon**  
**Non-Executive Chair**  
**Elixinol Wellness Limited**

## 9. DEFINITIONS

In this Prospectus the following terms and abbreviations have the following meanings, unless otherwise stated or unless the context otherwise requires:

**\$ or AUD** means Australian dollar;

**Additional Securities** means New Shares (together with the accompanying Options) applied for by an Eligible Shareholder under the Top-Up Facility that are in excess of that Eligible Shareholder's Entitlement;

**AFSL Holders** means a holder of an Australian Financial Services Licence;

**Applicant** refers to a person who submits an Application Form or makes payment pursuant to this Prospectus;

**Application** refers to the submission of an Application Form or making payment pursuant to this Prospectus;

**Application Form** means an Entitlement & Acceptance Form or a Shortfall Application Form, as the case may be;

**Application Monies** means monies payable by Applicants in respect of their Applications;

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context may require;

**ASX Settlement Operating Rules** means ASX Settlement Pty Limited's operating rules;

**Board** means the board of Directors;

**Business Day** has the meaning ascribed to it in the Listing Rules;

**CHESS** means Clearing House Electronic Subregister System;

**Closing Date** means the closing date of the Offer being 5.00 pm on 15 March 2024 (subject to the right of the Company to vary the date without notice);

**Company, EXL or Elixinol** means Elixinol Wellness Limited ACN 621 479 794;

**Constitution** means the constitution of the Company;

**Corporations Act** means Corporations Act 2001 (Cth);

**Directors** means the directors of the Company;

**EFT** means electronic funds transfer, and if applicable, includes funds transfer using required SWIFT codes;

**Eligible Shareholder** means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date whose registered address is in Australia or New Zealand;

**Entitlement** means the entitlement to subscribe for 1 New Share for every Share held by an Eligible Shareholder on the Record Date (and to receive 1 New Option for every 2 New Shares issued under the Offer, including 1 New Option for every 2 New Shares issued under any Shortfall) as set out in the Entitlement & Acceptance Form, and **Entitlements** has a corresponding meaning;

**Entitlement & Acceptance Form** means the Entitlement & Acceptance Form accompanying this Prospectus;

**EXL Group** means EXL and its Subsidiaries;

**FMC Act** means Financial Markets Conduct Act 2013 (New Zealand);

**Ineligible Foreign Shareholder** means a Shareholder at the Record Date who is not an Eligible Shareholder;

**Issue Price** means 0.5 cents (\$0.005) per New Share;

**Listing Rules** means the listing rules of the ASX;

**Maximum Subscription Amount** means the sum of approximately \$3.16 million;

**New Option** or **Option** means an option, subject to the Option Terms, to purchase a Share with an expiry date of on or before the date which is 36 months from the issue date and an exercise price of 0.75 cents per Option;

**New Shares** means the Shares proposed to be issued pursuant to the Offers;

**Offer Securities** means collectively the New Shares and the New Options under this Prospectus;

**Offers** means collectively the Rights Issue Offer, the Top-Up Offer, the Shortfall Offer and the offer of Sub-Underwriter Options – all on the terms of this Prospectus;

**Opening Date** means the opening date of the Offer being 26 February 2024 (subject to the right of the Company to vary the date without notice);

**Option Terms** means the terms applicable to the New Options and Sub-Underwriter Options, a copy of which terms is attached as Annexure A to this Prospectus;

**Record Date** means 7.00 pm on 22 February 2024;

**Related Bodies Corporate** has the meaning as provided in the Corporations Act 2001;

**Relevant Interest** has the same meaning as provided in the Corporations Act;

**Rights Issue Offer** means non-renounceable pro rata offer of New Shares on the basis of 1 New Share for every Share held on the Record Date at the Issue Price, plus 1 New Option for every 2 New Shares issued under the Offer, as described in section 2.1;

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

**Shareholder** means a holder of Shares;

**Share Registry** means Automic Pty Ltd ACN 152 260 814;

**Shortfall** means the aggregate amount by which all Eligible Shareholders do not apply for their full Entitlement under the Rights Issue Offer;

**Shortfall Application Form** means the application form for some or all of the Shortfall under the Shortfall Offer, which form accompanies this Prospectus;

