

20 December 2019

ARBN 637 017 602

ASX release

Limeade, Inc. Share Offer

Pre-Quotation Disclosure

The following information is required to be provided to ASX Limited (**ASX**) for release to the market in connection with the:

- (a) initial public offering of CHESS Depositary Interests (**CDIs**) over ordinary shares (**Shares**) in Limeade, Inc. (Washington Registration 602 588 317) (ARBN 637 017 602) (**Limeade** or the **Company**) pursuant to a prospectus (**Prospectus**) lodged with the Australian Securities and Investments Commission on 2 December 2019 (**Offer**); and
- (b) the admission of the Company to the official list of ASX.

Capitalised terms in this pre-quotation disclosure have the same meaning given to them in the Prospectus unless explicitly stated below.

1. **Confirmations in relation to the Offer**

1.1 The Company confirms that the Offer under the Prospectus has closed.

1.2 The Company confirms:

- (a) the issue of 140,394,596 shares of common stock (**shares**) on conversion of all Series A, B and C preferred stock; and
- (b) completion of the 8:1 split of the Company's shares.

1.3 The Company confirms:

- (a) the issue of 27,060,208 new shares, being settled in the form of CDIs at a ratio of 1 CDI: 1 Share at an issue price of \$1.85 per share; and
- (b) the sale and transfer of 26,993,846 shares at an issue price of \$1.85 per share, have completed.

1.4 The Company confirms that it has received cleared funds for the complete amount of the issue price of every fully paid share issued and transferred to every successful applicant under the Prospectus.

1.5 The Company confirms that it has an appropriate spread of at least 300 non-affiliated CDI Holders, each having a parcel of CDIs/shares with a value of at least \$2,000 which are not restricted securities or subject to voluntary escrow.

1.6 The Company confirms that there is a free float of at least 20%.

2. Basis of allocations and procedures for determining allocations

2.1 The basis of allocation of CDIs under the Prospectus and the procedures by which applicants can determine their precise allocations is as follows:

(a) Institutional Offer

The allocation of CDIs among applicants in the Institutional Offer was determined by the Joint Lead Managers and the Offerors. The Joint Lead Managers have advised successful applicants under the Institutional Offer of their precise allocations.

(b) Broker Firm Offer

The allocation of CDIs to Brokers under the Broker Firm Offer was determined by the Joint Lead Managers in consultation with the Offerors. It was a matter for the Brokers as to how they allocated CDIs amongst their eligible clients. Applicants under the Broker Firm Offer can determine their precise allocation by contacting their Broker or by calling the Limeade Offer Information Line on 1800 550 560 (toll free within Australia) between 8.30am and 5.30pm AEST, Monday to Friday.

(c) Priority Offer

Applications under the Priority Offer were allocated in full by the Company.

2.2 The Company confirms that the number of CDIs issued under each of the following is as follows:

(a) Institutional Offer: 52,040,558 at \$1.85 per CDI

(b) Broker Firm Offer: 1,948,088 at \$1.85 per CDI

(c) Priority Offer: 65,408 at \$1.85 per CDI

2.3 The intended date for the despatch of:

(a) in relation to all holdings on the CHESS sub-register, a notice from the Company under ASX Settlement Operating Rule 8.9.1;

(b) in relation to all other holdings, issuer sponsored holding statements; and

(c) any refund money,

is Friday, 20 December 2019.

3. Bookbuild

3.1 The Company confirms that, in relation to the funds raised pursuant to the institutional bookbuild process undertaken prior to the date of the Prospectus ("**Bookbuild**"):

(a) The total number of CDIs issued under the Bookbuild undertaken prior to the Prospectus Date to determine institutional investor demand for CDIs ("**Bookbuild**") is 52,040,558 at an issue price of \$1.85 per Share;

- (b) A material number of securities have not been taken up under the Bookbuild by persons who are promoters or related parties of Limeade;
- (c) There were no concessionary fee or other arrangements entered into which have had the result that the effective issue price paid by some allottees differed materially from the price determined by the Bookbuild as announced by Limeade;
- (d) There were no arrangements entered into which have had the result that some allottees received a material benefit for agreeing to participate in the Bookbuild at the price determined by the Bookbuild as announced by Limeade and which is not received by other allottees; and
- (e) There were no arrangements entered into with associates of Limeade or the Joint Lead Managers to avoid a shortfall, or the appearance of a shortfall, in the Bookbuild.

