

Cleansing Prospectus

18 March 2021

Cleansing Prospectus

OliveX Holdings Limited (NSX: OLX) (“OliveX” or “Company”) advises that the Company has lodged with ASIC today a cleansing prospectus in respect of a proposed offer of up to 100 Shares at an issue price of \$0.95 per Share to raise up to \$95 (before expenses) (“Cleansing Offer” or “Issue”).

The primary purpose of the Cleansing Offer is to remove any secondary trading restriction on the sale of Shares issued by the Company prior to the closing date of the Cleansing Offer.

A copy of the Cleansing Prospectus is attached.

This announcement is authorised for release by the board of OliveX Holdings Limited.

John Bell
Company Secretary

Ends

About OliveX Holdings Limited:

OliveX is a digital lifestyle company focused on the health and fitness industry. OliveX is a subscription-based business that leverages smart technology and mobile applications to deliver a unique user experience built on artificial intelligence, gamification and premium content. With users in over 170 countries OliveX enables brands, influencers and fitness coaches to engage with consumers when at home.

For more information, please visit www.olivex.ai

KARA Smart Fitness:

KARA Smart Fitness is OliveX’s recently launched flagship digital app that delivers premium, on demand and live, health and fitness related content and classes from celebrity trainers and wellness influencers across the globe. The app complements the KARA Mirror, the complete hardware and software solution, harnessing artificial intelligence technology for at-home fitness.

For more information, please visit www.karasmartfitness.com



OliveX Holdings Limited
ACN 631 675 986

Prospectus

For the offer by the Company of 100 Shares at an issue price of \$0.95 each to remove trading restrictions on Shares issued on or before the Closing Date (**Offer**).

Important: This Prospectus is a transaction specific prospectus issued in accordance with section 713 of the Corporations Act. This is an important document that should be read in its entirety. If you are in any doubt or have any questions about this document, you should promptly consult your stockbroker, accountant or other professional adviser.

Contents

Important Information	3
Key Information	5
1 Offer Details	6
2 Offer Effects	11
3 Risk Factors	13
4 Additional Information	21
5 Definitions	29
Corporate Directory	31

Important Information

General

This Prospectus is issued by OliveX Holdings Limited ACN 631 675 986 (**Company**).

The Prospectus is dated 18 March 2021, and a copy of this Prospectus was lodged with ASIC on that date. Neither ASIC or NSX take responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is a transaction-specific prospectus for offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act.

Application will be made for listing of the Shares offered by this Prospectus to the NSX.

The fact that the NSX may list the securities of the Company is not to be taken in any way as an indication of the merits of the Company or the listed securities.

The NSX takes no responsibility for the contents of this document, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon any part of the contents of this document.

No securities will be issued under this Prospectus later than 13 months after the date of this Prospectus.

The Offer will only be extended to specific persons as set out in section 1.1.1. Before applying for securities, investors should carefully read this Prospectus so that they can make an informed assessment of the rights and liabilities attaching to the securities offered, and the assets, liabilities, financial position, financial performance, profits, losses and prospects of the Company.

Any investment in the Company should be considered highly speculative. Investors who are in any doubt or have any questions about this document should promptly consult their stockbroker, accountant or other professional adviser before deciding to apply for securities under the Offer.

No person is authorised to give any information or to make any representation in relation to the Offer which is not contained in this Prospectus. Any such information or representations may not be relied upon as having been authorised by the Company or its Directors.

Prospectus availability

The Corporations Act allows distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

A copy of this Prospectus can be downloaded from the Company's website at www.olivex.ai. There is no facility for online applications. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company on +61 8 9426 0666.

Risk factors

Before deciding to invest in the Company, investors should read the entire Prospectus and in particular, in considering the prospects of the Company, investors should consider the risk factors that could affect the financial performance and assets of the Company. Investors should carefully consider these factors in light of their personal circumstances (including financial and tax issues). See section 3 for further information.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and NSX (including NSX's website at www.nsx.com.au). The contents of any website or ASIC or NSX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offer. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to NSX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision on whether or not to invest in the Company or its securities.

Financial amounts

All references in this Prospectus to "\$", "A\$", "AUD", "dollars" or "cents" are references to Australian currency unless otherwise stated.

Any discrepancies between the totals and sums of components in tables contained in this Prospectus are due to rounding.

Definitions and time

A number of terms and abbreviations used in this Prospectus have defined meanings which are set out in section 5.

All references to time relate to the time in Perth, Western Australia unless otherwise stated or implied.

Governing law

This Prospectus and the contracts that arise from the acceptance of the applications under this Prospectus are governed by the law applicable in Western Australia and each applicant submits to the exclusive jurisdiction of the courts of Western Australia.

Key Information

Key financial information	Amount
Shares offered under the Offer	100
Issue price of Shares under the Offer	\$0.95

Note: See section 2.1 for further information on the capital structure of the Company.

Key Dates	Date
Lodgement of this Prospectus with ASIC	18 March 2021
Opening Date	18 March 2021
Closing Date	25 March 2021

Note: The above timetable is indicative only. The Company reserves the right, subject to the Corporations Act, the Listing Rules and other applicable laws, to vary the dates, including by extending the Closing Date of an Offer or accepting late acceptances, either generally or in particular cases, without notice.

1 Offer Details

1.1 The Offer

1.1.1 Overview

Under the Offer, the Company is offering 100 Shares at an issue price of \$0.95 each to remove trading restrictions on Shares issued before the Closing Date.

The Offer will only be extended to persons who are directly invited by the Company. An Application Form will only be provided to these persons, together with a copy of this Prospectus.

1.1.2 Purpose

The primary purpose of this Prospectus is to remove any trading restrictions that:

- attach to the following Shares that were issued prior to the date of this Prospectus (**Relevant Shares**):

Number	Issue price	Issue Date	Purpose of the issue
629,723	\$0.20	15 February 2021	Issued to a Director in lieu of payment for services provided as approved in the Annual General Meeting on 26 November 2020.
372,625	\$0.20	15 February 2021	Issued to service providers in lieu of payment as approved in the Annual General Meeting on 26 November 2020.
5,769	\$0.52	15 February 2021	Issued to service providers in lieu of payment for services provided as approved in the Annual General Meeting on 26 November 2020.
1,008,117			

- attach to any other Shares issued prior to the Closing Date.

Accordingly, the Company is seeking to raise only a nominal amount under this Prospectus as the purpose of this Prospectus is not to raise capital. The total expenses of the Offer, as estimated in section 4.9, will be paid out of the Company's existing cash reserves.

The Company is lodging this Prospectus under section 708A(11) of the Corporations Act to cleanse Shares issued on or before the Closing Date so that subsequent trading is not subject to secondary trading restrictions under the Corporations Act.

