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A.C.N. 109 200 900

## **NON-RENOUNCEABLE RIGHTS ISSUE TRANSACTION-SPECIFIC PROSPECTUS**

For a non-renounceable pro-rata Rights Issue of up to approximately 173,800,458 Shares on the basis of one (1) new Share for every twelve (12) Shares held by Qualifying Shareholders as at 5:00pm WST on the Record Date, at an issue price of \$0.022 per Share, together with one (1) Option for every two (2) Shares acquired free of charge (each to acquire one (1) Share at an exercise price of \$0.05 per Share, exercisable at any time up to and including 7 October 2024). This Rights Issue, if fully subscribed, will raise up to approximately \$3,823,610 (before expenses of the Offer).

### **IMPORTANT INFORMATION**

This Prospectus is a transaction-specific prospectus issued under section 713 of the Corporations Act. This Prospectus is not required to, and does not, contain all of the information that is generally required to be set out in a prospectus, including general information in relation to the assets and liabilities, financial position, profits and losses or prospects of the Company. This Prospectus generally only contains information in relation to the effect of the Rights Issue on the Company and the rights and liabilities attaching to the New Shares and New Options offered to Qualifying Shareholders under this Prospectus.

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers.

This Rights Issue is not underwritten.

**THE SHARES AND OPTIONS OFFERED UNDER THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.**

## IMPORTANT STATEMENT

This Prospectus is dated 1 September 2021.

A copy of this Prospectus was lodged with ASIC on 1 September 2021. Neither ASIC nor ASX take any responsibility for the contents of this Prospectus.

This Prospectus contains an offer to Qualifying Shareholders whose registered addresses are in Australia and New Zealand, and has been prepared to comply with the requirements of the securities laws of Australia and New Zealand. Distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make an offer. No action has been taken to register this Prospectus, the New Shares or New Options or the Rights, or otherwise permit an offering of the New Shares or New Options or the Rights, in any jurisdiction outside of Australia or New Zealand.

No New Shares or New Options will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

On the same day as announcing this Rights Issue, the Company applied to ASX for the New Shares and New Options offered by this Prospectus to be admitted to Quotation on the ASX.

### RISK FACTORS

The New Shares and New Options offered under this Prospectus are of a speculative nature. Qualifying Shareholders should read this Prospectus in its entirety and should consider consulting with their professional advisors before deciding whether to apply for New Shares and accompanying New Options. **In particular, it is important that Qualifying Shareholders consider the key risk factors which are set out in section 5 of this Prospectus.** The New Shares and New Options offered under this Prospectus carry no guarantee in respect of return of capital, return on capital investment, payment of dividends or the future value of the Shares or Options.

### DISCLAIMER

No person is authorised to give any information or to make any representation in connection with the Offers which is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by Eden (or its Directors or advisers) in connection with the Offers.

### PROSPECTUS AVAILABILITY

This Prospectus is available in both a paper and electronic version. Qualifying Shareholders with registered addresses in Australia and New Zealand will be sent a paper copy of this Prospectus on 9 September 2021. An electronic version of this Prospectus will also be emailed to Qualifying Shareholders who have provided Advanced Share Registry Services with their email address and may also be viewed by Qualifying Shareholders by accessing their secure electronic account with Advanced Share Registry Services. In addition, Qualifying Shareholders can obtain a copy of this Prospectus during the Rights Issue on the Eden website at [www.edeninnovations.com](http://www.edeninnovations.com) or by calling the Company by telephone on (+618) 9282 5889. Qualifying Shareholders who access the electronic version of this Prospectus should ensure that they download and read the entire prospectus. A personalised Acceptance Form will accompany the paper copy of the Prospectus which will be mailed to Qualifying Shareholders on 9 September 2021. Personalised Acceptance Forms will also accompany the electronic copies of the Prospectus which are sent to Qualifying Shareholders by email or accessed by Qualifying Shareholders from their secure electronic account with Advanced Share Registry Services.

Neither this Prospectus nor the accompanying Acceptance Form may be sent or otherwise distributed by Qualifying Shareholders to persons outside of Australia and New Zealand.

### TRANSACTION-SPECIFIC PROSPECTUS

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. This Prospectus is not required to, and does not, contain all the information that is generally required to be set out in a prospectus, including general information in relation to the assets and liabilities, financial position, profits and

losses or prospects of the Company. This Prospectus generally only contains information in relation to the effect of the Rights Issue on the Company and the rights and liabilities attaching to the New Shares and New Options offered under this Prospectus.

Section 7 of this Prospectus sets out further information in relation to the nature and contents of this Prospectus.

### **FORWARD LOOKING STATEMENTS**

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and its management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and Applicants are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention of updating or revising forward-looking statements regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

### **NO INVESTMENT ADVICE**

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial advisor, stockbroker, lawyer or other professional adviser before deciding to subscribe for New Shares and New Options under this Prospectus to determine whether it meets your objectives, financial situation and needs.

### **DEFINITIONS AND ABBREVIATIONS**

Throughout this Prospectus abbreviations and defined terms are used. Defined terms are generally identified by the use of an uppercase first letter. Details of the definitions and abbreviations used are set out in section 8 of this Prospectus.

## SUMMARY OF OFFER

This information is intended as a summary only and should be read in conjunction with the more detailed information appearing elsewhere in this Prospectus. Applicants should read this entire Prospectus, including the risks in section 5, in order to make an informed decision about acquiring New Shares and New Options.

### 1. KEYPOINTS

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New Share Issue Price	\$0.022 per New Share
Qualifying Shareholder Entitlement	1 New Share for every 12 Existing Shares held on the Record Date (together with 1 free accompanying New Option for every 2 New Shares acquired under this Prospectus)
Approximate number of New Shares to be issued under this Rights Issue	Up to 173,800,458
Approximate number of New Options to be issued under this Rights Issue	Up to 86,900,229
Approximate amount to be raised under this Rights Issue (assuming this Rights Issue is fully subscribed and before expenses of the Offer)	Up to \$3,823,610

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These figures assume that none of the Existing Options are converted to Shares prior to the Record Date. If this occurs, the number of New Shares and New Options, and the amount raised under this Rights Issue, may increase.

### 2. SUMMARY OF IMPORTANT DATES

Offer announcement and Appendix 3B with ASX	23 August 2021
Lodgement of Prospectus at ASIC	1 September 2021
Lodgement of Prospectus with ASX	2 September 2021
Ex date	6 September 2021
Record Date for determining Entitlements	7 September 2021
Prospectus despatched to Qualifying Shareholders	9 September 2021
Closing date of the Offer*	1 October 2021
If agreed by ASX, securities quoted on a deferred settlement basis	4 October 2021
Announcement of results of Rights Issue	6 October 2021
Issue Date and Appendix 2A lodged with ASX (end of any deferred settlement trading), dispatch of holding statements	8 October 2021

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This timetable is indicative only and subject to change. The Company reserves the right, subject to the Corporations Act and the Listing Rules, to vary the above dates (including, without limitation, to extend the Closing Date or to close this Rights Issue early), or to withdraw this Rights Issue and Prospectus at any time, without prior notice. Any extension of the Closing Date will have a consequential effect on subsequent milestones set out above.

\* See section 2.12 in relation to the Shortfall Offers.

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## 1. CHAIRMAN'S LETTER

Dear Shareholders

In spite of the significant impact that the COVID-19 pandemic has had on Eden's operations and markets across the world since the start of 2020, the company has nevertheless continued to make significant advances towards realising its goals of developing and expanding the global markets for its existing products, being the EdenCrete® range of carbon nanotube enriched liquid, concrete admixtures, its OptiBlend® dual fuel technology, as well as its emerging new product EdenPlast®, polymers enhanced with Eden's carbon nanotubes.

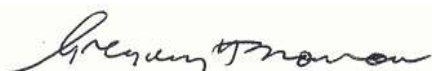
A brief summary of the progress that has been made during the past 12 months, and the prospects moving forward, is as follows:

- Total annual group sales of A\$3.282 million were achieved in the 12 months ended 30 June 2021, an increase of \$863,415 or 36% on the previous 12 months.
- US EdenCrete® sales have continued to grow in several market areas including for shotcrete, construction and ready mix applications.
- The first sale in India of EdenCrete® products to a major Indian construction company, occurred.
- A French construction company that had been testing EdenCrete® products since 2019, incorporated EdenCrete® into two of its standard concrete mix designs.
- Australian regulatory approval was obtained by the Australian distributor to import EdenCrete® products into Australia, opening the way for Australian product sales.
- Successful trials using EdenCrete® products with Indonesian fly ash were concluded.
- OptiBlend® sales in both US and India grew significantly, and on a year-on-year basis, to 30 June 2021, rose by 65%.
- Importantly, interest continues to grow, in the USA, India and a number of other countries, in all of Eden's products.

Eden's Australian directors as well as its largest shareholder, Noble Energy Limited, a wholly owned subsidiary of ASX-listed Tasman Resources Ltd, intend to take up their full entitlements under this Rights Issue. However under Australian law, Eden's two US-based directors are unable to participate in this Rights Issue.

Shareholders are requested to read this Prospectus carefully, and I commend this Rights Issue to you.

Yours sincerely



Gregory H Solomon  
Chairman

## 2. DETAILS OF THE OFFER

### 2.1 Shares and Options offered for subscription

By this Prospectus, the Company makes the following offers:

- 2.1.1 a non-renounceable pro rata rights issue of approximately 173,800,458 New Shares and 86,900,229 New Options (assuming that none of the Existing Options of the Company are converted to Shares prior to the Record Date) on the basis of 1 New Share for every 12 Existing Shares held as at the Record Date at an issue price of \$0.022 each, together with 1 New Option free of charge for every 2 New Shares acquired (each New Option being to acquire 1 Share at an exercise price of \$0.05 exercisable at any time up to and including 7 October 2024), to raise up to approximately \$3,823,610 before expenses of the offer (“the Entitlement Offer”); and
- 2.1.2 if the Entitlement Offer is not fully subscribed, an offer of the Shortfall to:
  - 2.1.2.1 Qualifying Shareholders who wish to apply for additional New Shares (and accompanying New Options) in excess of their Entitlement under the Entitlement Offer (“the QS Shortfall Offer”); and
  - 2.1.2.2 any investor to whom the Directors elect, in their discretion, to place the balance of the Shortfall remaining after the offer in section 2.1.2.1 has been completed in accordance with section 2.12,  
on the terms set out in section 2.12 (the “Shortfall Offers”).

The Offers are not underwritten.

All New Shares issued pursuant to this Prospectus will be issued as fully paid ordinary shares and will rank equally in all respects with the Existing Shares (see section 7.4 of this Prospectus).

The New Options to be issued under this Prospectus will be issued on the terms and conditions set out in section 7.5 of this Prospectus.

### 2.2 Entitlement Offer

As the Entitlement Offer (refer to section 2.1.1 above) is non-renounceable, Qualifying Shareholders who do not wish to exercise their Rights to subscribe for some or all of the New Shares (and accompanying New Options) being offered to them under this Prospectus may not sell or otherwise transfer those Rights, and those Rights will lapse upon the expiry of the Offer Period.