**Shortfall Offer** means the offer by the Directors to place any Shortfall at their discretion (other than to Directors and related parties of the Company) within 3 months after the close of the Rights Issue Offer at a price not less than the Issue Price of 0.5 cents per New Share, as described in section 2.1;

**Subsidiary** has the meaning given to that term in section 46 of the Corporations Act;

**Sub-Underwriter Options** means an option issued under the Underwriting Agreement, subject to the Option Terms, to purchase a Share with an expiry date of on or before the date which is 36 months from the issue date and an exercise price of 0.75 cents per option;

**Top-Up Facility** means the mechanism by which Eligible Shareholders can apply for Addition Securities;

**Top-Up Offer** means the offer under the Top-Up Facility to Eligible Shareholders as described in section 2.1;

**Underwriter** or **Canaccord** means Canaccord Genuity (Australia) Limited;

**Underwriting Agreement** means the Underwriting Agreement between the Company and the Underwriter as summarised in section 2.9 of this Prospectus;

**US Securities Act** means the US Securities Act of 1933, as amended.

*Please note that references in this Prospectus to "Sections" are to sections of this Prospectus.*

## 10. CORPORATE DIRECTORY

### **Directors**

Mr David Fenlon	Non-Executive Chairman
Mr Ron Dufficy	Group Chief Executive Officer and Managing Director
Ms Pauline Gately	Non-Executive Director

### **Company Secretary**

Josephine Lorenz

### **Registered office**

Level 12, 680 George St  
Sydney, NSW 2000

### **Share Registry**

Automic Pty Ltd  
Level 5, 126 Philip St  
Sydney, NSW 2000

Telephone: 1300 288 664 (within Australia)  
Internet: [www.automicgroup.com.au](http://www.automicgroup.com.au)  
Email: [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au)

## Annexure A - Option Terms and Conditions

Each option (**Option**) entitles the holder (**Option Holder**) to subscribe for and be issued one fully paid ordinary share (**Share**) in **Elixinol Wellness Limited** ACN 621 479 794 (**Company**) on the following terms:

1. Subject to clause 2 and any restrictions imposed by the ASX Limited (**ASX**), each Option is exercisable at any time after the date it is issued (**Issue Date**), until and including their expiry date, namely 5pm on the date which is 36 months from the date of issue (**Expiry Date**). Any Options not exercised by the Expiry Date will automatically lapse at 5pm on the Expiry Date.
2. The Options may be exercised for part or all of the Options held at a particular time by the Option Holder by paying to the Company at its registered office prior to the Expiry Date the exercise price of A\$0.0075 per Option (**Exercise Price**).
3. On receipt of payment of the Exercise Price, the Company must, within 4 Business Days and if the Shares are listed on the ASX within the time period prescribed by the Listing Rules of the ASX (**ASX Listing Rules**):
  - (a) allot to the Option Holder one Share in the Company for each Option exercised by the Option Holder;
  - (b) cause to be despatched to the Option Holder the relevant acknowledgement of issue, a holding statement or share certificate (as applicable) as soon as is reasonably practicable detailing the issue of the relevant Share/s; and
  - (c) issue (if applicable) a new holding statement (or option certificate) for the balance of the Options that remain unexercised.
4. Shares allotted on the exercise of Options will rank equally in all respects with the then existing issued ordinary fully paid shares in the capital of the Company (except in respect to any dividends which shall have been declared but not yet distributed before the actual exercise of an Option) and will be subject to the provisions of the Constitution of the Company.
5. The Options are transferable in accordance with the ASX Listing Rules.
6. If any reorganisation (including consolidation, subdivision, reduction, return or cancellation) of the issued capital of the Company occurs before the expiry of any Options, the number of Options to which each Option Holder is entitled or the Exercise Price of his or her Options or both must be reorganised in accordance with the ASX Listing Rules applying to a reorganisation at the time of the reorganisation (which adjustment formula will apply even where the Company is not admitted to the ASX Official List).
7. An Option does not confer the right to participate in new issues of capital offered to holders of Shares (**Rights Entitlement**) during the currency of the Options without exercising the Options. However, the Company will use reasonable endeavours to see that for the purpose of determining Rights Entitlements to any such issue, the Option Holder is to receive at least 2 Business Days written notice from the Company of the pending closing or record date and sufficient time for the Option Holder to exercise the Options prior to that closing or record date in order to qualify for the participation in the Rights Entitlement.
8. In the event of the liquidation of the Company, all unexercised Options will lapse upon the occurrence of that liquidation.
9. The Options do not provide any entitlement to dividends paid to ordinary shareholders.
10. The Options do not entitle the Option Holder to vote at any meeting of shareholders
11. To the extent (if any) that any of these Option Terms and Conditions are inconsistent with or contrary to the ASX Listing Rules, the ASX Listing Rules provisions will prevail and these Option Terms and Conditions are deemed to incorporate the relevant ASX Listing Rules provisions as an amendment to these terms; and
12. These Option Terms and Conditions are governed by the laws of Victoria. The parties submit to the non-exclusive jurisdiction of the courts of Victoria.

