

## ASX Announcement

1 May 2023

### SPP BOOKLET AND OPTIONS PROSPECTUS

Elixinol Wellness Limited (**Elixinol Wellness** or the **Company**) (**ASX:EXL**) is pleased to lodge the attached Share Purchase Plan Booklet and Options Prospectus, which are being despatched to Eligible Shareholders today.

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

#### Investor relations please contact:

Ron Dufficy, Group CEO & Managing Director  
[ron.dufficy@elixinolwellness.com](mailto:ron.dufficy@elixinolwellness.com)

#### About Elixinol Wellness

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

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

See more at [www.elixinolwellness.com](http://www.elixinolwellness.com)

# **ATTACHMENTS**

**Elixinol Wellness Limited**  
**ACN 621 479 794**

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## Share Purchase Plan Booklet

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This document is dated 1 May 2023.

This is an important document. Please read it carefully before making an investment decision in relation to the Share Purchase Plan.

If you have any questions in relation to how to participate in the Share Purchase Plan after reading this Booklet, please contact Automic Registry Services, the Company's share registry, from 9.00am to 5.00pm AEST, Monday to Friday, on 1300 288 664 (toll free within Australia) or +61 2 9698 5414 (International). You may also call the Company Secretaries on +61 2 8280 7355.

If you have any questions in relation to whether an investment in Elixinol Wellness Limited through the Share Purchase Plan is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

### IMPORTANT NOTICE AND DISCLAIMER

This Booklet does not provide financial advice and has been prepared without taking account of any person's investment objectives, financial situation or particular needs. You should consider the appropriateness of participating in the Share Purchase Plan having regard to your investment objectives, financial situation or particular needs.

Capitalised terms used in this Booklet have the meanings given to them in the Glossary.

The offer of New Shares under the Share Purchase Plan is made in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 ("**Instrument 2019/547**"), which grants relief

from the requirement for the Company to provide prospectus disclosure in relation to the Share Purchase Plan. This Booklet is not a prospectus under Chapter 6D of the Corporations Act.

The laws of some countries prohibit or make impracticable participation in the Share Purchase Plan by certain overseas Shareholders. Shareholders who are not resident in Australia or New Zealand will not be able to participate in the Share Purchase Plan unless otherwise determined by the Board. The Share Purchase Plan does not constitute an offer of Shares for sale in any other jurisdiction.

### New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders at the Record Date with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Booklet has not been registered, filed with or approved by any New Zealand regulatory authority. This Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

### United States

This Booklet may not be released or distributed in the United States. The New Shares have not been and will not be registered under the US Securities Act of 1933 (the "**Securities Act**") or the securities laws of any state or other jurisdiction of the United States. The New Shares may not be offered, sold or otherwise transferred in the United States or to any person acting for the account or benefit of a person in the United States except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and the applicable securities laws of any state or other jurisdiction in the United States.

### Options

Participants in the Share Purchase Plan are entitled to apply for Options. The offer of Options is being made under the Prospectus.

## LETTER TO SHAREHOLDERS

Dear Shareholder

### Elixinol Wellness Limited Share Purchase Plan

On behalf of the Board, I am pleased to offer you the opportunity to apply for New Shares through participation in a share purchase plan (“**SPP**”).

#### The SPP

The SPP allows Eligible Shareholders the opportunity to subscribe for up to \$30,000 worth of New Shares without paying brokerage or other transaction costs.

The Share Purchase Plan is being conducted as part of a Capital Raising to raise up to approximately \$2.25 million, comprising the SPP to raise \$1 million (which is subject to scale-back) and the placement to raise \$1.25 million, which was announced on 5 April 2023 (“**Placement**”).

The SPP is being undertaken at the same **Offer Price** under the Placement, being \$0.018 per Share.

The Company is seeking to raise \$1 million under the SPP, however the Company reserves the right to scale back applications in excess of this amount, or, in the absolute discretion of the Board, to accept oversubscriptions for New Shares. The Directors have reserved the right to place all of the Shortfall Shares (and attaching Options) under the SPP to sophisticated and professional investors as a separate placement, subject to approval at the Meeting (“**SPP Shortfall Offer**”).

The SPP is fully underwritten by Canaccord Genuity (Australia) Limited (“**Lead Manager**”).

#### SPP Option Offer

Eligible Shareholders are also entitled to apply for one free attaching option (“**Option**”) for every one New Share subscribed for under the SPP via the **SPP Option Offer**. The Options will be exercisable at \$0.02 (2 cents) and will expire two years after the date of issue. The Company will not apply for the Options to be quoted on ASX.

The SPP Option Offer is being made under a Prospectus that is being provided to Eligible Shareholders.

The SPP Option Offer is conditional on Shareholder approval at the Company’s Annual General Meeting to be held in Sydney on 31 May 2023 (“**Meeting**”). A separate Notice of Meeting will be dispatched to Shareholders in connection with the Meeting, and I encourage all Shareholders to carefully read the Notice of Meeting and vote at the Meeting.

If Shareholder approval is not obtained, the offer and issue of Shares under the SPP and this Booklet may proceed, however the issue of Options under the SPP Option Offer and the Prospectus may not occur. In these circumstances, SPP participants may receive New Shares under the SPP but not Options under the SPP Option Offer.

#### Use of funds

The proceeds of the Capital Raising will be used as follows (assuming the full amount of \$1 million is raised under the SPP):

- implementation costs for the Company’s proposed acquisition of The Sustainable Nutrition Group Limited;
- working capital; and
- costs of the Capital Raising.

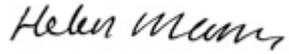
Any proceeds of the exercise of Options will be used to fund the Company’s growth strategy and for working capital purposes.

## **How to participate**

The terms and conditions of the SPP, and details regarding how to apply, are provided in this Booklet.

You should read this Booklet (under which the SPP is being undertaken) and the accompanying Prospectus (under which the Company is offering the Options) in its entirety before deciding whether to participate in the SPP and SPP Option Offer.

Yours sincerely

A handwritten signature in cursive script that reads "Helen Wiseman".

Helen Wiseman  
**Chair**

## KEY DATES

Event	Date (2023)
Record Date of SPP	7:00pm (AEST) Tuesday, 4 April
Dispatch of SPP Booklet, SPP Opening Date Lodgement of prospectus for Options with ASX and SPP Option Offer opens	Monday, 1 May
SPP Closing Date	Friday, 19 May
SPP Shortfall Notification Date	Tuesday, 23 May
Announcement of results of SPP	Wednesday, 24 May
SPP Settlement Date (other than Shortfall Shares and Options)	Thursday, 25 May
SPP Issue Date (other than Shortfall Shares and Options)	Friday, 26 May
Normal trading of Securities issued under SPP (other than Shortfall Shares)	Friday, 26 May
Dispatch of holding statements for SPP	Monday, 29 May
Annual General Meeting to consider SPP underwriting and Options	Wednesday, 31 May
SPP Shortfall Settlement Date (subject to Shareholder approval)	Monday, 5 June
Issue of Options and Shortfall Shares issued under SPP Shortfall Offer (subject to Shareholder approval)	Wednesday, 7 June

This timetable is indicative. EXL reserves the right to vary these times and dates in its absolute discretion by sending a revised timetable to ASX. All times are Australian Eastern Standard Time (“AEST”).

## KEY SPP INFORMATION

### What is the SPP?

The SPP provides Eligible Shareholders with the opportunity to subscribe for up to \$30,000 worth of New Shares without paying any brokerage or other charges.

### How much will the Company raise under the SPP?

EXL is seeking to raise \$1 million under the SPP. The Company may, in its absolute discretion, accept oversubscriptions under the SPP.

### What scale-back arrangements will apply?

In the event that EXL receives applications in excess of the amount sought to be raised under the SPP (of \$1 million), it will scale back applications. The basis of scale-back will be determined by the Board at its discretion, taking into account various factors including the overall level of demand, the number of New Shares applied for and the holdings of applicants.

### SPP Shortfall Offer

In the event that less than \$1 million is applied for under the SPP, the Directors have reserved the right to place all of the shares representing the shortfall (**Shortfall Shares**), and attaching Options, to sophisticated and professional investors as a separate placement (**SPP Shortfall Offer**).

The Shortfall Shares (and attaching Options) will only be placed if Shareholder approval is obtained.

The SPP is fully underwritten by the Lead Manager and accordingly the Shortfall Shares will be subscribed for by the Lead Manager and any sub-underwriters (who are not related parties of the Company).

### What is the Offer Price of New Shares under the SPP?

The New Shares will be issued under the SPP at the Offer Price of \$0.018 per New Share, which is the price at which shares were issued to investors under the Placement.

There is a risk that the market price of Shares may rise or fall between the Record Date, the date of this Booklet, the date on which a Shareholder makes a payment for New Shares or (if applicable) sends in an Application Form, and the time of issue of New Shares under the SPP. This means that the price you pay for the New Shares issued to you may be less than or more than the market price of Shares at the date of this Booklet or the time of issue of the New Shares.

Your application is unconditional and may not be withdrawn even if the market price of Shares is less than the Offer Price.

The current EXL share price can be obtained from the ASX ([www.asx.com.au](http://www.asx.com.au)) and is listed in the financial and business section of major daily newspapers circulating in Australia.

### Is the SPP underwritten?

Yes, the SPP is fully underwritten by Canaccord Genuity (Australia) Limited, who is acting as lead manager of the SPP and the Placement. Refer to the Company's ASX announcement of 28 April 2023 for a summary of the key terms of the SPP Underwriting Agreement, including the termination events.

The underwriting of the SPP is subject to Shareholder approval.

Canaccord will be paid a fee of 3 million Shares and 6 million Options in consideration of underwriting the SPP (subject to Shareholder approval).

### How much can I invest under the SPP?

Eligible Shareholders may apply for a parcel of New Shares under the SPP in accordance with the application amounts set out below. The maximum investment amount under the SPP is \$30,000 worth of New Shares, subject to scale-back. In the event that EXL receives applications in excess of the maximum amount of \$1 million sought to be raised under the SPP, the Company reserves the right to scale back applications at its sole discretion. The Company may also, in its absolute discretion, accept oversubscriptions under the SPP.

The number of New Shares issued to an applicant will be rounded up to the nearest whole number after dividing the application monies by the Offer Price.

Application Amount	Number of New Shares
\$1,000	55,556
\$2,500	138,889
\$5,000	277,778
\$7,500	416,667
\$10,000	555,556
\$15,000	833,334
\$20,000	1,111,112
\$30,000	1,666,667

### Am I an Eligible Shareholder?

Participation in the SPP is optional and is available to Shareholders who are registered holders of Shares at the Record Date with a registered address in Australia or New Zealand (or as otherwise determined by the Board, taking into account disclosure requirements in relevant jurisdictions) provided that such Shareholder is not in the United States, or acting for the account or benefit of a person in the United States ("**Eligible Shareholder**").

The SPP is also being extended to Eligible Shareholders who are Custodians for them to participate in the SPP on behalf of certain Eligible Beneficiaries (who are Australian and New Zealand residents and not in the United States, or acting for the account or benefit of a person in the

United States) on the terms and conditions provided in this Booklet.

Option holders who did not exercise their options prior to the Record Date are not eligible to participate in the SPP in relation to those options.

### **How do I apply and pay for New Shares?**

#### Payment by BPAY®

If you wish to participate in the SPP, you must pay:

- by BPAY®, if you are an Eligible Shareholder with a registered address in Australia; or
- via Electronic Funds Transfer, if you are an Eligible Shareholder with a registered address in New Zealand.

#### How to pay by BPAY®

Make payment by BPAY® as shown on the enclosed Application Form. To apply via BPAY® you must have an Australian bank account. If you apply via BPAY® there is no need to return the enclosed Application Form, but you will be taken to have made the statements and certifications that are set out in the Application Form.

Payment must be received in cleared funds by no later than 5.00 pm (AEST) on Friday, 19 May 2023.

#### Payment where BPAY® is not available

If you are an Eligible Shareholder who does not have an Australian bank account enabled to make BPAY payments, please make payment via EFT using the details on your personalised Application Form.

Payment must be received in cleared funds by no later than 5.00 pm (AEST) on Friday, 19 May 2023.

### **Can I pay with cash, cheque, money order or card?**

No, cash, cheques, money orders and card payments will not be processed and will be returned to applicants.

### **Do I have to participate in the SPP?**

No, participation in the SPP is entirely voluntary.

If you do not wish to participate in the SPP (and the offer of attaching Options), do nothing.

### **Can my offer under the SPP be transferred to a third party?**

No, the offer cannot be transferred.

### **What are the rights attached to New Shares issued under the SPP?**

New Shares issued under the SPP will rank equally with other fully paid ordinary shares of EXL as at the date of issue of the New Shares, except that New Shares issued under the SPP will be entitled to apply for attaching Options.

### **What are the Options and what is my entitlement to them?**

The Options are free attaching options being offered to participants in the Placement and SPP via the Prospectus.

Eligible Shareholders will be entitled to apply for one Option for every New Share subscribed for under the SPP. The Options will be issued for nil cash consideration and will be exercisable at \$0.02 (2 cents), expiring two years after the date of issue. Each Option gives the holder the right to subscribe for one Share upon exercise.