### 2.3 Entitlement to participate in the Entitlement Offer

Shareholders who are registered on the Company's Share Register and whose registered addresses are in Australia or New Zealand (Qualifying Shareholders) at the close of business on the Record Date, being 5.00 pm WST on 7 September 2021, are eligible to participate in the Entitlement Offer. An Acceptance Form setting out Qualifying Shareholders' Entitlements to New Shares and New Options accompanies this Prospectus.

Fractional Entitlements will be rounded up to the nearest whole number of New Shares and accompanying New Options.

### 2.4 Applications

The Entitlement Offer may be accepted by Qualifying Shareholders in whole or in part prior to the Closing Date, subject to the right of the Company to extend the Offer Period or close the Entitlement Offer early.

Instructions for accepting an Entitlement are set out in section 3 of this Prospectus and on the Acceptance Form which accompanies this Prospectus.

### 2.5 Application money

All Qualifying Shareholders who accept the Entitlement Offer made to them in its entirety will receive their Entitlement in full.

New Shares and accompanying New Options will be issued to a Qualifying Shareholders only after all of their Application Money has been received and ASX has granted permission for the New Shares and New Options to be quoted.

All Application Money received before the New Shares (and accompanying New Options) are issued will be held in a special purpose bank account. After the New Shares (and accompanying New Options) are issued

to Qualifying Shareholders, the funds in the account, plus accrued interest, will be received by the Company. All Application Moneys will be returned (without interest) if this Rights Issue is withdrawn or otherwise does not proceed.

If the New Shares and New Options are not admitted to Quotation by ASX within 3 months after the date of this Prospectus (or any longer period permitted by ASIC), the Company will refund all Application Moneys in full.

## **2.6 Issue outside Australia and New Zealand**

This Prospectus does not constitute an offer of Securities in any place outside Australia and New Zealand in which, or to any person to whom, it would not be lawful to make such an offer or to issue the Prospectus. The distribution of this Prospectus and the accompanying Acceptance Form in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus and the accompanying Acceptance Form (including nominees, trustees or custodians) should seek advice on and observe those restrictions. Any failure to comply with those restrictions may constitute a violation of applicable securities laws.

No action has been taken to register the Rights, the New Shares or New Options or this Prospectus or otherwise permit an offering of the New Shares or New Options or the Rights in any jurisdiction outside of Australia or New Zealand. Without limitation, the Rights and the New Shares and New Options have not been, and will not be, registered under the *US Securities Act of 1933* (as amended) or the securities laws of any State of the United States of America and may not be offered in the United States of America or to, or for the account of or benefit of, US persons.

## **2.7 Treatment of Non-Qualifying Foreign Shareholders**

The Offer in this Prospectus is not being extended to any Shareholder, as at the Record Date, whose registered address is not situated in Australia or New Zealand (Non-Qualifying Foreign Shareholders). This is because the Company is of the view that it is unreasonable to extend the Offer to Non-Qualifying Foreign Shareholders having regard to the small number of such Non-Qualifying Foreign Shareholders, the small number and value of the Securities which would be offered to them, and the cost of complying with the applicable legal requirements, and requirements of regulatory authorities, of the applicable jurisdictions outside of Australia and New Zealand.

Recipients (including any nominee, trustee or custodian who receives this Prospectus) may not send or otherwise distribute this Prospectus or the accompanying Acceptance Form to any person outside Australia or New Zealand (other than to Qualifying Shareholders).

## **2.8 ASX Quotation of New Shares and New Options**

On the same day as announcing this Rights Issue, the Company applied to the ASX for the New Shares and New Options offered under this Prospectus to be granted Quotation.

If approval for Quotation of the New Shares and New Options is not granted within 3 months after the date of this Prospectus (or any longer period permitted by ASIC), the Company will not allot or issue any New Shares (or accompanying New Options) pursuant to the Offers and will repay all Application Moneys without interest as soon as practicable.

Subject to approval being granted by ASX, it is expected that the New Shares and New Options will be issued on 8 October 2021 and that Quotation of the New Shares and New Options will commence on ASX on a normal basis on 9 October 2021. It is the responsibility of all Applicants to determine their allocation prior to trading in New Shares and New Options. Applicants who trade or otherwise deal with New Shares and New Options before they receive holding statements will do so at their own risk. The Company disclaims all liability in tort (including negligence), statute or otherwise to persons who trade or otherwise deal with New Shares and New Options before receiving holding statements.

ASIC and ASX take no responsibility for the contents of this Prospectus. The fact that the ASX may approve Quotation of the New Shares and New Options is not to be taken in any way as an indication of the merits of the Company or the New Shares or New Options offered under this Prospectus.

## **2.9 Allotment of New Shares and New Options**

Subject to ASX granting approval for Quotation of the New Shares and New Options, the allotment of the New Shares and New Options to Qualifying Shareholders will occur as soon as possible after this Rights Issue



is closed, following which holding statements setting out the number of New Shares and New Options allotted to Qualifying Shareholders under this Prospectus will be despatched.

#### **2.10 Minimum subscriptions and oversubscriptions**

There is no minimum subscription to this Rights Issue, and no oversubscriptions will be accepted.

#### **2.11 Offer Not Underwritten**

This Rights Issue is not underwritten.

#### **2.12 Shortfall**

The Shortfall Offers are separate offers pursuant to this Prospectus.

##### **2.12.1 QS Shortfall Offer to Qualifying Shareholders**

Qualifying Shareholders may, in addition to their Entitlement, apply for additional New Shares (and accompanying New Options) forming part of the Shortfall, regardless of the size of their present holding.

Qualifying Shareholders who wish to participate in the QS Shortfall Offer by applying for New Shares (and accompanying New Options) above their Entitlement, should insert the number of additional New Shares they wish to apply for in that section of the table in the Acceptance Form headed "Number of Shortfall Shares (if any) applied for (in excess of the Entitlement shown above)". The issue price of any New Shares comprising part of the Shortfall shall be \$0.022, being the price at which the Rights have been offered to Qualifying Shareholders pursuant to this Prospectus. Any additional New Shares applied for must be paid for in the same manner as the Entitlement Shares are paid for. A single payment should be made for the Application Moneys for any New Shares you have applied for as part of your Entitlement and any additional New Shares applied for as part of the Shortfall. It is an express term of the QS Shortfall Offer that applicants for New Shares comprised in the Shortfall will be bound to accept a lesser number of additional New Shares (and accompanying New Options) than the number applied for.

The Shortfall will be placed at the discretion of the Company. The Company reserves the right to reject (either in whole or in part) any applications for the Shortfall. The Company also reserves the right to allot to an Applicant a lesser number of the New Shares (and accompanying New Options) comprising the Shortfall than the number for which the Applicant applies, or to allot none of the additional New Shares (and accompanying New Options) applied for by the Applicant. As a result, Qualifying Shareholders who apply for additional New Shares in excess of their Entitlement receive no guarantee that they shall receive all or any of those additional New Shares (and accompanying New Options) for which they apply. If a Qualifying Shareholder does not receive all or any of the additional New Shares (and accompanying New Options) they apply for under the QS Shortfall Offer, any excess Application Moneys will be returned to them (without interest).

##### **2.12.2 Investors**

The Directors reserve the right, subject to the requirements of the ASX Listing Rules and the Corporations Act, to place any remaining Shortfall not subscribed for under the QS Shortfall Offer referred to in section 2.12.1 above, at any time within 3 months of the Closing Date, at an issue price of not less than the issue price under the Entitlement Offer, being \$0.022 per Share. The offer of the remaining Shortfall under this section 2.12.2 shall remain open under this Prospectus (and may be accepted by any investor who has been offered any portion of the Shortfall by the Directors in their discretion) until the date which is 3 months after the Closing Date.

If any of the Company's Directors (whether personally or through their associated companies or trusts) or Noble Energy Ltd, the Company's major shareholder (see section 6.4), apply for any of the Shortfall under either of the Shortfall Offers, the Company will not issue them with any of the New Shares (and accompanying New Options) comprising the Shortfall unless it first obtains Shareholder approval to such issue, as required by Listing Rule 10.11.

#### **2.13 Purpose of the Offers**

The purpose of the Offers is to raise up to approximately \$3,823,610 (before expenses of the Offer). The funds raised under this Rights Issue will be utilised in the manner set out in section 6.5 of this Prospectus.

## 2.14 Market prices of Existing Shares

The highest and lowest market sale price of the Existing Shares during the 3 months immediately preceding the lodgement of this Prospectus with ASIC, and the last market sale price on the business day immediately preceding the lodgement date of this Prospectus, are set out below.

	3-Month High (on 1 June 2021)	3-Month Low (on 30 & 31 August 2021)	Last Market Price (close of trade on 31 August 2021)
Existing Shares	\$0.028	\$0.019	\$0.020

The approximate volume weighted average price of the Existing Shares for the three-month period prior to the date of lodgement of this Prospectus at ASIC was \$0.023.

None of the Existing Options are quoted on the ASX.

## 2.15 Opening and Closing Dates

Subscription lists will open on 9 September 2021 and will remain open until 5.00pm WST on 1 October 2021. Subject to the requirements of the Corporations Act and the Listing Rules, the Company may either close the Entitlement Offer at an earlier time and date or extend the closing time and date without prior notice. Qualifying Shareholders are encouraged to submit their Applications as early as possible.

No New Shares or New Options will be issued under this Prospectus later than 13 months after the date of this Prospectus.

## 2.16 Indicative timetable

Refer to the "Summary of Offer" at the beginning of this Prospectus for an indicative Offer timetable.

## 2.17 Existing Shares

There are currently 2,085,605,496 Shares on issue in the Company. If the Entitlement Offer is fully subscribed, and assuming that none of the Existing Options are converted to Shares before the Closing Date, a total of approximately 2,259,405,954 Shares will be on issue in the Company at the conclusion of the Entitlement Offer.

## 2.18 Existing Options, Performance Rights and Incentive Shares

There are currently 69,394,506 Existing Options on issue in the Company, all of which are unlisted. If the Entitlement Offer is fully subscribed, and assuming that none of the Existing Options are converted to Shares before the Closing Date, a total of approximately 156,294,735 Options will be on issue in the Company at the conclusion of the Entitlement Offer (comprising the 69,394,506 Existing Options and 86,900,229 New Options issued under the Entitlement Offer).

In addition, the Company has:

- 2.18.1 on issue 27,304,014 performance rights (see section 7.6 of this Prospectus for additional information); and
- 2.18.2 agreed to issue 5,000,000 Shares on or as soon as practicable after 1 January 2022 and 5,000,000 Shares on or as soon as practicable after 1 January 2023 to the Chief Executive Officer of its US subsidiary, subject to such employee not being unable to fulfil the functions of such role for a period of not less than 3 months because of death or disability and not being fired for cause or voluntarily leaving the employment of such subsidiary (other than to take up a position with the Company).