Elixinol Wellness Limited ACN 621 479 794

[EntityRegistrationDetailsLine1Envelope]  
[EntityRegistrationDetailsLine2Envelope]  
[EntityRegistrationDetailsLine3Envelope]  
[EntityRegistrationDetailsLine4Envelope]  
[EntityRegistrationDetailsLine5Envelope]  
[EntityRegistrationDetailsLine6Envelope]

Holder Number:  
[HolderNumberMasked]

Shares held as at the Record Date at  
7.00pm (AEDT) on 22 February 2024  
[CumBalance]

## ENTITLEMENT AND ACCEPTANCE FORM

OFFER CLOSES 5.00PM (AEDT) 15 MARCH 2024 (WHICH MAY CHANGE WITHOUT NOTICE)

On 12 February 2024, Elixinol Wellness Limited (the **Company**) announced its intention to raise approximately \$3.16 million by way of a non-renounceable pro-rata Rights Issue Offer of new fully paid ordinary shares. Under the Rights Issue Offer, eligible shareholders are entitled to subscribe for 1 New Share for every Share held at 7:00pm (AEDT) on 22 February 2024 (**Record Date**), at the Offer Price of \$0.005 per New Share, together with the grant of 1 New Option expiring 36 months from the date of issue and an exercise price of exercise price of \$0.0075 cents for every 2 New Shares issued under this offer (Rights Issue Offer).

The Prospectus dated 19 February 2024 contains information about the Rights Issue Offer and you should carefully read the Prospectus before applying for Shares. This Entitlement and Acceptance Form should be read in conjunction with the Prospectus. If you do not understand the information provided in the Prospectus or you are in doubt as to how you should deal with it, you should seek professional advice. Other than as defined in this Entitlement and Acceptance form, capitalised terms have the same meaning as defined in the Prospectus.

### 1 ACCEPTANCE OF ENTITLEMENT OR PART THEREOF

	Payment Amount A\$ (\$0.005 per Share)	Number of Shares Applied
<b>Full Entitlement</b>	[EntPayable]	[Entitlement]
<b>Partial Entitlement</b>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

### 2 APPLICATION FOR TOP-UP SHARES

As an Eligible Shareholder, you are invited to apply for Top-Up Shares, providing you have taken up your full Entitlement.

	Payment Amount A\$ (\$0.005 per Top-Up Share)	Number of Top-Up Shares Applied
<b>Top-Up Application</b>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

### 3 PAYMENT - YOU CAN PAY BY BPAY® OR ELECTRONIC FUNDS TRANSFER (EFT)

Payments must be made by BPAY® or by EFT and may not be made by cheque or money order. You do not need to return this form.

<b>Total Payment</b> A\$	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
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#### Option A – BPAY®



**Biller Code:** TBC  
**Ref No:** [BPayCRN]

Contact your financial institution to make your payment from your cheque or savings account.

**Note:** You do not need to return this form if you have made payment via BPAY® or EFT. Your BPAY® reference number or unique reference number will process your payment for your application for New Shares electronically.

#### Option B – Electronic Funds Transfer (EFT)

The unique reference number which has been assigned to your Application is: [HolderId]-[CAID]-EXL

Funds are to be deposited in AUD currency directly to following bank account:

**Account name:** Automic Pty Ltd  
**Account BSB:** TBC  
**Account number:** TBC  
**Swift Code:** WPACAU2S

**IMPORTANT:** You must quote your unique reference number as your payment reference/description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your application and Shares subsequently not issued.