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to offer those securities for sale within 12 months of their issue.

The Corporations Act provides an exception to section 707(3) where an entity issues a cleansing notice under section 708A(5) of the Corporations Act. The Company has not been suspended from trading on the NSX for more than 5 days during the period during which its Shares have been quoted on the NSX, however, the Company failed to issue a cleansing notice in accordance with section 708A(5) of the Corporations Act prior to the issue of the Relevant Shares. Therefore the Company is lodging this cleaning prospectus in accordance with section 708(11) of the Corporations Act.

Relevantly, section 708A(11)(b) provides that a sale offer does not need disclosure to investors if:

- the relevant securities are in a class of securities of the company that are already quoted on the NSX;

- a prospectus is lodged with ASIC either:
 - on or after the day on which the relevant securities were issued; or
 - before the day on which the relevant securities are issued and Offer of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- the prospectus is for the offer of securities issued by the company that are in the same class of securities as the relevant securities.

1.2 Offer period

The Offer will open on the Opening Date and close on the Closing Date.

1.3 Applications

1.3.1 Application monies

No application monies are payable under the Offer.

1.3.2 Application Forms

An application under an Offer may only be made by an eligible person using an Application Form. A completed Application Form must be sent to the Company by:

- post or delivery to 283 Rokeby Road, Subiaco WA 6008; or
- email to investor@olivex.ai,

so that it is received before the Closing Date.

The Company may accept or reject an application under an Offer in its absolute discretion. The Company's decision as to whether to treat an application as valid and how to construe, amend or complete an Application Form is final.

1.3.3 Investor representations

Sending an Application Form to the Company or otherwise applying for securities under an Offer will be taken by the Company to constitute a representation by the investor that it (as applicable):

- has received a printed or electronic copy of this Prospectus accompanying the Application Form and has read it in full;
- agrees to be bound by the terms of this Prospectus and the Constitution;
- has obtained all necessary approvals and complied with all relevant laws and regulations for the purposes of section 1.6 (to the extent that they are applicable) and confirms its eligibility in respect of the offer of securities under the Offer;
- declares that all details and statements in the Application Form are complete and accurate;
- declares that it is over 18 years of age and has full legal capacity and power to perform all of its rights and obligations under the Application Form;
- acknowledges that its application may not be withdrawn once received by the Company;
- agrees to being issued the number of new securities that it applies for (or such other number issued in accordance with this Prospectus);

- authorises the Company to register it as the holder of the securities issued to it under the Offer;
- acknowledges that the information contained in this Prospectus is not investment advice or a recommendation that the securities are suitable for it, given its investment objectives, financial situation or particular needs; and
- authorises the Company and its officers or agents to do anything on its behalf necessary for the securities to be issued to it, including correcting any errors in the Application Form or other form sent by it and acting on instructions received by the Share Registry using the contact details in the Application Form.

1.4 Excluded information

In accordance with section 713(5) of the Corporations Act, information must be included in this Prospectus if the information:

- has been excluded from a continuous disclosure notice in accordance with the Listing Rules;
- is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - the assets and liabilities, financial position and performance, profits and losses and prospects of the body; and
 - the rights and liabilities attaching to the securities being offered; and
- would reasonably expect to find in this Prospectus.

1.5 Shares

The Shares offered under the Offer will rank equally with the Shares on issue at the date of this Prospectus. The rights and liabilities attaching to Shares are set out in section 4.4.

1.6 Foreign investor restrictions

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or to extend such an invitation. No action has been taken to register this Prospectus or otherwise to permit the offering of securities in any jurisdiction outside Australia.

It is the responsibility of non-Australian resident investors to obtain all necessary approvals and comply with all relevant laws and regulations for the issue to them of securities offered under this Prospectus. The return of an Application Form will constitute a representation and warranty that there has been no breach of such laws and regulations.

1.7 Minimum subscription

The Offer has no minimum subscriptions.

1.8 Oversubscriptions

No oversubscriptions will be accepted by the Company.

1.9 Capital raising fees

No capital raising fees are payable by the Company in relation to the Offer.

1.10 NSX Quotation

The Company will apply to NSX within 7 days after the date of this Prospectus for quotation of the Shares offered under this Prospectus. If approval for quotation of the Shares is not granted within 3 months after the date of this Prospectus, the Company will not issue any Shares and will repay all Application Monies without interest as soon as practicable.

1.11 Issue date

Any issue of securities under this Prospectus will occur on or about the Closing Date. Following this, holding statements will be sent to investors. It is the responsibility of investors to determine their allocation prior to trading in the securities. Investors who sell their securities before they receive their holding statement will do so at their own risk.

1.12 CHESS and issuer sponsorship

NSX has established a transfer service agreement which recognises NSX as an Australian market operator pursuant to the ASX Settlement and Operating Rules and allows NSX to be a recipient of the transfer service provided by ASX.

The Company will apply to participate in the Clearing House Electronic Subregister System (**CHESS**), operated by ASX Settlement (a wholly owned subsidiary of ASX), in accordance with the ASX Settlement Operating Rules. On admission to CHESS, the Company will operate an electronic issuer-sponsored subregister and an electronic CHESS subregister. These 2 subregisters together will make up the Company's principal register of securities.

Under CHESS, the Company will not issue certificates to Shareholders. Instead, Shareholders will receive holding statements that set out the number of Shares each Shareholder owns. If a Shareholder is broker-sponsored, ASX Settlement will send the shareholder a CHESS statement. This statement will also advise investors of either their Holder Identification Number (HIN) in the case of a holding on the CHESS sub-register or Security Holder Reference Number (SRN) in the case of a holding on the issuer-sponsored sub-register.

A CHESS statement or issuer-sponsored statement will routinely be sent to Shareholders at the end of every calendar month during which the balance of their holding changes. A Shareholder may request a statement at any other time; however a charge may be imposed for additional statements.

1.13 Privacy

Persons who apply for securities under this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for securities, to provide facilities and services to security holders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to NSX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for securities will not be processed.

In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained by that Shareholder through contacting the Company or the Share Registry.

1.14 Tax

It is the responsibility of all investors to satisfy themselves of the particular tax treatment that applies to them in relation to the Offer, by consulting their own professional tax advisers. Neither Company or its Directors accept any liability or responsibility in respect of any tax consequences to an investor relating to this Prospectus.

1.15 Enquiries

Enquiries relating to this Prospectus can be directed to the Company by telephone on +61 8 9426 0666.

2 Offer Effects

2.1 Capital structure

The capital structure of the Company at the date of this Prospectus, and its anticipated capital structure upon completion of the Offer, is set out below.

