

ASX ANNOUNCEMENT

CONVENING OF SECOND MEETING OF CREDITORS

Sydney, Australia – 27 March 2024: Cannabis focused drug development and product innovation company, BOD Science Limited (Administrators Appointed) (**BOD Science**) refers to the appointment of Mr Andrew Barnden and Mr Brent Morgan of Rodgers Reidy as the Joint and Several Administrators of BOD Science pursuant to section 436A of the *Corporations Act 2001* (Cth) (**Corporations Act**).

Notice of Second Meeting of Creditors

On 14 December 2023, the Federal Court of Australia granted an extension of the period by which the Administrators must convene the second meeting of creditors to no later than 29 March 2024.

The outcome of the second creditors meeting will be that BOD Science either enters into a deed of company arrangement (**DOCA**) as proposed by Biortica Agrimed Limited (**Biortica**), enters into liquidation, or is returned to the control of the directors.

Pursuant to section 439A of the Corporations Act, section 75-225 of the Insolvency Practice Rules (Corporations) 2016 and orders made by the Federal Court of Australia on 14 December 2023, the Administrators have today issued their report to creditors (**Report**) and their notice to convene the second meeting of creditors which will be held on 8 April 2024 (**Second Meeting of Creditors**).

Details of the meeting and a copy of the Report is available to download from: www.rccreds.com.au/creditors/bod-science-limited

The Report contains the outline of a DOCA proposal (**DOCA Proposal**) provided by medicinal cannabis grower and supplier, Biortica.

As part of the Report, the Administrators have recommended that creditors accept the DOCA Proposal.

DOCA proposed by Biortica

Pursuant to the terms of the DOCA Proposal, Biortica has agreed to contribute \$380,000 (**Creditors Contribution**) to a deed fund (**Deed Fund**) and a proposal by which ultimately (although not part of the DOCA process), BOD Science will acquire the issued share capital in Biortica in consideration for the issue of shares in BOD Science to the shareholders and noteholders of Biortica (**Backdoor Listing**).

The Backdoor Listing is subject to the ASX confirming that Biortica has a structure and operations suitable of a company to be admitted to the official list of the ASX following the application for in-principle advice lodged with the ASX on 5 March 2024 (**ASX Application for In-Principle Advice**), and BOD Science entered into a binding share purchase agreement with the ordinary shareholders of Biortica (**SPA**). The SPA is subject to the conditions subsequent being met, together with the effectuation of the DOCA and BOD Science satisfying the re-compliance requirements with Chapter 1 and 2 of the ASX Listing Rules, including all necessary shareholder approvals.

Once the SPA is completed and ASX provides its response to the Application for In-Principle Advice, a further ASX Announcement will be issued by BOD Science containing the information required by ASX Guidance Note 12.

For more information, please contact:

Andrew Barnden
Voluntary Administrator
Rodgers Reidy
T: (02) 9262 1944
E: abarnden@rogersreidy.com.au

About Biortica¹

Biortica is a biotech enabled horticultural business that specialises in business-to-business upstream, plant based, medicinal cultivation and genetics with a primary focus on medicinal cannabis, with scope to add other plant based medicinal products. It operates in the industry segment of cannabis genetics, nursery plant supply, cannabis cultivation and processing/distribution services to business-to-business customers. Biortica has a cross-jurisdictional presence, with sales in Australia, Canada, Europe and Israel.

Apollo Green, the wholly owned Canadian registered subsidiary of Biortica, is a licensed cannabis genetics and nursery operator in Canada (that then sells into Australia, Europe and Israel). Apollo Green obtains an export permit each time it exports product. With over 880 genetic varieties in the genetic catalogue and distribution partnerships with international breeders such as Purple City Genetics, Rua Bioscience and Humboldt Seeds, Apollo Green is a market leader in cannabis genetics.

Green Farmers, the wholly owned Australian registered subsidiary, is a licensed medicinal cannabis cultivator providing business-to-business cultivation services to Australian based brands cultivating either customer owned genetics or cultivating proprietary strains from Apollo Greens library that have been imported into Australia. There are two sites, one located in South East Gippsland, Victoria and the second is the former CannaPacific facility located in Northern New South Wales.

The Biortica business has been founded on a culture of 85% horticulture and 15% cannabis. It recognises that horticultural training and proficiency is necessary to grow medicinal plants at scale in highly tech-enabled facilities, such as those operated by Biortica, and to successfully operate a competitive medicinal cannabis business. Acknowledging the significance of horticultural expertise, along with the importance of cannabis plant-based knowledge, has assisted in Biortica's success and positioned it as a leader in the Australian medical cannabis market.