The offer of New Shares under the SPP is made in accordance with Instrument 2019/547 via this Booklet. Instrument 2019/547 allows a share purchase plan to be conducted without the use of a prospectus once in every 12-month period. The Company satisfies the conditions of Instrument 2019/547 for the issue of Shares under the SPP, however the Company is unable to rely on Instrument 2019/547 for the SPP Option Offer because the Options to be issued under the SPP Option Offer are a new class of securities not currently quoted on the ASX.

Accordingly, the Company is undertaking the SPP Option Offer under the Prospectus.

### **The SPP Option Offer is conditional and may not proceed**

The offer of Options (which is governed by the Prospectus) is conditional on obtaining Shareholder approval at the Meeting. If Shareholder approval is not obtained, Shareholders who subscribe for New Shares under the SPP will be issued New Shares but will not be issued Options.

In the event of a scale-back, the number of Options issued to you will be scaled back in the same proportion as the number of New Shares applied for is scaled back (so that you will be issued the same number of Options as New Shares).

### **How do I apply for Options?**

Refer to the Prospectus for further details. The Application Form allows you to apply for both New Shares (offered under this Booklet) and attaching Options (offered under the Prospectus).

### **Will the Options be quoted on ASX?**

No.

### **Where can I get more information on the SPP?**

If you have questions in relation to how to participate in the SPP, please contact the Company's share registry, Automatic Registry Services, on 1300 288 664 (toll free within Australia) or +61 2 9698 5414 (International). You may also call the Company Secretaries on +61 2 8280 7355.

If you have any questions in relation to whether an investment in EXL through the SPP is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

## What do I do if I am a Custodian?

The SPP is being extended to Eligible Shareholders who are Custodians (who are not in the United States, or acting for the account or benefit of a person in the United States) and who wish to apply for New Shares on behalf of certain Eligible Beneficiaries.

The SPP is being offered to Custodians as the registered Shareholder. Custodians are not required to participate on behalf of their Eligible Beneficiaries. Custodians may choose whether or not to extend the SPP to their Eligible Beneficiaries.

If you wish to apply as a Custodian under the SPP to receive New Shares for one or more Eligible Beneficiaries, you must complete and submit an additional Custodian Certificate before your application will be accepted. Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected.

By applying as a Custodian on behalf of Eligible Beneficiaries to purchase New Shares, you certify (amongst other things) that each Eligible Beneficiary has not exceeded the \$30,000 limit.

## TERMS AND CONDITIONS OF THE SPP

### 1. SPP Offer

- 1.1 Elixinol Wellness Limited (“**EXL**” or “**Company**”) offers Eligible Shareholders (defined in clause 2 below) the opportunity to purchase up to \$30,000 worth of fully paid ordinary shares in EXL (“**New Shares**”) at an Offer Price per New Share as determined under clause 1.2 below under the Share Purchase Plan (“**SPP**”), subject to and in accordance with the terms and conditions set out in this Booklet.
- 1.2 The Offer Price will be \$0.018 per New Share. The Offer Price represents a 19.2% discount to the 5-day volume weighted average price (“**VWAP**”) of Shares on ASX as at close of trading on 31 March 2023 (the last trading day of the Shares before announcement of the SPP).
- 1.3 Each person who applies to participate in the SPP accepts the risk that the market price of Shares may change between the Record Date, the date of the SPP Offer, the date on which the applicant makes a BPAY® or EFT payment or sends in an Application Form (if applicable) and the date on which New Shares are issued to the applicant under the SPP. The effect of this is that the Offer Price may be higher or lower than the market price of Shares at any given time and that Shares could be bought on-market at a lower price than the Offer Price.
- 1.4 In these terms and conditions, the “**SPP Offer**” means the offer in clause 1.1.
- 1.5 Only persons who are Eligible Shareholders may participate in the SPP. If you are an Eligible Shareholder, your rights under the SPP Offer and the SPP are personal to you and cannot be transferred to another person.

- 1.6 Directors and employees of EXL who are Eligible Shareholders may participate in the SPP.
- 1.7 All references to \$ or dollars in this Booklet are references to Australian dollars unless indicated otherwise.
- 2. Eligible Shareholders**
  - 2.1 Subject to the remaining paragraphs of this clause 2, an “**Eligible Shareholder**” means a registered holder of EXL Shares as at the “**Record Date**” (being 7:00 pm AEST on Tuesday, 4 April 2023) whose address, as recorded in EXL’s register of members, is in Australia or New Zealand (or as otherwise determined by the Board taking into account applicable disclosure requirements).
  - 2.2 Option holders who did not exercise their options prior to the Record Date are not eligible to participate in the SPP in relation to those options.
  - 2.3 The New Shares to be issued under the SPP have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction in the United States. The New Shares may not be offered, sold or otherwise transferred in the United States except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction in the United States. Accordingly, Shareholders who are located in the United States or who are, or are acting for the account or benefit of, persons in the United States, are not Eligible Shareholders and are not entitled to participate in the SPP (or as otherwise determined by the Board taking into account applicable disclosure requirements).
  - 2.4 Shareholders who are joint holders of Shares are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder, and the certification in the Application Form by one joint holder will be taken to have been given by all joint holders.
  - 2.5 Where a Custodian (as defined in Instrument 2019/547) is a registered holder of Shares on the Record Date and holds Shares on behalf of one or more persons with a registered address in Australia or New Zealand who is not in the United States, or acting for the account or benefit of a person in the United States (“**Eligible Beneficiaries**”), the SPP Offer is made to the Custodian and the Custodian has the discretion whether to extend the SPP Offer to the Eligible Beneficiaries. If you are a Custodian who wishes to apply for New Shares on behalf of an Eligible Beneficiary, EXL will not issue New Shares unless you submit an additional Custodian Certificate that contains further certifications and details (required by the terms of Instrument 2019/547). Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected.
  - 2.6 Custodians must request a Custodian Certificate when making an application on

behalf of Eligible Beneficiaries. To request a Custodian Certificate or further information about the custodian application process, please contact Automatic Registry Services, the Company's share registry, from 9.00am to 5.00pm (AEST) Monday to Friday on 1300 288 664 (toll free within Australia) or +61 2 9698 5414 (International).

- 2.7 A Shareholder or Custodian will be ineligible to participate in the SPP if their participation would be in breach of Instrument 2019/547.

### 3 Application to Participate

#### Applying for New Shares

- 3.1 Participation in the SPP is optional.

- 3.2 Eligible Shareholders may participate in the SPP by applying to purchase a parcel of New Shares in the following amounts, up to a maximum amount of \$30,000 per Eligible Shareholder:

- (a) \$1,000;
- (b) \$2,500;
- (c) \$5,000;
- (d) \$7,500;
- (e) \$10,000;
- (f) \$15,000;
- (g) \$20,000; or
- (h) \$30,000.

The number of New Shares issued to an applicant will be rounded up to the nearest whole number after dividing the application monies by the Offer Price.

- 3.3 If you are an Eligible Shareholder and wish to participate in the SPP, you must either:

- (a) if you are an Eligible Shareholder resident in Australia, make payment by BPAY® in the appropriate amount in Australian dollars using your customer reference number (which is required to identify your holding) and the biller code, both of which are set out on your personalised Application Form, so that payment is received by EXL's share registry by no later than 5.00 pm (AEST) on Friday, 19 May 2023. Receipt of your BPAY® payment will be taken by EXL as your application; and
- (b) if you are an Eligible Shareholder resident in New Zealand, please make payment via EFT using the details on your personalised Application Form.

- 3.4 If an Eligible Shareholder has more than one holding, the Eligible Shareholder may not apply for New Shares with an aggregate value of more than \$30,000 under the SPP. Accordingly, an Eligible Shareholder may only make an application for the maximum amount with respect to one holding.

- 3.5 You should be aware that your own financial institution may implement earlier cut off times

for electronic payments and you should take this into consideration when making payment of application monies via BPAY® or EFT. Your financial institution may have a set limit on the amount that you can pay via BPAY® or EFT. It is your responsibility to ensure that the amount you wish to pay via BPAY® or EFT is received by EXL's share registry by 5.00 pm (AEST) on Friday, 19 May 2023.

**If you make a payment via BPAY® or EFT** you represent and warrant that the total of the application price for the following does not exceed \$30,000:

- (a) the New Shares the subject of your application;
- (b) any other Shares issued to you under an arrangement similar to the SPP in the 12 months before the date of your application under the SPP;
- (c) any other New Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
- (d) any other Shares issued to a Custodian under an arrangement similar to the SPP in the 12 months before the date of your application for New Shares as a result of an instruction given by you to the Custodian or another Custodian and which resulted in you holding beneficial interests in such Shares, even though you may have received more than one offer or received offers in more than one capacity.

#### EXL's discretion with regard to applications

- 3.6 EXL may accept or reject any application under the SPP, including where:

- (a) your Application Form is incorrectly completed, incomplete or the application is otherwise determined by EXL to be invalid;
- (b) you make your payment by cheque or money order;
- (c) the amount of your BPAY® or EFT payment is not equal to \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$15,000, \$20,000 or \$30,000. If this occurs, EXL may either:
  - (i) refund in full your application monies and not allot any New Shares to you; or
  - (ii) allot you the number of New Shares that would have been allotted had you applied for the highest designated amount that is less than the amount of your payment and refund to you the excess of your application monies;
- (d) it appears that you are applying to purchase more than \$30,000 worth of New Shares in aggregate (including as a result of any Shares you hold directly,

- jointly or through a Custodian or nominee arrangement);
- (e) your BPAY® or EFT payment is received after 5.00 pm (AEST) on Friday, 19 May 2023;
- (f) payment of the application monies is not submitted in Australian currency; or
- (g) EXL reasonably believes that you are not eligible to participate in the SPP (subject to compliance with any applicable ASIC or ASX requirements).

**Refund**

3.7 If you are entitled to a refund of all or any of your application monies the refund will be paid to you, without interest, as soon as is practicable:

- (a) by direct credit to your nominated bank account (as recorded by EXL's share registry) or, if permitted, cheque; or
- (b) by returning your Application Form (if applicable) and cheque or money order, if not processed, to your registered address as recorded in EXL's register of members.

3.8 Any amount under \$2.00 will not be refunded.

**4. Effect of Making an Application**

If you submit a BPAY® or EFT payment or (if permitted) complete and return an Application Form you:

- (a) warrant that you are an Eligible Shareholder and are eligible to participate in the SPP;
- (b) are deemed to have accepted the SPP Offer and you irrevocably and unconditionally acknowledge and agree to the terms and conditions of the SPP and the terms of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;
- (c) acknowledge that your application will be irrevocable and unconditional;
- (d) agree to pay the Offer Price per New Share up to the maximum of:
  - (i) the value you have selected on the Application Form; or
  - (ii) the maximum value of your BPAY® or EFT payment;
- (e) certify and represent to EXL that you have not directly or indirectly, including through a Custodian, applied for more than \$30,000 worth of New Shares;
- (f) certify that the total of the application price for the following does not exceed \$30,000:
  - (i) the New Shares the subject of your application;
  - (ii) any other Shares issued to you under an arrangement similar to

- the SPP in the 12 months before the date of your application under the SPP;
- (iii) any other New Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
- (iv) any other Shares issued to a Custodian under an arrangement similar to the SPP in the 12 months before the date of your application for New Shares as a result of an instruction given by you to the Custodian or another Custodian and which resulted in you holding beneficial interests in such Shares, even though you may have received more than one offer or received offers in more than one capacity;
- (g) accept the risk associated with any refund that may be sent to your address (as shown on EXL's register of members) or to your nominated bank account (as recorded by EXL's share registry);
- (h) acknowledge that no interest will be paid on any application monies held pending the allotment of New Shares or subsequently refunded to you for any reason;
- (i) acknowledge that neither EXL nor its share registry has provided any investment advice or financial product advice and that neither of them has any obligation to provide this advice in relation to your consideration as to whether or not to participate in the SPP;
- (j) acknowledge that EXL (and each of its officers and agents) is not liable for any consequences of the exercise or non-exercise of its discretions referred to in these terms and conditions;
- (k) acknowledge that the New Shares to be issued under the SPP have not, and will not be, registered under the U.S. Securities Act or the securities laws of any other jurisdiction outside Australia or New Zealand and, accordingly, the New Shares to be issued under the SPP 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 Securities Act and any other applicable securities laws;
- (l) agree not to send this Booklet or any other material relating to the SPP to any person in the United States or any other country outside Australia and New Zealand;
- (m) agree to be bound by EXL's constitution;

