

21 October 2024

Upcoming Extraordinary General Meeting of Shareholders

Dear Shareholder,

Elixinol Wellness Limited ACN 621 479 794 (ASX: EXL or “the **Company**”), advises an Extraordinary General Meeting will be held virtually via a videoconferencing facility on Thursday, 21 November 2024 at 12:00pm (AEDT) (**Meeting**).

Notice of Meeting

The Notice of Meeting and Explanatory Memorandum (**Notice**) for the Meeting is available online and can be viewed and downloaded by shareholders of the Company (**Shareholders**) from the Company’s website at <https://elixinolwellness.com/> or the Company’s ASX market announcements platform at www.asx.com.au (ASX:EXL).

In accordance with sections 110C-110K of the Corporations Act 2001 (Cth) (as inserted by the Treasury Laws Amendment (2021 Measures No.1) Act 2021 (Cth), Shareholders will not be sent a hard copy of the Notice or Proxy Form unless Shareholders have already notified the Company that they wish to receive documents such as the Notice and Proxy Form in hard copy.

Voting by Proxy

<p>Online scan the QR code below using your smartphone</p> 	<p>Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions:</p> <ol style="list-style-type: none">1. Login to the Automic website using the holding details as shown on the Proxy Form.2. Click on ‘View Meetings’ – ‘Vote’. <p>To use the online lodgment facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown as shown at the top of your holding statement.</p>
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For further information on the online proxy lodgment process, or if you require a hard copy Proxy Form, please contact the Company’s Share Registry, Automic Registry Services (**Automic**), at hello@automicgroup.com.au or via phone on 1300 288 664 (within Australia) or +61 2 9698 5414 (overseas).

Shareholder queries in relation to the Meeting

Shareholders can contact the Company Secretary with any questions prior to the meeting via email at tai.phan@vistra.com.

Copies of all Meeting related material are available to download from the Company’s website and the Company’s ASX market announcements platform. In the event it is necessary or appropriate for the Company to make alternative arrangements for the Meeting, information will be provided to Shareholders via the ASX and the Company’s website.

Authorised for ASX release by the Company Secretary.



NOTICE OF EXTRAORDINARY GENERAL MEETING AND EXPLANATORY MEMORANDUM

Date of Meeting: Thursday 21 November 2024

Time of Meeting: 12.00pm (AEDT)

Place of Meeting: Virtual meeting to be held online via a webinar conferencing facility at:

https://vistra.zoom.us/webinar/register/WN_gUfkPXdHRTWly-sf27hdmA

Elixinol Wellness Limited

ABN 34 621 479 794

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that the Extraordinary General Meeting (**EGM** or **Meeting**) of shareholders (**Shareholders**) of Elixinol Wellness Limited (**Elixinol Wellness** or the **Company**) will be held virtually via a webinar conferencing facility at 10:00am (AEDT) on Thursday, 21 November 2024,

Shareholders are encouraged to submit their proxies as early as possible, and in any event, prior to the cut-off date for proxy voting as set out in the Notice. To lodge your proxy, please follow the directions on your personalised Proxy Form.

Shareholders attending the EGM virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the Meeting to also cast their votes on the proposed Resolutions at the EGM.

The virtual Meeting can be attended using the following details:

When: Thursday, 21 November 2024 at 12.00pm (AEDT)

Topic: EXL | Extraordinary General Meeting

Register in advance for the virtual Meeting:

https://vistra.zoom.us/webinar/register/WN_gUfkPXdHRTWly-sf27hdmA

After registering, you will receive a confirmation email containing information about joining the Meeting. As noted previously, the Company strongly recommends its Shareholders to lodge a directed proxy as soon as possible in advance of the Meeting even if they are planning to attend the Meeting online. The Company will conduct a poll on each Resolution presented at the Meeting. The Company will accept questions during the Meeting either by submitting a question through the Q&A box located on screen or by raising the hand function also located on screen at which point the Company will allow your question verbally.

The Company is happy to accept and answer questions submitted prior to the Meeting by email to tai.phan@vistra.com. The Company will address relevant questions during the Meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions).

Any Shareholders who wish to attend the EGM online should therefore monitor the Company's website and its ASX announcements for any updates about the EGM. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: EXL) and on its website at <https://www.earlypay.com.au/>.

The Explanatory Memorandum accompanying, and which forms part of this Notice of Meeting provides additional information on matters to be considered at the EGM. The Explanatory Memorandum, Entitlement to Attend and Vote section and Proxy Form are part of this Notice of Meeting.

This Notice of Extraordinary General Meeting and Explanatory Memorandum should be read in its entirety. If you are in doubt as to how to vote on the Resolutions, you should seek advice from your accountant, solicitor or other professional adviser without delay.

The formal resolutions proposed to be considered at the Meeting follows.

ITEMS FOR APPROVAL

Resolution 1. Approval of issue of SPP Shares and SPP Options to SPP participants

To consider and, if thought fit, pass the following resolution as an **ordinary resolution** of the Company:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the allotment and issuance of up to an aggregate of 111,111,111 Shares at an issue price of \$0.0045 per Share and an aggregate of 37,037,037 accompanying Options to SPP participants on the terms and conditions set out in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting."