Security	Number
Existing Shares	44,209,780
Shares issued under the Offer	100
Total Shares	44,209,880
Options ¹	7,110,200
Performance Rights ²	30,000,000
Fully diluted Share capital³	81,320,080

Notes:

- 1 This figure is comprised of the following unquoted Options:
 - 50,200 Options exercisable at \$0.20 each on or before the date that is 36 months after the date of issue; and
 - 3,800,000 Options exercisable at \$0.20 each on or before the date that is 36 months after the date of issue;
 - 50,000 Options exercisable at \$0.20 each on or before the date that is 36 months after the date of issue;
 - 1,090,000 Options exercisable at \$0.20 each on or before the date that is 36 months after the date of issue, subject to the Company being admitted to the Official List;
 - 1,060,000 Options exercisable at \$0.20 each on or before the date that is 36 months after the date of issue, subject to the Company being admitted to the Official List for at least 12 months; and
 - 1,060,000 Options exercisable at \$0.20 each on or before the date that is 36 months after the date of issue, subject to the Company being admitted to the Official List for at least 24 months.
- 2 The Performance Rights are unquoted and comprise the following:
 - 10,000,000 Class A Performance Rights that each convert into one Share upon the Company achieving a VWAP of at least \$0.40 over a period of 20 trading days;
 - 10,000,000 Class A Performance Rights that each convert into one Share upon the Company achieving a VWAP of at least \$0.50 over a period of 20 trading days; and
 - 10,000,000 Class A Performance Rights that each convert into one Share upon the Company achieving a VWAP of at least \$0.60 over a period of 20 trading days.
- 3 This figure does not include any Shares or other securities that are issued after the date of this Prospectus and are not part of the Offer.

2.2 Use of Funds

No funds will be raised as a result of the Offer.

2.3 Control

The Offer is not anticipated to have a material impact on control (as defined by section 50AA of the Corporations Act) of the Company. No new investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offer.

2.4 Cash reserves

After paying expenses of the Offer of approximately \$10,000 (exclusive of GST), there will be no net proceeds from the Offer. The expenses of the Offer will be met from the Company's existing cash reserves.

2.5 Financial position

After paying for the expenses of the Offer of approximately \$10,000, there will be no proceeds from the Offer. The expenses of the Offer will be met from the Company's existing cash reserves. The Offer will have an effect on the Company's financial position, being receipt of funds of up to \$95 less expenses of the Offer of approximately \$10,000.

3 Risk Factors

3.1 Overview

Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entities have implemented appropriate strategies, actions, systems and safeguards for known risks, however, some are outside its control.

The Company considers that the matters summarised in this section 3, which is not exhaustive, represent some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Investors should carefully consider the following factors in addition to the other information presented in this Prospectus.

3.2 Specific risks

3.2.1 Early stage business

The Company's business operations are at an early stage, and the commercialisation of the KARA Mirror and KARA Smart Fitness app have not yet been proven at any scale. The Company's success will depend on the Company's ability to implement its business plans, the ability to commercialise the Company's products and the ability of the Company to successfully implement its R&D plans. The Company has historically had financial losses due to the early nature of its business. If the Company's plans do not succeed, or if other material risks come to pass, then the Company's performance and Share price are likely to be adversely affected, and the Company may not be able to achieve profitability.

3.2.2 Market Risk

OliveX's products and services may be considered discretionary items for consumers. Factors affecting the level of consumer spending for such discretionary items include general economic conditions, and other factors, such as consumer confidence in future economic conditions, fears of recession, the availability and cost of consumer credit, levels of unemployment, and tax rates.

In recent times, significant economic markets have experienced cyclical downturns and worldwide economic conditions remain uncertain. As global economic conditions continue to be volatile or economic uncertainty remains, trends in consumer discretionary spending also remain unpredictable and subject to reductions.

To date, OliveX's business has operated almost exclusively in a relatively strong economic environment and, therefore, we cannot be sure the extent to which we may be affected by recessionary conditions. Unfavourable economic conditions may lead consumers to delay or reduce purchases of OliveX's products and services and consumer demand for our products and services may not grow as we expect. OliveX's sensitivity to economic cycles and any related fluctuation in consumer demand for our products and services could have an adverse effect on our business, financial condition, and operating results.

The digital fitness and wellness market is relatively new, rapidly growing, largely unproven, and it is uncertain whether it will sustain high levels of demand and achieve wide market acceptance. OliveX's success depends substantially on the willingness of consumers to widely adopt the Company's products and services. To be successful, the Company will have to educate consumers about its products and services through significant investment, and provide quality content that is superior to the content and experiences provided by its competitors.

Additionally, the fitness and wellness market at large is heavily saturated, and the demand for and market acceptance of new products and services in the market is uncertain. It is difficult to predict the future growth rates, if any, and size of OliveX's market. OliveX cannot be assured that this market will develop, that the public's interest in digital fitness and wellness will continue, or that

OliveX's products and services will be widely adopted. If OliveX's market does not develop, develops more slowly than expected, or becomes saturated with competitors, or if our products and services do not achieve market acceptance, OliveX's business, financial condition and operating results could be adversely affected.

3.2.3 Changes in Technology

The Company's success will depend, in part, on its ability to expand its products and grow its business in response to changing technologies, user and third-party service provider's demands and competitive pressures. Failure to do so may impact the success of the Company. Further, the cost of responding to changing technologies is unpredictable and may impact the Company's profitability or, if such cost is prohibitive, may reduce the Company's capacity to expand or maintain its business.

If OliveX fails to deliver the best workout experience through its combination of hardware, content and music then it may lose market share to competitors. There may also be significant advances in technology that will allow competitors to leapfrog the Company in terms of A.I. technology and provide a better immersive experience.

The Company relies on app stores for discovery of its products. If Apple or Google decide to launch their own competing fitness products and reduce the discoverability of competitor fitness apps or increase the fees they charge to host the Company's applications, this could significantly impact OliveX's business.

In so far as possible the Company uses open source software in its products and services and anticipates using open source software in the future. Some open source software licenses require those who distribute open source software as part of their own software product to publicly disclose all or part of the source code to such software product or to make available any derivative works of the open source code on unfavourable terms or at no cost.

The terms of many open source licenses to which OliveX is subject have not been interpreted by Australian or foreign courts, and there is a risk that open source software licenses could be construed in a manner that imposes unanticipated conditions or restrictions on the Company's ability to provide or distribute its products or services. Additionally, the Company could face claims from third parties claiming ownership of, or demanding release of, the open source software or derivative works that OliveX developed using such software, which could include proprietary source code, or otherwise seeking to enforce the terms of the applicable open source license. These claims could result in litigation and could require the Company to make its software source code freely available, purchase a costly license, or cease offering the implicated products or services unless and until OliveX can re-engineer them to avoid infringement. This re-engineering process could require the Company to expend significant additional research and development resources, and we cannot guarantee that this will be successful.