- (n) authorise EXL (and each of its officers and agents) to correct any error in, or omission from, the Application Form and complete the Application Form by inserting any missing details (if applicable);
- (o) acknowledge that EXL may at any time irrevocably determine that your application is valid, in accordance with the terms and conditions of the SPP, even if the Application Form is incomplete, contains errors or is otherwise defective (if applicable); and
- (p) are responsible for any dishonour fees or other costs EXL may incur in presenting a cheque that is dishonoured (if applicable).
- 5. Scale-Back and SPP Offer Size**
- 5.1 EXL is seeking to raise \$1 million under the SPP. In the event that EXL receives applications in excess of this amount, the Company reserves the right to scale back applications at its sole discretion. The Company may also, in its absolute discretion, accept oversubscriptions under the SPP. The basis of scale-back will be determined by the Board at its discretion, taking into account various factors including the overall level of demand, the number of New Shares applied for and the holdings of applicants.
- 5.2 If there is a scale-back you may receive less than the parcel of New Shares for which you have applied.
- 5.3 If a scale-back or the acceptance of an oversubscription for New Shares produces a fractional number of New Shares when applied to your parcel, the number of New Shares you will be allotted will be rounded up to the nearest whole number of New Shares.
- 5.4 If there is a scale-back, the difference between the application monies received from you, and the number of New Shares allocated to you multiplied by the Offer Price, will be refunded to you in accordance with clause 3.7.
- 6. The New Shares**
- 6.1 New Shares issued under the SPP will rank equally in all respects with existing Shares quoted on the ASX, with the same voting rights, dividend rights and other entitlements (other than the right to subscribe for free attaching Options on a 1:1 basis).
- 6.2 EXL will apply for the New Shares issued under the SPP to be quoted on the ASX.
- 7. No Transaction Costs**
- Eligible Shareholders who participate in the SPP will not pay any brokerage, commissions or other transaction costs in respect of the issue and allotment of New Shares.
- 8. Timetable**
- 8.1 The timetable for the key events relating to the SPP is as set out in the Key Dates section of this Booklet ("**Timetable**").
- 8.2 EXL may, at its discretion, vary any of the dates in the Timetable or in these terms and conditions by lodging a revised timetable with the ASX.
- 9. Dispute Resolution**
- EXL may settle in any manner it thinks fit, any difficulties, anomalies or disputes that may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant or application. Any determinations by EXL will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. EXL's rights may be exercised by its board or any delegate of the board.
- 10. Variation, Suspension and Termination**
- 10.1 EXL may at its discretion and at any time:
- (a) vary, suspend or terminate the SPP. If EXL does this, it will make an announcement to the ASX. Failure to notify Shareholders of variations to or the suspension or termination of the SPP will not invalidate the variation, suspension or termination; and
- (b) to the extent permitted by law, waive compliance with any provision of the SPP or these terms and conditions.
- 10.2 EXL reserves the right to issue no New Shares under the SPP or fewer New Shares under the SPP than applied for under the SPP at its complete discretion, including if EXL believes the issue of those New Shares would contravene ASIC requirements or policy, any law or any ASX Listing Rule. In the event that EXL receives applications for New Shares in excess of \$1 million, the scale-back policy and/or the policy relating to oversubscriptions for New Shares in clause 5.1 of these SPP terms will apply.
- 11. Instrument 2019/547 compliance**
- 11.1 The SPP is offered in compliance with Instrument 2019/547. Instrument 2019/547 provides relief from the requirement for EXL to provide prospectus disclosure in relation to the SPP. This Booklet is not a prospectus under the Corporations Act.
- 11.2 Instrument 2019/547 also provides relief to allow clients of second or subsequent level custodians to participate in the SPP. Any additional or varied ASIC requirements in the class order will apply to participation on behalf of such clients.
- 12. Underwriting**
- 12.1 The Company and the Lead Manager are parties to an underwriting agreement dated 28 April 2023 ("**SPP Underwriting Agreement**") by which the Lead Manager agrees to act as lead manager and underwriter to the SPP.
- 12.2 Under the SPP Underwriting Agreement, the Lead Manager is entitled to the following fees (subject to Shareholder approval):
- (a) 6,000,000 Options; and

(b) 3,000,000 Shares for nil consideration.

12.3 The Company agrees to give standard representations and warranties to the Lead Manager in the SPP Underwriting Agreement and agrees to provide a standard indemnity for the benefit of the Lead Manager and pay the Lead Manager's reasonable expenses. It also agrees to conduct the SPP in accordance with applicable law. The Lead Manager is entitled to terminate the SPP Underwriting Agreement on the occurrence of certain specified events.

### 13. Governing Law

These SPP terms and conditions are governed by the laws in force in New South Wales. Any dispute arising out of, or in connection with, these terms and conditions, or the SPP Offer, will be determined by the courts of New South Wales. By accepting the SPP Offer, you agree to submit to the non-exclusive jurisdiction of the courts in New South Wales. Other terms and conditions, rights and obligations of New Shares are contained in the constitution of the Company. The terms and conditions of the SPP prevail to the extent of any inconsistency with the Application Form.

### GLOSSARY

The following terms apply throughout this Booklet unless the context requires otherwise.

Defined term	Meaning
<b>Application Form</b>	your personalised application form enclosed with this Booklet.
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited or the market operated by it, as the context requires.
<b>ASX Listing Rules</b>	the listing rules of ASX.
<b>Beneficiary</b>	a person on whose behalf a Custodian is holding Shares on the Record Date.
<b>Booklet</b>	this booklet, which sets out the terms of the SPP Offer.
<b>Capital Raising</b>	the Placement and SPP, including the offer of Options pursuant to the Prospectus.
<b>Company or EXL</b>	Elixinol Wellness Limited ACN 621 479 794.
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth).
<b>Custodian</b>	a custodian as defined in paragraph 4 of Instrument 2019/547.
<b>Custodian</b>	a certificate complying with

Defined term	Meaning
<b>Certificate</b>	subparagraph 8(3) of Instrument 2019/547.
<b>Eligible Beneficiary</b>	as defined in section 2.5 of the terms and conditions.
<b>Eligible Shareholder</b>	Shareholders who are registered holders of Shares at the Record Date with a registered address in Australia or New Zealand, provided that such Shareholder is not in the United States, or acting for the account or benefit of a person in the United States.
<b>EFT</b>	electronic funds transfer.
<b>Instrument 2019/547</b>	ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.
<b>Meeting</b>	the Annual General Meeting of Shareholders of the Company to be held on 31 May 2023 at 9.00am (AEST).
<b>New Share</b>	a Share to be issued (at the Offer Price) to successful applications under the SPP Offer.
<b>Option</b>	a free attaching option, offered to participants in the Placement and SPP for nil consideration on the basis of an entitlement to one Option for every New Share issued, the offer of which is being made by the Company through the Prospectus (which also sets out the terms of issue of the Options).
<b>Placement</b>	as defined in the Letter to Shareholders in this Booklet.
<b>Prospectus</b>	the transaction-specific issued by the Company on the date of this Booklet in connection with the offer of Options.
<b>Record Date</b>	7.00pm (AEST) on Tuesday, 4 April 2023.
<b>Share</b>	a fully paid ordinary share in EXL.
<b>Shareholder</b>	a registered holder of Shares.
<b>Shortfall Shares</b>	as defined in the Key SPP Information in this Booklet.
<b>SPP</b>	as defined in clause 1.1 of the terms and conditions.
<b>SPP Offer</b>	as defined in clause 1.4 of the terms and conditions.

Defined term	Meaning
<b>SPP Option Offer</b>	the offer of attaching Options made to SPP participants pursuant to the Prospectus, which is subject to Shareholder approval.

Defined term	Meaning
<b>SPP Shortfall Offer</b>	as defined in the Key SPP Information in this Booklet.

**SPP OPTION OFFER PROSPECTUS AND APPLICATION FORM**

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**ELIXINOL WELLNESS LIMITED**  
ACN 621 479 794

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**PROSPECTUS**

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For an offer of up to 69,444,445 Options for nil consideration, on the basis of one Option for every one Share issued to investors under the Placement (**Placement Offer**);

and

For an offer of up to 55,555,555 Options for nil consideration, on the basis of one Option for every one Share issued, to investors under the SPP and the SPP Shortfall Offer (**SPP Option Offer**);

and

For an offer of up to 6,000,000 Options for nil consideration to Canaccord Genuity (Australia) Limited (**Broker Offer**).

The Placement Offer, SPP Option Offer and Broker Offer are conditional upon the Company obtaining the requisite Shareholder approval at the Company's Annual General Meeting scheduled to be held on 31 May 2023 (**Meeting**). Refer to Section 3.6 for further details.

The Offers are not open to the general public.

**IMPORTANT INFORMATION**

This Prospectus is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Options offered under this Prospectus are considered speculative.

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## IMPORTANT NOTICE

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### Prospectus

This Prospectus relates to the offer of Options by Elixinol Wellness Limited (**EXL** or **Company**) under the Offers.

The Offers made under this Prospectus are only being made to participants in the Placement and SPP (including the SPP Shortfall Offer) and to the Lead Manager. It is not being made to the general public.

This Prospectus is dated 1 May 2023 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. The expiry date of the Prospectus is 5.00pm (Sydney time) on the date that is 13 months after the date of this Prospectus (**Expiry Date**). No Options will be issued on the basis of this Prospectus after the Expiry Date.

This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus, regard has been had to the fact that 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 their professional advisers.

None of ASIC and ASX, and their respective officers, take any responsibility for the contents of this Prospectus or the merits of the securities to which this Prospectus relates.

ASX maintains a database of publicly available information issued by the Company as a disclosing entity.

Applications for Options offered pursuant to this Prospectus can only be submitted on an Application Form that accompanies this Prospectus.

### Exposure period

No exposure period applies to this Prospectus by operation of ASIC Corporations (Exposure Period) Instrument 2016/74.

### ASIC Instrument 2016/80

This Prospectus has been prepared, in part, to ensure that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 (**Instrument 2016/80**) is available in respect of the Options. Instrument 2016/80 provides relief from the on-sale provisions of section 707 of the Corporations Act and will relieve the need for any further disclosure to be made prior to the on-sale of Shares issued following the exercise of Options, within 12 months of their date of issue. Shares issued on exercise of the Options will be able to be immediately traded on ASX (subject to the grant of quotation).

### ASIC Instrument 2019/547

The offer of Shares under the SPP is being made in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**Instrument 2019/547**) via an SPP offer booklet. Instrument 2019/547 allows a share purchase plan to be conducted without the use of a prospectus once in every 12-month period. The Company satisfies the conditions of Instrument 2019/547 for the issue of Shares under the SPP, however the Company is unable to rely on Instrument 2019/547 for the SPP Option Offer because the Options to be issued under the SPP Option Offer are a new class of securities not currently quoted on the ASX.

Accordingly, the Company is undertaking the SPP Option Offer under this Prospectus.

### No cooling off rights

Cooling off rights do not apply to an investment in Options. You cannot withdraw your application once it has been accepted.

### No representation other than in this Prospectus

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

Except as required by law, and only to the extent so required, neither EXL nor any other person warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Prospectus, or on the exercise of the Options issued under this Prospectus.

### Prospectus does not contain investment advice

The information provided in this Prospectus is not investment advice and has been prepared without taking into account your investment objectives, financial situation or particular circumstances. It is important that you read and consider the information in this Prospectus in full before deciding to apply for Options and consider the risks that could affect the performance of Options and Shares issued on exercise of the Options.

If you have any questions, you should seek advice from your financial or other professional adviser.

### Obtaining a Prospectus and Application Form

Paper copies of this Prospectus and an Application Form can be obtained free of charge during the offer period (as set out in the Timetable) by calling Automic on on 1300 288 664 (toll free within Australia) or +61 2 9698 5414 (International) or either of the Company Secretaries on +61 2 8280 7355.

### Risk Factors

Potential investors should be aware that subscribing for and exercising Options involves a number of risks. The key risk factors which investors should be aware of are set out in Section 7 of this Prospectus. These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Options, and underlying Shares, in the future.

### Restrictions on Foreign Jurisdictions

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

No action has been taken to register or qualify the Options being offered under the Offers or otherwise permit a public offering of the Options in any jurisdiction other than Australia and New Zealand.

In particular, this Prospectus, the Offers and the Options to be issued under the Prospectus have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and the Offers may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

#### **Information for New Zealand investors**

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.

#### **Financial information and forward looking statements**

Section 5 sets out in detail the financial information referred to in this Prospectus and the basis of preparation of that information.

Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding.

This Prospectus contains forward looking statements which are identified by words such as “may”, “could”, “believes”, “estimates”, “expects”, “intends” and other similar words that involve risks and uncertainties. Any forward looking statements are subject to various risk factors that could cause the Company’s actual results to differ materially from the results expressed or anticipated in these statements. Forward looking statements should be read in conjunction with risk factors as set out in Section 7, and other information in this Prospectus.

#### **Defined words and expressions**

Some words and expressions used in this Prospectus have defined meanings. These words and expressions are capitalised and are defined throughout the Prospectus or in the Glossary in Section 9.

A reference to \$ or cents in this Prospectus is a reference to Australian currency (unless otherwise stated). A reference to time in this Prospectus is a reference to Sydney, Australia time.

#### **Privacy**

If you apply for Options, you will provide personal information to the Company and the Share Registry. The Company and the Share Registry collect, hold and use your personal information in order to assess your application, service your needs as a Shareholder and Option holder, provide facilities and services that you request and carry out appropriate administration. Company and tax laws require some of the information to be collected. If you do not provide the information requested, your application may not be able to be processed efficiently, or at all.