## 2.19 Existing Optionholders

Holders of all of the Existing Options on issue in the Company, to the extent they are a Qualifying Shareholder, may participate in this Rights Issue by exercising any or all of their Existing Options prior to the Record Date. All of the Existing Options on issue in the Company are capable of being exercised. If all of these Existing Options were exercised before the Record Date, an additional 69,394,506 Shares would then be issued. In addition, in the event that all of the Rights in respect of these additional Shares were subscribed for, an additional 5,782,876 New Shares (together with 2,891,438 accompanying New Options) would be issued under this Rights Issue, and a further \$127,223 could be raised under this Rights Issue.

As the price at which the Company's Shares are currently trading is less than the price at which the Existing Options are exercisable, the Company considers it unlikely that any of the Optionholders will choose to

exercise any of their Existing Options prior to the Record Date.

#### **2.20 Effect on existing Shareholders and Optionholders**

For the effect this Rights Issue will have on Shareholders' and Optionholders' existing interests, please see section 6.3 of this Prospectus.

#### **2.21 No commission payable on New Shares and New Options**

No commission will be payable by the Company in connection with any New Shares and New Options which are issued under this Prospectus.

#### **2.22 No valuation**

No formal valuation has been completed of any of the assets, or the New Shares or New Options, of the Company.

#### **2.23 Risk factors**

In addition to the general risks applicable to all investments in listed companies, there are specific risks associated with an investment in the Company. Please see section 5 of this Prospectus for further information.

#### **2.24 Acknowledgment and Privacy Statement**

Each Applicant acknowledges that they have received and read this Prospectus.

As Qualifying Shareholders are already shareholders of the Company, the Company and its share registry (Advanced Share Registry Services) have already collected certain personal information from Qualifying Shareholders. However, if Qualifying Shareholders apply for New Shares and New Options pursuant to this Prospectus, they may be supplying new, additional, or updated personal information (by its inclusion on the Acceptance Form) to the Company and Advanced Share Registry Services. Applicants who apply under the Shortfall Offer which is referred to in section 2.12.2 and who are not currently shareholders of the Company will also be supplying personal information to the Company.

The provided information is used for the purposes of processing the Applications and to administer the Applicant's holding of Shares and Options. By submitting an Application, each Applicant agrees that the Company may use the information provided by the Applicant on the Application for the purposes set out in this privacy statement and may disclose it for those purposes to Advanced Share Registry Services and the Company's related bodies corporate, agents and contractors and third party service providers, including mailing houses, professional advisers (eg auditors, lawyers and accountants), technology support providers and to ASX and other regulatory authorities.

The Corporations Act requires the Company to include information about each Shareholder (including name, address and details of the Shares and Options held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate payments and corporate communications (including the Company's financial results, annual reports and other information that the Company wishes to communicate to its Shareholders) and compliance by the Company with legal and regulatory requirements.

Under the *Privacy Act 1998* (Cth), Shareholders have a right to gain access to personal information that the Company holds about that person, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

If you are paying by cheque or money order and you do not provide the information required on the Acceptance Form, the Company may not be able to accept or process your Acceptance Form.

#### **2.25 Enquiries in Relation to this Issue**

This Prospectus should be read in its entirety. Enquiries concerning the Acceptance Form or about subscribing for New Shares and accompanying New Options under this Rights Issue should be directed to the Company (attention Aaron Gates) by telephone on (+618) 9282 5889.

If after reading this Prospectus or contacting the Company you have any questions about any aspect of an investment in the Company, please consult your stockbroker, accountant or independent financial advisor.

### 3. ACTION REQUIRED BY QUALIFYING SHAREHOLDERS

#### 3.1 What you may do - choices available

If you are a Qualifying Shareholder, you may take any of the following actions:

- take up all of your Rights (refer to section 3.2);
- take up part of your Rights and allow the balance to lapse (refer to section 3.2);
- do nothing (refer to section 3.3).

#### 3.2 Taking up all or part of your Rights

If you are a Qualifying Shareholder and you wish to take up all or part of your Rights, you should:

- read this Prospectus in full and decide whether to participate;
- consider the risks associated with this Offer, as summarised in section 5, in light of your personal circumstances;
- either:

- (1) pay the Application Moneys for the Rights you are taking up by BPay® by no later than 5.00 pm WST on 1 October 2021. Qualifying Shareholders who pay electronically (by BPay®), do not need to return the Acceptance Form, and they will be taken to have accepted the Offer upon making payment by BPay®. This acceptance cannot be withdrawn. Instructions on how to make a payment by B-Pay® are set out on the Acceptance Form. Qualifying Shareholders should be aware that their own financial institution may implement earlier cut-off times with regard to electronic payment, and they should therefore take this into consideration when making payment. It is the responsibility of Qualifying Shareholders to ensure that funds submitted through B-Pay® are received by 5:00pm WST on the Closing Date.

**OR**

- (2) complete the personalised Acceptance Form accompanying this Prospectus in accordance with the instructions set out on that form and forward it, together with your cheque or money order for the Application Moneys for the Rights you are taking up, to reach one of the following addresses by no later than 5.00 pm WST on the Closing Date:

**By mail: Eden Innovations Limited  
c/- Advanced Share Registry  
PO Box 1156  
NEDLANDS WA 6909**

**By delivery: Eden Innovations Limited  
c/- Advanced Share Registry  
110 Stirling Highway  
NEDLANDS WA 6009**

Cheques (drawn on and payable at any Australian bank) should be made payable to “Eden Innovations Limited – Rights Issue” and crossed “Not Negotiable”.

If you are paying by cheque or money order, New Shares and accompanying New Options will only be issued to Qualifying Shareholders on receipt of an Acceptance Form which was issued together with this Prospectus. A completed and lodged Acceptance Form, together with payment for the number of New Shares accepted, cannot be withdrawn and constitutes a binding application for, and acceptance of, the number of New Shares specified in the Acceptance Form on the terms set out in this Prospectus. The Acceptance Form does not need to be signed to be binding.

Acceptance Forms which do not specify an Australian or New Zealand address for service (or which are accompanied by payment drawn on a foreign bank account) will be rejected and returned unless Qualifying Shareholders provide evidence which satisfies the Company that the issue of the New Shares and accompanying New Options will not contravene the laws of any other jurisdiction.

If the Acceptance Form is not completed correctly the Company may reject it or treat it as valid. The Company’s decision as to whether to reject the Acceptance Form or treat it as valid and how to construe, amend or complete it is final.

If the amount a Qualifying Shareholder pays is insufficient to pay for their full Entitlement, they will be taken to have applied for such lower number of New Shares as that amount will pay for. If a Qualifying Shareholder pays for more New Shares than their Entitlement, they will be deemed to have applied for their full Entitlement and for additional New Shares (and accompanying New Options) under the offer of the Shortfall in section 2.12.1 to the extent of the excess.

No brokerage or duty is payable by Qualifying Shareholders on the issue of New Shares and accompanying New Options.

If you are a Qualifying Shareholder and you take up part of your Rights only the balance of your Rights will lapse.

### **3.3 Consequences of doing nothing – Rights not taken up**

Qualifying Shareholders who do not wish to take up any of their Entitlement do not need to take any action. Any Rights not taken up by Qualifying Shareholders will lapse at the expiration of the Offer Period.

### **3.4 Overseas Shareholders**

Shareholders with registered addresses outside Australia and New Zealand should refer to sections 2.6 and 2.7 of this Prospectus.

### **3.5 Effect on Shareholders and Optionholders**

For the effect this Rights Issue will have on Shareholders' and Optionholders' existing interests, please see section 6.3 of this Prospectus.

## 4. COMPANY OVERVIEW

### 4.1 Background

Eden was incorporated in Australia in May 2004 as a wholly owned subsidiary of Tasman Resources Ltd. Eden undertook an initial public offering pursuant to a prospectus in March 2006 and was admitted to the Official List of the ASX on 1 June 2006.

### 4.2 Directors

The current Directors of the Company are:

- Gregory Howard Solomon, LLB (Executive Chairman)
- Douglas Howard Solomon, B. Juris (Hons), LLB (Non-Executive Director)
- Stephen D. Dunmead, Ph.D., M.S., B.S. (Non-Executive Director)
- Lazaros Nikeas B.A. (Non-Executive Director)

### 4.3 Projects

#### **Nano-Carbon / Hydrogen Project**

Carbon nanotubes and carbon nanofibres are two forms of carbon nano particles with high tensile strength (up to 200-300 times stronger than steel) but a mass of only approximately 17% that of steel. They are also extremely efficient conductors of heat and electricity.

More than 15 years ago, Eden and the University of Queensland developed a proprietary, efficient, commercially competitive pyrolysis process to produce from Natural Gas, hydrogen and solid carbon in the form of either carbon nanotubes (CNT) or carbon nano-fibres (CNF), without producing carbon dioxide as a direct by-product. Eden acquired 100% ownership of this technology, was granted a patent, and has since scaled up its production capability at its plant in Denver, Colorado.

The quantity of hydrogen gas produced by this process is 25% (by mass) of the total mass of Natural Gas used as feed stock, with the remaining 75% by mass being produced as solid carbon.

The hydrogen can be used on its own either as a fuel or for various commercial applications (such as production of ammonia for use in fertilisers) or it can be mixed with Natural Gas to create Hythane™, a low emission, premium blend of hydrogen and Natural Gas, the technology for which Eden acquired in 2004.

The high greenhouse gas footprint of the current commercial methods of producing low cost commercial hydrogen, and the relatively high cost of producing hydrogen using renewable technologies of one form or other that produce either little or no greenhouse gas, are two of the major limiting factors holding back a broader rollout of hydrogen.

Encouragingly, and of great commercial importance, is the fact that the solid carbon, and in particular the CNT, produced by Eden's pyrolysis process presently has a far greater commercial value than the hydrogen. Further, the hydrogen produced using the Eden pyrolysis process will only generate a relatively small amount of greenhouse gas as a by-product if Natural Gas is used as the heating fuel for the reactor, and will have a zero greenhouse gas footprint if renewable energy is used for the heating process.

In consequence, the Company projects that although the hydrogen is not the primary commercial product targeted by the Company, the hydrogen that is generated by Eden's pyrolysis process could be both commercially competitive and environmentally acceptable when compared with other renewable hydrogen production processes. These factors have been the drivers for a number of preliminary enquiries that Eden has received, and a major trial that took place, during the past 2 years in relation to its various hydrogen related technologies.

In relation to the solid carbon, research over the past twenty years has shown that CNT and CNF have considerable potential as additives to improve the performance of a wide range of materials including concrete, plastics and polymers, coatings, and rubber.

For the past 10 years Eden has been focused on developing large scale bulk applications for the CNT that it can produce and has achieved strong commercial progress in the concrete market, and also advanced research in plastics and polymers and more recently preliminary in-house trials with conductive coatings and films have also been encouraging.

A short summary of progress to date that has been made on Eden's CNT projects is detailed below.