4. **Voluntary escrow**

4.1 Details of the securities subject to voluntary escrow and the relevant escrow periods are set out in Annexure A to this letter. In summary, as at the quotation date:

- (a) 189,294,397 CDIs will be held on escrow until 4:15pm (Sydney, Australia Time) on the date on which Limeade releases its preliminary final report for the fiscal year ending December 31, 2020 (FY20) on the ASX;
 - and of the above securities, 27,554,754 CDIs will be held on escrow until 4:15pm (Sydney, Australia Time) on the date on which Limeade releases its preliminary final report for the fiscal year ending December 31, 2021 (FY21) on the ASX; and
- (b) 54,433,371 CDIs will not be subject to escrow.

(As explained in the footnote 1 below, the total number of CDIs, plus shares not represented by CDIs, on Completion, which are not subject to escrow arrangements is securities.)

4.2 A pro forma escrow agreement is set out in Annexure B to this letter. The provisions of all escrow agreements are the same, except that Escrowed Securities of each of the "Other employees" and "Other shareholders" referred to in Annexure A will exclude 2,703 securities owned by each such holder on Completion (and which such securities will not be considered "Escrow Securities" and will not be subject to the escrow provisions, including the holding lock, referred to in that agreement).

5. **Capital structure**

The capital structure of Limeade today is as follows:

- (a) 244,802,668 shares (refer to section 9.4 of the Prospectus)¹; and

¹ 243,727,768 Limeade shares are expected to be held by CDN on Completion. The remaining 1,074,900 shares will be held by 3 existing holders on Completion that have not elected that their shares be held by CDN. These 1,074,900 shares are not subject to escrow arrangements (meaning that in total, 55,508,271 securities will not be subject to escrow arrangements on Completion). Holdings may be transmuted between direct shareholdings in the Company and CDI holdings, or between and CDI holdings and direct shareholdings in the Company in the future as described in section 9.6 of the Prospectus.

- (b) 20,506,704 Employee Options (refer to section 9.4 of the Prospectus).

6. **ASX Waivers**

6.1 The Company applied for and has been granted the following waivers from ASX:

- (a) a waiver from ASX Listing Rule 1.1, condition 12, to the extent necessary to permit the Company to have 10,333,064 Options on issue with an exercise price of less than A\$0.20 per CDI;
- (b) a waiver from ASX Listing Rule 15.15 to the extent necessary to allow Limeade's constituent documents to contain a provisions relating to takeovers contained in Chapter 23B.19 of the Revised Code of Washington; and
- (c) a waiver from ASX Listing Rules 6.16, 6.19, 6.21 and 6.22 to the extent necessary to permit Limeade to have 2,751,038 Options on issue under the 2006 Plan and the 2016 Plan that do not comply with those ASX Listing Rules.

6.2 In relation to 6.1(a), ASX has granted a waiver from Listing Rule 1.1 Condition 12 on the condition that that material terms and conditions of the options are clearly disclosed in Limeade's Prospectus.

6.3 In relation to 6.1(b), ASX has granted waiver from Listing Rule 15.15 on the condition that Limeade outlines in the Prospectus to ASX's satisfaction, and in its annual reports, the takeover framework which it has adopted in its constituent documents.

6.4 In relation to 6.1(c), ASX has granted waivers from Listing Rules 6.16, 6.19, 6.21 and 6.22 on condition that Limeade:

- (a) does not issue any further securities under the 2006 or 2016 Plan, without amendments to ensure the terms comply with the listing rules;
- (b) releases the full terms of the 2006 Plan and 2016 Plan to the market as a pre-quotation disclosure; and
- (c) undertakes to obtain ASX approval before any future issue of options and before the implementation of any future employee incentive scheme.

7. **Further Information**

The Company has arranged for security information centre toll free lines to meet the reasonably anticipated demand for information about allocations and to handle applicant queries. The Limeade Offer Information Line is contactable on 1800 550 560 (toll free within Australia) between 8.30am and 5.30pm AEST, Monday to Friday.