Each of the Company and the Share Registry may disclose your personal information for purposes related to your shareholding or optionholding to each other and to their respective agents and services providers including those listed below or as otherwise authorised under the *Privacy Act 1988* (Cth) (**Privacy Act**):

- In the case of the Company, to the Share Registry for ongoing administration of the share register.
- In the case of the Company and the Share Registry, to printers and mailing houses for the purposes of preparation and distribution of Shareholder and Option holder information and for handling of mail.

Under the Privacy Act, you may request access to your personal information held by (or on behalf of) the Company or the Share Registry. You can request access to your personal information by telephoning 1300 288 664 between 9am-5pm (Sydney time) Monday to Friday (excluding public holidays) or otherwise contacting the Share Registry.

# 1 KEY DETAILS

## 1.1 Summary of Offer details

### Key Placement details

Terms of Placement	Details
Offer Price under the Placement	\$0.018 per Share.
Total Shares issued under the Placement	69,444,445 Shares.
Total amount raised under the Placement	\$1.25 million.
Total number of Options to be issued under the Placement	A total of 69,444,445 Options.
Total amount raised if all Options are issued and exercised in respect of the Placement	\$1,388,888, which will be used to help fund the Company's growth strategy and for working capital.
Placement Offer conditional	In the event that the Placement Offer is not approved by Shareholders, the investors who participated in the Placement will receive Shares under the Placement (issued without a disclosure document) but will not receive Options under this Prospectus.
Quotation of Options	The Company will not apply for the Options to be issued to Placement participants to be quoted on ASX.

### Key Broker Offer details

Total number of Options to be issued under the Broker Offer (subject to Shareholder approval)	Up to 6,000,000 Options will be issued under the Broker Offer. The Broker Offer is conditional on Shareholder approval.
Total amount raised if all Options are issued and exercised in respect of the Broker Offer	\$120,000, which will be used to help fund the Company's growth strategy and for working capital.
Broker Offer conditional	In the event that the Broker Offer is not approved by Shareholders, the Lead Manager will not receive Options under this Prospectus and the underwriting of the SPP will not proceed.
Quotation of Options	The Company will not apply for the Options to be issued under the Broker Offer to be quoted on ASX.

## Key SPP and SPP Option Offer Details

Terms of SPP	Details
SPP Offer Price	The SPP Offer Price is the Offer Price under the Placement, being \$0.018.
Amount to be raised under the SPP	The SPP is seeking to raise \$1,000,000 (with the ability to accept oversubscriptions).
Total number of Shares to be issued under SPP	55,555,555 Shares will be issued under the SPP, (assuming the SPP is fully subscribed and no oversubscriptions are accepted).
Total number of Options to be issued under SPP Option Offer (subject to Shareholder approval)	55,555,555 Options will be issued under the SPP Option Offer (subject to rounding), assuming 55,555,555 Shares are issued under the SPP.  The Company may accept oversubscriptions under the SPP, in which case for every additional Share issued, an additional Option may be issued.  The SPP Option Offer is conditional on Shareholder approval.
Total amount raised if all Options are issued and exercised in respect of the SPP	\$1,111,111, assuming the SPP is fully subscribed (and no oversubscriptions are accepted), which will be used to help fund the Company's growth strategy and for working capital.
SPP Option Offer conditional	In the event that the SPP Option Offer is not approved by Shareholders, the Eligible Shareholders who participate in the SPP will receive Shares under the SPP (issued without a disclosure document) but will not receive Options under this Prospectus.
Quotation of Options	The Company will not apply for the Options to be issued under the SPP Option Offer to be quoted on ASX.
Underwriting	The SPP is underwritten up to \$1 million worth of SPP Shares at the Offer Price.  See Section 8.9 for details of the SPP Underwriting Agreement and the fees payable to the Lead Manager.

## Capital structure on completion of the Offers

Assuming that all of the Shares are issued under the Placement and SPP, all of the Broker Shares are issued and all of the Options are issued under the Offers, a total of:

- (a) 453,512,582 Shares; and
- (b) 131,000,000 Options,

will be on issue on completion of the Offers.

## 1.2 Indicative timetable

The key dates in respect of the Offers, assuming all Shareholder resolutions to be considered at the Meeting are passed, are as follows.

Event	Date (2023)
Record Date of SPP	7:00pm (AEST) Tuesday, 4 April
Dispatch of SPP Offer Booklet, SPP Opening Date Lodgement of prospectus for Options with ASX and Option offer opens	Monday, 1 May
SPP Closing Date	Friday, 19 May
SPP Shortfall Notification Date	Tuesday, 23 May
Announcement of results of SPP	Wednesday, 24 May
SPP Settlement Date (other than Shortfall Shares and Options)	Thursday, 25 May
SPP Issue Date (other than Shortfall Shares and Options)	Friday, 26 May
Normal trading of Securities issued under SPP (other than Shortfall Shares)	Friday, 26 May
Dispatch of holding statements for SPP	Monday, 29 May
Annual General Meeting to consider SPP underwriting and Options	Wednesday, 31 May
SPP Shortfall Settlement Date (subject to Shareholder approval)	Monday, 5 June
Issue of Options and Shortfall Shares issued under SPP Shortfall Offer (subject to Shareholder approval)	Wednesday, 7 June

EXL reserves the right to vary these times and dates (other than in respect of events that have already occurred) in its absolute discretion by sending a revised timetable to ASX. All times are Sydney times. EXL also reserves the right to accept late applications at its discretion.

## 2 CORPORATE DIRECTORY

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<b>Directors</b> Mr Ron Dufficy (Managing Director, CEO) Ms Helen Wiseman (Chairman, Non-Executive Director) Mr David Fenlon (Non-Executive Director)	<b>Registered Office</b> Telephone: (02) 8280 7355 Level 12, 680 George Street Sydney NSW 2000 Website: <a href="https://www.elixinolwellness.com/">https://www.elixinolwellness.com/</a>
<b>Company Secretaries</b> Ms Teresa Cleary Ms Sarah Prince	<b>ASX Code:</b> EXL
<b>Share Registry</b> Automic Pty Ltd Level 5, 126 Phillip Street, Sydney NSW 2000 Telephone: 1300 288 664	<b>Lead Manager</b> Canaccord Genuity (Australia) Limited Level 42, 101 Collins Street Melbourne VIC 3000
<b>Auditor*</b> BDO Audit Pty Ltd Level 11, 1 Market Street Sydney NSW 2000	<b>Australian Legal Adviser to the Capital Raising</b> Becketts Lawyers Level 21/90 Collins St Melbourne VIC 3000

\*The Auditor is included for information purposes only, and has not been involved in the preparation of this Prospectus.

### 3 DETAILS OF THE OFFERS

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#### 3.1 Background

On 5 April 2023, the Company announced a capital raising and issue of Shares and free attaching Options (**Capital Raising**) comprising the following components.

##### Placement

- (a) A placement to professional and sophisticated investors, to raise a total of approximately \$1.25 million (**Placement**) through the issue of 69,444,445 new Shares at an offer price of \$0.018 per Share (**Offer Price**).
- (b) The Company has engaged Canaccord Genuity (Australia) Limited as lead manager of the Placement. The Placement was not underwritten.

##### Share Purchase Plan

- (c) A share purchase plan to accompany the Placement (**Share Purchase Plan or SPP**), under which eligible Shareholders (ie Shareholders with an address in Australia or New Zealand, or otherwise as determined by the Directors, who are on the register as at 7pm on 4 April 2023) will be entitled to acquire up to \$30,000 worth of new Shares at the Offer Price. The Company is seeking to raise \$1,000,000 under the SPP (with the ability to accept oversubscriptions).
- (d) The Company has engaged Canaccord Genuity (Australia) Limited as lead manager and underwriter of the SPP.
- (e) The Directors have reserved the right to place all of the Shortfall Shares (and attaching Options) under the SPP to the Lead Manager (as underwriter) and any sophisticated and professional investors (who are not related parties) as sub-underwriters of the SPP, as a separate placement at the Offer Price (**SPP Shortfall Offer**).

##### Options

- (f) Shares issued under the Placement and SPP are being offered with free attaching options, expiring two years after the date of issue and with an exercise price of \$0.02 (**Options**).
- (g) The terms of issue of the Options are set out in Section 6.1.
- (h) The Options are being offered at a ratio of one Option for every one Share issued under the Placement and SPP (including the SPP Shortfall Offer).
- (i) The Options are being offered under this Prospectus.
- (j) The Company will not apply for quotation of the Options on ASX.
- (k) Only those Shareholders who participated in the Placement, or who participate in the SPP (including the SPP Shortfall Offer), will be entitled to subscribe for Options under this Prospectus.
- (l) The Options are also being offered to the Lead Manager pursuant to the Broker Offer.

### 3.2 Placement Offer

Investors under the Placement (**Placement Subscribers**) are being offered one free attaching Option, for nil consideration, for every Share issued to each investor under the Placement.

The offer of Options to Placement Subscribers (the **Placement Offer**) is being made in this Prospectus and will result in the issue of up to approximately 69,444,445 Options to the Placement Subscribers (subject to rounding).

The Placement Offer is subject to Shareholder approval.

### 3.3 Broker Offer

The Lead Manager has been offered 6,000,000 Options, for no cash consideration, as part consideration for underwriting services provided by the Lead Manager in connection with the SPP.

The offer of Options to the Lead Manager (the **Broker Offer**) is being made in this Prospectus.

The Broker Offer is subject to Shareholder approval.

### 3.4 SPP Option Offer

Eligible Shareholders who subscribe for Shares under the SPP, and any investors who subscribe for Shares under the SPP Shortfall Offer (together **SPP Option Subscribers**), are being offered, subject to Shareholder approval, one free attaching Option, for nil consideration, for every Share issued to them in connection with the SPP and the SPP Shortfall Offer.

The offer of Options to SPP Option Subscribers (the **SPP Option Offer**) is being made in this Prospectus and will result in the issue of up to approximately 55,555,555 Options to the SPP Option Subscribers (subject to rounding).

The Company may accept oversubscriptions under the SPP, in which case for every additional Share issued, an additional Option may be issued. By way of example, if the Company received and elected to accept oversubscriptions of \$100,000 under the SPP, an additional 5,555,555 Shares would be issued and up to an additional 5,555,555 Options would be issued (subject to rounding).

The SPP Option Offer is subject to Shareholder approval.

### 3.5 The Offers and Subscribers

The Placement Offer, Broker Offer and SPP Option Offer together comprise the **Offers**.

Placement Subscribers, the Lead Manager and SPP Option Subscribers are referred to as the **Subscribers**.

### 3.6 Conditional Offers

The issue of Options under the Offers are conditional on Shareholder approval at the Meeting. The Meeting will be held as a hybrid meeting on 31 May 2023 at 9.00am (Sydney time).

Further details on the Meeting can be found in the Notice of Meeting lodged with ASX on 28 April 2023.

### **3.7 No general public offer**

There is no general public offer of Options under this Prospectus.

### **3.8 Terms of Options**

Each Option offered under this Prospectus will have the same terms. The Options will be issued for nil cash consideration and will be exercisable at \$0.02 (2 cents), expiring two years after the date of issue.

Upon exercise, each Option will entitle the holder to one ordinary fully paid Share.

The terms of issue of the Options are set out in Section 6.1 below.

### **3.9 Ranking of Shares on exercise of Options**

All of the Shares issued upon the future exercise of the Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.2 for further information regarding the rights and liabilities attaching to the Shares.

### **3.10 Minimum and maximum subscription**

There is no minimum subscription under the Offers.

No person may apply for (and the Company will not issue) Options under the Offers in excess of the person's entitlement to Options.

### **3.11 Consideration payable**

The Options offered under this Prospectus will be issued to the Subscribers for nil cash consideration. Accordingly, the Company will not raise any proceeds by the issue of Options under this Prospectus.

### **3.12 Non-renounceable Offer**

The Offers are non-renounceable. Accordingly, a Subscriber may not sell or transfer all or part of their entitlement to subscribe for Options.

### **3.13 Rounding**

In the event that a person is entitled to a fraction of an Option, that fractional entitlement will be rounded up.

### **3.14 Lead Manager and underwriting**

The Placement and SPP are being lead managed by the Lead Manager.

The Placement was not underwritten.

The SPP is underwritten.

See Section 8.9 for details of the SPP Underwriting Agreement and the fees payable to the Lead Manager.

## 4 HOW TO APPLY

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### 4.1 How to apply for Options

If you are eligible to subscribe for Options pursuant to the Placement Offer, Broker Offer or SPP Option Offer and wish to subscribe, please complete an Application Form which accompanies this Prospectus (and which will be provided to you by the Company, the Lead Manager or the Share Registry).

If you are participating in the SPP Option Offer, details of how to pay for your Shares under the SPP are included in the SPP offer booklet.

If the number of Options subscribed for is more than the number of Options to which the relevant Subscriber is entitled under the Placement Offer, Broker Offer or SPP Option Offer, EXL reserves the right to accept it in respect of the lesser number of Options to which the Subscriber is entitled. Once an application has been made it cannot be revoked. No notice of acceptance of an application will be provided.

Completed Application Forms must be received, in accordance with the instructions on the Application Form, by no later than the Closing Date (or the SPP Shortfall Offer Closing Date, defined below).

### 4.2 Offer Period

The Offers will open on 1 May 2023 (**Opening Date**).

