

ASX Announcement

24 May 2023

COMPLETION OF UNDERWRITTEN SHARE PURCHASE PLAN

- Elixinol received valid applications for A\$685,000 worth of Shares from its shareholders under the Share Purchase Plan (SPP)
- SPP underwritten up to \$1.0 million by Canaccord Genuity (Australia), subject to approval at the coming Annual General Meeting. Assuming approval, SPP and recent Placement to total \$2.25 million before costs
- Funds to support the proposed acquisition of The Sustainable Nutrition Group Ltd (ASX: TSN), near-term growth initiatives, working capital and costs of the Offer

Elixinol Wellness Limited (**Elixinol Wellness** or the **Company**) (**ASX:EXL**) is pleased to announce the results of the Share Purchase Plan (**SPP**), which closed on Friday, 19 May 2023.

The Company received valid applications for a total of A\$685,000 worth of new, fully paid ordinary shares (**Shares**) in the SPP, which will result in the issue of a total of approximately 38,055,603 Shares at the offer price of \$0.018 per Share (**Offer Price**).

The SPP is being underwritten up to A\$1.0 million by Canaccord Genuity (Australia) Limited (**Canaccord**), subject to approval of the Company's shareholders at the Annual General Meeting (**AGM**) to be held on 31 May 2023.

If approved by shareholders, the SPP underwriting arrangements will result in the Company raising an additional A\$315,000 via the issue of an additional 17,499,953 Shares to Canaccord (and any nominated sub-underwriters) at the Offer Price.

The SPP forms part of the capital raising as announced on Wednesday, 5 April 2023, which also comprised the Placement to institutional and sophisticated investors which raised \$1.25 million at the Offer Price of \$0.018 per Share.

Assuming the SPP underwriting arrangements are approved by shareholders at the AGM, the total proceeds of the capital raising will be \$2.25 million (before costs).

Additionally, participants in the Placement and SPP were entitled to subscribe for one free attaching option (**Option**) for every one Share subscribed for. The Options will be exercisable at \$0.02 (2 cents) and will expire two years after the date of issue.

The offer of Options to Placement and SPP participants is conditional on Shareholder approval at the Company's AGM. If approved by shareholders, this will result in the issue of approximately 125 million Options. In addition, the Company will issue up to 6 million Options to Canaccord (or nominee(s)) in consideration for underwriting services provided in relation to the SPP, subject to shareholder approval at the AGM.

Further details are provided in the prospectus dated 1 May 2023.

The SPP Shares (other than the SPP Shortfall Shares) are expected to be issued on Friday, 26 May 2023, with holding statements to be dispatched on Monday, 29 May 2023.

The issue of SPP Shortfall Shares and Options is expected to occur on Wednesday, 7 June 2023 (subject to shareholder approval).

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The Board is pleased to be able to successfully complete the Placement and SPP given the current market conditions and wishes to thank shareholders for their participation in the SPP.

Commenting on the successful completion of the SPP, Group Chief Executive Officer of Elixinol Wellness, Ron Dufficy, said: *“We are grateful of the support of new and existing shareholders through both the Placement and SPP. These funds make an important contribution toward completing the proposed acquisition of TSN and positioning us to leverage scale from a bigger business with a strong footprint in hemp foods and hemp-derived CBD. We are excited about taking next steps as we move toward completion of the proposed acquisition.”*

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

Investor relations please contact:

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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