Note: A voting exclusion applies to this resolution.

If approved, Resolution 1 will be implemented prior to any consolidation of share capital of the Company the subject of Resolution 4 below. Accordingly in the event of Resolution 4 being passed, the number of shares and options referred to in Resolution 1 will be subject to the pro-rata consolidation in accordance with Resolution 4.

VOTING EXCLUSION STATEMENT (re Resolution 1)

For the purposes of the ASX Listing Rules, the Company will disregard any vote cast in favour of Resolution 1 by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of those persons.

However, the Company need not disregard on the above vote if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the person chairing the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the direction given to the chair to vote as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Resolution 2. Ratification of prior issue of Placement Shares and Placement Options issued to sophisticated and professional investors

To consider and, if thought fit, pass the following resolution as an **ordinary resolution** of the Company:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the allotment and prior issuances of an aggregate of up to 238,888,889 Placement Shares at an issue price of \$0.0045 per Share and 79,629,621 Placement Options to sophisticated and professional investors on the terms and conditions set out in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting."

Note: A voting exclusion applies to this resolution.

VOTING EXCLUSION STATEMENT (re Resolution 2)

For the purposes of the ASX Listing Rules, the Company will disregard any vote cast in favour of Resolution 2 by any person who participated in the issue, or an associate of that person.

However, the Company need not disregard on the above vote if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the person chairing the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the direction given to the chair to vote as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Resolution 3. Approval of issue of Consideration Shares to the Seller under the Healthy Chef Business Sale Agreement

To consider and, if thought fit, pass the following resolution as an **ordinary resolution** of the Company:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the allotment and issuance of up to an aggregate of 100,000,000 Shares to the Seller (or its nominee) under the Healthy Chef Business Acquisition on the terms and conditions set out in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting."

Note: A voting exclusion applies to this resolution.

If approved, Resolution 3 will be implemented prior to any consolidation of share capital of the Company the subject of Resolution 4 below. Accordingly in the event of Resolution 4 being passed, the number of shares referred to in Resolution 3 will be subject to the pro-rata consolidation in accordance with Resolution 4.

VOTING EXCLUSION STATEMENT (re Resolution 3)

For the purposes of the ASX Listing Rules, the Company will disregard any vote cast in favour of Resolution 3 by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of those persons.

However, the Company need not disregard on the above vote if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the person chairing the Meeting as proxy or attorney for a person who is entitled to

vote on the resolution, in accordance with the direction given to the chair to vote as the chair decides; or

- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the provided the following conditions are met:
- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Resolution 4. Approval of share consolidation

To consider and, if thought fit, pass the following resolution as an **ordinary resolution** of the Company:

*“That, for the purposes of section 254H of the Corporations Act 2001 (Cth) and for all other purposes, the issued capital of the Company be consolidated on the basis that every eight (8) Shares on issue will be consolidated into one (1) Share and that options and performance rights on issue be adjusted in accordance with ASX Listing Rules 7.21 and 7.22 as applicable and, where this Consolidation results in a fraction of a security, the Company be authorised to round that fraction up to the nearest whole security (**Consolidation**), with the Consolidation to take effect in accordance with the timetable and on the terms and conditions set out in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting.”*

BY ORDER OF THE BOARD



Melanie Leydin
Company Secretary

21 October 2024

RESOLUTIONS TO BE DETERMINED BY POLL

In accordance with the Company's Constitution, the Chair intends to call a poll for the Resolutions proposed at the EGM. The votes for the Resolutions considered at the EGM will therefore be conducted by poll, rather than a show of hands. The Chair considers voting by poll to be in the interests of the Shareholders as a whole, and to ensure the representation of as many Shareholders as possible at the meeting.

ENTITLEMENT TO ATTEND AND VOTE

In accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 7.00pm (AEDT) on 19 November 2024 will be entitled to attend and vote at the EGM as a shareholder.

If more than one joint holder of shares is present at the EGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

APPOINTMENT OF PROXY

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the EGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the Share Registry of the Company no later than 12.00pm (AEDT) on 19 November 2024. Proxies must be received before that time by one of the following methods:

Online:

<https://investor.automic.com.au/#/loginsah>

By Mail:

Automic
GPO Box 5193
Sydney NSW 2001

By E-mail or Fax:

meetings@automicgroup.com.au

Alternatively you can fax your form to

(within Australia) 02 8583 3040
(outside Australia) +61 2 8583 3040

For Intermediary Online subscribers only

(custodians)

For all enquiries call:

(within Australia) 1300 288 664
(outside Australia) +61 2 9698 5414

To be valid, a proxy form must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

The proxy form is enclosed with this Notice of Meeting.

Power of Attorney

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 12.00pm (AEDT) on 19 November 2024 being 48 hours before the EGM.