### ***EdenCrete® - CNT Enriched Concrete***

EdenCrete®, Eden's carbon nanotube enriched concrete admixture (for which Eden holds a patent), was first trialled commercially in the United States of America in 2015, and has emerged as the Company's first commercial CNT product with great potential for global application. To date three versions of EdenCrete® have been developed for different applications.

Over the past six years since EdenCrete® was first launched commercially, significant progress has been made and a growing number of US government bodies as well as commercial ready mix concrete suppliers, shotcrete suppliers, precast concrete manufacturers, contractors and engineers are now either using EdenCrete® on a regular basis or are currently trialling it.

US infrastructure has been a primary focus, and EdenCrete® has now been used in commercial projects for the Departments of Transportation in Georgia, Texas and Colorado involving highway and bridge repairs, as well as recently in shotcrete applications. It is also being trialled by a number of the Departments of Transportation for similar purposes and is on approved products lists of the Departments of Transportation in a total of 21 US states.

Additionally, commercial sales and trials involving the use of EdenCrete® in various applications for a wide range of non-government projects also grew over the past 6 years.

Notwithstanding the significant impact of the COVID-19 pandemic, US sales levels have continued to rise since early 2020.

Expansion into other international markets also commenced. A distributor for Australia and New Zealand of the EdenCrete® product range was appointed in late 2018, and this product range was commercially released into the Australian and New Zealand markets in 2021 following receipt of the required Australian approval to import the products into Australia. Additionally, during 2020 the first EdenCrete® sales in India, Israel and France took place.

### ***CNT Enriched Polymers and Plastics Project (EdenPlast®)***

Eden has during the past several years also been undertaking a joint research project, partly funded by the Australian Research Council, with the University of Queensland into the addition of CNT into plastics and polymers, producing encouraging results and generating two patent applications. A master batch of CNT enriched polymers was developed in 2020 for a large Japanese plastics manufacturer, and is currently being tested in Japan.

Potential uses of EdenPlast® include packaging, automotive and aerospace applications, and also for high strength polymers that could replace metals and other products in a variety of possible applications.

### **OptiBlend® Project**

Over ten years ago, Eden commenced marketing in USA and India, its proprietary, highly efficient OptiBlend® dual fuel system that is capable of operating on diesel engines and displacing up to 70% of the diesel fuel with Natural Gas. If Hythane™ fuel (hydrogen enriched Natural Gas) is used in place of Natural Gas, the displacement of diesel fuel could be as high as 80%. The use of Natural Gas greatly reduces the Greenhouse Gas and other emissions compared with diesel fuel and, in places where Natural Gas is cheaper than diesel, will also reduce fuel costs. It has significant market potential particularly in the diesel powered generator set ("genset") market.

To date more than 300 OptiBlend® systems have been sold across the USA and India, and also in a number of other countries. Over the past year the number of OptiBlend® sales has grown significantly in both the US and India.

## 5. RISK FACTORS

There are a number of risk factors, both specific to the Company and of a general nature, which may affect the financial position, financial performance, cash flows, ability to pay dividends and growth prospects of the Company and the outcome of an investment in the Company. These risks are both specific to the Company and generally relate to an investment in the stock market. There can be no guarantee that the Company will achieve its stated objectives, or that forward looking statements will be realised.

### 5.1 Working capital

Eden's expenses currently exceed the income which is being generated by its US and Indian subsidiaries from sales of EdenCrete<sup>®</sup>, EdenCrete<sup>®</sup>HC, EdenCrete<sup>®</sup>Pz, OptiBlend<sup>®</sup> and Hythane<sup>™</sup>. The funds which are being raised under this Prospectus will be augmented by ongoing sales funds which will be received by Eden's subsidiaries. Assuming sales revenue is at or above budgeted levels and the US \$3 million SnowPoint Capital LLC loan is extended for 6 months to 27 April 2022 (the Company has received written confirmation it will be, subject to the usual title checks), the Company is raising sufficient funds pursuant to the Rights Issue, assuming it is fully subscribed, to cover approximately 6 months of working capital requirements. Unless sales increase sufficiently above budgeted levels throughout this period and the loan from SnowPoint Capital LLC is extended/refinanced beyond 27 April 2022, the Company will not be able to achieve financial self-sufficiency prior to this capital being exhausted. The Company may therefore have to raise further capital or borrow further funds prior to this capital being exhausted.

If the Rights Issue is not fully subscribed, the Company will have to raise further capital before the expiration of this 6 month period referred to above. There is no guarantee that such additional funds will be available to the Company. Further, any additional equity financing which is available may be dilutive to Shareholders.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

### 5.2 Risks associated with the commercialisation of new and existing technologies and competing technologies

There is no guarantee that the Company's commercialisation of EdenCrete<sup>®</sup>, EdenCrete<sup>®</sup>HC, EdenCrete<sup>®</sup>Pz, OptiBlend<sup>®</sup> or Hythane<sup>™</sup> or the proposed commercialisation of any other new technologies will be successful. Commercialisation may be impeded by, for example, adverse market conditions, unforeseen technical or environmental issues or the failure of patent applications to be granted. In addition, commercialisation may be impeded due to competition from competing technologies or products (including new technologies). Further, the Company may not be able to establish a market for the sale of its new products which is of a sufficient size, or achieve sufficient growth in market acceptance for the sale of its existing products, for it to achieve financial self-sufficiency.

### 5.3 Product price volatility and exchange rate risks

The revenue which the Company will derive through the sale of its products, including EdenCrete<sup>®</sup>, EdenCrete<sup>®</sup>HC, EdenCrete<sup>®</sup>Pz, OptiBlend<sup>®</sup> and Hythane<sup>™</sup> exposes the potential income of the Company to product price and exchange rate risks. Product prices fluctuate and are affected by many factors beyond the control of the Company, including supply and demand fluctuations, prices of competing technologies, technological advancements and other micro and macro economic factors. As the Company's operations are primarily based in the US and India, the Company will also be exposed to the fluctuations and volatility of the rate of exchange between the United States dollar, Indian rupees and the Australian dollar.

### 5.4 External Borrowings

The Company will need to either extend, refinance or raise funds to repay the US \$3 million SnowPoint Capital LLC interest only loan (which, subject to the usual title checks, is to be extended for 6 months to 27 April 2022) on or before 27 April 2022. In addition, the Company's US subsidiary received a COVID 19 stimulus small business loan of US \$634,300 from the US Federal Government. The Company has sent an application seeking the forgiveness of this loan, but has not yet received confirmation that its application has been approved. If it is not approved, the Company will need to apply some of its existing funds, or raise additional funds, to repay this loan. The Company's failure to extend, refinance and/or raise funds (as applicable) to repay these loans as and when they become due could have a material adverse effect on the Company's activities (including requiring the sale of the three properties in the United States which are owned by the Company's US subsidiary and over which the SnowPoint Capital LLC loan is secured). The Company may also



only be able to extend or refinance its existing borrowings at a higher interest rate, which will increase its loan repayments and adversely impact its financial position.

The Company also has a short term loan from its major shareholder Noble Energy Limited, which is repayable from the proceeds of this Rights Issue (or upon demand if this Rights Issue does not proceed for any reason).

#### **5.5 Environmental risks**

Whilst the Company endeavours to comply with all present and proposed laws and standards, before the Company reaches the stage where 70 tonnes of carbon have been produced (which is not anticipated to occur for some time), the Company will need to complete further testing in order to give more information to the Environmental Protection Authority in the US. It is only once this information has been provided to the EPA, and the EPA is satisfied with the information, that further production of carbon will be able to occur. Whilst it is anticipated that the Company will be able to comply with the necessary standards, there is no certainty that the EPA will be satisfied with the further information supplied by the Company.

#### **5.6 Operating risks**

The operations of the Company may be affected by various factors including operational and technical difficulties encountered in production and commercialisation of its technologies, difficulties in obtaining environmental approvals, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the cost of consumables, spare parts, plant and equipment. No assurances can be given that the Company will achieve commercial viability through the successful commercialisation of its technologies. Until the income which is generated by Eden's US and Indian subsidiaries from sales of EdenCrete<sup>®</sup>, EdenCrete<sup>®</sup>HC, EdenCrete<sup>®</sup>Pz, OptiBlend<sup>®</sup> and Hythane<sup>®</sup> exceed Eden's expenses, Eden will continue to incur ongoing operating losses.

#### **5.7 COVID-19**

The Company's operations and activities, and the markets for the sale of its products, may be adversely affected by the ongoing impacts of COVID-19, including those arising from government or industry measures taken to reduce the transmission of COVID-19, including shutdowns, stay at home orders, travel bans and quarantine restrictions. The COVID-19 situation is continually evolving and the ongoing impacts of it are therefore inevitably uncertain and outside of the control of the Company. Forced closures or cessation of work orders applicable to the Company's employees and contractors could adversely impact the Company's sales and production activities.

#### **5.8 Strategic Arrangements**

The Company has appointed a distributor for Australia and New Zealand. It is possible that the Company may in the future enter into further distributorships or strategic arrangements with third parties to assist with the commercialisation of its technologies. The inability of the Company to conclude an agreement with a strategic industry-based partner or further distributors, and the possibility (should such an arrangement be established) of future disputes or potential conflict with any such strategic parties or with its existing or future distributors, could have a material adverse effect on the Company's financial position, financial performance, cash flows, growth prospects, ability to pay dividends and Share price.

#### **5.9 No formal valuation of Shares or Options**

No formal valuations of any of the Shares or Options, or any of the assets in which the Company has an interest, have been carried out.

#### **5.10 Share market conditions**

The price of the Shares and Options will be influenced by international and domestic factors affecting market conditions in equity, financial and commodity markets. These factors may affect the share price for all listed companies, and the price of the New Shares and New Options may fall or rise, and the price of the New Shares may trade below or above the issue price of \$0.022.

Although application has been made for the New Options to be listed on the ASX, there may not be a liquid market for trading of the New Options. Also, if the prevailing trading price of the Company's Shares during the option exercise period for the New Options is lower than the option exercise price, of \$0.05, then it is unlikely that the New Options will be exercised. In this scenario, the unexercised New Options will not have any value and will lapse at the end of the option exercise period (on 7 October 2024).

### **5.11 General investment risks**

In addition, there is a risk that the price of the Shares and returns to Shareholders may be affected by changes in many general factors including local and world economic conditions and outlook, general movements in local and international stock markets, investor sentiment, interest rates, the rate of inflation, exchange rates, levels of tax, taxation law and accounting practice, government legislation or intervention, inflation or inflationary expectations, pandemics (including the impacts of COVID-19), natural disasters, social disorder or war in Australia or overseas, international hostilities and acts of terrorism, as well as many other factors which are beyond the control of the Company.

### **5.12 Intellectual property protection**

The Company owns intellectual property which the Company endeavours to protect by patents, trademarks and other general security systems. There is a risk that third parties could challenge the Company's ownership of that intellectual property or allege that the Company has infringed upon their intellectual property. The Company can also not guarantee that the patent and trademark protection that it has endeavoured to obtain will continue to be observed by third parties, or that the security systems it has in place will not be breached. If the Company did receive a challenge from a third party to ownership, an infringement notice, or experience a security breach, this could result in litigation and have an impact on the Company's financial position.

