

## Bod Science announces placement to raise ~A\$2m

- Bod Science has received firm commitments to raise a total of A\$2.05 million under a two-tranche placement at an offer price of \$0.03 per share
- Bod's partner for Malaysia, Antah Healthcare, cornered the raising and will emerge as a 14.9% shareholder
- Proceeds will be utilised to fund inventory build, product manufacture, R&D activity to support Aqua Phase and working capital
- Post transaction the Company's pro forma cash balance (as at 30 September 2023) will be \$2.165m
- Cash management initiatives including reduced executive salaries and director fees to be taken in shares (subject to shareholder approval)

**Sydney, Australia – 8 November 2023:** Cannabis focused drug development and product innovation company Bod Science Limited ("Bod" or "the Company") (ASX: BOD) is pleased to announce that it has received firm commitments from professional and sophisticated investors for a two-tranche placement of new, fully paid ordinary shares ("Shares") to raise approximately \$2.05 million ("Placement"). The Placement is being undertaken at an offer price of \$0.03 per Share ("Offer Price").

### Management commentary:

**CEO Ms Jo Patterson said:** *"We are pleased with the support received from both new and existing shareholders for this placement, especially in difficult market conditions. Bod is at an exciting stage with a robust commercialisation pipeline."*

*"I'd like to take this opportunity to thank existing shareholders, and welcome new investors to the Bod Science register. In particular, I'm pleased to welcome Antah Healthcare as a strategic investor in Bod and I'm excited about the potential to explore commercial opportunities with them in a large and growing market."*

### Placement Details

The Placement will raise \$2.05 million (before costs) in two tranches, as follows:

- **Tranche 1** to raise ~\$0.8m via the issue of ~26.6 million Shares utilising the Company's available capacity under ASX Listing Rule 7.1; and
- **Tranche 2** to raise ~\$1.25m via the issue of ~41.7 million Shares, conditional on shareholder approval.

Tranche 2 of the Placement includes the proposed issue of \$30,000 worth of Shares (1,000,000 Shares) to Director, Jo Patterson (or nominee), subject to shareholder approval for the purposes of ASX Listing Rule 10.11.

Assuming Tranche 2 is approved, the Placement will involve the issue of ~68.3 million Shares.

The Offer Price of \$0.03 per Share represents a discount of:

- 46.6% to the last traded price on 31 October 2023 (of \$0.056);
- 42.7% discount to the 5 day VWAP price (of \$0.0524); and
- 49.5% discount to the 15 day VWAP price (of \$0.0593).

### Participation of Antah Healthcare

Antah Healthcare Group (or "Antah Healthcare"), our partner in Malaysia, has supported the Placement through a commitment of \$1.1 million worth of Shares (being 36.67 million Shares). The Antah Healthcare Group are pioneers of medical distribution and solutions in Malaysia, specialising in the marketing, warehousing and distribution of high quality medical and pharmaceutical products.

On completion of the Placement, it is expected that Antah Healthcare will hold a relevant interest in 14.9% of Bod's issued shares.

## Use of Funds

The Placement proceeds will be utilised as follows:

- Inventory build for THC flower - \$0.5 million.
- Manufacture of Medicabilis soft gel capsules and preparation of TGA Schedule 3 dossier - \$0.6 million.
- Aqua Phase R&D - \$0.15 million.
- Working capital and costs of the Placement - \$0.8 million.

The Company also expects to receive approximately \$0.8m (net of repayment to Radium Capital) in December 2023 relating to R&D claims.

## Cash Management Initiatives

Bod Science has undertaken a cost reduction program to ensure the Company has the capacity to support its commercial opportunities. The Non-Executive Directors have agreed to accept shares in lieu of cash for their non-executive director fees (subject to shareholder approval) until the Company achieves positive sustainable cashflow without requiring additional equity capital.

In addition, CEO, Jo Patterson and Chief Technical Officer, Craig Weller have also agreed to reduce their annual salary to \$125,000 each until that milestone is achieved.

## Pathway to sustainability

In the quarter ending 30 September 2023 the Company's operational cashflow was a loss of ~\$1.9 million. Bod is focused on achieving operational cashflow breakeven, which requires a significant and sustained turnaround in trading performance.

Directors aim to achieve this through a combination of revenue generation initiatives utilizing the proceeds of the Placement, together with the cost-reduction initiatives outlined above (and additional potential initiatives). These initiatives are set out in the investor presentation accompanying this release and are subject to a range of assumptions and risks. There is no guarantee that all, or any, of the initiatives will be successful. Likewise, there is no guarantee that the proceeds of the Placement will be sufficient to achieve operational cashflow breakeven. Accordingly, the Company may need to raise additional capital. There is no certainty that additional capital may be available if it is required.

In addition, the Company is in discussions with various State and Federal Government Agencies in relation to potential grant funding to support the commercialisation of Aqua Phase. Certain of the discussions are at an advanced stage.

## Indicative Timetable

Event	Date
Placement announced	Wednesday, 8 November 2023
Suspension lifted and Shares resume trading	
Settlement of Tranche 1 of the Placement	Monday, 13 November 2023
Issue of Shares under Tranche 1 of the Placement	Tuesday, 14 November 2023
EGM to obtain shareholder approval for Tranche 2 of the Placement	On or around Friday, 15 December 2023
Settlement of Tranche 2 of the Placement (subject to shareholder approval)	On or around Wednesday, 20 December 2023
Issue of Shares under Tranche 2 of the Placement (subject to shareholder approval)	On or around Thursday, 21 December 2023

\*The timetable is indicative only and subject to change. Bod Science reserves the right to alter the dates without notice at its full discretion, subject to the Corporations Act and ASX Listing Rules.

Further information regarding the Company and the Placement, including a description of the risks associated with an investment in Bod, can be found in an investor presentation lodged with ASX today.

**This announcement has been approved by the Board of Bod Science Limited.**

**-ENDS-**

#### About Bod Science:

Bod Science (ASX:BOD) is a cannabis focused drug development and product innovation company.

Bod is focused on progressing research and development with a defined clinical trial pathway to commercialise and deliver premium, scientifically proven and trusted products for patients and consumers.

The company has a number of existing partnerships with large corporate companies and collaborations with leading research organisations to advance the use of Cannabis related medicines with therapeutic indications.

#### For more information please contact:

Jo Patterson  
Chief Executive Officer  
Info@bodaustralia.com  
+61 2 9199 5018

Amalie Schreurs  
White Noise Communications  
amalie@whitenoisecomms.com  
+61 431 636 033

#### Important information

This announcement contains certain references to forecasts, estimates, assumptions and other forward-looking statements and statements regarding the intent, belief or current expectations of Bod. The words “likely”, “expect”, “aim”, “should”, “could”, “may”, “anticipate”, “predict”, “believe”, “plan” and other similar expressions are intended to identify forward- looking statements.

Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

This announcement – in particular the “Pathway to sustainability” section – contains such statements, which are subject to risk factors associated with an investment in Bod. The Company believes that these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially. Forward-looking statements involve known and unknown risks, uncertainties and assumptions and other important factors that could cause actual results, performance or achievements of Bod to be materially different from future results, performances or achievements expressed or implied by such statements. Potential investors are cautioned not to place undue reliance on these forward-looking statements.

Any investment in Bod Science should be considered highly speculative.