

27 May 2024

Sean Maloney
Australian Securities Exchange
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

By email: Sean.Maloney@asx.com.au

Dear Mr Maloney

Melodiol Global Health Limited (ASX: ME1) – Query Letter

We refer to your letter dated 23 May 2024 (“Letter”). Melodiol Global Health Limited (the “Company” or “ME1”) provides the following responses to your questions.

1. Does ME1 consider Oakley Capital Partners Pty Ltd to be a related party of Mr Adam Blumenthal?

ME1 does not consider Adam Blumenthal to be a related party to Oakley Capital Partners Pty Ltd (“Oakley”).

ME1 does not consider Adam Blumenthal to be a related Party to ME1.

2. If the answer to Question 1 is ‘no’, please explain the basis for this conclusion, including commenting on any associations or relationships between Mr Blumenthal and Oakley Capital Partners Pty Ltd

Mr Blumenthal is a director of the trustee company of a family trust which is the majority shareholder of Oakley, and he is one of several beneficiaries via this family trust.

He is not a director of Oakley, nor is he involved in the running of or managing the affairs of Oakley or any of its operations. This has been undertaken by Mr Blumenthal.

This shareholding via the family trust has no voting rights, no control rights nor any other mechanism where he can exert control or influence over Oakley.

Therefore, by the definitions provided in the ASX letter, Mr Blumenthal is not a related party of Oakley.

The Company also takes this opportunity to note that Resolution 31 in the notice of meeting uses legacy language when referring to Mr Blumenthal / Everblu Capital Pty Ltd. In the past, the Company has conceded to the ASX that Mr Blumenthal should be considered a related party of the Company, because the Company felt that ASX would otherwise unilaterally make this determination. As such, given that Resolution 31 dealt with Everblu, the Company maintained this position for the sake of caution. The Company has reviewed the information contained in the Query Letter, and by definition, it confirms that Mr Blumenthal is not a related party of ME1. As such, in future matters unrelated to Everblu, ME1 will no longer consider Mr Blumenthal a related party of

the Company.

3. If the answer to Question 1 is 'yes', please explain:

3.1 Why Oakley Capital Partners Pty Ltd is considered by ME1 to be a related party of Mr Blumenthal under the Listing Rules?

N/A

3.2 Why ME1 is seeking approval from shareholders to issue securities under Listing Rule 7.1 in the Oakley Resolutions, rather than under Listing Rule 10.11?

N/A

4. Please confirm whether Mr Adam Blumenthal has any other associations with Oakley Capital Partners Pty Ltd which has not already been disclosed in your answer to Question 1, 2 or 3 above.

No other associations.

5. Please confirm whether section 606 of the Corporations Act 2001 (cth) applies to:

5.1 The Proposed issue of securities pursuant to the Oakley Resolutions; or

Section 606 of the Corporations Act 2001 (cth) (the "Act") does not apply to the proposed issue of securities pursuant to the Oakley resolutions, as, on a pro forma basis (including the other issues contained within the notice, and in fact, even excluding the other resolutions contained in the notice) Oakley's relevant interest in the voting shares of the Company does not reach the 20% threshold contained within the Act.

5.2 Any other security issues proposed pursuant to any other resolutions in the Notice

Based on currently available information, the Company does not expect that section 606 of the Act will apply to any other resolutions in the Notice.

6. Does ME1's board consider that there are reasonable grounds to believe that ME1 will be able to pay its debts as and when they fall due?

Yes. The Company has already addressed this question from the ASX in detail (refer to ASX Financial Condition Query dated 11 March 2024, and ASX Aware Letter dated 19 April 2024). Broadly the statements made in each of these documents remain accurate and the Company notes that in the interim it is seeking approval from shareholders for a significant amount of debt to equity conversions at the 31 May 2024 AGM, which will strengthen its balance sheet, has effected the placement of the SBC convertible notes to a new investor which has issued a standstill to 31 December 2024 and expects to imminently be signing an extension with the Briant Nominees, while continuing to have discussions with La Plata regarding further extensions.

7. **Please confirm that ME1 is complying with the Listing Rules and, in particular, Listing Rules 3.1, 7.1, 10.11, and 12.2**

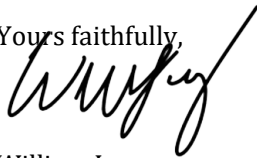
Confirmed.

8. **Please confirm that ME1's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ME1 with delegated authority from the board to respond to ASX on disclosure matters.**

Confirmed.

Should you require any further information in relation to this matter, please do not hesitate to contact me.