Main business activities

Biortica's core operations include:

- (a) Developing and maintaining one of the largest cannabis genetic libraries, with over 880 cannabis genetics and distribution agreements with a number of major and emerging breeders.*
- (b) Developing capabilities for deoxyribonucleic acid (DNA) fingerprinting, clustered regularly interspaced short palindromic repeats (CRISPR) genetic editing, breeding, pheno-hunting and tissue culture services.*
- (c) The construction of 20,000 sqm of high-tech glasshouse cultivation in Australia across two sites with a production capacity of 25,000kg of dried inhalation quality flower, with a further 15,000 sqm or 18,000kg of approved expansion.*
- (d) Developing and refining cannabis genetics and strains to enable consistent, high yielding and safe cannabis cultivation for business-to-business customers.*

Currently, Biortica has:

- (a) 4,800 sqm currently under cultivation, a further 16,000 sqm in the fit-out stage with an expected completion date of late 2024, and a further 15,000 sqm approved cultivation area the facilities for which are yet to be constructed;*
- (b) 6,000 kg cultivation capacity increasing to 25,000 kg by late 2024, with the potential to increase cultivation capacity to 43,000kg;*
- (c) circa 70 employees and 25 regular customers; and*
- (d) over 880 genetics.*

Business model

*Biortica is the parent company of Canadian registered, Apollo Green Inc (**Apollo Green**), and Australian registered Green Farmers Pty Ltd (**Green Farmers**) and CannaPacific Pty Ltd (**CannaPacific**).*

Genetics

In the cannabis genetics market, Biortica fulfills customer orders through the Apollo Green brand using both company owned genetics that are developed in house through breeding, pheno-hunting and in partnership with universities, as well as through licensed genetics that recognised breeders have entrusted to Apollo Green for distribution worldwide.

¹ This information has not been verified by BOD Science or Mr Andrew Barnden and Mr Brent Morgan of Rodgers Reidy as the Joint and Several Administrators of BOD Science and none of them accept any liability for its contents.

Genetics are provided on:

- (a) a nursery basis, where Apollo Green provides small root or unrooted cuttings that are virus, disease and pest free; or
- (b) through a licence agreement where customers take their own cuttings from Apollo Green's mother stock and pay a royalty on either each cutting or on volume.

Apollo Green has developed an international network of facilities and partnerships to enable real time supply to most cannabis markets.

Business-to-business

Green Farmers Pty Ltd (a 100% subsidiary of Biortica) works with customers to:

- (a) cultivate their own genetics in Green Farmers facilities; or
- (b) provide one of the Apollo Green's genetics on an exclusive arrangement (dependant on volume) for cultivation within either the Lismore Premises or Bunyip Premises.

Services are provided on long term contracted relationships with customers providing a forecast and purchase order for volume which secures the capacity for the customer within the facility and provides Green Farmers with sales pipeline certainty.

Product cultivated from a Green Farmers' facility meets the highest quality requirements prescribed by the relevant Therapeutic Goods Orders for the Australian market and is supplied in bulk for business-to-business customers to manage their own patient packaging requirements.

Cultivation capacity

Biortica's ability to deliver its cannabis product on time, on specification and at a competitive price to both its domestic competitors and imported product has led to the high levels of demand being placed on the business and the need to increase capacity. Biortica is well placed to meet this increased demand, and capture a greater proportion of the domestic market, through its ability to scale up operations efficiently and incrementally from existing sites and licences.

Diversification

Biortica generates revenue through its cultivation activities at its South East Gippsland (VIC) and Byron Bay Hinterland (NSW) facilities, while also leveraging off the Apollo Green client base in Canada. Separate sites for housing of Apollo Green genetics have also been established in Australia and Spain.

With multiple operational sites, and revenue streams that range from genetics supply and development, cultivation in Australia and importation of dried flower for the Australian market, Biortica has significantly reduced both single site and single business/product risk. With revenue from genetics, cultivation and import sales across multiple sites the market variations and challenges of any single region have a significantly lower impact on the business.

Biortica's ability to operate in markets that allow strictly medicinal or medicinal and adult recreational use of cannabis significantly expands the total addressable market available.