Corporate Representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the EGM. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the EGM a properly executed letter or other document confirming its authority to act as the company's representative. A "Certificate of Appointment of Corporate Representative" form may be obtained from the Company's share registry or online at <https://investor.automic.com.au/#/home>

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's EGM to be held on Thursday 21 November 2024.

The purpose of this Explanatory Memorandum is to provide Shareholders with information that the Directors believe is reasonably required by Shareholders to decide how to vote upon the Resolutions.

The Directors unanimously recommend Shareholders vote in favour of the Resolutions. The Chair of the Meeting intends to vote all available undirected proxies in favour of the Resolutions.

The Resolutions are to be voted on as an ordinary resolution (requiring at least 50% of the votes cast in favour).

1. Resolution 1 Approval of issue of SPP Shares and SPP Options to SPP participants

1.1. Background

The Company announced on 3 October 2024 that it is conducting a share purchase plan offer to raise up to approximately \$500,000 by the issue of up to approximately 111,111,111 Shares at an issue price of \$0.0045 per Share (**SPP Shares**) to eligible shareholders (**SPP Offer**), subject to shareholders approval.

The Company also agreed to issue, for no cost, 1 Option for every 3 SPP Shares issued to participants subscribing under the SPP Offer (**SPP Options**), making a total of up to approximately 37,037,037 SPP Options. The SPP Options have an exercise price of \$0.0075, an expiry date of 22 March 2027 and are to be issued on the terms and conditions set out in Annexure A to this Notice. The Company will be making application to the ASX for the listing of these options under the same existing class of listed options under the ASX code EXLO.

There is no minimum amount to be raised under the SPP Offer and the SPP Offer is not underwritten.

On 3 October 2024 the Company also announced that it had secured commitments for a capital raising of approximately \$1.1 million by the placement of shares to investors (**Placement**).

The SPP Offer was made to eligible shareholders whose details appeared on the Company's register of Shareholders as at the record date of 7.00pm (Sydney time) on 2 October 2024 whose registered address is in Australia or New Zealand (**Eligible Shareholders**). The SPP Offer gave Eligible Shareholders the opportunity to subscribe for up to \$30,000 worth of SPP Shares (with accompanying SPP Options), subject to the further terms and conditions set out in the Company's prospectus dated 7 October 2024 and lodged with ASX and ASIC on that date (**Prospectus**).

If this Resolution 1 is passed, the Company will use the funds raised under the SPP Offer (together with funds raised under the Placement) to fund consideration under the Company's acquisition of The Healthy Chef business, as announced to ASX on 3 October 2024, and provide EXL with additional marketing spend and general corporate expenses for near term growth initiatives.

1.2. Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more equity securities in any rolling 12 month period other than the amount which is equal to 15% of its fully paid ordinary securities on issue at the start of that 12 month period (**15% capacity**).

The proposed issue of the SPP Shares and SPP Options would have exceeded what remains of the Company's ASX Listing Rules 7.1 and 7.1A capacity after the issue of the Placement Shares and Placement Options under the Placement (see section 2.1 of this Explanatory Memorandum for further information in relation to the Placement), hence the Company is seeking shareholder approval of the issue of the SPP Shares and SPP Options.

The Company is now seeking Shareholder approval for the purposes of Listing Rule 7.1, for the issue of up to 111,111,111 SPP Shares and 37,037,037 SPP Options.

If Resolution 1 is passed, the Company will be able to issue the SPP Shares and SPP Options to

participants under the SPP.

If Resolution 1 is not passed, the Company will not be able to issue the SPP Shares and SPP Options and will be required to return all application monies received from applicants under the SPP Offer and may be required to consider other sources of funds.

If Resolution 1 is passed, the issue of the SPP Shares and SPP Options will be implemented prior to the consolidation of share capital of the Company the subject of Resolution 4. Accordingly in the event of Resolution 4 being passed, the number of shares and options referred to in Resolution 1 will be subject to the pro-rata consolidation in accordance with Resolution 4.

1.3. Information required by Listing Rule 7.3

ASX Listing Rule 7.3 requires that the Meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must include the following information:

- a) *The names of the persons to whom the Company will issue the securities (or the basis on which the persons were identified or selected):*

The SPP Shares and SPP Options will be issued to Eligible Shareholders who are participating in the SPP Offer and have submitted a valid application (including by way of payment of application monies without the return of an Application Form) under the SPP to the Company.

- b) *Number and class of securities to be issued:*

Up to 111,111,111 SPP Shares and up to 37,037,037 SPP Options.

- c) *If the securities are not fully paid ordinary securities, a summary of the material terms of the securities:*

The SPP Options will be issued subject to the Option Terms and Conditions, a copy of which is included in Annexure A to this Notice. The Company intends to apply (within the time limits prescribed by the ASX Listing Rules) for the listing of the SPP Options under the same existing class of listed options (ASX:EXLO).

- d) *Date which the securities are to be issued:*

Within three months from the date of Shareholder approval.

- e) *The issue price or other consideration the Company will receive for the issue of the securities:*

\$0.0045 per SPP Share, amounting to a total of up to \$500,000 to be received by the Company for the subscription of up to 111,111,111 SPP Shares. There will be no funds received by the Company for the issue of the SPP Options, but if all 37,037,037 SPP Options were issued and exercised at an exercise price of \$0.0075 per SPP Option, it would result in up to a further \$277,778 being received by the Company.