3.2.4 Reliance on Third Party Providers

OliveX's health and wellness apps are available through the Apple App Store and Google Play Store platforms (and other platforms), meaning that any change in the practices or provision of these platforms could have an adverse effect on the prospects and financial performance of the Company. There is also the risk that these platforms may suffer technical problems which could impact their ability to provide OliveX's services to users and affect the performance of the Company. OliveX can also give no guarantee that Apple and Google (or other platform providers) will continue to allow OliveX's games to be made available through their respective platforms. Any restriction on OliveX's ability to distribute its games via these platforms would likely have a materially detrimental effect on the Company's business.

OliveX's technology is highly tied to the technologies provided by Apple and Google. There is a risk that a new breakthrough technology developed by another company may make it difficult and costly to modify and switch the Company's whole platform.

New technologies in software may also require new skills from OliveX's engineers. If the Company's existing engineers fail to learn the new technologies fast enough and if OliveX fails to recruit talent

that can use the new technology, then the Company will be unable to keep up with technological changes.

OliveX's current product line includes a hardware product and mobile apps. If future technology trends are more web based or move into other technologies such as voice, virtual reality and augmented reality, then the Company will need to add or move its existing resources to develop for those markets.

The Company has outsourced its cloud infrastructure to third-party providers, and currently uses these providers to host and stream its services and content. OliveX is therefore vulnerable to service interruptions experienced by these providers and may experience interruptions, delays, or outages in service availability in the future due to a variety of factors, including infrastructure changes, human, hardware or software errors, hosting disruptions, and capacity constraints. Outages and capacity constraints could arise from a number of causes such as technical failures, natural disasters, fraud, or security attacks.

The level of service provided by these providers, or regular or prolonged interruptions in that service, could also affect the use of, and subscribers' satisfaction with, OliveX's products and services and could harm the Company's business and reputation. In addition, hosting costs will increase as subscriber numbers and engagement grows, which could harm our business if we are unable to grow revenue faster than the cost of using these services or the services of similar providers.

Furthermore, OliveX's providers have broad discretion to change and interpret the terms of service and other policies with respect to the Company, and those actions may be unfavourable to its business operations. These providers may also take actions beyond OliveX's control that could seriously harm its business, including discontinuing or limiting access to one or more services, increasing pricing terms, terminating or seeking to terminate contractual arrangements altogether, or altering how OliveX is able to process data in a way that is unfavourable or costly.

Although the Company expects that it could obtain similar services from other third parties, if OliveX's arrangements with its current providers were terminated, it could experience interruptions on its platform and in the Company's ability to make its content available to subscribers, as well as delays and additional expenses in arranging for alternative cloud infrastructure services.

Any of these factors could reduce OliveX's revenue, subject the Company to liability, and cause subscribers to decline to renew their subscriptions, any of which could have an adverse effect on our business, financial condition, and operating results.

3.2.5 Supply of Hardware

OliveX currently sources its KARA Mirror's from Viewdex. Viewdex is the exclusive Hong Kong distributor of Owatis Group, a Chinese based manufacturer of the Kara Mirror. Currently, OliveX orders Kara Mirror's from Viewdex through issuing separate purchase orders. As announced on 20 January 2021, the Company has signed a binding MOU with HKBN pursuant to which HKBN has committed to purchasing a minimum of 1,000 Kara Mirrors for HKBN's Hong Kong based customers (**MOU**). Since executing the MOU, the Company and Viewdex are in the process of negotiating and finalising a formal supply agreement with respect to the Kara Mirror which will formalise the price at which the Company purchases its Kara Mirror's and will help mitigate the risk of any unforeseen price rises in the manufacture of the Kara Mirror from Owatis Group. Further, the Company remains in open discussions with various other potential manufacturers of the Kara Mirror.

OliveX can give no guarantee that any of these third parties will continue to produce the KARA Mirror on terms that are favourable to OliveX. Any future increases in the cost of manufacturing the KARA Mirror or in the event any third party manufacturer refuses to renew any agreement with the Company may result in OliveX being unable to supply its KARA Mirror for a period of time or have an adverse effect on our business, financial condition, and operating results. However, as mentioned above, in order to mitigate the risk, OliveX is in the process of negotiating a long term supply agreement with Viewdex, a Hong Kong based distributor of the KARA Mirror, and has invested US\$100,000 into ActiMirror, an alternative supplier of the KARA Mirror.

3.2.6 Rights to Music

Music is an important element of the overall content that OliveX makes available to subscribers. To secure the rights to use music in our content, we will need to enter into agreements to obtain licenses from rights holders such as record labels, music publishers, performing rights organisations, collecting societies, artists, and other copyright owners or their agents. We will need to pay royalties to such parties or their agents around the world.

The process of obtaining and administering these licenses involves identifying and negotiating with many rights holders, some of whom are unknown or difficult to identify, and implicates a myriad of complex and evolving legal issues across many jurisdictions, including open questions of law as to when and whether particular licenses are needed. Rights holders also may attempt to take advantage of their market power to seek onerous financial terms from us. OliveX's relationship with certain rights holders may deteriorate. Artists and/or artist groups may object and may exert public or private pressure on rights holders to discontinue or to modify license terms. Further, individual copyrights to content used by OliveX can change ownership during the term, without OliveX's prior knowledge.

Additionally, there is a risk that aspiring rights holders, their agents, or legislative or regulatory bodies will create or attempt to create new rights that could require us to enter into new license agreements with, and pay royalties to, newly defined groups of rights holders, some of which may be difficult or impossible to identify.

With respect to musical compositions, in addition to obtaining publishing rights, we generally need to obtain separate synchronisation rights when linking content to fitness classes as well. These synchronisation licenses are generally very difficult and costly to obtain and are typically negotiated on a limited basis (i.e. a small number of tracks at a time).

To mitigate these risks, OliveX has entered into direct licenses arrangement with rights holders that own and warrant all rights (sound recording, publishing and synchronisation) to individual tracks and public performance rights for the benefit of our customers. OliveX have the right to use this content globally in our service and in the promotion of our service through our website, social media and platforms like YouTube. By ensuring our teams only use this content in our content recordings, we seek to minimise any copyright risks now and in the future.

Although we have taken significant steps to ensure content used in our service is always covered by these direct licenses, we cannot guarantee that on rare occasions, some content outside of these licenses may be used where we don't currently hold, or will always hold, every necessary right, and we cannot be assured that we are not infringing or violating any third-party intellectual property rights, or that we will not do so in the future.

These challenges, albeit low risk, and others concerning the licensing of music on our platform, may subject the Company to significant liability for copyright infringement, breach of contract, or other claims.