Applications for Options under the Offers close on 19 May 2023 (**Closing Date**), other than in respect of the SPP Shortfall Offer, which (if approved by Shareholders) will close no later than 3 months after the date of the Meeting (**SPP Shortfall Offer Closing Date**).

The Opening Date and Closing Date for the Offers are indicative only and subject to change without notice. The Company may vary these dates, including to close the Offers early or extend the Closing Date, at any time prior to the issue of Options under the Offers (subject to the Corporations Act and ASX Listing Rules).

If any of the dates are changed, subsequent dates may also change. You are encouraged to lodge your Application Form as soon as possible after the Opening Date.

### 4.3 Withdrawal

Subject to the Corporations Act, the ASX Listing Rules and any other requirements of ASX or the law, the Directors may decide to withdraw this Prospectus and the Offers at any time prior to the allotment of Options or to waive strict compliance with any provision of the terms and conditions of the Offers.

### 4.4 ASX quotation

The Company will not apply to ASX for quotation of the Options.

The Company will apply for quotation of the Shares issued on exercise of the Options in accordance with the terms of issue of the Options (see Section 6.1).

The fact that ASX may grant official quotation to the Shares issued on exercise of the Options is not to be taken in any way as an indication of the merits of the Company, the Options or the Shares.

#### **4.5 Allotment and Option holding statements**

The Company anticipates issuing Options subscribed for under the Offers on or around 7 June 2023 (subject to Shareholder approval).

Holding statements for Options issued under the Offers will be mailed as soon as reasonably practicable after the Options are issued.

#### **4.6 Enquiries**

Any questions concerning the Offers should be directed to either of the Company Secretaries on +61 2 8280 7355.

## 5 PURPOSE AND EFFECT OF THE OFFERS

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### 5.1 Purpose of the Offers

The Offers are being made in accordance with the Company's announced intention to offer free attaching Options to Subscribers under the Placement, SPP and SPP Shortfall Offer.

No funds will be raised from the Offers.

### 5.2 Effect of the Offers

The principal effect of the Offers, assuming all Options offered under the Prospectus are subscribed for and granted, will be to issue:

- (a) up to approximately 69,444,445 Options under the Placement Offer;
- (b) up to approximately 6,000,000 Options under the Broker Offer; and
- (c) up to approximately 55,555,555 Options under the SPP Option Offer (including the SPP Shortfall Offer).

In the event that all of the Options offered under this Prospectus are issued, the Company will issue a total of approximately 131,000,000 Options under the Offers (and 131,000,000 Shares if all of the Options are exercised).

See Section 5.9 for further details on the effect of the Offers on the capital structure of the Company.

### 5.3 Use of proceeds raised from the exercise of Options

The issue and exercise of all of the Options offered under this Prospectus would involve the Company raising a total of approximately \$2,620,000 by the issue of approximately 131,000,000 Shares (assuming there are no oversubscriptions under the SPP).

The Company intends to use any proceeds of the exercise of the Options to fund the Company's near-term growth strategy and for working capital purposes.

### 5.4 Pro-forma Balance Sheet

This section contains a summary of the historical financial information for the Company as at 31 December 2022 (**Historical Financial Information**) and a pro-forma balance sheet as at 31 December 2022 (**Pro-Forma Balance Sheet**) (collectively, **Financial Information**).

The Pro-Forma Balance Sheet has been prepared on the basis of the following key assumptions:

- (a) an amount of \$1,250,000 is raised by the issue of 69,444,445 Shares under the Placement;
- (b) an amount of \$1,000,000 is raised by the issue of 55,555,555 Shares under the SPP;
- (c) 3,000,000 Broker Shares are issued to the Lead Manager for nil consideration;
- (d) all Options offered under the Prospectus are subscribed for and granted; and
- (e) all of the resolutions in the Meeting in connection with the Company's issue of Shares and Options are approved by Shareholders.

The Financial Information has been prepared to illustrate the effect of the Offers.

<b>Balance Sheet</b>	<b>31 December 2022</b>	<b>Pro-Forma 31 December 2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	2,864	5,039
Trade and other receivables	3,974	3,974
Inventories	1,740	1,740
Income tax refund due	59	59
Prepayments, deposits and other	675	675
<b>Total current assets</b>	<b>9,312</b>	<b>11,487</b>
<b>Non-current assets</b>		
Trade and other receivables	83	83
Investment accounted for using equity method	2,826	2,826
Property, plant and equipment	375	375
Right-of-use assets	737	737
Intangibles	152	152
<b>Total non-current assets</b>	<b>4,173</b>	<b>4,173</b>
<b>Total assets</b>	<b>13,485</b>	<b>15,660</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	2,185	2,185
Contract liabilities	22	22
Borrowings	320	320
Lease liabilities	697	697
Employee benefits	216	216
<b>Total current liabilities</b>	<b>3,440</b>	<b>3,440</b>
<b>Non-current liabilities</b>		
Borrowings	250	250
Lease liabilities	637	637
<b>Total non-current liabilities</b>	<b>887</b>	<b>887</b>
<b>Total liabilities</b>	<b>4,327</b>	<b>4,327</b>
<b>Net assets</b>	<b>9,158</b>	<b>11,333</b>
<b>Equity</b>		
Issued capital	218,122	220,297
Option reserves	-	-
Foreign currency translation reserve / Share-based payment reserve	9,682	9,682

Accumulated losses	(218,646)	(218,646)
<b>Total equity/(deficiency)</b>	<b>9,158</b>	<b>11,333</b>

## 5.5 Basis of preparation of financial information

The stated basis of preparation for the Historical Financial Information is in accordance with the recognition and measurement principles of the Australian Accounting Standards.

The stated basis of preparation for the Pro-Forma Balance Sheet is in a manner consistent with the recognition and measurement principles of the Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in Section 5.6, as if those events or transactions had occurred as at 31 December 2022.

## 5.6 Pro-forma adjustments to consolidated balance sheet

The Pro-Forma Balance Sheet has been derived from the Historical Financial Information and has been prepared on the basis that the Placement, SPP and the Offers occurred as at 31 December 2022 and assumes an allotment of 125,000,000 Shares at the Offer Price of \$0.018 to raise gross proceeds of approximately \$2,250,000 (before costs).

## 5.7 Effect on control

The Offers will not have a material impact on the control of the Company (as defined in section 50AA of the Corporations Act).

The maximum number of Options proposed to be issued under the Offers are up to approximately 131,000,000 Options.

Assuming that all Options are issued under the Offers, all of the Shares are issued under the Placement and SPP (noting that the Options are free attaching to the Shares) and all of the Broker Shares are issued, a total of:

- (a) 453,512,582 Shares; and
- (b) 131,000,000 Options,

will be on issue and the Options issued will represent 100% of the total number of Options on issue at the time of issue of the Options.

In addition, the Company is seeking Shareholder approval at the Meeting to issue the following securities:

- (a) 3,055,556 Director Fee Rights, exercisable for 3,055,556 Shares and 3,055,556 Options, to Director Helen Wiseman (or her nominee);
- (b) 2,500,000 Director Fee Rights, exercisable for 2,500,000 Shares and 2,500,000 Options, to Director David Fenlon (or his nominee);
- (c) 3,611,111 Salary Sacrifice Rights, exercisable for 3,611,111 Shares and 3,611,111 Options, to Director Ronald Dufficy (or his nominee);
- (d) 3,478,785 Performance Share Rights to Mr Ronald Dufficy under the Elixinol Wellness Limited Equity Plan (**Plan**);
- (e) 1,300,000 Retention Performance Share Rights to Mr Ronald Dufficy under the Elixinol Wellness Limited Equity Plan; and

- (f) up to a total of 92,430,374 equity securities under the Plan within the three-year period from the date of the Meeting.

## 5.8 Substantial holders

Based on the most recent filings and the Company's share register, the persons who (together with their Associates) will have a relevant interest in 5% or more of the Company's Shares (assuming completion of the Capital Raising and no acquisitions or disposals of Shares from the Prospectus Date until completion) are set out below:

Shareholder	Shares prior to completion of Placement	%	Shares on completion of Capital Raising	%
Raw with Life Pty Ltd	29,209,217	9.0%	29,209,217	6.4%

## 5.9 Effect on Capital Structure

Assuming the requisite Shareholder approvals at the Meeting and the subsequent completion of the issue of:

- (a) 69,444,445 Shares under the Placement, together with the issue of 69,444,445 Options under the Placement Offer;
- (b) a total of 6,000,000 Options under the Broker Offer; and
- (c) 55,555,555 Shares under the SPP, together with the issue of 55,555,555 Options under the SPP Option Offer and 3,000,000 Broker Shares,

on completion of the Capital Raising the capital structure of the Company will comprise:

- (d) on an undiluted basis:
  - (i) 453,512,582 Shares; and
  - (ii) 131,000,000 Options,
- (e) on a fully diluted basis (assuming exercise of all of the unlisted options and Options), 584,512,582 Shares.

## 6 RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

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### 6.1 Options

Each option (**Option**) issued by the Company entitles its holder to subscribe for one fully-paid ordinary share in the capital of the Company (**Share**) on the following terms and conditions.

- (a) The Options are exercisable at a price of 2 cents (\$0.02) each at any time from the date of issue of the Options up to their expiry two years after the date of issue (inclusive) (**Option Exercise Period**), but not thereafter.
- (b) Each Option entitles the holder to subscribe for one fully paid ordinary share (**Share**).
- (c) No amount is payable on issue of the Options.
- (d) The Company must give each Option holder a holding statement or confirmation stating:
  - (i) the number of Options issued to the Option holder;
  - (ii) the exercise price of the Options; and
  - (iii) the date of issue of the Options and the Option Expiry Period.
- (e) The Company will maintain a register of holders of Options in accordance with section 168(1)(b) of the *Corporations Act 2001* (Cth).
- (f) The Options will be fully transferrable, subject to registration of the transfer by the Company. For such time as the Company is listed, the Listing Rules of the ASX will apply to the Options.
- (g) The Company will not apply for quotation of the Options on ASX.
- (h) Options do not carry any dividend entitlement until they are exercised. Subject to the Constitution, Shares issued on exercise of Options rank equally with other issued Shares from the date they are issued by the Company.
- (i) An Option holder is not entitled to participate in any new issue of securities to existing Shareholders unless the Option holder has exercised its Options before the record date for determining entitlements to the new issue of securities and participates as a result of holding Shares.
- (j) If the Company is listed on ASX, the Company must give an Option holder, if required by the Listing Rules, notice of:
  - (i) the proposed terms of the issue or offer proposed under paragraph (h); and
  - (ii) the right to exercise the Option holder's Options under paragraph (h).
- (k) If the Company makes a bonus issue of Shares or other securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and no Share has been issued in respect of an Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Option is exercisable is increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for determining entitlements to the issue, in accordance with the Listing Rules.
- (l) If the Company makes a pro rata issue of Shares (except a bonus issue) to existing Shareholders (except an issue in lieu or in satisfaction of dividends or by way of

dividend reinvestment) and no Share has been issued in respect of the Option before the record date for determining entitlements to the issue, the Company may elect to reduce the exercise price of each Option in accordance with the Listing Rules.

- (m) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option holder (including the number of Options to which each Option holder is entitled and the exercise price) is changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (n) Any calculations or adjustments which are required to be made under these Option Terms of Issue will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option holder.
- (o) The Company must within a reasonable period give to each Option holder notice of any change under paragraphs (k) to (m) (inclusive) to the exercise price of any Options held by an Option holder or the number of Shares for which the Option holder is entitled to subscribe on exercise of an Option.
- (p) When exercising Options, an Option holder must give the Company or its share registry a Notice of Exercise of Options form (to be provided by the Company or share registry), together with payment of the exercise monies payable to the Company in connection with the Options being exercised (being \$0.02 per Option).
- (q) The Options are exercisable on any business day during the Option Exercise Period. An Option holder may only exercise Options in multiples of 200,000, unless the Option holder exercises all of its Options.
- (r) If an Option holder exercises less than the total number of its Options, the Company must issue the Option holder a new holding statement for the remaining number of Options held by the Option holder.
- (s) Options will be deemed to be exercised on the date that the Notice of Exercise of Option Form is received by the Company in accordance with paragraphs (p) and (q). The Company shall within 5 business days after the receipt of such Notice and cleared funds, issue Shares in respect of the Options exercised and dispatch a shareholder statement to the holder.
- (t) The Company will apply to ASX for official quotation of the Shares issued on exercise of the Options.
- (u) If required by the Listing Rules, the Company will advise holders at least 20 Business Days before the impending expiry of their Options and will advise the due date for payment, the amount of money payable on exercise, the consequences of non-payment and such other details as the Listing Rules then prescribe, so as to enable holders to determine whether or not to exercise their Options during the Option Exercise Period.
- (v) These Option Terms of Issue and the rights and obligations of Option holders are governed by the laws of New South Wales. Each Option holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales.

## 6.2 Shares

A summary of the key rights attaching to the Shares is set out below. The provisions of the Constitution relating to the rights attaching to the Shares must be read subject to the Corporations Act, the ASX Listing Rules and ASX Settlement Operating Rules. This summary is not intended to be exhaustive and does not constitute a definitive statement of the rights, liabilities and restrictions attaching to the Shares.