Annexure A - Voluntary Escrow

Escrowed Party	Escrow Period ¹	Number of Securities escrowed (undiluted) at Completion ⁵	Percentage of Securities (undiluted) ^{5,6} on Completion
Henry Albrecht	100% - FY20 Results Release Time 50% - FY21 Results Release Time	40,311,485	16.5%
Erick Rivas	100% - FY20 Results Release Time 50% - FY21 Results Release Time	8,544,000	3.5%
TVC Capital II LP and TVC Capital Partners II LP	100% - FY20 Results Release Time	36,658,282	15.0%
Oak HC/FT Partners LP	100% - FY20 Results Release Time	27,380,178	11.2%
Other Board and management ²	100% - FY20 Results Release Time 50% - FY21 Results Release Time	6,254,024	2.6%
Other employees ³	100% - FY20 Results Release Time	677,722	0.3%
Other Shareholders ⁴	100% - FY20 Results Release Time	69,468,706	28.4%
Total		189,294,397	77.3%

Notes:

- FY20 Results Release Time** means 4.15pm (Sydney time) on the date on which Limeade releases its preliminary final report for the fiscal year ending 31 December 2020 to the ASX.
FY21 Results Release Time means 4.15pm (Sydney time) on the date on which Limeade releases its preliminary final report for the fiscal year ending 31 December 2021 to the ASX.
- Directors and members of management listed in Section 6.2 who will hold Securities on Completion (excluding Henry Albrecht).
- Employees of Limeade on the Prospectus Date who will hold Securities on Completion (excluding those listed in rows above). All but the first 2,703 Securities held by each of these employees on Completion will be subject to escrow.
- Shareholders of Limeade (other than those listed above) who enter into a voluntary escrow agreement with the Limeade. Maximum number and percentage shown. All but the first 2,703 Securities held by each of these Shareholders on Completion will be subject to escrow.
- Number of Securities (undiluted basis) at Completion may differ from the amounts in this table, in particular if further escrow agreements are entered into by other employees or Shareholders prior to Completion, or if vested Options are exercised and Shares are issued in respect of those Options before that time. Such Shares/corresponding CDIs are expected to be subject to voluntary escrow restrictions as for the respective period(s) identified in this table.
- Percentage of Securities (undiluted) refers to the number of Securities divided by the number of Securities.

Annexure B - Pro forma escrow agreement

Share Escrow Agreement Limeade, Inc.

Share Escrow Agreement

Date This Share Escrow Agreement (the **Agreement**) is signed by the parties on _____.

Parties Limeade, Inc of 10885 NE 4th St, STE 400, Bellevue, Washington United States 98004
(**Company**)

The **Holder** means the person whose name and address is set out in part 1 of Schedule 1 (**Holder**)

The **Controller** means each person whose name and address is set out in part 2 of Schedule 1 (**Controller**)

Background

- A. The Holder undertakes to the Company to hold the Escrow Securities pursuant and subject to the terms of this Agreement.
- B. If a Controller executes this Agreement, the Controller undertakes to the Company to hold the Controller Interests pursuant and subject to the terms of this Agreement.

Operative provisions

1. Definitions and interpretation

1.1 Definitions

Admission Date means the date on which the Company is first admitted to the official list of the ASX.

Affiliate means any other Person which directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, the Holder, and **Affiliated** has the correlative meaning.

Affiliate Fund means each corporation, trust, limited liability company, general or limited partnership or other entity under common control with the Holder.

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Board means the board of directors of the Company.

Business Day means a day in Sydney, Australia on which:

- (a) ASX is open for trading in securities; and
- (b) banks are open for general banking business.

CDI means a fully paid CHESS Depository Interest, being a unit of beneficial ownership in one share of Common Stock of the Company and registered in the name of the Depository.

CHESS means Clearing House Electronic Subregister System operated by ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532.

Claim means any allegation, debt, costs, expenses, cause of action, liability, claim, proceeding, suit or demand of any nature howsoever and wherever arising and whether present or future, fixed or unascertained, actual or contingent and whether at law, in equity, under statute or otherwise.