The Company confirms that, as at the date of this Prospectus, it has secured the requisite licences for all music contained within its currently published workout video library.

3.2.7 Data loss, theft and corruption

OliveX stores data in its own systems and networks and also with a variety of third-party service providers. Exploitation or hacking of any of these systems or networks could lead to corruption, theft or loss of OliveX's data which could have a material adverse effect on OliveX's business, financial condition and results. Further, if OliveX's systems, networks or apps are subject to any type of 'cyber' crime, its platform may be perceived as unsecure which may lead to a decrease in the number of users.

3.2.8 Future capital needs

Additional funding may be required by the Company to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or

other business opportunities, and to meet any unanticipated liabilities or expenses which it may incur. Any need to raise further capital for operational matters will depend on the Company's operations and resultant level of revenue.

The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including the operations of the Company, stock market and industry conditions, relevant commodity prices and exchange rates.

Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. There is no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its business. Further, if adequate funds are not available on acceptable terms, it may impact the ability of the Company to continue as a going concern.

3.2.9 Coronavirus (COVID-19)

Global economic outlook is facing uncertainty due to the current COVID-19 pandemic, which has had and may continue to have a significant impact on capital markets and share prices. There is a risk that this uncertainty may continue for the foreseeable future, which could interrupt the Company's operations, impair deployment of its products to users and prevent users and suppliers from honouring their contractual obligations.

COVID-19 is likely to inhibit the installation and maintenance of Company's hardware based products, such as the KARA Mirror, as well as cause disruptions to supply chains, delays in sourcing component parts and have potentially detrimental effects on the demand for the Company's products.

The Company sources parts, components and hardware for its KARA Mirror from third party suppliers. The degree to which the fully extended supply chain has been impacted may not be fully known until the time orders are placed. The Company has attempted to mitigate these risks through developing relationships with various suppliers of the KARA Mirror, being Viewdex and ActiMirror. The Company has also created a work-from-home procedure to manage business continuity risks during COVID-19.

3.2.10 Insurance risk

Investors should note that the Company currently has no insurance policies in place in respect of its business or assets other than product liability insurance in the name of OliveX HK. The Company intends to insure its operations in accordance with industry practice in due course. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

3.2.11 Retention of key personnel

OliveX's success depends on retaining its key management personnel, and attracting suitably qualified, new personnel. OliveX intends to establish an incentive plan in the form of employee share options aimed at assisting the recruitment and retention of personnel. Despite these measures, there is no guarantee that OliveX will be able to attract and retain suitably qualified management and technical personnel.

A failure to attract and retain suitably qualified personnel could materially and adversely affect the Company, its operating results and financial prospects.

3.2.12 Content creation

OliveX relies on Coaches to produce its content. If these Coaches choose to work with other platforms instead of ours, then the Company risks losing the ability to create new and/or premium content that is expected by our subscribers.

OliveX's strategy is to deliver content is localised to each country. If we fail to recruit creative and high-quality Coaches in each country speaking their native language, we may not be able to deliver the expected consumer experience.

A failure to continue to produce quality content and/or the ability to develop and maintain relationship with Coaches may have an adverse impact on the Company, its operating results and financial prospects.

3.2.13 Foreign Exchange Rate and Currency Risk

OliveX's financial statements are presented in AU dollars, however OliveX's expected sales are from various international markets. As a result, OliveX's revenues may be highly sensitive to fluctuations in exchange rates. As OliveX's business is proposed to operate in several jurisdictions, costs and expenses incurred in a foreign country will be in the foreign country's denomination. Accordingly, there might be a loss incurred when the foreign currency is converted into AU dollars. As OliveX does not have hedging arrangements in place, foreign exchange rate movements could adversely impact its business, financial performance and operations.

3.2.14 Intellectual Property

OliveX has not applied for any patents over its technology, nor does OliveX have any patent protection over its technology. Even if OliveX applies for and is granted patents in the future, there can be no assurance that they will deter or prevent competing products from being marketed. Further, such patents could be partially or wholly invalidated at any time in the future, leaving OliveX without intellectual property protection. Likewise, there is a risk that patents held by others will prevent OliveX from selling its own products or will require OliveX to pay license fees on such other patents.

OliveX intends to apply for registration of the trademarks "OliveX" and other trade names in certain territories but has not done so yet.

OliveX has know-how, trade secrets and other intellectual property that are important assets. OliveX relies on a combination of confidentiality and license agreements with its consultants, employees and third parties with whom it has relationships, as well as trademarks, domain names and copyright, to protect its brand and other intellectual property rights.

If OliveX fails to adequately protect its intellectual property rights, competitors may gain access to its intellectual property, which would in turn harm its business.

OliveX may be required to incur significant expenses in monitoring and protecting its intellectual property rights. OliveX may initiate or otherwise be involved in litigation against third parties for infringement or to establish the validity of its rights. Any litigation, whether or not it is successful, could result in significant expense to OliveX and cause a distraction to management. In addition, unauthorised use of OliveX's brand or intellectual property by third parties may not only result in potential revenue loss, but also have an adverse impact on OliveX's brand value and the market perception of the quality of its products.

3.3 General risks

3.3.1 Economic

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's research, development and production activities, as well as on its ability to fund those activities.

3.3.2 Market conditions

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital;
- fear of global pandemics; and
- terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resources stocks in particular. Neither the Company or its Directors warrant the future performance of the Company or any return on an investment in the Company.

3.3.3 Dividends

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

3.3.4 Unforeseen expenditure

Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

3.3.5 General economic climate

Factors such as inflation, currency fluctuation, interest rates and supply and demand have an impact on operating costs, and stock market prices. The Company's future revenues and security price may be affected by these factors, which are beyond the Company's control.

3.3.6 Global credit and investment market

Global credit, commodity and investment markets have recently experienced a high degree of uncertainty and volatility. The factors which have led to this situation have been outside the control of the Company and may continue for some time resulting in continued volatility and uncertainty in world stock markets (including the NSX). This may impact the price at which the Company's Shares trade regardless of operating performance, and affect the Company's ability to raise additional equity and/or debt to achieve its objectives, if required.

3.3.7 Force majeure

Events may occur within or outside the markets in which the Company operates that could impact upon the global and Australian economies, the operations of the Company and the market price of its securities. These events include global pandemics (including COVID-19), acts of terrorism, outbreaks of international hostilities, fires, pandemics, floods, earthquakes, labour strikes, civil wars,

natural disasters, outbreaks of disease, and other man-made or natural events or occurrences that can have an adverse effect on the demand for the Company's services and its ability to conduct business. Given the Company has only a limited ability to insure against some of these risks, its business, financial performance and operations may be materially adversely affected if any of the events described above occurs.