- f) *The purpose of the issue, including the intended use of the funds raised:*

The purpose of the issue is to raise further funds for the Company. The intended use of the funds, in conjunction with funds raised under the Placement, is to fund consideration under the Company's acquisition of The Healthy Chef business, as announced to ASX on 3 October 2024, and provide EXL with additional marketing spend and general corporate expenses for near term growth initiatives.

- g) *If the securities are being issued under an agreement, a summary of the material terms of the agreement.*

The SPP Shares and SPP Options are not being issued pursuant to an agreement.

- h) *If the securities are being issued under or to fund a reverse takeover, information about the reverse takeover:*

The SPP Shares and SPP Options are not being issued under or to fund a reverse takeover.

- i) *A voting exclusion statement*

A voting exclusion statement is set out in Resolution 1.

1.4. Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 1. The Chair intends to vote undirected proxies in favour of Resolution 1.

2. Resolution 2 Ratification of prior issue of Placement Shares and Placement Options issued to sophisticated and professional investors

2.1. Background

The Company announced on 3 October 2024 that it had received commitments for a total of approximately \$1.1 million by the issue of an aggregate of 238,888,889 Shares at \$0.0045 per Share (**Placement Shares**) to sophisticated and professional investors (introduced by the Company's lead manager Canaccord Genuity) (**Placement**). The Company also agreed to issue, for no cost, 79,629,621 Options to the same investors at the same time as the Placement Shares (**Placement Options**). The issue of the Placement Options is on the same basis as the SPP Options being 1 Option for every 3 Placement Shares issued to a Placement Share subscriber.

The Placement Options have an exercise price of \$0.0045, an expiry date of 22 March 2027 and were issued on the terms and conditions set out in Annexure A to this Notice, being the same terms as the SPP Options. The Company has applied (within the time limits prescribed by the ASX Listing Rules) for the listing of the Placement Options under the same existing class of listed options (ASX:EXLO).

238,888,889 Placement Shares and 79,629,621 Placement Options were issued to sophisticated and professional investors (**Placement Investors**) under the Placement on 10 October 2024 pursuant to the Company's existing ASX Listing Rules 7.1 and 7.1A capacity.

By issuing those Placement Shares and Placement Options, the Company's capacity to issue further equity securities without Shareholder approval within the limits of ASX Listing Rules 7.1 and 7.1A was correspondingly reduced. Accordingly, Shareholder approval is being sought to ratify the prior issue and allotment of the Placement Shares and Placement Options to Placement Investors. For clarity, approval under this Resolution 2 is to ratify a prior issue which has occurred prior to the date of the Meeting.

2.2. Listing Rules 7.1, 7.1A and 7.4

ASX Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more equity securities in any rolling 12 month period other than the amount which is equal to 15% of its fully paid ordinary securities on issue at the start of that 12 month period (**15% capacity**).

ASX Listing Rule 7.1A provides that where a company has received shareholder approval by special resolution at an annual general meeting, in addition to issues under ASX Listing Rule 7.1, a company may, subject to certain conditions, issue equity securities in any rolling 12 month period of an additional amount which is equal to 10% of its fully paid ordinary securities on issue at the start of that 12 month period (**additional 10% capacity**).

By ratifying this previous issue, the Company will retain the flexibility to issue equity securities in the future (equal to the number of securities for which this approval is being sought) within the limits of ASX Listing Rules 7.1 and 7.1A up to its 15% capacity and additional 10% capacity, without needing to seek further Shareholder approval.

If Resolution 2 is not passed, the issue of the Placement Shares and Placement Options to Placement Investors is not affected, but Company's ability to issue further securities without Shareholder approval will not include the number of Shares for which ratification is not obtained at this Meeting until the earlier of (i) the date that that previous issue is ratified at a subsequent meeting (if at all) and (ii) 12 months from the date of issue those Placement Shares and Placement Options.

Accordingly, Resolution 2 seeks Shareholder approval to allow the Company to refresh its placement capacity under ASX Listing Rules 7.1 and 7.1A with respect to the Placement Shares and Placement Options issued to Placement Investors.

2.3. Information required by Listing Rule 7.5

ASX Listing Rule 7.5 requires that the Meeting documents concerning a proposed resolution to ratify an issue of securities in accordance with ASX Listing Rule 7.4 must include the following information:

- a) *The names of the persons to whom the Company issued the securities (or the basis on which the persons were identified or selected):*

The Placement Shares and Placement Options were issued to sophisticated and professional investors introduced by the Company's lead manager to the Placement, Canaccord Genuity.

- b) *The number and class of securities the entity issued:*

238,888,889 Placement Shares and 79,629,621 Placement Options

- c) *If the securities are not fully paid ordinary securities, a summary of the material terms of the securities:*

The Placement Options were issued subject to the Option Terms and Conditions, a copy of which is included in Annexure A to this Notice. The Company has applied (within the time limits prescribed by the ASX Listing Rules) for the listing of the Placement Options under the same existing class of listed options (ASX:EXLO).