Yours faithfully,



William Lay
Managing Director



23 May 2024

Reference: 94850

Mr Winton Willesee
Company Secretary
Melodiol Global Health Limited

By email:

Dear Mr Willesee

Melodiol Global Health Limited ('ME1'): Query Letter

ASX refers to the following:

- A. ME1's notice of annual general meeting and proxy form released on the ASX Market Announcements Platform ('MAP') on 2 May 2024 (the 'Notice').

The Notice seeks approval from shareholders under Listing Rule 7.1 to issue a total of 5,500,162 ordinary fully paid shares and 4,833,496 options on terms set out in the Notice (on a post-consolidation basis) to Oakley Capital Partners Pty Ltd under the following Resolutions:

- (i) RESOLUTION 9 – APPROVAL TO ISSUE BROKER SECURITIES TO OAKLEY CAPITAL PARTNERS PTY LTD – FEBRUARY PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 833,333 Shares (post-Consolidation basis) and 833,333 Options (post-Consolidation basis) to Oakley Capital Partners Pty Ltd (or its nominee/s) on the terms and conditions set out in the Explanatory Statement.”

- (ii) RESOLUTION 10 – APPROVAL TO ISSUE CASH FEE SECURITIES TO OAKLEY CAPITAL PARTNERS PTY LTD

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 166,830 Shares (post-Consolidation basis) and 166,830 Options (post-Consolidation basis) to Oakley Capital Partners Pty Ltd (or its nominee/s) on the terms and conditions set out in the Explanatory Statement.”

- (iii) RESOLUTION 11 – APPROVAL TO ISSUE SECURITIES TO OAKLEY CAPITAL PARTNERS PTY LTD – SHORT-TERM LOANS AND FINANCING

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 833,333 Shares (post-Consolidation basis) and 833,333 Options (post-Consolidation basis) to Oakley Capital Partners Pty Ltd (or its nominee/s) on the terms and conditions set out in the Explanatory Statement.”

(iv) RESOLUTION 12 – APPROVAL TO ISSUE SECURITIES TO OAKLEY CAPITAL PARTNERS PTY LTD – CORPORATE ADVISORY SERVICES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 1,666,667 Shares (post-Consolidation basis) and 1,666,667 Options (post-Consolidation basis) to Oakley Capital Partners Pty Ltd (or its nominee/s) on the terms and conditions set out in the Explanatory Statement.”

(v) RESOLUTION 13 – APPROVAL TO ISSUE SECURITIES TO OAKLEY CAPITAL PARTNERS PTY LTD – OUT OF SCOPE SERVICES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 1,333,333 Shares (post-Consolidation basis) and 1,333,333 Options (post-Consolidation basis) to Oakley Capital Partners Pty Ltd (or its nominee/s) on the terms and conditions set out in the Explanatory Statement.”

(vi) RESOLUTION 14 – APPROVAL TO ISSUE APRIL BROKER SHARES TO OAKLEY – APRIL PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 666,666 Shares (post-Consolidation basis) to Oakley Capital Partners Pty Ltd (or its nominee/s) on the terms and conditions set out in the Explanatory Statement.”

(together, the ‘Oakley Resolutions’).

- B. Resolution 31 of the Notice seeks approval from shareholders under Listing Rule 10.11 to issue up to that number of ordinary fully paid shares, when multiplied by the issue price, will equal \$825,000 to EverBlu Capital Pty Ltd (or its nominee/s). Section 16.2 of the Notice states the following in relation to Resolution 31:

“EverBlu is controlled by Mr Adam Blumenthal. Mr Blumenthal resigned as a Director of the Company effective 10 October 2022. Although, Mr Blumenthal has not been a Director of the Company for the last six (6) months, the Company has conceded to ASX that Mr Blumenthal should fall under Listing Rule 10.11.5 to continue to deem Mr Blumenthal as a related party for the purposes of the Listing Rules. Accordingly, EverBlu falls within Listing Rule 10.11.”

(the ‘Related Party Concession’).

- C. Resolution 8 of ME1’s notice of general meeting and proxy form released on MAP on 22 December 2023 seeking approval from shareholders under Listing Rule 10.11 to issue 20,886,498 ordinary fully paid shares and 20,886,498 options to EverBlu Capital Corporate Pty Ltd (or its nominee/s). Section 4.2 of the notice of general meeting states the Related Party Concession in relation to Resolution 8.
- D. Listing Rule 19.12 which provides that the following expressions have the meanings set out below:

“related party

.....(a) in relation to a body corporate:

- (i) an entity that controls that body corporate;*

- (ii) if the body corporate is controlled by an entity that is not a body corporate, the persons making up that entity;
- (iii) directors of the body corporate or of an entity that controls the body corporate;
- (iv) spouses and de facto spouses of anyone referred to in (i) and (iii) above;
- (v) parents and children of anyone referred to in (i), (iii) and (iv) above;
- (vi) An entity controlled by anyone referred to in (i) - (v) above unless it is also controlled by the body corporate;
- (vii) Anyone who has fallen within (i) – (vi) above within the past 6 months;
- (viii) Anyone who believes or has reasonable grounds to believe that they are likely to fall within (i) – (vi) at any time in the future; and
- (ix) Anyone acting in concert with someone referred to in (i) – (viii) above....