Common Stock means the common stock of the Company, no par value.

Completion of the IPO means the completion of the issue and transfer of CDIs pursuant to the IPO.

Control means, the capacity to direct or otherwise determine the outcome of decisions of a Holder, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise (and, without limiting the foregoing, a person is deemed to have Control of a Holder if it holds, directly or indirectly, a beneficial interest in more than 50% of the total voting rights of a Holder) and **Controlled** and **Controlling** have corresponding meanings.

Controller has the meaning given to that term in the ASX Listing Rules. Without limiting the foregoing, a Controller could include an entity or person that has Control of a Holder - for example (1) a Trustee of a Trust that is a Holder, (2) an ultimate parent entity of a Holder, or (3), a general partner or managing partner of a limited partnership that is a Holder.

Controller Interests means all Securities, economic interests or other interests in the Holder or the Escrow Securities and each intermediate entity through which that interest occurs.

Convertible Security means an option, warrant, convertible security, performance right or other right (whether contingent or otherwise) to acquire shares of the Company held by the:

- (a) Holder; or
- (b) Controller for the account or benefit or on behalf of the Holder,

at any time between the date of this Agreement and the Admission Date.

Deal means to, directly or indirectly:

- (a) sell, assign, transfer or otherwise dispose of, or agree or offer to sell, assign, transfer or otherwise dispose of;
- (b) enter into any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise dispose of;
- (c) create, agree to, or offer to, create, or permit to be created any Security Interest in or over;
- (d) do or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of; or

(e) agree to do any of those things,

and **Dealing** has a corresponding meaning.

Depository means CHESS Depository Nominees Pty Limited ACN 071 346 506, the entity that will provide services in respect of the CDIs.

Release Date means either the First Release Date or the Second Release Date as specified in the Release Schedule in clause 3.3(d) of this Agreement.

Escrow Period means the period commencing on the Admission Date and ending at the Release Date.

Escrow Securities means all securities of the Company owned by the Holder as of the date of this Agreement, as well as any Convertible Securities referred to in clause 3.4 of this Agreement, but excluding (if applicable) any securities of the Company that the Holder sells to Limeade Holdings, Inc. as "Sale Shares" in connection with that certain Share Transfer and Sale Agreement to be entered into on or about the date of this Agreement.

First Release Date has the meaning given in in the Release Schedule in clause 3.3(d) of this Agreement.

Group means the Company and all of its Subsidiaries from time to time and **Group Company** means any one of them.

IPO means the proposed initial public offering of CDIs representing Shares of Limeade in Australia and the admission of the Company and quotation of those CDIs on ASX.

Issuer Sponsored Subregister has the meaning given to that term in the settlement rules of ASX Settlement, and is that part of the register of CDI holders which is administered by or on behalf of the Company.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules, and is a facility that prevents CDIs from being transferred or moved.

Non-IPO Date means January 31, 2020.

Person means any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organization, entity or division.

Prospectus means a prospectus lodged with the Australian Securities & Investments Commission by the Company in relation to the IPO.

Release Schedule means the Holding Lock Release Schedule set out in clause 3.3(d) of this Agreement.

Second Release Date has the meaning given in the Release Schedule in clause 3.3(d) of this Agreement. The Second Release Date may not apply to all Holders.

Securities has the meaning given in the ASX Listing Rules.

Security Interest means an interest or power:

(a) reserved in or over an interest in any securities including any retention of title;

- (b) created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation or encumbrance, including any agreement to grant or create any of the above.

Share means a fully paid share of Common Stock and, after the deposit of the Shares with the Share Registry, the CDI that represents such Share.

Share Registry means the share registry engaged by the Company to administer and manage its register of CDI holders.

Subsidiary means a legal entity owned or controlled by the Company.

Trading Day has the meaning given in the ASX Listing Rules.