**4****ELECT TO BE AN E-SHAREHOLDER**

If you have received this form by post you have NOT provided your email address or elected to receive all communications electronically.

As part of the Company's commitment to improving shareholder value, we encourage you to elect to receive all shareholder communications electronically.

By choosing this option you will:

- Support the company that you hold an ownership in by helping us to reduce the thousands of dollars spent on printing and postage costs each year;
- Receive your investor communications faster and in a more secure way; and
- Help the environment through the need for less paper.

**SIMPLY SCAN THE QR CODE TO VISIT  
[HTTPS://INVESTOR.AUTOMIC.COM.AU](https://investor.automic.com.au)  
AND UPDATE YOUR COMMUNICATION  
PREFERENCE .**



## INSTRUCTIONS FOR COMPLETION OF THIS FORM

The right to participate in the Rights Issue Offer is optional and is offered exclusively to all Shareholders who are registered as holders of fully paid ordinary Shares in the capital of the Company on the Record Date with a registered address in Australia or New Zealand (**Eligible Shareholders**).

### ACCEPTANCE OF OFFER

By making a BPAY® or EFT payment:

- you represent and warrant that you have read and understood the Prospectus and that you acknowledge the matters, and make the warranties and representations contained therein and in this Entitlement and Acceptance Form; and
- you provide authorisation to be registered as the holder of Shares and the Shares on the exercise of the New Options acquired by you and agree to be bound by the Constitution of the Company.

#### 1 Acceptance of Full or Partial Entitlement for Shares

If you wish to accept your full entitlement:

- make payment by BPAY® or EFT for your full entitlement by following the instructions on this Entitlement and Acceptance Form.

If you only wish to accept part of your entitlement:

- calculate the payment amount for the portion of your entitlement that you wish to take up in accordance with the partial entitlement section of this Entitlement and Acceptance Form; and
- make payment by BPAY® or EFT for that portion of your entitlement by following the instructions on this Entitlement and Acceptance Form.

#### 2 Applying for Top-Up Shares

If you accept your full entitlement and wish to apply for Top-Up Shares in excess of your entitlement:

- make payment by BPAY® or EFT of the total payment amount for your full entitlement AND your participation in the Top-Up Offer by following the instructions on this Entitlement and Acceptance Form.

Your application for Top-Up Shares may not be successful (wholly or partially). The decision in relation to the number of Top-Up Shares in excess of your entitlement to be allocated to you will be final. No interest will be paid on any application monies received and returned.

#### 3 Payment

**By making a payment via BPAY® or EFT, you agree that it is your responsibility to ensure that funds are submitted correctly and received by the Share Registry by the closing date and time. Payment must be received by the Share Registry by 5:00pm (AEDT) on 15 March 2024.**

**By making payment of application monies, you certify that you wish to apply for Shares under the Rights Issue Offer as indicated on this Acceptance Form and acknowledge that your acceptance is irrevocable and unconditional.**

**It is your responsibility to ensure your CRN or unique Payment Reference is quoted, as per the instructions in Section 3. If you fail to quote your CRN or unique Payment Reference correctly, Automic may be unable to allocate or refund your payment. If you need assistance, please contact Automic.**

**Payment by BPAY®:** You can make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. To BPAY® this payment via internet or telephone banking use your reference number on this Form. Multiple acceptances must be paid separately.

**Payment by EFT:** You can make a payment via Electronic Funds Transfer (EFT). Multiple acceptances must be paid separately. Please use your unique reference on this Form. This will ensure your payment is processed correctly to your application electronically.

Applicants should be aware of Automic's financial institution's cut off-time, their own financial institution's cut-off time and associated fees with processing a funds transfer. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time, including taking into account any delay that may occur as a result of payments being made after 5:00pm (AEDT) and/or on a day that is not a business day (payment must be made to be processed overnight). You do not need to return this Form if you have made payment via BPAY® or EFT. Your reference number will process your payment to your application electronically and you will be deemed to have applied for such Shares for which you have paid.

#### 4 Elect to be an e-shareholder - receive communications by email

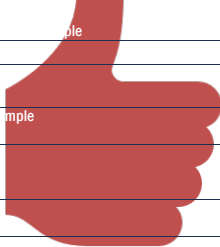
As a valued shareholder, the Company encourages shareholders to elect to receive their shareholder communications electronically. This will ensure you receive all future important shareholder communications in a faster and more secure way and reduce the environmental footprint of printing and mailing.