- d) *Date which the securities were be issued:*

10 October 2024

- e) *The issue price or other consideration the Company has received for the issue of the securities:*

\$0.0045 per Placement Share, amounting to a total of approximately \$1.1 received by the Company for the subscription of 238,888,889 Placement Shares by Placement Investors. There were no funds received by the Company for the issue of the Placement Options to Placement Investors but if all 79,629,621 Placement Options were exercised at an exercise price of \$0.0075 per Placement Option, it would result in approximately a further \$597,222 being received by the Company.

- f) *The purpose of the issue, including the intended use of the funds raised:*

The purpose of the issue was to raise further funds for the Company. The intended use of the funds, in conjunction with funds raised pursuant to the SPP Offer, is to fund consideration under the Company's acquisition of The Healthy Chef business, as announced to ASX on 3 October 2024, and provide EXL with additional marketing spend and general corporate expenses for near term growth initiatives.

- g) *If the securities are being issued under an agreement, a summary of the material terms of the agreement.*

The Placement Shares and Placement Options were not issued pursuant to an agreement.

- h) *A voting exclusion statement*

A voting exclusion statement is set out in Resolution 2.

2.4. Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 2. The Chair intends to vote undirected proxies in favour of Resolution 2.

3. Resolution 3 Approval of issue of Consideration Shares to the Seller under the Healthy Chef Business Sale Agreement

3.1. Background

As announced to ASX on 3 October 2024, the Company has entered a binding Business Sale Agreement (**Healthy Chef Business Sale Agreement**) to acquire 100% of the assets of the business trading as 'The Healthy Chef' (**Healthy Chef Business**) operated collectively by Paul Anthony Cutter as trustee for the Paul Cutter Family Trust, The Healthy Chef Pty Ltd as trustee for the Healthy Chef

Trust, Healthy Chef Stock & Research Development Pty Ltd and Ehealth & Wellbeing Pty Ltd (collectively, the **Seller**).

The Healthy Chef is a premium lifestyle brand offering clean nutrition for women's health, inner beauty, and wellbeing, which complements Elixinol's current business and brand portfolio, providing synergies for scaling and cost optimisation in both Australia and the USA. Please refer to the Company's ASX announcement dated 3 October 2024 for further information in relation to The Healthy Chef.

The total consideration under the Healthy Chef Business Sale Agreement will range between \$3.1 million and \$5.5 million (**Purchase Price**), with the final amount to be determined on final settlement on 1 March 2028 (**Final Settlement**). The Purchase Price will be calculated on a sliding scale, with a minimum of \$3.1 million and a maximum of \$5.5 million if The Healthy Chef Business generates over \$10.0 million in gross revenue in FY27.

The Purchase Price is payable as follows:

- 100 million Shares in EXL to the value of \$400,000 calculated at a 30-day VWAP) on 10 September 2024 of \$0.004, subject to shareholder approval and subject to a 12-month voluntary escrow period (**Consideration Shares**) at the closing of the transaction (**Completion**);
- \$600,000 in cash on Completion;
- \$450,000 in cash on the 1st annual anniversary of Completion;
- \$600,000 in cash on the 2nd annual anniversary of Completion;
- Remainder of the Purchase Price in cash within 10 business days after Final Settlement, based on performance of the Healthy Chef Business, as described below (**Final Deferred Payment**).

If revenue of the Healthy Chef Business for the period from 1 January 2027 to 31 December 2027 (**FY27 Revenue**) is less than \$3,500,000, the Final Deferred Payment will be \$1,050,000, meaning the total Purchase Price is \$3,100,000.

If FY27 Revenue exceeds \$3,500,000 but is less than \$6,000,000, the Final Deferred Payment will be \$1,050,000 plus 50% of the incremental revenue over \$3,500,000, meaning a total Purchase Price of between \$3,100,001 and \$4,350,000.

If FY27 Revenue exceeds \$6,000,000, the Final Deferred Payment will be \$2,300,000 plus 25% of revenue over \$6,000,000 up to the maximum Purchase Price, meaning a total Purchase Price of between \$4,350,001 and \$5,500,000

As noted above, the Purchase Price includes a non-cash component, being the issue of 100 million Consideration Shares. The issue of the Consideration Shares is subject to shareholder approval. In the event that shareholder approval is not obtained, the Company is required to pay the Seller the cash equivalent of the value of the Consideration Shares in lieu of issue of the Consideration Shares.

3.2. Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more equity securities in any rolling 12 month period other than the amount which is equal to 15% of its fully paid ordinary securities on issue at the start of that 12 month period (**15% capacity**).

The proposed issue of the Consideration Shares would have exceeded what remains of the Company's ASX Listing Rules 7.1 and 7.1A capacity after the issue of the Placement Shares and Placement Options under the Placement, hence the Company is seeking shareholder of the issue of the Consideration Shares.