### **5.13 Other risks**

The above list of risk factors is not exhaustive of the risks faced by the Company and its Shareholders and investors. The above risks, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares and New Options offered under this Prospectus. Therefore, no assurances or guarantees of future profitability, distributions, payment of dividends, return of capital or performance of the Company or its Securities can be, or is, provided by the Company.

Before deciding to invest in the Company, potential Applicants should read this Prospectus in its entirety and, in particular, should consider the risk factors that could affect the financial performance of the Company. Applicants should carefully consider these factors in light of their personal circumstances and should consult their professional advisers (for example, their accountant, stockbroker, lawyer or other professional adviser) before deciding whether to invest.

Neither the Company nor its officers, employees, agents and advisers guarantee that any specific objectives of the Company will be achieved or that any particular performance of the Shares and Options, including the New Shares and New Options offered under this Prospectus, will be achieved.

## 6. EFFECT OF THE ISSUE

### 6.1 Introduction

Assuming this Rights Issue is fully subscribed, the gross proceeds that will be raised by the Company under this Rights Issue (before expenses of the Rights Issue) will amount to approximately \$3,823,610 (on the assumption that none of the Existing Options are converted to Shares prior to the Record Date). No funds will be raised from the issue of the New Options, which are being issued free of charge.

### 6.2 Pro-forma capital structure on completion of the Rights Issue

The pro-forma capital structure of the Company is set out below and reflects the issued and paid up capital structure of the Company assuming this Rights Issue is fully subscribed (and assuming that none of the Existing Options are converted to Shares prior to the Record Date or before completion of this Rights Issue).

#### Capital Structure

	Shares	Percentage	Options*	Percentage
Existing Shares and Options	2,085,605,496	92.31%	69,394,506	44.40%
Maximum number of New Shares and New Options (estimated)	173,800,458	7.69%	86,900,229	55.60%
Total Shares and Options (Existing Options and New Options) upon completion of the Rights Issue (estimated)	2,259,405,954	100.00%	156,294,735	100.00%

\* In addition, the Company has on issue 27,304,014 performance rights (see section 7.6 of this Prospectus for further information), and has agreed to issue up to 10,000,000 Incentive Shares.

On the assumptions set out above, a total of up to approximately 173,800,458 New Shares and up to approximately 86,900,229 accompanying New Options will be issued by the Company at the successful completion of this Rights Issue. The maximum number of New Shares and New Options which may be issued under this Rights Issue cannot be calculated precisely until Rights have been determined following the Record Date because of the possibility that the Existing Options (or some of them) may be exercised by the Record Date and due to the rounding up of fractional Entitlements.

### 6.3 Effect on Existing Shareholders and Optionholders

Qualifying Shareholders who take up their Rights in full will not have their proportionate interest in the Company diluted by this Rights Issue. The proportionate interest of a Qualifying Shareholder who takes up their Entitlement in full and applies for (and is issued) additional New Shares (and accompanying New Options) forming part of the Shortfall will increase.

Qualifying Shareholders who do not exercise their Rights in full will have their interest in the Company diluted.

Non-Qualifying Foreign Shareholders will have their interest in the Company diluted.

Existing Optionholders who do not exercise all or any of their Existing Options before the Record Date will not be entitled to participate in this Rights Issue with respect to those Options (and, if those Options are subsequently exercised, the interest which the Shares issued consequent upon the exercise of the Options will confer in the Company will have been diluted by this Rights Issue).

### 6.4 Impact on Control

Assuming the Rights Issue is fully subscribed, the New Shares will represent 7.69% of the expanded issued share capital of the Company upon completion of the Rights Issue.

The Company's largest Shareholder, Noble Energy Limited (a wholly owned subsidiary of Tasman), has indicated to the Company that it intends to take up 100% of its Entitlement (to a total value of \$1,158,442).

On 1 September 2021 Noble made a short term loan of \$500,000 to the Company, which funds are to be used by the Company for working capital. The principal sum and interest thereon (at 8.92% from the date of the advance until repayment in full) are repayable by the Company to Noble from the proceeds of the Rights Issue. Noble's present intention is that the first \$500,000 of the subscription price for its New Shares will not be received by the Company in cash but by way of satisfaction and release of the Company's existing debt to

Noble, with the balance amount of Noble's Entitlements (of \$658,442) to be subscribed by it in cash.

The following table summarises the potential increase in Noble's shareholding in the Company as a result of this Rights Issue.

	Noble	% of total Shares on issue (existing and on completion)	% of total Options on issue (existing and on completion)
Existing Shares held	631,877,564	30.297%	N/A
Maximum Shares held on completion of this Rights Issue (estimated)*	684,534,028	30.297**	N/A
Existing Options held	Nil	N/A	N/A
Maximum Options held on completion of this Rights Issue (estimated)*	26,328,232	N/A	16.85%
Maximum Shares after completion of this Rights Issue if Noble were to exercise all New Options acquired*	710,862,260	31.1%***	N/A

\*On the assumption that Noble takes up 100% of its Entitlement (to a total value of \$1,158,442).

\*\*On the assumption that this Rights Issue is fully subscribed.

\*\*\*On the assumption that this Rights Issue is fully subscribed and that Noble (but no other Shareholder) exercises all of the New Options acquired by it under this Rights Issue.

If Noble takes up 100% of its Entitlement and this Rights Issue is fully subscribed, its percentage interest in the Company will not change. If the only Qualifying Shareholders who take up their Entitlements are Noble (as to 100%), Gregory Solomon (as to 100%) and Doug Solomon (as to 100%), Noble's total shareholding interest in the Company will increase from 30.297% to a maximum of 31.91%. If that occurs, Noble will rely on the exception in item 9 of s.611 of the Corporations Act (which permits an acquisition by a person which will cause their shareholding interest to exceed 20% if throughout the 6 months before the acquisition that person has had voting power in the company of at least 19% and as a result of the acquisition that person would not have voting power in the company more than 3% higher than they had 6 months before the acquisition).

Further if Noble was to subsequently exercise all of the New Options acquired by it under this Rights Issue and it was the only shareholder to exercise any Options, its total shareholding interest in the Company will further increase from 31.91% to a maximum of 32.73%. If that occurs, Noble will again rely on the exception in item 9 of s.611 of the Corporations Act.

In view of the above, the Offers will not have any material impact on Noble's shareholding.

Noble does not have any present intention to change the Company's main activities, business or directors.

#### 6.5 Purpose of this Rights Issue and use of funds raised under this Rights Issue

The gross proceeds to be raised by the Company under this Rights Issue (i.e. before expenses) will be up to approximately \$3,823,610 (on the assumption that none of the Existing Options are converted to Shares prior to the Record Date and this Rights Issue is fully subscribed).

This Rights Issue is not underwritten.

The funds raised under this Rights Issue are to augment the existing funds held and ongoing sales revenue to enable the Company (assuming this Rights Issue is fully subscribed):

- (a) Firstly, to fund the costs of the Offers;
- (b) Secondly, to repay the short term loan of \$500,000 made by Noble Energy Ltd to the Company; and
- (c) Thirdly, to provide the Company with sufficient working capital to fund the on-going operations of the Company and its subsidiaries for up to the next 6 months (as particularised in more detail in the table below).

If the Rights Issue is not fully subscribed, the Company's expenditure will necessarily be more limited in extent and the Company, depending on the cash flow generated by the Company and its subsidiaries from the sales of its products, will need access to further funding earlier than noted above.

Set out below is a table summarising how, subject to the qualifications below, the Directors intend to apply the proceeds of this Rights Issue against the above three use categories, in each of the following scenarios:

- (a) this Rights Issue raises \$3,823,610 (on the assumption it is fully subscribed).
- (b) this Rights Issue raises \$2,568,315 (being the mid-point between the figures set out in paragraphs (a) and (c)); and
- (c) this Rights Issue raises approximately \$1,313,020 (on the basis that the only Qualifying Shareholders who take up their Entitlements are Noble to the extent specified in clause 6.4 and the DS Entities and GS Entities to the extent specified in section 7.7.1).

	Paragraph (a) above	Paragraph (b) above	Paragraph (c) above
Funds raised under this Rights Issue	\$3,823,610	\$2,568,315	\$1,313,020
Intended Allocation of Funds:***			
Costs of the Entitlement Offer*	\$130,000 (3.4%)	\$120,000 (4.7%)	\$110,000 (8.4%)
Repayment of the short-term loan from Noble	\$500,000 (13.1%)	\$500,000 (19.5%)	\$500,000 (38.1%)
Working Capital**	\$3,193,610 (83.5%)	\$1,948,315 (75.9%)	\$703,020 (53.5%)

\* Costs of the Offers vary due to ASX Listing Fees being calculated on the number of New Shares and New Options issued.

\*\* The general working capital funds will be used to meet:

- (a) ongoing expenses of the Company in Australia, including director fees, ASX and share registry fees, office accommodation, accounting, secretarial and management services and general administrative expenses; and
- (b) operating costs as required from time to time for the Company's US and Indian subsidiaries, including to meet the costs of wages and salaries, interest on the SnowPoint Capital LLC loan, insurances, purchases of plant and equipment, sales and marketing activities and product development and sales support. The rate at which the funds will be required by the US and the Indian subsidiaries is uncertain as it will depend upon the level of revenue that each subsidiary is able to generate from their sales of products and services. This table has been prepared on the assumption that the level of product sales as at the date of this Prospectus remains at current levels.

\*\*\* The majority of Eden's costs are in United States Dollars, and as such, the amounts included in the above table will be subject to change from movements in foreign exchange rates.

Given the speculative nature of the Company's business, the intended allocation of funds as set out above may change depending upon market conditions.

Based on the information available to it, and its current plans and budgets (and subject to any changes thereto), and provided this Rights Issue is fully subscribed, the US \$3 million SnowPoint Capital LLC loan is extended for 6 months and the COVID-19 stimulus small business loan is forgiven, the Directors believe that the Company will be able to pay its debts as and when they fall due, and fund ongoing working capital requirements for up to 6 months after completion of this Rights Issue. Any significant expansion of EdenCrete® production facilities in Colorado would require additional funds to be raised by the Company.

If the current intention of Noble, Greg Solomon and/or Doug Solomon to take up 100% of their Entitlements changes (for example, due to a significant deterioration in market conditions) the Company's expenditure will necessarily be more limited in extent and the Company will need access to further funding earlier than noted above.

## 6.6 Effect on the Company's financial position

Upon the successful completion of this Rights Issue and assuming this Rights Issue is fully subscribed (and none of the Existing Options are converted into Shares before the Record Date or the closing of this Rights Issue), the Company's cash reserves will increase by approximately \$3,823,610, minus Offer expenses.