**If you require further information about the Offer, please contact Automic on 1300 288 664 or +61 2 9698 5414 between 8:30am and 7:00pm (AEDT).**





Sample  
y A/C>  
& Mrs Anne Sample  
y Super A/C>  
&  
mple  
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## INSTRUCTIONS FOR COMPLETING THE FORM

This is an Application Form for new Shares in Elixinol Wellness Limited ACN 621 479 794, at a subscription price of \$0.005 per Share together with the grant of 1 New Option expiring 36 months from the date of issue and an exercise price of exercise price of \$0.0075 cents for every 2 New Shares issued under the offer.

- Shares Applied For & Payment Amount** - Enter the number of Shares & the amount of the application monies payable you wish to apply for.
- Applicant Name(s) and Postal Address** - The Application must be in the name of a natural person(s), companies or other legal entities acceptable by the Company. At least one full given name and surname is required for each natural person. Refer to the table above for the correct forms of registrable title(s). Applicants using the wrong form of names may be rejected. Next, enter your postal address for the registration of your holding and all correspondence. Only one address can be recorded against a holding.
- Contact Details** - Please provide your contact details for us to contact you between 8:30am and 7:00pm (AEDT) should we need to speak to you about your application. In providing your email address you elect to receive electronic communications. You can change your communication preferences at any time by logging in to the Investor Portal accessible at <https://investor.automic.com.au/#/home>.
- CHESSE Holders** - If you are sponsored by a stockbroker or other participant and you wish to hold Shares allotted to you under this Application on the CHESSE subregister, enter your CHESSE HIN. Otherwise leave the section blank and on allotment you will be sponsored by the Company and a "Securityholder Reference Number" (SRN) will be allocated to you.
- Payment** - Payments for applications made using this application form can only be made by Electronic Funds Transfer (EFT), details below. Do not forward cash with this Application Form as it will not be accepted.
- TFN/ABN/Exemption** - If you wish to have your Tax File Number, ABN or Exemption registered against your holding, please enter the details. Collection of TFN's is authorised by taxation laws but quotation is not compulsory and it will not affect your Application.

## DECLARATIONS

### BY SUBMITTING THIS APPLICATION FORM WITH THE APPLICATION MONIES, I/WE DECLARE THAT I/WE:

- Have completed this Application Form in accordance with the instructions on the form;
- Declare that the Application Form and all details and statements made by me/us are complete and accurate;
- I/we agree to provide further information or personal details, including information related to tax-related requirements, and acknowledge that processing of my application may be delayed, or my application may be rejected if such required information has not been provided;
- Where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company;
- Authorise the Company and their agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Shares to be allocated;
- Agree to be bound by the Constitution of the Company; and
- Acknowledge that neither the Company nor any person or entity guarantees any particular rate of return of the Shares (including the Shares on the exercise of the options), nor do they guarantee the repayment of capital.

## LODGEMENT INSTRUCTIONS

### PAYMENT: You can pay by Electronic Funds Transfer "EFT"

#### Electronic Funds Transfer (EFT)

The unique reference which has been assigned to your application is: [Registration Name]-Shortfall

Funds are to be deposited directly to following bank account:

**Bank** : Westpac Banking Corporation  
**Account name** : Automic Pty Ltd  
**Account BSB** : TBC  
**Account number**: TBC  
**Bank address** : 1257-1261 Hay Street, West Perth, WA 6005  
**Swift Code** : WPACAU2S

#### Important:

You must quote your unique reference as your payment reference/ description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your Application and New Shares subsequently not issued.

Please return the completed form to [submissions@automicgroup.com.au](mailto:submissions@automicgroup.com.au).

You must be able to provide a copy of your payment receipt, that shows the unique reference, payment amount, sender, and date, if required.