The Company is now seeking Shareholder approval for the purposes of Listing Rule 7.1, for the issue of up to 100,000,000 Consideration Shares.

If Resolution 3 is passed, the Company will be able to issue the Consideration Shares in accordance with the Healthy Chef Business Sale Agreement.

If Resolution 3 is not passed, the Company will not be able to issue the Consideration Shares and instead, in accordance with the Healthy Chef Business Sale Agreement, will be required to pay to the

Seller the cash equivalent of the value of the Consideration Shares, being \$400,000. This will reduce the amount of cash resources available to the Company by \$400,000.

If Resolution 3 is passed, the issue of the Consideration Shares will be implemented prior to the consolidation of share capital of the Company the subject of Resolution 4. Accordingly in the event of Resolution 4 being passed, the number of shares referred to in Resolution 3 will be subject to the pro-rata consolidation in accordance with Resolution 4.

3.3. Information required by Listing Rule 7.3

ASX Listing Rule 7.3 requires that the Meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must include the following information:

a) *The names of the persons to whom the Company will issue the securities:*

The Seller under the Healthy Chef Business Sale Agreement, being collectively Paul Anthony Cutter as trustee for the Paul Cutter Family Trust, The Healthy Chef Pty Ltd as trustee for the Healthy Chef Trust, Healthy Chef Stock & Research Development Pty Ltd and Ehealth & Wellbeing Pty Ltd, or the Seller's nominee(s).

b) *Number and class of securities to be issued:*

100,000,000 Shares

c) *Date which the securities are to be issued:*

Within three months from the date of Shareholder approval.

d) *The issue price or other consideration the Company will receive for the issue of the securities:*

There will be no funds received by the Company for the issue of the Consideration Shares. The Consideration Shares are being issued as part of the consideration payable by the Company under the Healthy Chef Business Sale Agreement.

e) *The purpose of the issue, including the intended use of the funds raised:*

The purpose of the issue is for the Company to comply with its obligations and pay the consideration under the Healthy Chef Business Sale Agreement.

f) *If the securities are being issued under an agreement, a summary of the material terms of the agreement.*

A summary of the material terms of the Healthy Chef Business Sale Agreement is set out in Annexure B to this Notice.

g) *If the securities are being issued under or to fund a reverse takeover, information about the reverse takeover:*

The Consideration Shares are not being issued under or to fund a reverse takeover.

h) *A voting exclusion statement*

A voting exclusion statement is set out in Resolution 3.

3.4. Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 3. The Chair intends to vote undirected proxies in favour of Resolution 3.

4. Resolution 4 Approval of share consolidation

4.1. Background

Under section 254H of the Corporations Act, the Company may convert all or any of its shares into a larger or smaller number of shares by ordinary resolution passed at a general meeting.

The Company currently has a large number of Shares on issue. The Directors consider it more appropriate to have a smaller number of Shares on issue which would result in what the Directors regard to be a more appropriate capital structure.

4.2. Effect on capital structure

The Directors are seeking Shareholder approval for the consolidation of every eight (8) existing Shares into one (1) Share (**Consolidation**). Similarly, the number of options and performance rights on issue will be consolidated on a 8 for 1 basis. The exercise price of the options will be amended in inverse proportion to the consolidation ratio.

As the Consolidation applies equally to all Shareholders, individual shareholdings will be reduced in the same ratio as the total number of Shares (subject to rounding). Accordingly, the Company does not expect there to be any dilution resulting from the Consolidation, other than a nominal amount caused by possible rounding.

While the Consolidation should not in theory have any impact on the underlying value of the Company, Shareholders should appreciate that the value of the Company's shares as listed on the ASX (and in turn the Company's market capitalisation) is subject to a broad range of market factors which are beyond the control of the Company.

If Resolution 4 is passed, the change in capital structure of the Company following the Consolidation, will be as set out in the tables below (subject to adjustment for rounding). The tables below are based on the securities on issue as at the date of this Notice of Meeting and does not include any SPP Shares, SPP Option or Consideration Shares to be issued prior to the Consolidation if Resolutions 1 or 3 are passed, however if issued, those securities will be consolidated on the same basis. The tables below also assume that no options or performance rights are exercised or vest prior to the Consolidation.

a) Shares

Code	Pre-Consolidation	Post-Consolidation (If Resolution 4 approved)
EXL	1,560,071,214	195,008,902

b) Options

Code	Pre-Consolidation			Post-Consolidation (If Resolution 4 approved)		
	Options	Exercise Price	Expiry Date	Options	Exercise Price	Expiry Date
EXLO	712,501,300	\$0.0075	22/03/27	89,062,662	\$0.06	22/03/27
EXLAF	2,291,667	\$0.02	31/08/25	286,458	\$0.16	31/08/25
EXLAD	131,000,001	\$0.02	07/06/25	16,375,000	\$0.16	07/06/25
EXLAG	1,527,778	\$0.02	23/11/25	190,972	\$0.16	23/11/25
Total	847,320,746			105,915,092		

c) Performance rights

Code	Pre-Consolidation	Post-Consolidation (If Resolution 4 approved)
EXLAC	40,947,958	5,118,495

Any share price based vesting conditions attaching to performance rights will be amended in inverse proportion to the consolidation ratio i.e. multiplied by eight (8).

