

27 November 2019

Dear Shareholder

**ALEXIUM INTERNATIONAL GROUP LIMITED – pro-rata non-renounceable rights issue**

As announced on 27 November 2019, Alexium International Group Limited (ACN (064 820 408)) (**Alexium**) is undertaking capital raise comprised of:

- (a) a two (2) for five (5) pro rata non-renounceable rights issue (**Rights Issue** or **Offer**) of approximately 138,994,265 fully paid ordinary shares (**New Shares**) at an issue price of \$0.06 per New Share (**Issue Price**) to raise approximately \$8,339,656, pursuant to which the Company has lodged a prospectus for the Offer with ASIC on 27 November 2019 (**Prospectus**);
- (b) a placement to directors, management and sophisticated and professional investors of approximately 146,733,334 Shares at \$0.06 per Share to raise approximately \$8,804,000 ; and
- (c) the issue of a 6% senior secured convertible note to Colinton Capital Partners Fund I (A) Pty Ltd (ACN 620 748 718) as trustee for Colinton Capital Partners Fund I (A) Trust (**Colinton**) (or its nominee) for the principal sum of \$5,150,000,

(together, the **Capital Raising**).

The Offer is partially underwritten up to \$7,757,935 by the parties set out in the table below (**Underwriters**). Pursuant to the Underwriting Agreements, the Company has agreed to pay the Underwriters a cash underwriting fee of 5% of the total underwritten amounts.

Underwriter	Maximum underwriting commitment (\$)
Colinton Capital Partners Fund I (A) Pty Ltd as trustee for the Colinton Capital Partners Fund I (A) Trust	\$3,000,000
Wentworth Williamson Management Pty Limited	\$850,000
Viaticus Capital Pty Ltd	\$810,000
DDH Graham Limited as trustee for the Lugarno Fund	\$500,000
DS Capital Pty Ltd as trustee for the DS Capital Growth Fund	\$400,000
MNM Capital Pty Ltd as trustee for the Bright Future Trust	\$250,000
N&G TD Proprietary Limited	\$120,000
Lisa Gamble as trustee for the Papillon Super Fund	\$20,000
Princeton Enterprises Pty Ltd as trustee for the Mason Super Fund	\$150,000
Baker Young Stockbrokers Limited	\$1,657,935

As announced on 27 November 2019, funds raised under the Capital Raising are intended to be applied towards reduction of the Company's debt and working capital.

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5:00 PM on 2 December 2019, whose registered address is in Australia, New Zealand, the United Kingdom, Hong Kong and Singapore.

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

Following completion of the Offer and the Capital Raising, the Company will have issued approximately 277,060,932 Shares resulting in total Shares on issue of approximately 633,213,263.

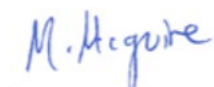
### **Ineligible shareholders**

A Shareholder who has a registered address outside of Australia, New Zealand, the United Kingdom, Hong Kong and Singapore (**Ineligible Shareholder**) will not be eligible to participate in the Offer.

You are not eligible to participate in the Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia and New Zealand compared with the small number of Ineligible Shareholders and the number and value of New Shares to which they would otherwise be entitled.

If you have any queries concerning the Rights Issue, or the action you are required to take to subscribe for New Shares, please contact your financial adviser or Maja McGuire, the Company Secretary, on +61 8 9384 3160.

Yours sincerely



**Maja McGuire**  
**Company Secretary**