3.3.8 Tax

The acquisition and disposal of securities may have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors of the Company are urged to obtain independent financial advice about the consequences of acquiring securities in the Company from a taxation point of view and generally.

3.3.9 Speculative investment

The above list of risk factors should not be taken as exhaustive of the risks faced by the Company or by investors in the Company. Investors should consider an investment in the Company as highly speculative and should consult their professional advisors before deciding whether to participate in an Offer. The securities offered under this Prospectus carry no guarantee with respect to the payment of dividends, return of capital or their market value.

3.3.10 Other Risks

This list of risk factors above is not an exhaustive list of the risks faced by OliveX or by investors in the Company. The risk factors described in this section as well as risk factors not specifically referred to above may in the future materially affect the financial performance of the Company and the value of its Shares. Therefore, the Securities offered under this Prospectus carry no guarantee with respect to the payment of dividends, return of capital or their market value.

4 Additional Information

4.1 Continuous disclosure

Being admitted to the official list of NSX, the Company is a disclosing entity for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

Price sensitive information is publicly released through NSX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to NSX. In addition, the Company posts information on its website after the NSX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

Investors are encouraged to check and monitor any further announcements made by the Company to NSX prior to securities being issued under the Offer. To do so, please refer to the Company's NSX announcements platform via www.nsx.com.au.

4.2 Transaction-specific prospectus

Under section 713 of the Corporations Act, the Company is entitled to issue a transaction-specific prospectus in respect of the Offer.

In general terms, a transaction-specific prospectus is only required to contain information in relation to the effect of the issue of securities on the Company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position and performance, profits and losses or prospects of the issuing company.

As a disclosing entity under the Corporations Act, the Company states that:

- it is subject to regular reporting and disclosure obligations;
- copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC; and
- it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - the annual financial report of the Company for the financial year ended 30 June 2020;
 - any half-year financial report of the Company lodged with ASIC after the lodgement of the annual financial report referred to above and before the lodgement of this Prospectus with ASIC; and
 - all continuous disclosure notices given by the Company after the lodgement of the annual financial report referred to above and before the lodgement of this Prospectus with ASIC (see below).

Other than as set out in this Prospectus, there is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules that investors or their professional advisers:

- would reasonably require for the purpose of making an informed assessment of:

- the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
- the rights and liabilities attaching to the securities the subject of this Prospectus; and
- would reasonably expect to find in this Prospectus.

This Prospectus contains information specific to the Offer. If investors require further information in relation to the Company, they are encouraged to take advantage of the opportunity to inspect or obtain copies of the documents referred to above.

The following announcements have been lodged with NSX by the Company since the Company lodged its annual financial report for the financial year ended 31 December 2020 on 30 September 2020.

Date	Announcement
16 March 2021	NSX Half Yearly Report - Half Yearly Report - 31 December 2020
10 March 2021	NSX Investor/Analyst Briefing - Acquisition of Six to Start - Investor Presentation
5 March 2021	NSX Issued Capital Other - Release of Securities from Escrow
5 March 2021	NSX Reinstatement to Official Quotation - Removal of Trading Halt - Commencement of Trading at 10am, Friday 5th of March 2021
5 March 2021	NSX Media Release - OliveX Acquires Leading Gamified Fitness Company
3 March 2021	NSX Trading Halt - Request for Trading Halt
26 February 2021	NSX Section 205G Notice Change in Director's Interests - Notice of Change in Director's Interest - Yat Siu
26 February 2021	NSX Issued Capital Other - Issue of Shares and Cleansing Statement
26 February 2021	NSX Issued Capital Other - Application for Quotation of Additional Securities
16 February 2021	NSX Section 205G Notice Change in Director's Interests - Notice of Change in Director's Interest - Sonny Vu
16 February 2021	NSX Issued Capital Other - Issue of Shares and Cleansing Statement
16 February 2021	NSX Issued Capital Other - Application for Quotation of Additional Securities
29 January 2021	NSX Media Release - Update to Gym Aesthetics Strategic Investment
20 January 2021	NSX Media Release - Agreement Signed with Hong Kong Broadband Network
7 January 2021	NSX Issued Capital Other - Issue of Shares and Cleansing Statement
7 January 2021	NSX Issued Capital Other - Application for Quotation of Additional Securities
7 January 2021	NSX Media Release - Verimatrix Selected to Secure Apps and Mirror

Date	Announcement
4 January 2021	NSX Issued Capital Other - Strategic Investment Received
29 December 2020	NSX Joint Venture Notice - OliveX Share placement and intention for Joint Venture
4 December 2020	NSX Asset Acquisition - Acquisition of Volution Investor Presentation
4 December 2020	NSX Asset Acquisition - Completion of Volution Asset Acquisition
2 December 2020	NSX Trading Halt Status - Removal of Trading Halt
2 December 2020	NSX Asset Acquisition - Acquisition of UK based Volution to accelerate growth
30 November 2020	NSX Trading Halt - Request for Trading Halt
27 November 2020	NSX Results of Meeting - Results of 2020 AGM
26 November 2020	NSX Media Release - Reseller Agreement Secured with HKTV
24 November 2020	NSX Media Release - Reseller Agreement Secured with Fortress
6 November 2020	NSX Nominated Adviser's Declaration - Annual Nominated Adviser Statement for 2020 - 2021 - AGH Law
23 October 2020	NSX Notice of Annual General Meeting - Notice of Annual General Meeting & Proxy Form
14 October 2020	NSX Director's Declaration & Undertaking - Director's Declaration - Sonny Vu
1 October 2020	NSX Section 205G Notice Initial/Final Director's Interests - Initial Director's Interest - Sonny Vu
1 October 2020	NSX Director Appointment/Resignation - Sonny Vu
30 September 2020	NSX Annual Report - Annual Report 2020
30 September 2020	NSX Annual Report - Annual Report 2020

4.3 Market price of Shares

The highest and lowest closing prices of Shares on the NSX during the 3 months before the date of this Prospectus, and the closing price on the trading day before the date of this Prospectus, are set out below.

Shares	Price	Date
High	\$1.00	15 March 2021
Low	\$0.45	17 December 2020
Last	\$0.95	17 March 2021

4.4 Rights attaching to Shares

4.4.1 Overview

A summary of the rights and liabilities attaching to Shares is set out below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to the Shares in any specific circumstances, the Shareholder should seek legal advice.

4.4.2 Ranking of Shares

At the date of this Prospectus, all shares are of the same class and rank equally in all respects. Shares issued pursuant to this Prospectus will rank equally with existing Shares.

4.4.3 Voting

Subject to any special rights or restrictions (at present there are none), at any meeting each member present in person or by proxy has one vote on a show of hands, and on a poll has one vote for each share held.