4.3. Legal implications

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

The Board does not believe it is appropriate to provide any advice on any taxation implications arising from the proposed Consolidation as this will depend upon the individual shareholders personal taxation structure.

If there is a consolidation of the issued capital of the Company:

- the number of options or convertible securities or the exercise price of those securities or both will be adjusted as specified in Listing Rule 7.22.1 and Listing Rule 7.21 as it applies at the time of the Consolidation; and
- in all other respects the terms for the exercise of the options or convertible securities will remain unchanged;

4.4. Fractional entitlements

Where the Consolidation results in an entitlement to a fraction of a security, that fraction will be rounded up to the nearest whole number of securities.

4.5. Holding statements

Where Resolution 4 is passed, all holding statements for Shareholders will cease to have any effect, except as evidence of entitlement to a certain number of Shares on a post-Consolidation basis. As indicated in the timetable below, after the Consolidation becomes effective, the Company will arrange for new holding statements for Shares to be issued to holders of those Shares. It is the responsibility of each Shareholder to check the number of Shares held prior to the Consolidation.

4.6. Indicative timetable

If approved by Shareholders, the proposed Consolidation is intended to take effect in accordance with the following indicative timetable (subject to change):

Event	Date
Company announces Consolidation by issuing an Appendix 3A.3 notice Company announces effective date of Consolidation Notice of Meeting despatched	Monday 21 October 2024
Date of Meeting	Thursday 21 November 2024
Effective date of Consolidation	Thursday 28 November 2024
Last date for trading in pre-Consolidation Shares	Friday 29 November 2024
Unless otherwise determined by ASX, trading commences in the post-Consolidation Shares on a deferred settlement basis	Monday 2 December 2024
Record Date Last day for Company to register transfers on a pre-Consolidation basis	Tuesday 3 December 2024
First day for Company to update register and send holding statements to shareholders reflecting the change in the number of shares they hold	Wednesday 4 December 2024
Last day for Company to update its register and send holding statements to securityholders reflecting updated numbers and to notify ASX that this has occurred	Tuesday 10 December 2024

4.7. Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 4. The Chair intends to vote undirected proxies in favour of Resolution 4.

Glossary

In this Explanatory Memorandum, and the Notice of Meeting:

Associate has the meaning given to that term under the ASX Listing Rules.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by the ASX.

ASX Listing Rules or **Listing Rules** means the Listing Rules of the ASX as amended from time to time.

Board means the board of directors of the Company.

Company means Elixinol Wellness Limited.

Constitution means the constitution of the Company.

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

Director means a director of the Company.

Explanatory Memorandum means this explanatory memorandum which forms part of the Notice of Meeting.

Extraordinary General Meeting or **EGM** or **Meeting** means the extraordinary general meeting of the Company to be held virtually on 21 November 2024 pursuant to the Notice of Meeting.

Notice of Meeting or **Notice** means this notice of the Extraordinary General Meeting.

Option means an option to acquire a Share, with the terms and conditions applicable being the terms and conditions attached as Annexure A to this Notice.

Proxy Form means the proxy form accompanying this Notice of Meeting.

Resolution means a resolution referred to in the Notice of Meeting.

Shareholder means a holder of a Share.

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

Annexure A – Option Terms and Conditions

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (“U.S. SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF ELIXINOL WELLNESS LIMITED (“COMPANY”) THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATIONS UNDER THE U.S. SECURITIES ACT AND LOCAL LAWS AND REGULATIONS, (C) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT.

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

1. Subject to clause 2 below and also any restrictions imposed by the ASX Limited (**ASX**), each Option is exercisable at any time until and including their expiry date, namely 5pm on 22 March 2027 (**Expiry Date**). Any New Options not exercised by the Expiry Date will automatically lapse at 5pm (Sydney time) on the Expiry Date.
2. The New Options may be exercised for part or all of the New Options by the Option Holder giving written notice (**Notice of Exercise**) to the Company at its registered office prior to the Expiry Date together with payment in full of the exercise price of \$0.0075 per Share (**Exercise Price**).
3. A Notice of Exercise with payment of the Exercise Price may be given at any time prior to the Expiry Date.
4. On issue of the Shares from exercise of an Option, the Company must seek quotation on or before the date of issue, quotation of the resulting Shares under the ASX Listing Rules (**ASX Listing Rules**) and:
 - a. allot to the Option Holder one Share in the Company for each Option exercised by the Option Holder;
 - b. cause to be despatched to the Option Holder the relevant acknowledgement of issue, a holding statement or share certificate (as applicable) as soon as is reasonably practicable detailing the issue of the relevant Share/s; and
 - c. issue (if applicable) a new holding statement (or option certificate) for the balance of the New Options that remain unexercised.
5. Shares allotted on the exercise of New Options will rank equally in all respects with the then existing issued ordinary fully paid shares in the capital of the Company (except in respect to any dividends which shall have been declared but not yet distributed before the actual exercise of an Option) and will be subject to the provisions of the Constitution of the Company.
6. The New Options are transferable by an Option Holder on market in accordance with the ASX Listing Rules (if and for so long as the New Options are quoted on the ASX), and if not quoted on the ASX, by written notice to the Company.
7. If any reorganisation (including consolidation, subdivision, reduction, return or cancellation) of the issued capital of the Company occurs before the expiry of any New Options, the number of New Options to which each Option Holder is entitled or the Exercise Price of his or her New Options or both must be reorganised in accordance with the ASX Listing Rules applying to a reorganisation at the time of the reorganisation (which adjustment formula will apply even where the Company is not admitted to the ASX Official List).
8. An Option does not confer the right to participate in new issues of capital offered to holders of Shares (Rights Entitlement) during the currency of the New Options without exercising the New Options. However, the Company will use reasonable endeavours to procure that for the purpose of determining