### (a) Escrow restrictions

The holder of Restricted Securities must not Dispose of those Restricted Securities during the escrow period relating to those Restricted Securities except as permitted by the ASX Listing Rules or the ASX.

The Company must refuse to acknowledge a Disposal (including registering a transfer) of Restricted Securities during the escrow period relating to those Restricted Securities except as permitted by the ASX Listing Rules or the ASX.

A Shareholder holding Restricted Securities ceases to be entitled to any dividend, distribution or any voting rights in respect of those Restricted Securities during the period of a breach of the ASX Listing Rules relating to the Restricted Securities, or a breach of a restriction agreement entered into by the Company under the ASX Listing Rules relating to the escrow of the Restricted Securities. However, those Restricted Securities shall not be treated as or taken to be a separate class of share for any purpose.

### (b) Voting at a general meeting

At a general meeting of the Company, every Shareholder 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 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 Shareholder of the Company in which case they do not have a casting vote in addition to their deliberative vote.

### (c) Meetings of Shareholders

Each Shareholder is entitled to receive notice of, attend and vote at general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act and the ASX Listing Rules. The Company must give Shareholders at least 28 days' written notice of a general meeting.

### (d) Dividends

The Board may pay interim and final dividends that, in its judgment, the financial position of the Company justifies. The Board may also pay any dividend required to be paid under the terms of issue of a share, and fix a record date for a dividend and the timing and method of payment.

### (e) Transfer of shares

Subject to the ASX Listing Rules, the Corporations Act and any escrow restrictions, the Shares are freely transferable. The Board may decline to register, or prevent registration of, a transfer of Shares or apply a holding lock to prevent a transfer in accordance with the Constitution, the Corporations Act or the ASX Listing Rules.

### (f) Issue of further shares

Subject to the Corporations Act and the ASX Listing Rules, the Board has full discretion to issue new Shares and grant options over unissued Shares.

**(g) Winding up**

If the Company is wound up, then subject to the Constitution, the Corporations Act and the rights or restrictions attached to any shares or classes of shares, Shareholders will be entitled to any surplus property of the Company in proportion to the number of Shares held by them. If the Company is wound up, the liquidator may, with the sanction of a special resolution of Shareholders, divide the property of the Company amongst the Shareholders and decide how the property will be divided between the Shareholders.

**(h) Unmarketable parcels**

Subject to the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules, the Board may sell the Shares of a Shareholder who holds less than a marketable parcel by following the procedures set out in the Constitution.

**(i) Share buy-backs**

Subject to the Corporations Act and the ASX Listing Rules, the Company may buy back Shares on terms and at times determined by the Board.

**(j) Variation of class rights**

The rights attached to any class of Shares may be varied in accordance with the Constitution and the Corporations Act.

**(k) Dividend reinvestment plan**

Subject to the ASX Listing Rules, the Constitution authorises the Directors, on any terms and at their discretion, establish a dividend reinvestment plan (under which any Shareholder may elect that the dividends payable by the Company be reinvested by a subscription for new Shares).

**(l) Directors – appointment and removal**

Under the Constitution, the minimum number of Directors that may comprise the Board is three and the maximum is fixed by the Directors but may not be more than eight unless the Company resolves otherwise at general meeting. Directors are elected at annual general meetings of the Company. Retirement will occur on a rotational basis so that no Director (excluding the Managing Director) holds office without re-election beyond the third annual general meeting or three years following the meeting at which the Director was last elected (whichever is longer). The Directors may also appoint a Director to fill a casual vacancy on the Board or in addition to the existing Directors, who will then hold office until the next annual general meeting of the Company.

**(m) Directors – voting**

Questions arising at a meeting of the Board will be decided by a majority of votes of the Directors present at the meeting and entitled to vote on the matter. In the case of an equality of votes on a resolution, the chairperson of the meeting has a casting vote in addition to a deliberative vote unless there are only two Directors present or entitled to vote, in which case the chairperson of the meeting does not have a second or casting vote and the proposed resolution is taken as lost. A written resolution of the Board may be passed without holding a meeting of the Board, if all of the Directors sign or consent to the resolution.

**(n) Directors – remuneration**

The Directors are entitled to be remunerated for an amount determined by the Directors, other than Non-Executive Directors, who will be paid by way of fees for services up to the maximum aggregate sum per annum as may be approved from time to time by the Company in general meeting. Under the Constitution, Directors may also be paid all travelling, hotel

and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or otherwise in connection with the Company's business.

(o) **Powers and duties of Directors**

The business and affairs of the Company to be managed by or under the direction of the Board, which (in addition to the powers and authorities conferred on it by the Constitution) may exercise all powers and do all things that are within the power of the Company and are not required by law or the Constitution to be done by the Company in general meeting.

(p) **Indemnities**

The Company may indemnify each officer of the Company to the full extent permitted by law against all losses or liabilities incurred by that person as an officer of the Company or its related bodies corporate, including, but not limited to, a liability for negligence or for reasonable legal costs on a full indemnity basis. The Company, to the extent permitted by law, may make a payment (whether by way of an advance or interest-free loan) to a Director in respect of legal costs incurred by that person in defending an action for a liability of that person. The Company, may, to the extent permitted by law, purchase and maintain insurance or pay, or agree to pay, a premium for insurance for each officer of the Company against any liability incurred by that person as an officer of the Company or its related bodies corporate, including, but not limited to, a liability for negligence or for legal costs.

(q) **Amendment**

The Constitution can only be amended by special resolution passed by at least 75% of the votes cast by Shareholders entitled to vote on the resolution at a general meeting of the Company.

## 7 RISK FACTORS

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The business activities of the Company are subject to risks and there are many risks which may impact on the Company's future performance. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but many are outside of the control of the Company and cannot be mitigated. There are also general risks associated with any investment. Investors should consider all of these risks before they make a decision whether or not to acquire, and exercise, Options.

The Options offered under this Prospectus are considered speculative. An investment in the Company is not risk free and the Directors strongly recommend that potential investors consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding to apply for Options pursuant to this Prospectus.

The principal risk factors include, but are not limited to, the following.

### 7.1 Company-specific risks

#### (a) Placement and Option Offer risks

The Capital Raising involves the conditional offer of attaching Options to Placement and SPP participants and the issue of Shares and Options to the Lead Manager, which will be put to Shareholders at the Meeting.

##### Conditionality of parts of the Capital Raising

There is no certainty that Shareholders will approve the Placement Offer or the SPP Option Offer.

If the Placement Offer is not approved, those Shareholders who participated in the Placement will not receive attaching Options in connection with the Shares issued to them under the Placement (but will receive the Shares issued under the Placement).

If the SPP Option Offer is not approved, those Shareholders who participate in the SPP will not receive attaching Options in connection with the Shares issued to them under the SPP (but will receive the Shares issued under the SPP).

##### Nature of the Options

There is no certainty that Shares will trade above the Option exercise price and accordingly there is no certainty that Optionholders will realise any value from the Options. In the event that Options are exercised, this will dilute the holdings of existing Shareholders.

#### (b) SPP underwriting risk

The Company and the Lead Manager are parties to an underwriting agreement dated 28 April 2023 (**SPP Underwriting Agreement**) by which the Lead Manager agrees to act as lead manager and underwriter to the SPP. Refer to Section 8.9 for a summary of the key terms of the SPP Underwriting Agreement, including the termination events.

Termination of the SPP Underwriting Agreement would have an adverse impact on the amount of proceeds raised under the Capital Raising. In these circumstances, EXL would need to source alternative funding to meet its capital needs, which could adversely affect the financial condition of the Company. There is no certainty that alternative funding could be obtained on satisfactory terms, or at all.

In addition, if Shareholders do not approve the Option fee payable to the Lead Manager, the SPP will not be underwritten and the Company will not raise any proceeds under the SPP underwriting arrangements.

**(c) Risk relating to acquisition of The Sustainable Nutrition Group not proceeding**

As announced to ASX on 29 November 2022, the Company has entered into a binding scheme implementation deed with The Sustainable Nutrition Group Ltd (ACN 071 666 334) (ASX: TSN) (**TSN**), under which it is proposed that the Company will acquire 100% of the shares in TSN.

Competing Proposal

There is a risk that TSN receives, and recommends, a Competing Proposal before the Second Court Date. If this were to occur, the Scheme Deed would likely be terminated and the Schemes would likely not proceed.

As at the date of this Prospectus, TSN has not received a Competing Proposal and the TSN board continues to unanimously recommend the Schemes in the absence of a Superior Proposal.

Integration risk

There is also a risk that unexpected issues and complications may arise during the process of integrating EXL and TSN. The Merged Group may face risks such as unanticipated liabilities and costs, operational disruption and possible loss of key employees, clients or market share if integration is not achieved in an efficient and effective manner.

Integration risk factors include:

- (i) difficulty in consolidating corporate and administrative infrastructures and removing duplicative operations;
- (ii) difficulty in aligning and executing the strategy of the Merged Group;
- (iii) difficulty in integrating information systems;
- (iv) difficulty in merging the culture and management styles of the two organisations;
- (v) greater than anticipated loss of clients or client opportunities due to conflicts or other factors;
- (vi) unexpected losses of key employees;
- (vii) unanticipated market conditions; and
- (viii) changes in regulations, or regulatory conditions imposed in connection with the Schemes, impacting the ability of the Merged Group to use its scale and presence to achieve anticipated benefits.

Integration planning is expected to mitigate the risk of these issues occurring. Nonetheless, a risk remains that difficulties may arise in integrating the two businesses.

Scheme Conditions

Implementation of the Schemes is subject to a number of Scheme Conditions, including that no court or regulatory authority takes any action to restrain or prohibit the Schemes. Certain Scheme Conditions are beyond the control of TSN and EXL. There can be no guarantee that the Scheme Conditions will be satisfied or waived (as applicable) in a timely manner or at all.

Any failure or delay to satisfy the Share Scheme Conditions and Option Scheme Conditions could prevent or delay implementation of the Schemes, which could reduce or delay the benefits that are anticipated to arise from the Schemes, increase the costs associated with the Schemes and impede the successful integration of EXL and TSN.

#### After-market

If a large number of shareholders in the Merged Group do not intend to continue to hold their Shares (including, for TSN shareholders, those Shares received as Scheme Consideration) after implementation of the Schemes and instead choose to sell, there is a risk that the trading price of EXL's Shares will be adversely impacted by such selling.

#### (d) **Coronavirus (COVID-19)**

The ongoing COVID-19 pandemic has had a significant impact on the global economy and the ability of individuals, businesses, and governments to operate. The effects of the pandemic are widespread and continue to evolve, with ongoing health, economic and social consequences.

Across the globe, travel, trade, business, working arrangements and consumption have been materially impacted by the pandemic. The length and duration of the current pandemic and the economic impact remain uncertain. There continues to be uncertainty as to the lingering effects of the COVID-19 pandemic, including in relation to cost pressures, rising transport and energy costs, increases in raw material pricing, government, regulatory or health authority actions, tight labour markets and supply chain challenges.

The impact of some or all of these factors could cause an adverse impact to the financial performance of EXL and the entities it controls (**EXL Group**). Furthermore, as an international business supplying products to various markets globally, the pandemic and associated long term impacts could necessitate further capital requirements and/or support (either on a standalone basis or concurrently), which creates additional challenges and risks for the financial position of the EXL Group.

In addition, the EXL Group's financial position may be adversely impacted if suppliers (including its counterparties, suppliers of IT services, and other suppliers of products and services) are unable to successfully implement business continuity plans in the current environment or if any such suppliers are unable to continue as going concerns as a result of the economic impact of COVID-19 or further virus outbreaks.

However, the extent of the impact on our business, results of operations, financial condition, liquidity and cash flows is largely dependent on future developments, which are highly uncertain and not predictable, including the long term consequences of COVID-19 and actions taken to address its impact. Moreover, changes in interest rates, reduced liquidity or a continued slowdown in Australia and the United States, or global economic conditions may also adversely affect our business, financial condition, results of operations, liquidity or prospects. Further, extreme market volatility may result in us being unable to react to market events in a prudent manner.

#### (e) **Agricultural risk and climate change risk**

The EXL Group is exposed to the short, medium and long-term climate change and environment related risks, particularly given the EXL Group's businesses are reliant on agricultural products. Specific risks include physical climate-related event risks, extreme weather events, increased volatility and change in weather patterns including drought, floods and bushfires, restricted availability and use of water in manufacturing activities, treatment and disposal of waste from manufacturing processes, increased energy costs and force majeure events. These risks could adversely affect the EXL Group's operations, business practices, financial performance and reputation if not adequately managed.

**(f) Consumer and marketplace**

Unanticipated changes in consumer preference and demand, or competitive pressures that significantly alter the landscape, such as online channel growth, acquisitions and aggressive price wars, can have adverse effects on the businesses ability to capture growth opportunities or effectively manage inventory and supply.

**(g) Supplier arrangements**

The EXL Group relies on several key supplier arrangements to supply raw materials and manufacturers of out-sourced finished products. The failure to maintain long term contracts with these suppliers may impact the EXL Group's ability to maintain consistent supply levels and meet the customer demand, thereby having a financial impact.