Set out below for illustrative purposes is the Company's unaudited preliminary historical consolidated balance sheet as at 30 June 2021 (as lodged with ASX on 31 August 2021) and an unaudited pro-forma consolidated balance sheet as at 30 June 2021 after the Rights Issue. The updated pro-forma consolidated balance sheet has been prepared on the basis of the accounting policies normally adopted by the Company and having regard to the basis and assumptions set out below. The historical and pro-forma financial information is presented in abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	<b>Consolidated Group</b>	
	<b>Preliminary 30 June 2021</b>	<b>Pro-forma 30 June 2021</b>
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	2,175,637	5,999,247
Trade and other receivables	568,709	568,709
Inventories	1,840,582	1,840,582
Other current assets	163,083	163,083
<b>TOTAL CURRENT ASSETS</b>	<b>4,748,011</b>	<b>8,571,621</b>
NON-CURRENT ASSETS		
Property, plant and equipment	10,607,478	10,607,478
Intangible assets	9,123,044	9,123,044
<b>TOTAL NON-CURRENT ASSETS</b>	<b>19,730,522</b>	<b>19,730,522</b>
<b>TOTAL ASSETS</b>	<b>24,478,533</b>	<b>28,302,143</b>
CURRENT LIABILITIES		
Trade and other payables	755,188	755,188
Interest bearing liabilities	4,771,126	4,771,126
Lease liabilities	2,302	2,302
Other liabilities	133,337	133,337
Provisions	171,341	171,341
<b>TOTAL CURRENT LIABILITIES</b>	<b>5,833,294</b>	<b>5,963,294</b>
NON-CURRENT LIABILITIES		
Interest bearing liabilities	486,143	486,143
Lease liabilities	10,413	10,413
Other liabilities	7,951	7,951
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>504,507</b>	<b>504,507</b>
<b>TOTAL LIABILITIES</b>	<b>6,337,801</b>	<b>6,467,801</b>
<b>NET ASSETS</b>	<b>18,140,732</b>	<b>21,834,342</b>
EQUITY		
Issued capital	114,736,287	118,429,897
Reserves	8,819,894	8,819,894
Accumulated losses	(105,415,449)	(105,415,449)
<b>TOTAL EQUITY</b>	<b>18,140,732</b>	<b>21,834,342</b>

The unaudited pro-forma consolidated balance sheet set out above has been prepared on the basis and assumption that there has been and will be no material movements in the assets and liabilities of the consolidated entity between 1 July 2021 and the Closing Date other than:

- the Rights Issue is fully subscribed raising \$3,823,610;
- the receipt of a \$500,000 loan from Noble and subsequent repayment of that loan from the Rights Issue proceeds; and
- the accrual of estimated expenses of the Offers of \$130,000 is included in "Trade and Other Payables".

The unaudited pro-forma consolidated balance sheet as at 30 June 2021 above is intended to be illustrative only. It does not take into account activities occurring between 1 July 2021 and the date of this Prospectus (or the Closing Date) other than those noted above and as such it does not accurately reflect what the actual balance sheet will be as at the date of this Prospectus or at the completion of this Rights Issue (by way of example, the cash and cash equivalent assets will not be as set out in the unaudited pro-forma consolidated balance sheet because, amongst other things, no allowance has been made in the unaudited pro-forma consolidated balance sheet for expenditure incurred in the normal course of business of the consolidated group after 1 July 2021).

## **7. ADDITIONAL INFORMATION**

### **7.1 Nature of this Prospectus**

This Prospectus is issued under the special prospectus content rules for continuously quoted securities in section 713 of the Corporations Act. That section enables listed disclosing entities to issue a prospectus with less rigorous disclosure requirements if:

- the securities offered by the prospectus are in a class of securities that have been quoted enhanced disclosure securities at all times in the 3 months before the date of the prospectus or are options to acquire such securities; and
- the company is not subject to certain exemptions or declarations prescribed by the Corporations Act during the period during which the securities have been quoted or the 12 months before the date of the prospectus (whichever is the shorter period).

Securities are quoted enhanced disclosure securities if:

- the company is included in the official list of ASX; and
- the Listing Rules apply to those securities.

The information in this Prospectus principally concerns the terms and conditions of this Rights Issue and the information necessary to make an informed assessment of:

- the effect of this Rights Issue on the Company; and
- the rights and liabilities attaching to the New Shares and New Options offered under this Prospectus.

The Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. This Prospectus does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that was not already listed on a securities exchange. Qualifying Shareholders should therefore also have regard to the other publicly available information in relation to the Company before making a decision whether or not to subscribe for New Shares and accompanying New Options.

### **7.2 Regular reporting and disclosure obligations**

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

These obligations require the Company to notify ASX of information about specified events and matters as they arise for the purposes of ASX making that information available to the stock market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions) to notify ASX immediately of any information of which it becomes aware concerning the Company which a reasonable person would expect to have a material effect on the price or value of securities in the Company. As the Company has been listed on ASX since June 2006, a large amount of information concerning the Company has previously been notified to ASX and is therefore publicly available. All announcements made by the Company are available from ASX.

The Company is required to prepare and lodge with ASX both yearly and half yearly financial statements accompanied by a Directors' statement and report and an auditor's report. The Company is also required to lodge with ASX quarterly cashflow reports which include details about its cash flows (the most recent of which was lodged at ASX on 28 July 2021).

A summary of the Company's current and recent activities, transactions and projects and the financial performance and position of the Company is set out in the quarterly activities statement lodged with ASX on 28 July 2021 and subsequent ASX releases.

Copies of documents lodged with ASX in relation to the Company may be obtained from the ASX website.

Copies of all documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, the offices of ASIC. These documents can also be inspected at the registered office of the Company during normal office hours.

### 7.3 Right to obtain copies of Company documents

Under section 713(4) of the Corporations Act, any person has the right to obtain from the Company, free of charge, a copy of any of the following documents during the Offer Period:

- the Company's annual financial report for the financial year ended 30 June 2020 as lodged with ASIC;
- the Company's half-year financial report for the year ended 31 December 2020 as lodged with ASIC;
- any continuous disclosure notices given by the Company after lodgement of the annual financial report for the year ended 30 June 2020 (i.e. on 24 September 2020) and before lodgement of this Prospectus with ASIC (i.e. on 1 September 2021). Headlines for such notices are as follows:

Date	Headline
31 August 2021	Preliminary Final Report
23 August 2021	Letter to Option Holders
23 August 2021	Proposed issue of securities - EDE
23 August 2021	Rights Issue Options – Terms & Conditions
23 August 2021	Pro-Rata Non-Renounceable Rights Issue
12 August 2021	OptiBlend – US Market Significant Upswing – Clarification
2 August 2021	Change of Director's Interest Notice
2 August 2021	Change of Director's Interest Notice
2 August 2021	Application for quotation of securities – EDE
28 July 2021	Quarterly Activities / Appendix 4C Cash Flow Report
28 July 2021	OptiBlend - US Market Experiencing a Significant Upswing
26 July 2021	EdenCrete - GDOT Sales and Marketing Update
15 July 2021	OptiBlend - Significant Growth in the Indian Market
29 June 2021	Investor Presentation
15 June 2021	EdenCrete - Continued Market Progress in Colorado
11 June 2021	Change of Director's Interest Notices
9 June 2021	Appendix 3G
9 June 2021	Appendix 3G
9 June 2021	Notification of cessation of securities - EDE
4 June 2021	Appendix 3G
4 June 2021	Cancellation of Performance Rights
27 May 2021	CDOT Central 70 Project Update
14 May 2021	Appendix 2A
14 May 2021	Lapse of Performance Rights
14 May 2021	Proposed issue of Securities – EDE
14 May 2021	Proposed issue of Securities – EDE
14 May 2021	Proposed issue of Securities – EDE
3 May 2021	EdenCrete used in Extreme Abrasion Trial at US Drag Strip
3 May 2021	EdenCrete - Denver International Airport Repair Project
30 April 2021	Appendix 4C – quarterly
30 April 2021	Third Quarter Activity Report
28 April 2021	Results of Meeting
1 April 2021	EdenCrete - Approval by Kansas DOT
25 March 2021	EdenCrete – Georgia Sales Update
24 March 2021	Notice of General Meeting / Proxy Form
16 March 2021	Proposed issue of Securities – EDE
16 March 2021	Unlisted Options Terms & Conditions
16 March 2021	Proposed issue of Securities – EDE
9 March 2021	Appendix 2A
26 February 2021	Half Yearly Report and Accounts
26 February 2021	Appendix 4D
18 February 2021	Lapse of Performance Rights
12 February 2021	EdenCrete - First Waste Transfer Station Project
11 February 2021	Appendix 2A
28 January 2021	Letter to Optionholders



<b>Date</b>	<b>Headline</b>
22 January 2021	Appendix 4C – quarterly
22 January 2021	Second Quarter Activity Report
14 January 2021	Lapse of Unlisted Options and Performance Rights
13 January 2021	Approval Received to Import EdenCrete into Australia
8 January 2021	Change in substantial holding
17 December 2020	Appendix 3G
15 December 2020	Cleansing Notice
15 December 2020	Appendix 3G
15 December 2020	Appendix 2A
14 December 2020	Proposed issue of Securities – EDE
14 December 2020	Additional Placement
14 December 2020	Pause in Trading
14 December 2020	EdenCrete – Georgia Infrastructure Update
11 December 2020	Appendix 3G
11 December 2020	Appendix 2A
11 December 2020	Placement Options Terms & Conditions
8 December 2020	Reinstatement to Official Quotation
8 December 2020	Proposed issue of Securities – EDE
8 December 2020	Proposed issue of Securities – EDE
8 December 2020	Eden Placement Raising \$4.5m
7 December 2020	Suspension from Official Quotation
3 December 2020	Trading Halt
2 December 2020	Appendix 3G
2 December 2020	Appendix 3G
2 December 2020	Cleansing Notice
2 December 2020	Appendix 2A
30 November 2020	Results of Meeting
30 November 2020	AGM Presentation
26 November 2020	EdenCrete - Positive Evaluation after 3 year Denver Trial
26 November 2020	Equity Placement Facility Agreement
23 November 2020	Investor Presentation
23 November 2020	EdenCrete - First Volumetric Truck Batching Project
23 November 2020	EdenCrete - Significant New Kansas Project
16 November 2020	Eden and UQ awarded Australian Research Council Grant
2 November 2020	EdenCrete - Continued Growth of CDOT Market
30 October 2020	Appendix 4C – quarterly
30 October 2020	First Quarter Activities Report
29 October 2020	Notice of Annual General Meeting / Proxy Form
29 October 2020	Letter to Shareholders – Upcoming AGM
13 October 2020	OptiBlend – Indian Market Update
30 September 2020	Investor Presentation
24 September 2020	Corporate Governance Statement
24 September 2020	Appendix 4G
24 September 2020	Annual Report to Shareholders

These documents can also be viewed and downloaded from ASX's website [www.asx.com.au](http://www.asx.com.au) under ASX Code: EDE.

The Company will give a copy of any of the above documents, free of charge, to any Eligible Shareholder who asks for them during the Offer Period.