There is also a diverse customer base. While there is a medium level of customer concentration in Australia, the acquisition of Apollo Green has provided greater customer diversification that smooths cash flow into the business creating more predictability while reducing the risk of any single customer failure.

Experience

Biortica's business is founded on 30 years of commercial cultivation experience and over 200 successful harvests. Supported by talented cultivation and facility managers, the balance between commercial outcomes and cannabis quality is constantly achieved. Biortica's culture, philosophy and standard operating procedures across all facilities, as well as its continuity in cultivation methods and mediums, combine to deliver repeatable and consistent results for customers.

Genetic library

Unlike other markets around the world, Australia has not implemented any kind of amnesty model for legacy genetics. As such, Australian cultivators are pheno-hunting from seed. This can be sporadic, time consuming and costly.

The acquisition of Apollo Green's genetic library and their breeding and continuous development not only provides an additional revenue stream and industry connection, but also means new genetics can be introduced to the Australian market with ease and at speed.

The founders of Apollo Green acquired and transitioned the current library of genetics into Apollo Green during the business' incorporation. As part of the Canadian licensing process a onetime amnesty period for the transitioning genetics into the regulated system exists which facilitated the current Apollo Green library. All genetics have been documented and included on the licence held by the business and subsequent breeding and acquisition of genetics has been conducted under licence or through the appropriate transactions.

Few companies have a reasonable range of genetics and even fewer can claim to have what Apollo Green brings to Biortica's value proposition.

Strategic partnerships

Biortica has developed strategic relationships with several key suppliers, bolstering Biortica's competitive advantage across several critical aspects of the cannabis cultivation supply chain. Biortica's multiple partnerships minimise its reliance on one single supplier and the risks involved in doing so.

For Apollo Green, this includes a number of university relationships that are specifically structured to facilitate rapid innovation and development in relation to pheno-hunting, tissue culture, genetic sequencing and modification as well as genomic mapping. These relationships deliver an increased scope of genetic products, breeder rights and intellectual property protection for Apollo Green and its licensing partners.

Green Farmers has strategic relationships with a number of companies that provide either preferred partner status or some level of exclusivity in return for mutual product and market development and support.

Genetic Breeders

Multiple genetic breeder collaborations enable the Apollo Green brand to deliver a platform that offers the international market access to one of the world's largest genetics libraries.

Brands such as Purple City Genetics (Oakland, California), Rua Bioscience (New Zealand), Private Breeds (Ontario, Canada) and Humboldt Seeds (Emerald Triangle, California) have ensured that Apollo Green is a global leader in genetics both owned and under licence with an international sales platform.

All genetics licensing arrangements are covered under a licensing agreement between Apollo Green and each breeder.

Facilities

Currently, Biortica operates out of the following facilities:

(a) South East Gippsland Premises (VIC) – Owned

Biortica's head office is conducted from this location which consists of 80,000 sqm of property with one fully operational 4,000 sqm glasshouse and one partially completed 5,800 sqm glasshouse at lock up stage and currently being fitted out. The Victorian Premises has existing use approval to build a further five glasshouses.

The facility benefits from town water supply, a dam, a pond and water rights. Biortica is well advanced in undertaking a scoping study to examine options for renewable energy installation to minimise Biortica's carbon footprint and input costs.

Being positioned on the fringe of Melbourne metro zoning, Biortica is well located to access significant pools of labour in the surrounding region. There is onsite offices and staff accommodation.

Biortica is the registered proprietor of the Victorian Premises, which is freehold land.

(b) Byron Bay Hinterland Premises (NSW)

This facility, located in New South Wales in the hinterlands of Byron Bay, consists of a 188,600 sqm property with a single 10,000 sqm state of the art glasshouse at lock up stage with 365 sqm currently operational and the balance of the facility with fit-out works underway. The New South Wales Premises is also where the "Apollo Green Australia" genetics operation is to be based.

Water is supplied from a dam with extensive RO and UV treatment capabilities to meet the facility's needs. In addition to water rights, day storage tanks have been installed to provide additional water security. Biortica is also committed to installation of renewable energy at this facility.

The facility has the benefit of being able to source labour from the wider Lismore and northern rivers area. There is onsite staff accommodation.

Biortica's wholly owned subsidiary, CannaPacific Pty Ltd, is the registered proprietor of the New South Wales Premises, which is freehold land.

(c) Ottawa Premises (Canada)

This facility, located in Vars, Ottawa, Canada, consists of a 4,087 sqm property with a purpose-built propagation, breeding, pheno hunting and mother stock facility. This is Apollo Green's head office.