**(h) 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 the EXL Group could cause serious or unexpected side effects, including risk or injury to consumers. Should any of the EXL Group'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:

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

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

**(i) Systems, security and data privacy**

While the EXL Group 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 the EXL Group'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 an operational and financial impact and loss in revenue and profitability.

**(j) Key management personnel and employees**

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

**(k) Change to laws or regulations**

EXL operates in a highly regulated industry in all markets in which goods are manufactured and sold. Changing geopolitical landscapes and regulations in each of these jurisdictions may impact many aspects of our operations and all aspects of the supply chain. Remaining compliant with and responsive to changes requires diligent monitoring and responsiveness by the business.

The EXL Group 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 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 UK. It is likely that governments worldwide will continue to explore the benefits, risks and operations of companies involved in the hemp sector.

EXL'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 for the EXL Group and impact the Company's overall financial performance.

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 (**CGMPs**) regulation, nutrition and allergen labelling, and label claim regulations and safety requirements including, as applicable, new dietary ingredient (**NDI**) and generally recognised as safe (**GRAS**) 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, could impact adversely on the assets, operations, and the financial performance of the EXL Group and the industry in general.

**(l) Potential application of US tax inversion laws**

For US federal income tax purposes, a corporation is generally considered a tax resident in the jurisdiction of its organisation or incorporation. Because EXL is an Australian entity, it would generally be classified as a foreign corporation (and, therefore, not a US tax resident) under these rules. Nevertheless, EXL may be treated as a US corporation and, therefore, a US tax resident for US federal income tax purposes (the so-called "anti-inversion" rules). The US anti-inversion rules are intended to dissuade US corporations and partnerships from redomiciling offshore. It applies when a non-US corporation acquires, directly or indirectly, substantially all of the assets of a US corporation or partnership. The anti-inversion rules do not apply to a non-US acquiring corporation to the extent such corporation (including its "expanded affiliated group") has "substantial business activities" in its country of organisation. As relevant in this situation, EXL (as the non-US acquiring corporation) is likely to fail the substantial business activities test. The former owners of Elixinol US are likely to own 80% or more of the voting power or value of EXL (excluding the value of stock issued in a public offering or a private placement) by reason of the transfer of Elixinol US. Accordingly, EXL is likely to be treated as a US resident corporation for US federal income tax purposes. To the extent EXL is treated as a US resident corporation as a result of the operation of the anti-inversion rules, the following high-level US federal income tax considerations would apply:

- (i) EXL would be treated as a US corporation subject to US federal income tax on its worldwide earnings;
- (ii) EXL would be required file an annual US federal income tax return and comply with all US federal income tax laws;
- (iii) non-US Subsidiaries under control of EXL would be treated as controlled foreign corporations for US federal income tax purposes; and
- (iv) distributions paid by EXL to non-US shareholders, and other payments of passive-type income (e.g., interest, royalties, rents, etc.) could be subject to

US withholding tax. Please note that the above is not intended to be an exhaustive or complete analysis of the US federal income tax consequences to EXL or its Subsidiaries. Management and EXL's tax adviser will further analyse the anti-inversion rules, as well as potential new tax legislation in the US, but there is current uncertainty regarding the tax position of EXL, and the possibility of an increased tax burden on EXL, that may lead to lower overall profitability.

**(m) 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.

**(n) 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.

**(o) 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 a material adverse impact on the financial performance and position of EXL.

**(p) 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.

**(q) 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.

(r) **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.

(s) **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:

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

(t) **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 a materially 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 materially adversely impact the financial position of EXL.

(u) **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.

(v) **Impairments**

Many of the risks set in this Prospectus may be cause for EXL to reassess the carrying value of its assets. Indicators of impairment can exist for a number of reasons including where asset valuations are lower than their written down book values, certain activities, contracts or joint ventures are discontinued, a determination is made that equipment can no longer be utilised by EXL in producing its products or sold to a third party or inventory passes its shelf life, can no longer be used in the production of EXL's products and/or cannot be sold to a third party, amongst other things. The recognition of an impairment will result in a write-down of asset value and an equivalent non-cash charge to the income statement, thereby reducing EXL's net assets and reported profits respectively. EXL assesses for indicators of impairment at each reporting period.

**7.2 General risks**

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business and production activities, as well as on its ability to fund those activities.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted shares (and options to acquire quoted shares) regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and hemp industry stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Litigation**

There is a risk that the Company may in future be the subject of or required to commence litigation. There is, however, no litigation, mediation, conciliation or administrative proceeding taking place, pending or threatened against the Company.

(d) **Tax risks**

Changes to the rate of taxes imposed on the Company (including in overseas jurisdictions in which the Company operates now or in the future) or tax legislation generally may affect the Company and its Shareholders. In addition, an interpretation of Australian tax laws by the Australian Taxation Office that differs to the Company's interpretation may lead to an increase in the Company's tax liabilities and a reduction in Shareholder returns.

Personal tax liabilities are the responsibility of each individual investor. The Company is not responsible either for tax or tax penalties incurred by investors.

(e) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Capital Raising. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations, its production levels, or scale back its research and development and/or clinical trials as the case may be. There is no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(f) **Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the securities offered under this Prospectus.

Therefore, the Options to be issued pursuant to this Prospectus (and the underlying Shares) carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.

Potential investors should consider that an investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for securities pursuant to this Prospectus.

## 8 ADDITIONAL INFORMATION

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### 8.1 Litigation

As at the date of this prospectus the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company which are likely to have a material adverse effect on the business or financial position of the Company.

### 8.2 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been provided to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to apply for Options.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the annual financial report most recently lodged by the Company with ASIC, being the financial report for the year ending 31 December 2022 lodged on 27 February 2023 (noting that no half-year report has been lodged since this time); and
  - (ii) any continuous disclosure documents given by the Company to ASX after the lodgement of the annual financial report referred to in subparagraph (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest full year statutory accounts (on 27 February 2023) and before the lodgement of this Prospectus with ASIC are set out in the table below.

<b>Date</b>	<b>Description of Announcement</b>
28/02/2023	Corporate Governance Statement
28/02/2023	Appendix 4G
28/02/2023	FY2022 Results Announcement
28/02/2023	Appendix 3Y
28/02/2023	AGM Date
24/03/2023	AGM Date Change
03/04/2023	Trading Halt
05/04/2023	EXL Successfully Completes Placement & Launches SPP
05/04/2023	Appendix 3B
05/04/2023	Schemes of Arrangement Timetable Update
06/04/2023	Board Changes
06/04/2023	Appendix 3H
06/04/2023	Final Directors Interest Notice - Paul Benhaim
06/04/2023	Final Directors Interest Notice - Oliver Horn
06/04/2023	Appendix 3X - Ronald Dufficy
13/04/2023	Appendix 2A
14/04/2023	Cleansing Notice
14/04/2023	Appendix 2A
14/04/2023	Cleansing Notice
19/04/2023	Company Secretary Appointment/Resignation
21/04/2023	Update - Schemes of Arrangement
21/04/2023	Appendix 3G
21/04/2023	Update on schemes of Arrangement with Elixinol
27/04/2023	Appendix 2A
28/04/2023	Quarterly Update & Appendix 4C
28/04/2023	SPP Underwriting Agreement
28/04/2023	Notice of Annual General Meeting
28/04/2023	Update - Appendix 3B

The announcements are available at [www.asx.com.au](http://www.asx.com.au) and through the Company's website <https://www.elixinolwellness.com/site/investor/ASX-Announcements>.

### **8.3 Instrument 2016/80**

This Prospectus has been prepared, in part, to ensure that the relief provided under Instrument 2016/80 is available in respect of the Options. Instrument 2016/80 provides relief from the on-sale provisions of section 707 of the Corporations Act and will relieve the need for any further disclosure to be made prior to the on-sale of Shares issued following the exercise of Options, within 12 months of their date of issue. Shares issued on exercise of the Options will be able to be immediately traded on ASX (subject to the grant of quotation).

#### 8.4 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgment 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:
  - (i) its formation or promotion; or
  - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
  - (i) the formation or promotion of the Company; or
  - (ii) the Offers.

#### 8.5 Security holdings of Directors

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, is set out in the table below.

DIRECTOR	SHARES AT PROSPECTUS DATE	%	OPTIONS	PERFORMANCE RIGHTS
Ms Helen Wiseman (Chairman, Non-Executive Director)	280,132	0.072%	-	1,043,424
Mr Ron Dufficy (Managing Director, Chief Executive Officer)	780,494	0.202%	-	1,914,515
Mr David Fenlon (Non-Executive Director)	-	-	-	465,753

#### 8.6 Remuneration of Directors

Please refer to the Remuneration Report, which is contained on pages 13 to 21 of the Company's Annual Report for the financial year 1 January 2022 to 31 December 2022, for full details of the remuneration of the Company's executive and non-executive directors.

The typeset Annual Report was lodged with ASX on 27 February 2023 and is available on the Company's ASX announcements page at:  
<https://www.elixinolwellness.com/site/investor/ASX-Announcements>.

A hard copy of the Annual Report is also available free of charge by contacting the Company at its registered address using the details in Section 2 of this Prospectus.

## 8.7 Interests of Advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the Offers or a financial services licensee named in this Prospectus as a financial services licensee involved in the Offers,

holds at the date of this Prospectus, or has held within the 2 years preceding lodgment of this Prospectus with ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (f) the formation or promotion of the Company; or
- (g) the Offers.

## 8.8 Becketts Lawyers

Becketts Lawyers has acted as the Australian legal adviser to the Company in relation to the Capital Raising and the Offers (except in relation to stamp duty and taxation matters). The Company has paid or agreed to pay approximately \$35,000 (excluding GST) for these services in connection with the Offers up to the date of the Prospectus. Further amounts may be payable to Becketts Lawyers in accordance with its time-based charge out rates.

## 8.9 SPP Underwriting Agreement

The Company and the Lead Manager entered into an underwriting agreement in connection with the Share Purchase Plan on 28 April 2023 (**SPP Underwriting Agreement**).

The Company agrees to give standard representations and warranties to the Lead Manager in the SPP Underwriting Agreement and agrees to provide a standard indemnity for the benefit of the Lead Manager and pay the Lead Manager's reasonable expenses. It also agrees to conduct the Capital Raising in accordance with applicable law.

In consideration for underwriting the SPP, the Company agrees to issue to the Lead Manager the following securities:

- (a) 3,000,000 Shares; and
- (b) 6,000,000 Options,

subject to Shareholder approval at the Meeting. This means that if Shareholder approval is not obtained at the Meeting, the SPP will not be underwritten and the Lead Manager will not be issued any Shares or Options. In that case, the SPP will not be underwritten and the Company will not raise any proceeds under the SPP underwriting arrangements.

The SPP Underwriting Agreement is subject to certain standard conditions precedent, including that Shareholders approve the underwriting of the SPP, the Placement having completed and the Prospectus being lodged with ASIC and ASX.

If any of the following events occurs between the date of the SPP Underwriting Agreement and the settlement of the SPP Shortfall Shares, the Lead Manager is entitled to terminate the SPP Underwriting Agreement (in which case it will not receive any fees in connection with the SPP):

- (a) the Company withdraws the Placement or the SPP;
- (b) ASX announces that the Shares will be delisted, removed from quotation, withdrawn from admission or suspended;
- (c) the Company is unable to issue the SPP Shortfall Shares; or
- (d) the ASX200 Index falls to a level which is 10.0% or more below the level of that index on the close of trading on the Business Day before the date of the SPP Underwriting Agreement and closes at or below that level on:
  - (i) any three consecutive Business Days after the date of the SPP Underwriting Agreement and on or before the Business Day immediately prior to the date of settlement of the SPP Shortfall Shares; or
  - (ii) at the close of trading on the Business Day immediately prior to the date of settlement of the SPP Shortfall Shares.

In addition to its role as underwriter of the SPP, Canaccord acted as lead manager to the Placement and was paid a fee of 6.0% of the Placement proceeds in connection with this role.

## **8.10 Consents**

Becketts Lawyers has given, and has not withdrawn prior to the lodgment of this Prospectus with ASIC, its written consent to be named in this Prospectus as the Company's Australian legal adviser (except in relation to stamp duty and taxation matters) in the form and context in which it is named. Becketts Lawyers takes no responsibility for any part of this Prospectus, other than a reference to its name.

Canaccord Genuity (Australia) Limited has given, and has not withdrawn prior to the lodgment of this Prospectus with ASIC, its written consent to be named in this Prospectus as the lead manager of the Placement and the lead manager and underwriter of the SPP in the form and context in which it is named. Canaccord Genuity (Australia) Limited takes no responsibility for any part of this Prospectus, other than a reference to its name.

Automic Pty Ltd has given, and has not withdrawn prior to the lodgment of this Prospectus with ASIC, its written consent to be named in this Prospectus as the Company's Share Registry in the form and context in which it is named. Automic Pty Ltd has not taken part in the preparation of any part of this Prospectus other than the recording of its name as Share Registry. Automic Pty Ltd takes no responsibility for any part of this Prospectus, other than a reference to its name.

### **8.11 Financial forecasts**

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to include forecast future earnings in this Prospectus.