#### **7.4 Constitution and rights and liabilities attaching to Shares**

Full details of the rights and liabilities attaching to Shares are set out in the Company's constitution, a copy of which can be inspected, free of charge, at the Company's registered office during normal business hours.

The following is a broad summary of the rights, privileges and restrictions attaching to all Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

All Shares issued pursuant to this Prospectus will, from the time they are issued, rank equally with all of the Company's Existing Shares.

#### **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares (at present there are none), at meetings of Shareholders of the Company:

- (a) each Shareholder entitled to attend and vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote (save that where a Shareholder has appointed more than one person as proxy, attorney or representative, none of the proxies, attorneys or representatives, is entitled to vote, and where a Shareholder is present in more than one capacity, that Shareholder is entitled only to one vote); and
- (c) on a poll, every person present who is a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid shares, shall have such number of votes as bears the same proportion of the amount paid up or agreed to be considered as paid up on the total issue price of that Share at the time the poll is taken bears to the total issue price of the Share.

#### **Rights on winding up**

If the Company is wound up, whether voluntary or otherwise, the liquidator may divide among all or any of the contributories as the liquidator thinks fit in specie or kind any part of the assets of the Company, and may vest any part of the assets of the Company in trustees on any trusts for the benefit of all or any of the contributories as the liquidator thinks fit. Any division may be otherwise than in accordance with the legal rights of the contributories and, in particular, any class may be given preferential or special rights or may be excluded altogether or in part, but if any division otherwise than in accordance with legal rights of the contributories is determined, any contributory who would be prejudiced by the division has a right to dissent and ancillary rights as if the determination were a special resolution passed under the Corporations Act relating to the sale or transfer of the Company's assets in a voluntary winding up.

#### **Transfer of shares**

Subject to the constitution of the Company, the Corporations Act, the Listing Rules and any other laws, Shares are freely transferable.

#### **Future increases in capital**

The allotment and issue of any Shares is under the control of the Board. Subject to the requirements of the Listing Rules, the constitution of the Company and the Corporations Act, the Directors may allot or otherwise dispose of Shares on such terms and conditions as they see fit.

#### **Variation of rights**

Under the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders, vary or abrogate the rights attaching to shares. If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of the issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the sanction of a special resolution of the Company and with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

#### **Dividend rights**

Subject to the rights of holders of shares issued with special, preferential or qualified rights (at present there are none), the profits of the Company that the Directors determine to distribute by way of dividend are divisible among the holders of Shares and is payable on each Share on the basis of the proportion which the

amount paid is of the total amounts paid, agreed to be considered to be paid or payable on the Share. A dividend may be declared at a rate per annum in respect of a specified period but no amount paid on a Share in advance of calls is to be treated as paid on that Share.

#### 7.5 Rights and liabilities attaching to New Options

The New Options will be issued on the following terms and conditions.

- (1) The Options are exercisable at any time prior to 5.00pm WST on 7 October 2024 ("the Time of Expiry"). Options not exercised on or before the Time of Expiry will automatically lapse.
- (2) The Options may be exercised wholly or in part by completing a notice of exercise of options substantially in the form attached to the option certificate ("Notice of Exercise") to be delivered to the Company's registered office and received by it any time prior to the Time of Expiry.
- (3) The Options entitle the holder to subscribe (in respect of each Option held) for one Share at an exercise price per Option of \$0.05.
- (4) Upon the exercise of the Options and receipt of all relevant documents and payment, Shares will be issued ranking equally with the then issued Shares. If at the date of exercise of the Options the Shares of the Company are quoted on the ASX, the Company will apply to ASX to have the Shares so issued granted Quotation.
- (5) A summary of the terms and conditions of the Options including the Notice of Exercise will be sent to all holders of Options when they are issued.
- (6) Any Notice of Exercise received by the Company prior to the Time of Expiry will be deemed to be a Notice of Exercise as at the last Business Day of the month in which such notice is received.
- (7) There are no participating entitlements inherent in the Options to participate in new issues of capital, which may be offered to Shareholders during the currency of the Options. Prior to any new pro rata issue of securities to Shareholders, holders of Options will be notified by the Company and will be afforded 10 business days before the Record Date (as defined in the Listing Rules) (to determine entitlements to the issue), to exercise Options.
- (8) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Time of Expiry, the number of Options or the exercise price of the Options or both shall be reconstructed (as appropriate) in a manner which will not result in any benefits being conferred on holders of Options which are not being conferred on Shareholders and (subject to the provisions with respect to rounding of entitlements as sanctioned by the meeting of Shareholders approving the reconstruction of capital), in all respects, the terms for the exercise of Options shall remain unchanged. For these purposes the rights of the Option holder may be changed from time to time to comply with the Listing Rules applying to a reorganisation of capital at the time of reorganisation.
- (9) The Options may be transferred at any time prior to the Time of Expiry.
- (10) Shares issued pursuant to the exercise of an Option will be issued not more than 14 days after the Notice of Exercise.

#### 7.6 Existing Options, Performance Rights and Incentive Shares

The Company currently has on issue 69,394,506 unlisted Options. The expiry date and exercise price of the Existing Options is as follows:

Number	Exercise Price Per Option	Expiry Date
6,850,762	0.04379	1 December 2023
49,543,744	0.05	11 December 2022
1,000,000	0.065	19 December 2022
6,000,000	0.07	1 June 2022
6,000,000	0.08	1 June 2022

In addition, the Company has on issue 27,304,014 performance rights under the Company's Performance Rights Plan to its employees and consultants.

Each performance right entitles the holder to be issued with one Share at a future point in time subject to the satisfaction of the vesting conditions. No exercise price is payable by the holder. The performance rights are not quoted. Performance rights will automatically lapse in the circumstances set out in the Performance Rights Plan, including where the holder ceases to be an employee or consultant of the Company.

The vesting condition and expiry date of the performance rights are as follows:

<b>Number &amp; Class</b>	<b>Vesting Condition</b>	<b>Expiry Date</b>
9,101,338 Class A	Commercial revenue reaching US\$6m over a rolling 12 month period	31 August 2022
9,101,338 Class B	Commercial revenue reaching US\$12m over a rolling 12 month period	31 August 2023
9,101,338 Class C	Commercial revenue reaching US\$24m over a rolling 12 month period	31 August 2024

The Company has also agreed to issue up to 10,000,000 Incentive Shares to the Chief Executive Officer of its US subsidiary.

### **7.7 Interests of Directors**

Other than as set out below or as set out elsewhere in this Prospectus, no Director has, or had within two years before lodgement of this Prospectus with the ASIC, any interest in:

- (a) the promotion or formation of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its promotion or formation or the offer of New Shares and New Options under this Prospectus; or
- (c) the offer of New Shares and New Options under this Prospectus,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director other than as set out below:

- (a) to induce them to become, or to qualify them, as a Director; or
- (b) for services rendered by them in connection with the formation or promotion of the Company or the offer of New Shares and New Options under this Prospectus.

#### **7.7.1 Shareholdings of Directors**

As at the date of this Prospectus all of the directors (either personally, or through associated companies or trusts) hold Shares in the Company. Two of the directors, Gregory Solomon and Douglas Solomon are Qualifying Shareholders and will therefore receive Rights to subscribe for New Shares (and accompanying New Options) pursuant to this Rights Issue. Dr Stephen D. Dunmead and Lazaros Nikeas, being Non-Qualifying Foreign Shareholders, will not be entitled to subscribe for New Shares (and accompanying New Options) pursuant to this Rights Issue.

As at the date of this Prospectus, the two Directors (and their associated entities) who are Qualifying Shareholders have indicated to the Company that they currently intend to take up their Entitlements under the Entitlement Offer as follows:

- (a) Gregory Solomon has indicated that the GS Entities currently intend to take up 100% of their Entitlements; and
- (b) Doug Solomon has indicated that the DS Entities currently intend to take up 100% of their Entitlements.

The relevant interest of each of the Directors in the Shares of the Company as at the date of this Prospectus, and assuming (in the case of Gregory Solomon and Douglas Solomon) they take up their Entitlements in the manner indicated above, is as follows:

	Gregory Solomon and Arkenstone Pty Ltd (and associated companies) (“GS Entities”)	Douglas Solomon and March Bells Pty Ltd (and associated companies) (“DS Entities”)	Dr Stephen D. Dunmead	Lazaros Nikeas
<b>Shares held</b>	45,369,342	38,945,878	5,297,334	4,297,334
<b>New Shares offered under the Entitlement Offer (estimated)</b>	3,780,779	3,245,490	Nil	Nil
<b>Entitlement taken up</b>	3,780,779 (100%)	3,245,490 (100%)	N/A	N/A
<b>Maximum Shares held on completion of the Entitlement Offer (estimated)</b>	49,150,121	42,191,368	5,297,334	4,297,334
<b>Existing Options held</b>	Nil	Nil	Nil	Nil
<b>New Options offered under the Entitlement Offer (estimated)</b>	1,890,390	1,622,745	Nil	Nil
<b>Entitlement taken up</b>	1,890,390	1,622,745	N/A	N/A
<b>Maximum Options held on completion of the Entitlement Offer (estimated)*</b>	1,890,390	1,622,745	Nil	Nil

The percentage increase in the relevant interests in the Company of the GS Entities and DS Entities, assuming that they take up their Entitlements in the manner set out above and that the only other Qualifying Shareholder which takes up their entitlement is Noble Energy Limited (see section 6.4 of this Prospectus), is as follows:

	GS Entities	% of total (current and maximum)	DS Entities	% of total (current and maximum)
<b>Existing Shares held</b>	45,369,342	2.18%	38,945,878	1.87%
<b>Maximum Shares held on completion of the Entitlement Offer (estimated)*</b>	49,150,121	2.29%	42,191,368	1.97%
<b>Existing Options held</b>	Nil	0%	Nil	0%
<b>Maximum Options held on completion of the Entitlement Offer (estimated)*</b>	1,890,390	1.90%	1,622,745	1.64%

Some of the Directors (both personally and through their associated entities) also hold a relevant interest in shares and options of Tasman (which, as at the date of this Prospectus, holds, through Noble, 631,877,564 (30.297%) of the Shares of the Company), as follows:

Director	Shares Held	Options Held
Gregory Solomon	114,165,258	5,263,549
Douglas Solomon	117,744,018	7,900,579

As noted earlier, Noble Energy Pty Ltd has indicated that it intends to take up 100% of its Entitlement (of approximately 52,656,464 New Shares and 26,328,232 accompanying New Options) and subscribing \$1,158,442.

Nothing in this Prospectus will be taken to preclude any of the Directors, officers or employees of the Company or any of their subsidiary companies or Tasman who are Qualifying Shareholders from applying for New Shares and accompanying New Options on the terms which are offered pursuant to this Prospectus.

As stated in section 6.4 above, it is not anticipated that the Offer will have any effect on the future of the Company, as none of the current Directors of the Company (nor, to the knowledge of the Directors, their associated companies) have any present intention to change the Company's main activities, business or direction.