4.4.4 Dividends

Subject to any rights or restrictions attached to a class of Shares, the Company may pay Dividends as the Directors resolve but only out of profits of the Company.

4.4.5 Winding up

If the Company is wound up, the liquidator may, with the sanction of a special resolution:

- divide among the shareholders the whole or any part of the Company's property; and
- decide how the division is to be carried out between the Shareholders.

Subject to any rights or restrictions attached to a class of Shares, on a winding up of the Company, any surplus must be divided among the member in the proportions which the amount paid (including amounts credited) on the Shares of a member is of the total amounts paid and payable (including amounts credited) on the Shares of all members.

4.4.6 Further increases in capital

Subject to restrictions on the issue or grant of securities contained in the Listing Rules, NSX Settlement Operating Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors have the right to issue shares or grant options over unissued shares to any person and they may do so at such times as they think fit and on the conditions they think fit.

Such shares may have preferred, deferred or other special rights or special restrictions about dividends, voting, return of capital, participation in the property of the Company on a winding up or otherwise, as the Directors think fit.

4.4.7 Variation of rights

The rights attaching to the Shares may only be varied by the consent in writing of the holders of 75% of the Shares, or with the sanction of a special resolution passed at a general meeting.

4.4.8 Transfer of securities

Subject to the Company's Constitution, the Corporations Act or any other applicable laws of Australia and the Listing Rules, the Shares are freely transferable. The Directors may refuse to register a transfer of Shares only in limited circumstances, such as where the Listing Rules require or permit the Company to do so.

4.4.9 Annual general meetings

Each shareholder is entitled to receive notice of, and to attend and vote at, annual general meetings of the Company and to receive all notices, accounts and other documents required to be furnished to shareholders under the Company's Constitution, the Corporations Act and Listing Rules.

4.4.10 Sale of non-marketable holdings

The Company may take steps in respect of non-marketable holdings of shares in the Company to effect an orderly sale of those shares in the event that holders do not take steps to retain their holdings.

The Company may only take steps to eliminate non-marketable holdings in accordance with the Constitution and the Listing Rules.

4.4.11 Alteration of Constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

4.4.12 Shareholder liability

As Shares are fully paid shares, they are not subject to any calls for money by the Company and will therefore not become liable for forfeiture.

4.5 Substantial holders

Based on publicly available information at the date of this Prospectus, those persons with a voting power in the Company of at least 5% are set out below.

Shareholder	Shares	Voting power
Animoca Brands Limited	12,367,549	27.97%
Keith Rumjahn	3,011,786	6.81%
Allied Ocean Venture Limited <Vistra Corporate Services Centre>	3,000,000	6.79%

4.6 Director interests

4.6.1 Overview

Other than as set out below or elsewhere in this Prospectus, no existing or proposed Director holds at the date of this Prospectus, or has held in the 2 years before the date of this Prospectus, an interest in:

- the formation or promotion of the Company;

- property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or in connection with the Offer; or
- the Offer,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to an existing or proposed Director to induce them to become, or qualify as, a Director or for services in connection with the formation or promotion of the Company or the Offer.

4.6.2 Remuneration

The cash remuneration (including superannuation) paid or to be paid to the Directors for the 2 years before the date of this Prospectus is set out below.

Director	Position	Financial Year ended 30 June 2019	Financial Year ended 30 June 2020	8 months to 28 February 2021
Keith Rumjahn ¹	Managing Director	\$140,000 ²	\$158,605 ³	\$113,730 ⁴
Sonny Vu ⁵	Non-Executive Chairman	Nil	Nil	\$146,778 ⁶
Xavier Kris ⁷	Non-Executive Director	Nil	\$113,249 ⁸	\$154,933 ⁹
Yat Siu ¹⁰	Non-Executive Director	Nil	Nil ¹⁰	\$15,452 ¹¹
John Bell ¹²	Non-Executive Director	Nil	\$18,000 ¹³	\$117,574 ¹⁴

Notes:

- 1 Mr Rumjahn was appointed on 30 April 2019.
- 2 This figure is from the period 1 July 2018 to 30 June 2019 during which Mr Rumjahn was paid HKD\$752,000 by OliveX HK.
- 3 This figure is from the period 1 July 2019 to 30 June 2020 during which Mr Rumjahn has been paid HK\$830,000 by OliveX HK.
- 4 This figure is from the period 1 July 2020 to 28 February 2021 during which Mr Rumjahn has been paid HK\$651,923 by OliveX HK.
- 5 Mr Vu was appointed on 30 April 2019 and resigned on 28 March 2020. Mr Vu was re-appointed as Non-Executive Chairman on 1 October 2020.
- 6 This figure is for the period from 1 October 2020 to 28 February 2021 during which Mr Vu was paid an aggregate of \$146,788 comprising \$20,833 for his role as a Director and \$125,945 for his role as an advisor through the issue of 629,723 shares as per his director engagement letter dated on or around 1 October 2020.
- 7 Mr Kris was appointed on 15 October 2020. Mr Kris:
 - (a) is paid \$50,000 per annum for his role as a Non-Executive Director which Mr Kris has agreed, for the first 12 months following the Company's admission to the official list of the NSX on 24 August 2020, is payable through the issue of Shares at a deemed issue price of \$0.20 per Share;
 - (b) is paid \$180,000 per annum payable to XJRK for consulting services provided to the Company pursuant to the Services Agreement; and
 - (c) is entitled to be paid two \$30,000 cash bonuses payable to XJRK upon satisfaction of certain performance criteria as set out in the Services Agreement.
- 8 This figure is for the period from 15 October 2019 to 30 June 2020 during which Mr Kris was paid an aggregate of \$113,249 comprising \$35,556 for his role as a Director and \$77,693 pursuant to the Services Agreement.
- 9 This figure is for the period from 1 July 2020 to 28 February 2021 during which Mr Kris was paid an aggregate of \$154,933 comprising \$33,333 for his role as a Director and \$121,600 pursuant to the Service Agreement.

- 10 Mr Siu was appointed on 30 April 2019.
- 11 Pursuant to Mr Siu's engagement letter with the Company, Mr Siu's fees as a director started accruing on the date the Company was admitted to the official list of the NSX on 24 August 2020. Further, Mr Siu has agreed to be issued Shares in lieu of his annual salary at a deemed issue price of \$0.20 per Share.
- 12 Mr Bell was appointed on 1 May 2020.
- 13 This figure is for the period from 1 July 2019 to 30 June 2020 during which Hall Chadwick, an entity of which Mr Bell is a Director, was paid \$18,000 pursuant to the Hall Chadwick Engagement Letter.
- 14 This figure is for the period from 1 July 2020 to 28 February 2021 during which Hall Chadwick Corporate Pty Ltd, an entity of which Mr Bell is a director, was paid an aggregate \$117,574 comprising \$15,452 for Mr Bell's role as Director and \$102,122 pursuant to the Hall Chadwick engagement letter. In addition:
- Mr Bell will be paid \$30,000 per annum for his role as a Non-Executive Director which Mr Bell has agreed to be issued Shares in lieu of 50% of his salary at a deemed issue price of \$0.20 per Share.
 - Hall Chadwick will be paid \$9,000 per month for the provision of virtual CFO and company secretary services pursuant to the Hall Chadwick Engagement Letter.