### **8.12 Taxation**

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of applying for (and exercising) securities under this Prospectus. The Company does not accept any responsibility for any such taxation consequences. Shareholders should consult their professional tax adviser if they have any queries regarding the taxation consequences of apply for (and exercising) securities offered under this Prospectus.

### **8.13 Governing law**

This Prospectus, the Offers and the contracts formed on acceptance of applications under the Offers are governed by the laws applicable in New South Wales, Australia. Each applicant for Options submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

### **8.14 Directors' authorisation**

This Prospectus is authorised by each Director, who has given and not withdrawn their consent to the issue of this Prospectus and to its lodgment with ASIC.

Signed for and on behalf of Elixinol Wellness Limited by being signed by a Director in accordance with section 351 of the Corporations Act:



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Mr Ron Dufficy, Managing Director

## GLOSSARY

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**\$** means the lawful currency of the Commonwealth of Australia.

**Application Form** means an individual application form by which participants in the Placement Offer, Broker Offer and SPP Option Offer apply for Options under this Prospectus.

**ASIC** means the Australian Securities and Investments Commission.

**Associate** has the same meaning as in the ASX Listing Rules.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

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

**Board** means the board of Directors unless the context indicates otherwise.

**Broker Offer** has the meaning given to that term in Section 3.3.

**Business Day** means Monday to Friday inclusive, except public holidays and any other day that ASX declares is not a business day.

**Capital Raising** has the meaning given in Section 3.1.

**Closing Date** means the date specified in Section 4.2 (unless extended).

**Competing Proposal** has the meaning given to that term in clause 1.1 of the Scheme Deed.

**Constitution** means the constitution of the Company as amended from time to time.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company.

**EXL** or the **Company** means Elixinol Wellness Limited (ACN 621 479 794).

**EXL Group** means the Company and its related bodies corporate.

**Lead Manager** means Canaccord Genuity (Australia) Limited.

**Meeting** means the Annual General Meeting of Shareholders, to be held on 31 May 2023.

**Merged Group** has the meaning given to that term in clause 1.1 of the Scheme Deed.

**Offers** means the Placement Offer, Broker Offer and SPP Option Offer (or any of them, as the case requires).

**Offer Price** means \$0.018 per Share.

**Option** has the meaning given to that term in Section 3.1(f).

**Option Scheme** has the meaning given to that term in clause 1.1 of the Scheme Deed.

**Option Scheme Conditions** means the conditions precedent in clause 3.2 of the Scheme Deed.

**Placement** has the meaning given to that term in Section 3.1(a).

**Placement Offer** has the meaning given to that term in Section 3.2.

**Placement Subscribers** has the meaning given to that term in Section 3.2.

**Prospectus** means this prospectus (as may be replaced or supplemented).

**Prospectus Date** means the date of this prospectus, being 1 May 2023.

**Section** means a section contained in this Prospectus.

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

**Share Scheme** means the scheme of arrangement under Part 5.1 of the Corporations Act between TSN and the Scheme Shareholders.

**Share Scheme Conditions** means the conditions precedent in clause 3.1 of the Scheme Deed.

**Shareholder** means a holder of a Share.

**Share Registry** means Automic Pty Ltd.

**SPP** or **Share Purchase Plan** means the Company's share purchase plan dated on or about the date of this Prospectus.

**SPP Option Offer** has the meaning given to that term in Section 3.4.

**SPP Option Subscribers** has the meaning given to that term in Section 3.4.

**SPP Record Date** means 7.00pm (Sydney time) on 4 April 2023.

**SPP Shortfall** means the difference between \$1,000,000 worth of Shares (at the Offer Price) and the value of valid applications received from eligible Shareholders under the SPP, calculated at the Offer Price.

**SPP Shortfall Offer** means the offer of SPP Shortfall Shares and free attaching Options made pursuant to this Prospectus.

**SPP Shortfall Shares** means the number of shortfall Shares in connection with the SPP, calculated as the SPP Shortfall divided by the Offer Price.

**Subscribers** means the Placement Subscribers, Lead Manager or SPP Option Subscribers (or any of them, as the case requires).

**Superior Proposal** has the meaning given to that term in clause 1.1 of the Scheme Deed.

**APPLICATION FORM FOR SPP AND SPP OPTION OFFER PARTICIPANTS**

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

SRN/HIN: [HolderNumberMasked]

ASX Code: EXL

Record Date: 7:00pm (AEST), 4 April 2023

## SPP AND SPP OPTION OFFER APPLICATION FORM

**IMPORTANT: SPP AND SPP OPTION OFFER CLOSES 5:00PM (AEST) ON FRIDAY, 19 MAY 2023 (UNLESS VARIED)**

### 1: SUBSCRIPTION

This Offer entitles each Eligible Shareholder in Elixinol Wellness Limited (ASX:EXL) (**Elixinol** or the **Company**) to subscribe through the Company's Share Purchase Plan (**SPP**) for a maximum of \$30,000 worth of fully paid ordinary shares in the Company (**New Shares**) with one free attaching option (**Option**) for every one New Share subscribed for under the SPP via the **SPP Option Offer**. The Options will be exercisable at \$0.02 (2 cents), expiring on the two year anniversary of the date of their issue. The Options will not be quoted on ASX. The Company announced the SPP to raise up to \$1 million (with the discretion to scale back applications and accept over-subscriptions). The SPP is open to all shareholders recorded as holding fully paid ordinary shares (**Shares**) on the Company's Register as at the Record Date with a registered address in Australia or New Zealand. The issue price of the New Shares will be \$0.018 (1.8 cents) (**SPP Offer Price**). Eligible Shareholders may subscribe for any one of the following parcels (*subject to scale back*) described below by paying the applicable Subscription Amount in accordance with the payment instructions in section 2 of this Application Form.

This Application Form, which is enclosed with the Prospectus, also relates to the application for Options under the SPP Option Offer.

	Application Amount	Number of New Shares at SPP Offer Price of \$0.018	Number of attaching Options under SPP Option Offer
Offer A	\$30,000	1,666,667	1,666,667
Offer B	\$20,000	1,111,112	1,111,112
Offer C	\$15,000	833,334	833,334
Offer D	\$10,000	555,556	555,556
Offer E	\$7,500	416,667	416,667
Offer F	\$5,000	277,778	277,778
Offer G	\$2,500	138,889	138,889
Offer H	\$1,000	55,556	55,556

No fractions of Shares will be issued. Any fraction of a Share will be rounded up to the nearest whole number of Shares (where applicable).

### 2: PAYMENT - You can pay either by BPAY® or Electronic Funds Transfer "EFT"

Payment under the Share Purchase Plan can only be made by BPAY® or EFT.

#### Option A – BPAY®



**Bill Code:** 408898

**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 Payment Reference which has been assigned to your Application is: [HolderId]-7281-EXL

Funds are to be deposited directly to following bank account:

**Account name:** Automic Pty Ltd  
**Account BSB:** 036051  
**Account number:** 589542  
**Swift Code:** WPACAU2S

**IMPORTANT:** You must quote your unique payment 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 shares subsequently not issued.

### 3: Elect to receive email communication

Return to Automic Group by email to [corporate.actions@automicgroup.com.au](mailto:corporate.actions@automicgroup.com.au)

Telephone Number

( )

Contact Name (PLEASE PRINT)

EXL-[HolderId]

Please insert your email address if you wish to elect to be an e-Shareholder, and you consent to receiving communications from the Share Registry

As a valued shareholder in Elixinol, 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.

# INSTRUCTIONS FOR COMPLETION OF THIS FORM

The right to participate in the SPP and SPP Option Offer is optional and is offered exclusively to all Shareholders (including Custodians) 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, or as otherwise determined by the Board (**Eligible Shareholders**).

If the Company rejects or scales-back an application or purported application, the Company will return to the Shareholder the relevant application monies, without interest.

## HOW TO APPLY FOR NEW SHARES UNDER THE SPP AND OPTIONS UNDER THE SPP OPTION OFFER

### 1 Subscription

As an Eligible Shareholder, you can apply for up to a maximum of \$30,000 worth of New Shares with one free attaching option (**Option**) for every one New Share subscribed for under the SPP via the SPP Option Offer made pursuant to the Prospectus. Eligible Shareholders can select one of the parcels prescribed overleaf.

In order to comply with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, the maximum value of New Shares each Eligible Shareholder (irrespective of the size of their shareholding) may apply for under the SPP is \$30,000 (including through joint holding(s), multiple share accounts or any holding in which they have a beneficial interest/s). This limit will apply even if you receive more than one offer from the Company (for example, because you are a joint holder of Shares or because you hold more than one shareholding under separate share accounts).

If the Company receives an amount that does not equal one of the amounts specified overleaf the Company may accept the payment at their discretion and refund any excess application money (without interest) to the Eligible Shareholder. If the Company receives a subscription of over \$30,000 worth of New Shares by an Eligible Shareholder through multiple applications or joint holdings, the Company may refund any excess application money (without interest) to the Eligible Shareholder.

Any application made under the SPP Offer and SPP Option Offer is not guaranteed to result in the Eligible Shareholder receiving any New Shares or Options that have been applied for. Applications may be scaled back at the absolute discretion of the Company.

### 2 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 Automic Share Registry by the closing date and time. Payment **must be received** by the Share Registry by 5:00pm (AEST) on Friday, 19 May 2023.

It is your responsibility to ensure your CRN or unique Payment Reference is quoted, as per the instructions in Section 2. 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.

If you make a payment by BPAY® or EFT and the Company receives an amount which is not equal to either \$30,000, \$20,000, \$15,000, \$10,000, \$7,500, \$5,000, \$2,500 or \$1,000 the Company may accept the payment at their discretion. Your payment must be for a minimum of \$1,000.

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 5pm (AEST) 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.

## SPP OPTION OFFER

This Application Form is an application form for the issue of Options by Elixinol Wellness Limited under the SPP Option Offer made pursuant to the Prospectus (which this Application Form accompanies). The Prospectus is available on the Company's website ([www.elixinolwellness.com](http://www.elixinolwellness.com)) and by calling the Company Secretary on (02) 8280 7355. The terms of issue of the Options are set out in the Prospectus.

By making payment for New Shares by BPAY or EFT you will be deemed to have applied for the number of Options appropriate for the parcel of New Shares applied for under the accompanying Prospectus (on the basis of one Option for every one New Share applied for under the SPP). If you wish to apply for New Shares under the SPP but not attaching Options, you should contact the Company Secretary on (02) 8280 7355. You should consider the Prospectus before making an application.

The SPP Option Offer is conditional on Shareholder approval at the Meeting expected to be held on 31 May 2023. If the SPP Option Offer is not approved, participants in the SPP will not receive any attaching Options in connection with the Shares issued to them, but will receive the Shares applied for under the SPP.

## IMPORTANT INFORMATION

- This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
- If you do not wish to purchase New Shares under the SPP or Options under the SPP Option Offer, there is no need to take action.
- Please ensure you have read and understood the terms and conditions of the SPP in the Offer Booklet accompanying this Application Form, and the Prospectus accompanying this Application Form in respect of the SPP Option Offer and this section entitled "Important Information" before making payment by BPAY® or EFT.
- The offer of New Shares under the SPP and Options under the SPP Option Offer is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
- If you are a custodian, trustee or nominee within the meaning of "Custodian" as defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, you must complete and submit an additional certificate that contains further certifications and details (**Custodian Certificate**) that must be provided before your application will be received. The Custodian Certificate can be obtained by contacting the Share Registry on the telephone number set out below. Applications received by Custodians that are not accompanied by the Custodian Certificate will be rejected. A completed Custodian Certificate must be emailed to: [custodialcertificates@automicgroup.com.au](mailto:custodialcertificates@automicgroup.com.au), failure to do so will result in the Application being rejected.
- For applicants that are not required to complete the Custodian Certificate, by making payment by BPAY® or EFT, you certify that the aggregate of the payment paid by you for:
  - the parcel of New Shares indicated on this Application Form or BPAY® or EFT; and
  - any other Shares applied for by you, or which you have instructed a custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to making payment by BPAY® or EFT does not exceed A\$30,000.
- The maximum subscription limitation of A\$30,000 will apply even if you have received more than one Application Form (whether in respect of a joint holding or because you have more than one holding under separate security accounts).
- You are not guaranteed to receive any New Shares or Options that you have applied for and the Company may, in its absolute and sole discretion:
  - scale back any applications made; and
  - reject your application, without limit.
- By making payment of application monies, you certify that:
  - you wish to apply for New Shares under the SPP and Options under the Prospectus as indicated on this Application Form and acknowledge that your application is irrevocable and unconditional;
  - you received a copy of the Offer Booklet and the Prospectus and you have read and understood the terms and conditions of the SPP and SPP Option Offer;
  - you agree to be bound by the Constitution of the Company and the terms and conditions in the Offer Booklet and the Prospectus;
  - you agree to accept any lesser number of New Shares and Options than the number of Shares and Options applied for; and
  - you are not in the United States and are not acting for the account or benefit of a person in the United States and have not sent any offering materials relating to the SPP Offer or SPP Option Offer to any person in the United States.

If you require further information about the Offer, please contact Automic on 1300 288 664 or +61 2 9698 5414 between 8:30am and 5:00pm (AEST).