#### **7.7.2 Directors' remuneration**

Non-executive directors' fees not exceeding an aggregate of \$260,000 per annum have been approved by the Company in general meeting. Levels of these fees may be varied by the Company in general meeting according to its constitution at any time. The Company is currently paying non-executive directors' fees of \$54,000 per annum (plus 9.5% superannuation, in the case of Doug Solomon) for each non-executive director. In addition, the two non-executive directors who are based in the United States, Dr Stephen Dunmead and Lazaros Nikeas, are each entitled to be issued (as part of their remuneration package) with \$32,000 worth of Shares annually in July each year.

The remuneration of any executive director will be fixed by the Directors and may be paid by way of fixed salary or based on agreed hourly rates according to time spent, up to an agreed maximum amount. At the date of this Prospectus, the Company has resolved to pay to Gregory Solomon an annual fee of \$300,000 plus 9.5% superannuation for acting as executive chairman.

#### **7.7.3 Directors' and officers' indemnity**

In accordance with the Company's constitution and to the extent permitted by law, the Company must indemnify each Director and other officers of the Company out of the assets of the Company to the relevant extent against any liability incurred by them in or arising out of the conduct of the business of the Company or in or arising out of the discharge of the duties of the officer, unless the liability was incurred by the officer through his or her own dishonesty, negligence, lack of good faith or breach of duty.

#### **7.7.4 Other Interests of Directors**

Gregory Solomon and Douglas Solomon are partners in the legal firm Solomon Brothers that will receive legal fees of approximately \$15,000 (plus disbursements, plus GST) for services performed in relation to the preparation of this Prospectus. Please see section 7.8 of this Prospectus for further details of the legal fees which have been paid to Solomon Brothers in the 2 year period prior to the date of this Prospectus.

Further, the Company has engaged the services of Princebrook Pty Ltd, a company of which Gregory Solomon and Douglas Solomon are shareholders and directors, to provide office accommodation, use of office equipment, accounting, secretarial and management services to the Company at a current cost of \$23,809.53 per month plus GST plus an administration fee of \$1,190.47 per month plus GST. The term of this contract commenced on 1 January 2015 and continues until terminated by either party giving three months' notice of termination to the other, which notice may be given at any time (or until terminated consequent upon the other party's default).

Further, in the financial years ended 30 June 2019 and 30 June 2020, the Company engaged the services of Dunmead Global Solutions LLC, a company associated with Dr Stephen Dunmead, to provide consultancy services to the Company at a total cost of approximately \$338,800.

#### **7.8 Interests of named persons**

Other than as set out below or elsewhere in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, promoter or stockbroker to the Company has, or had within two years before lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the offer of New Shares and New Options under this Prospectus;  
or

(c) the offer of New Shares and New Options under this Prospectus,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the offer of New Shares and New Options under this Prospectus.

Solomon Brothers, a legal firm of which Gregory Solomon and Douglas Solomon are partners, will receive professional fees of approximately \$15,000 (plus disbursements, plus GST) for legal work undertaken by them in connection with this Prospectus and for work performed in relation to the due diligence process. In addition, Solomon Brothers have rendered legal fees on account of professional services provided to the Company of approximately \$70,000 inclusive of GST in the 2 years prior to the date of this Prospectus.

#### 7.9 Consents

The following persons have consented to being named in the Prospectus in the form and context in which they have been named, but have not made any statements that are included in the Prospectus or statements identified in this Prospectus as being based on any statements made by those persons and take no responsibility for any part of the Prospectus other than their consent to be named in the Prospectus in the form and context in which they have been named, and have not withdrawn their consent before the lodgement of this Prospectus with ASIC:

- (1) Solomon Brothers as solicitors to the Company; and
- (2) Advanced Share Registry Services as the Company's Share Registry.

#### 7.10 Expenses of the Issue

It is estimated that approximately \$130,000 will be payable by the Company in respect of legal, printing, postage and other costs arising from this Prospectus and this Rights Issue if this Rights Issue is fully subscribed (excluding GST), as follows:

ASIC prospectus lodgement fee	\$3,206
ASX fees	\$25,290
Legal fees and expenses	\$15,000
Other (including printing & postage)	<u>\$86,504</u>
Total	<u>\$130,000</u>

#### 7.11 Dividends

The Board is not able to indicate when and if dividends will be paid in the future, as payment of any dividend will depend on the future profitability, financial position and cash requirements of the Company.

#### 7.12 Australian and New Zealand taxation implications

The acquisition and disposal of New Shares and New Options in the Company will have tax consequences in both Australia and New Zealand that will differ depending upon the individual financial affairs of each Qualifying Shareholder. The Directors consider that it is not appropriate to give Qualifying Shareholders advice regarding the taxation consequences of subscribing for New Shares and New Options under this Prospectus. All Qualifying Shareholders applying for New Shares and New Options are therefore first urged to obtain independent financial advice about the consequences of acquiring the New Shares and New Options from a taxation viewpoint and generally. Qualifying Shareholders should consult their own professional tax advisers in connection with subscribing for New Shares and New Options under this Prospectus.

#### 7.13 Litigation

The Company is not currently engaged in any litigation or arbitration proceedings, nor, so far as the Directors are aware, are any such proceedings pending or threatened against the Company.

## 8. GLOSSARY NAMES AND TERMS

**Applicant** means a Qualifying Shareholder who takes up all or part of their Entitlement;

**Application** means a valid application made by an Applicant to subscribe for New Shares and accompanying New Options under the Entitlement Offer or the QS Shortfall Offer;

**Acceptance Form** means the personalised entitlement and acceptance form which will accompany this Prospectus.

**Application Money(s)** means the sum of \$0.022 per New Share payable on submission of an Application pursuant to this Prospectus;

**ASIC** means Australian Securities and Investments Commission;

**ASX** means ASX Limited (A.C.N 008 624 691) or the Australian Securities Exchange, as the context requires;

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

**Business Day** means a day other than a Saturday or Sunday on which banks are open for business in Perth, Western Australia;

**Closing Date** means 5:00pm WST on 1 October 2021;

**Company** means Eden;

**Corporations Act and Act** means the *Corporations Act 2001* (Cth);

**Directors** means the directors of the Company from time to time;

**Dollars or \$** means Australian dollars unless otherwise stated;

**DS Entities** means March Bells Pty Ltd, Douglas Solomon (a Director of the Company) and its and his other associated entities;

**Eden or Eden Innovations** means Eden Innovations Ltd A.C.N. 109 200 900 (ASX Code: EDE);

**Entitlement** means a Qualifying Shareholder's entitlement to subscribe for New Shares (and accompanying New Options) under the Entitlement Offer;

**Entitlement Offer** has the meaning given to that term in section 2.1.1 and means the offer contained in this Prospectus to each Qualifying Shareholder of 1 New Share for every 12 Existing Shares held by that Qualifying Shareholder at the Record Date at an issue price of \$0.022 per New Share, together with 1 free attaching New Option for every 2 New Shares issued under this Prospectus;

**Existing Shares** means Shares on issue in the Company as at the Record Date;

**Glossary** means this glossary;

**Incentive Shares** means the Shares which the Company has agreed to issue on and subject to the terms set out in section 2.18.2;

**Issue** means the issue of New Shares and accompanying New Options pursuant to this Prospectus;

**Listing Rules** means the Listing Rules of ASX;

**New Option** means an Option to be issued under this Prospectus to subscribe for 1 Share in the Company at \$0.05 on or before the date which is 7 October 2024 and otherwise on the terms and conditions set out in section 7.5 of this Prospectus;

**New Share** means a Share to be issued under this Prospectus;

**Non-Qualifying Foreign Shareholder** means a Shareholder whose registered address at the Record Date is not in Australia or New Zealand;

**Offer Period** means the period commencing on the Opening Date and ending on the Closing Date;

**Offers** means the Entitlement Offer and the Shortfall Offers;

**Official List** means the Official List of the ASX;

**Opening Date** means the date on which the Entitlement Offer opens;

**Option** means a right to acquire a Share in the Company and includes (where the context permits) the Existing Options and the New Options;

**Optionholder** means a holder of Options;

**Prospectus** means this Prospectus dated 1 September 2021 for the issue of up to approximately 173,800,458 New Shares and up to approximately 86,900,229 New Options;

**QS Shortfall Offer** has the meaning given to that term in section 2.1.2.1, more details of which appear in section 2.12.1;

**Qualifying Shareholder** means a holder of Shares registered at 5:00pm WST on the Record Date and whose registered address is in Australia or New Zealand;

**Quotation** means quotation of the New Shares or the New Options on ASX (as the case may be);

**Record Date** means 5.00pm WST on 7 September 2021;

**Rights** means the right to subscribe for New Shares (with accompanying New Options) under the Entitlement Offer contained in this Prospectus;

**Rights Issue** has the same meaning as Entitlement Offer;

**Securities** means the New Shares and New Options to be issued under this Prospectus;

**Share** means one fully paid ordinary share in the Company;

**Shareholder** means the holder of Shares;

**Shortfall** means, if the Entitlement Offer is not fully subscribed, those New Shares (and accompanying New Options) which are not taken up under the Entitlement Offer by the Closing Date;

**Shortfall Offers** has the meaning given to that term in section 2.1.2, more details of which appear in section 2.12;

**Tasman** means Tasman Resources Limited A.C.N 009 253 187 (ASX Code: TAS); and

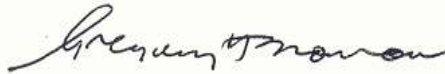
**WST** means Western Standard Time, Perth, Western Australia.



**9. CONSENT BY DIRECTORS**

Each of the Directors of Eden Innovations Limited has consented to the lodgement of this Prospectus in accordance with section 720 of the Corporations Act.

Dated 1 September 2021

A handwritten signature in black ink, appearing to read "Gregory Howard Solomon", is written on a light yellow rectangular background.

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Signed for and on behalf of  
Eden Innovation Ltd  
By Gregory Howard Solomon (Director)

## 10. CORPORATE DIRECTORY

- Directors:** Gregory H. Solomon, LLB (Executive Chairman)  
Douglas H. Solomon, B.Juris LLB (Hons) (Non-Executive Director)  
Stephen D. Dunmead, Ph.D., M.S., B.S. (Non-Executive Director)  
Lazaros Nikeas B.A. (Non-Executive Director)
- Company Secretary:** Aaron Gates, B.Com., CA, AGIA
- Registered Office:** Level 15  
197 St Georges Terrace  
Perth  
Western Australia
- Tel: (+618) 9282 5889  
e-mail: [mailroom@edeninnovations.com](mailto:mailroom@edeninnovations.com)  
website: [www.edeninnovations.com](http://www.edeninnovations.com)
- Share Registry:** Advanced Share Registry Services  
110 Stirling Highway  
Nedlands  
Western Australia
- Tel: 1300 113 258  
Fax: (+618) 6370 4203
- Solicitors to the Company:** Solomon Brothers  
Level 15  
197 St Georges Terrace  
Perth  
Western Australia
- Tel: (+618) 9282 5888