Rights Entitlements to any such issue, the Option Holder is to receive at least 2 days written notice from the Company of the pending closing or record date and sufficient time for the Option Holder to exercise the New Options prior to that closing or record date in order to qualify for the participation in the Rights Entitlement.

9. In the event of the liquidation of the Company, all unvested or unexercised New Options will lapse upon the occurrence of that liquidation.
10. The New Options do not provide any entitlement to dividends paid to ordinary shareholders.
11. The New Options do not entitle the Option Holder to vote at any meeting of shareholders.
12. To the extent (if any) that any of these Option Terms and Conditions are inconsistent with or contrary to the ASX Listing Rules, the ASX Listing Rules provisions will prevail and these Option Terms And Conditions are deemed to incorporate the relevant ASX Listing Rules provisions as an amendment to these terms.
13. The New Options may not be exercised by or on behalf of a person in the United States unless the New Options and the underlying Shares have been registered under the US Securities Act of 1933 and applicable state securities laws or exemptions from such registration requirements are available.
14. These Terms and Conditions are governed by the laws of New South Wales. The parties submit to the non-exclusive jurisdiction of the courts of New South Wales.

Annexure B – Material terms of the Healthy Chef Business Sale Agreement

Item	Detail
Healthy Chef Trading Entities	<p>The Healthy Chef Trading Entities comprises of:</p> <p>(a) The Healthy Chef Pty Ltd ACN 119 224 654 as trustee for the Healthy Chef Trust;</p> <p>(b) Healthy Chef Stock & Research Development Pty Ltd ACN 105 682 782; and</p> <p>(c) EHealth And Wellbeing Pty Ltd ACN 627 206 491.</p>
Consideration	<ul style="list-style-type: none"> • Initial Cash Consideration: A\$600,000 payable at Completion; • Consideration Shares: Fully paid ordinary shares in the Buyer with an aggregate value of \$400,000 calculated based on the 30-day VWAP on 10 September 2024. • Deferred Consideration Payment: The first two of three Deferred Consideration Amounts will be paid to the HC Trust on the Deferred Consideration Payment Dates in the following proportions: <ul style="list-style-type: none"> – A\$450,000 in cash on the 1st annual anniversary of Completion (First Deferral Payment) – \$600,000 in cash on the 2nd annual anniversary of Completion (Second Deferred Payment) • The third and final Deferred Consideration Payment (Final Deferred Payment) to be calculated on 1 March 2028 (Calculation Date) and paid to the HC Trust in cash within 10 Business Days of the Calculation Date according to the following scale: <ul style="list-style-type: none"> – If the Revenue for the period from 1 January 2027 to 31 December 2027 (FY27 Revenue Period) is less than \$3,500,000 (FY27 Revenue), the Final Deferred Payment will be \$1,050,000 to meet the minimum threshold, meaning the Total Purchase Price is \$3,100,000. – If FY27 Revenue exceeds \$3,500,000 but is less than \$6,000,000, the Final Deferred Payment will be \$1,050,000 plus 50% of the incremental Revenue over \$3,500,000, meaning the Total Purchase Price is between \$3,100,001 - \$4,350,000). – If FY27 Revenue exceeds \$6,000,000, the Final Deferred Payment will be \$2,300,000 plus 25% of Revenue over \$6,000,000 up to the maximum Purchase Price of \$5,900,000 (Total Purchase Price = \$4,350,001 - \$5,500,000).
Escrow Arrangement	<p>Consideration Shares to be held in voluntary escrow for 12months following issue.</p>
Conditions	<p>Completion under the Business Purchase Agreement is subject to a set of customary conditions.</p>

Key Assets

All of the assets necessary to carry on the Business including the Cutter Family Trust Assets, the Healthy Chef IP, the HC Trust Assets, the HC Stock & Research Assets and the Ehealth & Wellbeing Assets, including:

- the Business Name;
 - the IP Licences;
 - the Business Records;
 - the Contracts;
 - the Goodwill; and
 - the Promotional Material.
-

Your proxy voting instruction must be received by **12.00pm (AEDT) on Tuesday, 19 November 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automicgroup.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au>

PHONE:

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