Biortica's wholly owned Canadian subsidiary, Biortica Canada Inc., is the registered proprietor of the Ottawa Premises, which is freehold land.

Biortica or its subsidiaries owns all the facilities, ameliorating any risk accompanied by leasing while also creating an asset base that supports Biortica's balance sheet. With facilities in Victoria, New South Wales and Ottawa, the business has mitigated the risks associated with operating from a single site, including in circumstances of disease outbreak of a crop at a particular facility. The cultivation alternatives offered to customers means that genetic expressions can be optimised or customised based on the location in which a customer might wish to have the product grown and, through appropriate scheduling, enables optimal utilisation of company resources.

All facilities have incremental volume capabilities ensuring that, unless capacity is earnings accretive, it is not commissioned. Facilities can be segmented to meet customer demands and each facility is self-contained to ensure customers can opt in for an entire facility and have only their product processed at any time from that chosen facility. The customisation also enables the best expression of genetics and breeding to meet the markets and customers' needs.

Historic acquisitions

The acquisitions of Green Farmers, Apollo Green and CannaPacific detailed above were informed by Biortica's culture and philosophy and have contributed to the business' production of approximately 200 crops through its facilities and over 7 tonnes of inhalation grade medicinal cannabis.

Green Farmers Operations

Green Farmers cultivation sites are self-sufficient in every aspect of cannabis cultivation. Each facility has a mother stock program that enables the site to produce all cuttings required for cultivation within that particular facility. Cuttings are propagated until rooting, before being placed in the facility for initial growth. A particular light to darkness ratio is utilised to optimise growth and flowering.

Once plants have reached the desired growth point, they are moved into flower for a period of 7 to 9 weeks depending on the genetic. This is then harvested and taken into the post-harvest process where plants are quality inspected before moving into drying for approximately 7 days. At this point the flower is removed from the branch, and then depending on the customer, the flower is trimmed and cured before final inspection and packaging.

All Green Farmers' facilities have the capability to perform all functions and a combination of manual and automated equipment is used to balance the optimal balance of cost, quality, speed, accuracy and customer expectations.

Apollo Green Operations

Apollo Green's nursery in Ottawa has been purpose built to provide genetics, tissue culture, breeding, pheno-hunting and cuttings. This facility has capacity to house a large number of commercially relevant mother plants. Cuttings are taken from these mother plants to order and are then rooted for propagation prior to being sent to the customer. Products from the facility are sent all over Canada, Spain, Portugal, United Kingdom, Israel and Australia. Apollo Green also has the technical and resource capability to identify new genetics through pheno-hunting, and is able to produce between 15 and 25 new genetics every 90 days.

Apollo Green also provides a tissue culture back-up service. This service is carried out on site and in conjunction with one of Apollo Green's university collaboration partners. Clean tissue culture is available to be drawn upon as required to either replenish mother stock within the Apollo Green facility or delivered directly to customers for replenishment of mother stock within their own facility.

The Ottawa site also has the ability to produce ice hash. This is a service that has been used for both existing customers to monetise waste, as well as generating a new product line that is in high demand in the Canadian market. Given current market trends, it is anticipated that this will be a high growth product over the coming 12 months.

CannaPacific Operations

CannaPacific's cultivation sites currently operate as a cultivation only with all finishing and product packing completed at Green Farmers. The site operates a standalone mother stock program that enables the site to produce all cuttings required for cultivation within that particular facility and acts as backup/redundancy for the Green Farmers site, and vice versa, mitigating risk from any single site issues. Cuttings are propagated until rooting, before being placed in the facility for initial growth. A particular light to darkness ratio is utilised to optimise growth and flowering.

Once plants have reached the desired growth point, they are moved into flower for a period of 7 to 9 weeks depending on the genetic. This is then harvested and taken into the post-harvest process where plants are quality inspected before moving into drying for approximately 7 days. At this point the flower is removed from the branch and dispatched to Green Farmers for further processing as required by the end customer before final inspection and packaging.

Over the coming months it is expected that CannaPacific will replicate the full-service model of Green Farmers with the capability to perform all functions and a combination of manual and automated equipment on site to balance the optimal balance of cost, quality, speed, accuracy and customer expectations.

This announcement has been approved by the administrator of Bod Science Limited (under administration).

-ENDS-

About Bod Science:

Bod Science Limited (Administrators Appointed) (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