## CORRECT FORMS OF REGISTRABLE TITLE

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual	Mr John Richard Sample	J R Sample
Joint Holdings	Mr John Richard Sample & Mrs Anne Sample	John Richard & Anne Sample
Company	ABC Pty Ltd	ABC P/L or ABC Co
Trusts	Mr John Richard Sample <Sample Family A/C>	John Sample Family Company
Superannuation Funds	Mr John Sample & Mrs Anne Sample <Sample Family Super A/C>	John & Anne Superannuation Fund
Partnerships	Mr John Sample & Mr Richard Sample <Sample & Son A/C>	John Sample & Son
Clubs/Unincorporated Bodies	Mr John Sample <Health Club A/C>	Health Club
Deceased Estates	Mr John Sample <Estate Late Anne Sample A/C>	Anne Sample (Deceased)

## INSTRUCTIONS FOR COMPLETING THE FORM

Capitalised terms not otherwise defined in this document have the meaning given to them in the Prospectus. The Prospectus contains important information relevant to your decision to invest and you should read the entire Prospectus before applying for Quoted Options under the Sub-Underwriter Options Offer. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. To meet the requirements of the Corporations Act, this Application Form must not be distributed unless included in, or accompanied by, the Prospectus and any supplementary Prospectus (if applicable). While the Prospectus is current, the Company will send paper copies of the Prospectus, and any supplementary Prospectus (if applicable) and an Application Form, on request and without charge.

- Quoted Options Applied For** - If you wish to apply for the Quoted Options under the Sub-Underwriter Options Offer, at no cost, please place a tick in the box provided.
- Applicant Name(s) and Postal Address** - ONLY legal entities can hold Quoted Options. The Application must be in the name of a natural person(s), companies or other legal entities acceptable by the Company. At least one full given name and surname is required for each natural person. Refer to the table above for the correct forms of registrable title(s). Applicants using the wrong form of names may be rejected. Next, enter your postal address for the registration of your holding and all correspondence. Only one address can be recorded against a holding.
- Contact Details** - Please provide your contact details for us to contact you between 9:00am and 5:00pm (AEDT) should we need to speak to you about your Application. In providing your email address you elect to receive electronic communications. You can change your communication preferences at any time by logging in to the Investor Portal accessible at <https://investor.automic.com.au/#/home>
- TFN/ABN/Exemption** - If you wish to have your Tax File Number, ABN or Exemption registered against your holding, please enter the details. Collection of TFN's is authorised by taxation laws but quotation is not compulsory and it will not affect your Application.

## DECLARATIONS

This Application Form does not need to be signed. By lodging this Sub-Underwriter Options Offer Application Form you hereby:

- apply for the number of Quoted Options specified in this Application Form;
- agree to be bound by the Constitution of the Company (including with respect to the shares received on the exercise of the Quoted Options);
- declare that all details and statements in this Application Form are complete and accurate;
- represent and warrant that you have read and understood the Prospectus and this Application Form and make the warranties and representations contained in the Prospectus and this Application Form, and in particular, represent and warrant that you are not in the United States and are not acting for the account or benefit of a person in the United States, and you are not otherwise a person to whom it would be illegal to make an offer or issue of Quoted Options under the Sub-Underwriter Options Offer and under any applicable laws and regulations;
- authorise the Company's Directors to complete or amend this Application Form and any other documentation where necessary to correct any errors or omissions;
- acknowledge that you received personally the Prospectus with this Application Form; and
- acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on any securities, nor do they guarantee the repayment of capital.

If an Application Form is not completed correctly, it may still be accepted. Any decision of the Company's Directors as to whether to accept an Application Form, and how to construe, amend or complete it, shall be final.

Applicants applying for Quoted Options under the Sub-Underwriter Options Offer must do so using a paper copy of this Application Form.

## LODGEMENT INSTRUCTIONS

The Sub-Underwriter Options Offer is expected to open on 26 February 2024. The Directors reserve the right to close the Sub-Underwriter Options Offer at any time once sufficient funds are received or to extend the Sub-Underwriter Options Offer period. Applicants are encouraged to submit their Applications as early as possible. Completed Application Forms must be submitted as follows:

Email to : [info@elixinolwellness.com](mailto:info@elixinolwellness.com)

## ASSISTANCE

Need help with your application, no problem. Please contact Automic on:



**PHONE:**  
1300 288 664 within Australia  
+61 (2) 9698 5414 from outside Australia



**WEBSITE:**  
Go to [www.automicgroup.com.au](http://www.automicgroup.com.au)



**EMAIL:**  
[corporate.actions@automicgroup.com.au](mailto:corporate.actions@automicgroup.com.au)