.....(d) in relation to a person:

- (x) the person's spouse or de facto spouse;
- (xi) a parent or child of the person or of a spouse or de facto spouse of the person;
- (xii) an entity controlled by the person or anyone referred to in (i) or (ii);
- (xiii) anyone who has fallen within (i) – (iii) above within the past 6 months;
- (xiv) anyone who believes or has reasonable grounds to believe that they are likely to fall within (i) – (iii) at any time in the future; and
- (xv) a person who acts in concert with the person or anyone referred to in (i) – (v) above."

- E. Section 2.2 of ASX Guidance Note 25 – *Issues of equity securities to persons in a position of influence* which states:

"The policy that underpins Listing Rule 10.11 starts from the premise that a 10.11 party is likely to be in a position to influence whether the entity issues, or agrees to issue, equity securities to them, as well as the terms on which the issue or agreement is made. The harm it seeks to protect against is that the 10.11 party will exercise that influence to favour themselves at the expense of the entity.

To address the potential conflicts involved and to minimise the risk of this harm occurring, Listing Rule 10.11 displaces the general rule that the board of directors (or, in the case of a listed trust, the responsible entity ("RE") of the trust) is responsible for managing the business of the entity to the exclusion of its security holders and requires the issue or agreement to be approved by the holders of ordinary securities in the entity. 10.11 parties who will participate in the issue and their associates are precluded from voting on the resolution to approve it."

- F. Section 2.9 of ASX Guidance Note 25 – *Issues of equity securities to persons in a position of influence* which states:

"It is the responsibility of a listed entity to identify whether it is issuing equity securities to a 10.11 party in circumstances that require security holder approval under Listing Rule 10.11 and, if so, to seek that approval ahead of the issue being made.

This should not prove unduly onerous. First, an entity should already have arrangements in place to identify its related parties and their associates so that it can comply with Chapter 2E (or equivalent overseas legislation) and the various accounting requirements applicable to transactions with related parties. It should also be aware of the identity of substantial holders of its securities and their associates through the

substantial shareholding notices they will have given to the entity under section 671B of the Corporations Act (or equivalent overseas legislation)”

G. Section 4 of ASX Guidance Note 35 – *Security Holder Resolutions* which states:

“As a matter of general law, a notice of meeting must include such materials as will fully and fairly inform security holders of the matters to be considered at the meeting and enable them to make a properly informed judgement of those matters.”

Request for information

Having regard to the above, ASX asks ME1 to respond separately to each of the following questions and requests for information:

1. Does ME1 consider Oakley Capital Partners Pty Ltd to be a related party of Mr Adam Blumenthal?
2. If the answer to Question 1 is ‘no’, please explain the basis for this conclusion, including commenting on any associations or relationships between Mr Blumenthal and Oakley Capital Partners Pty Ltd.
3. If the answer to Question 1 is ‘yes’, please explain:
 - 3.1 why Oakley Capital Partners Pty Ltd is considered by ME1 to be related party of Mr Adam Blumenthal under the Listing Rules?
 - 3.2 why ME1 is seeking approval from shareholders to issue securities under Listing Rule 7.1 in the Oakley Resolutions, rather than under Listing Rule 10.11?
4. Please confirm whether Mr Adam Blumenthal has any other association with Oakley Capital Partners Pty Ltd which has not already been disclosed in your answer to Question 1, 2 or 3 above.
5. Please confirm whether section 606 of the *Corporations Act 2001* (Cth) applies to:
 - 5.1 the proposed issue of securities pursuant to the Oakley Resolutions; or
 - 5.2 any other security issues proposed pursuant to any other Resolutions in the Notice.
6. Does ME1’s board consider there are reasonable grounds to believe that ME1 will be able to pay its debts as and when they fall due?
7. Please confirm that ME1 is complying with the Listing Rules and, in particular, Listing Rules 3.1, 7.1, 10.11 & 12.2.
8. Please confirm that ME1’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ME1 with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **2:00 PM AWST Monday, 27 May 2024**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, ME1’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out above and may require ME1 to request a trading halt immediately if trading in ME1’s securities is not already halted or suspended.

Your response should be sent by e-mail to **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow us to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in ME1's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to ME1's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that ME1's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A. The usual course is for the correspondence to be released to the market.

Yours sincerely

ASX Compliance