4.6.3 Security holdings

The securities in the Company in which the Directors have relevant interests at the date of this Prospectus are set out below.

Director	Shares	Voting power	Performance Rights	Options ¹
Keith Rumjahn	3,011,786	6.81%	3,701,7572	750,000
Sonny Vu ²	1,576,824	3.57%	1,097,403	750,000
Xavier Kris	500,000	1.13%	-	750,000
Yat Siu	14,357,614	32.48%	15,200,840	750,000
John Bell	75,000	0.17%	-	180,000

Notes:

- Each Option is exercisable at \$0.20 on or before the date that is 36 months from the date of issue subject to various vesting milestones.
- In addition, Sonny Vu has a 50% economic interest in the Shares held by FF Alabaster LLC, being 542,395 Shares as at the date of this Prospectus (**Alabaster Shares**). The Company does not consider that Mr Vu has a relevant interest in the Alabaster Shares for the purposes of section 608 of the Corporations Act.

4.7 Expert and adviser interests

Other than as set out below or elsewhere in this Prospectus, no expert, promoter, underwriter or other person named in this Prospectus who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus holds, at the date of this Prospectus, or has held in the 2 years before the date of this Prospectus, an interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or in connection with the Offer; or
- the Offer,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to any such persons for services in connection with the formation or promotion of the Company or the Offer.

AGH Law has acted as the legal adviser to the Company in relation to the Offer. The estimated fees payable to AGH Law for these services are \$5,000 (exclusive of GST). Further amounts may be paid to AGH Law in accordance with its usual time based rates.

4.8 Consents

Each of the parties referred to below:

- does not make the Offer;
- has not authorised or caused the issue of this Prospectus;
- does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified below.

AGH Law has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as the legal adviser to the Company in relation to the Offer in the form and context in which it is named. AGH Law has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than references to its name.

There are a number of persons referred to elsewhere in this Prospectus who have not made statements included in this Prospectus and there are no statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in this Prospectus and did not authorise or cause the issue of this Prospectus.

4.9 Costs

The estimated costs of the Offer (exclusive of GST) are set out below.

Item	Amount
ASIC fees	\$3,206
NSX fees	Nil
Legal fees	\$5,000
Printing, registry and other costs	\$1,794
Total	\$10,000

4.10 Litigation

At the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

4.11 Authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. In accordance with section 720 of the Corporations Act, each existing and proposed Director has consented to the lodgement of this Prospectus with ASIC and the issue of this Prospectus, and has not withdrawn that consent.

5 Definitions

Annual General Meeting means the annual general meeting of the Company held on 26 November 2020.

Application Form means the “Application Form” in the form accompanying this Prospectus pursuant to which a person may, by invitation from the Company, apply for Shares under the Offer.

Application Monies means the monies received from persons applying for Shares under the Offer.

apps means the mobile applications owned by OliveX or any of its subsidiaries, including OliveX HK.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires.

NSX means NSX Limited ABN 33 089 447 058 or, where the context requires, the market it operates.

NSX Settlement means NSX Settlement Pty Limited ABN 49 008 504 532.

NSX Settlement Operating Rules means the official settlement and operating rules of NSX Settlement.

AWST means Australian Western Standard Time, being the time in Perth, Western Australia.

Board means the board of Directors.

Business Day means a day on which banks are open for business in Perth, Western Australia excluding a Saturday, Sunday or public holiday.

CHESS means the Clearing House Electronic Sub-register System operated by NSX Settlement.

Closing Date means the date that the Offer close, being 5:00pm (AWST) on 25 March 2021 or any other time and date determined by the Company.

Coaches means celebrity fitness trainers, wellbeing coaches and social media influencers.

Company or **OliveX** means OliveX Holdings Limited ACN 631 675 986.

Constitution means the constitution of the Company.

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

Director means a director of the Company.

Hall Chadwick means Hall Chadwick Corporate Pty Ltd ACN 631 655 037.

Hall Chadwick Engagement Letter means engagement letter dated 14 April 2020 between the Company and Hall Chadwick pursuant to which Hall Chadwick agreed to provide virtual CFO and company secretarial services to the Company.

HK\$ means Hong Kong dollar.

KARA Mirror means the smart mirror developed by the Company that utilises artificial intelligence.

KARA Smart Fitness app means the fitness application developed and operated by the Company for use on smartphones and the Kara Mirror.

Listing Rules means the official listing rules of the NSX.

Offer means the offer of 100 Shares at \$0.95 to raise \$95 (before costs).

OliveX HK means OliveX (HK) Ltd, a company incorporated in Hong Kong with Registration Number 2516003.

Opening Date means the date that the Offer open, being 10:00am (AWST) on 18 March 2021 (AWST), or any other time and date determined by the Company.

Official List means the official list of NSX.

Owatis Group means Shenzhen Owatis Technology Ltd, a company incorporated in The Peoples Republic of China.

Prospectus means this prospectus dated 18 March 2021.

Replacement Prospectus means the replacement prospectus prepared by the Company dated 2 July 2020.

Services Agreement means the consultancy agreement between the Company and XJRK pursuant to which XJRK will provide various corporate consulting services to the Company.

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

Shareholder means a registered holder of a Share.

Share Registry means Link Market Services Limited ACN 083 214 537.

Viewdex means Viewdex Limited, a company registered in the Hong Kong Special Administrative Region of the People's Republic of China.

XJRK means XJRK Management Group Pty Ltd ACN 620 129 802, an entity controlled by Mr Xavier Kris.

Corporate Directory

Directors

Keith Rumjahn
Managing Director

Sonny Vu
Non-Executive Chairman

Xavier Kris
Non-Executive Director

Yat Siu
Non-Executive Director

John Bell
Non-Executive Director

Company Secretary

John Bell

Registered Office

283 Rokeby Road
Subiaco WA 6008

Phone: +61 8 9426 0666

Website

www.olivex.ai

NSX Code

OLX

Share Registry

Link Market Services
Level 12, QV1 Building
250 St Georges Terrace
Perth WA 6000

Auditor

Moore Australia Audit (WA)
Level 15, Exchange Tower
2 The Esplanade
Perth WA 6000

Legal Adviser

AGH Law
Level 2, 66 Kings Park Road
West Perth WA 6005