1.2 Interpretation

In this Agreement

- (a) headings are for convenience only and do not affect interpretation,
- and unless the context indicates a contrary intention:
- (b) a reference to conduct includes an omission, statement and undertaking, whether or not in writing;
 - (c) a reference to any party includes that party's executors, administrators, successors, substitutes and assigns, including any person taking by way of novation;
 - (d) a reference to this Agreement or to any other agreement or document includes, respectively, this Agreement or that other agreement or document as amended, novated, supplemented, varied or replaced from time to time;
 - (e) words importing the singular include the plural (and vice versa), words denoting a given sex include the other sex, and words denoting individuals include corporations (and vice versa);
 - (f) the word "including" or any other form of that word is not a word of limitation;
 - (g) references to "applicable law" include all laws and regulations of jurisdictions applicable to the IPO, a Group Company or other entities, as the case may be (including the Washington Business Corporation Act and any other laws and regulations of a jurisdictions outside the United States (**US**)), and rules, policies, official directives, orders or requirements of any Government Agency, including the ASX Listing Rules, ASX Settlement Operating Rules and the applicable listing requirements of the ASX, except to the extent compliance is modified, waived or exempted in favor of a person in the relevant circumstances;
 - (h) references to any legislation or to any section or provision of any legislation includes any statutory modification or re-enactment or any statutory provision substituted for it, and ordinances, by laws, regulations, and other statutory instruments issued under any legislation, and references to other applicable laws includes any modifications or provisions substituted for them by a competent Government Agency;

- (i) references to parties, clauses, schedules, exhibits or annexes are references to parties, clauses, schedules, exhibits and annexes to or of this Agreement, and a reference to this Agreement includes any schedule, exhibit and annex;
- (j) if any day appointed or specified by this Agreement for the payment of any money or doing of anything falls on a day which is not a Business Day, the day so appointed or specified will be deemed to be the next Business Day;
- (k) references to currency are references to US currency;
- (l) references to payments to any party to this Agreement will be construed to include payments to another person upon the direction of such party;
- (m) all payments to be made under this Agreement must be made by check or wire transfer of immediately available funds and in US currency; and
- (n) all references to time are to the time in Sydney, Australia (unless otherwise indicated).

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this Agreement, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this Agreement prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this Agreement to contain a provision and it does not contain such a provision, this Agreement is deemed to contain that provision;
- (e) if the ASX Listing Rules require this Agreement not to contain a provision and it contains such a provision, this Agreement is deemed not to contain that provision; and
- (f) if any provision of this Agreement is or becomes inconsistent with the ASX Listing Rules this Agreement is deemed not to contain that provision to the extent of the inconsistency.

2. Condition Precedent

The undertakings of the Holder and Controller pursuant to this Agreement are conditional upon quotation of the CDIs on ASX actually occurring.

3. Escrow

3.1 Holder restrictions

During the Escrow Period the Holder agrees that it will not:

- (a) Deal with;

- (b) Deal in any legal, beneficial or economic interest or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Escrow Securities.

3.2 Controller restrictions

During the Escrow Period the Controller agrees that it will not:

- (a) Deal with;
- (b) Deal in any legal, beneficial or economic interest or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Controller Interests.

3.3 Holding Lock and release of restrictions

The parties acknowledge and agree that:

- (a) as soon as practicable following the Completion of the IPO, the Escrow Securities will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock on the Escrow Securities upon Completion of the IPO and upon registration of the Escrow Securities on the Issuer Sponsored Subregister and the Holder agrees to the application of the Holding Lock; and
- (c) the Company will do all things necessary to ensure that the Holding Lock is released (including, if applicable, notifying ASX that the Escrow Securities may or will be released from the Holding Lock for the purposes of ASX Listing Rule 3.10A) upon occurrence of the following:
 - (i) to the extent necessary to permit disposals of the Escrow Securities in a manner permitted by this Agreement; and
 - (ii) at such time as any Escrow Securities cease to be Escrow Securities in accordance with the Release Schedules in clause 3.3(d) of this Agreement.
- (d) Holding Lock Release Schedules:

Holding Lock Release Schedule 1

Release Dates applicable to all shareholders, except for those listed in Holding Lock Release Schedule 2.	Escrow Securities to be released from Holding Lock
The First Release Date will be 4:15 pm (Sydney, Australia time) on the date on which the Company releases its preliminary	On the First Release Date, all of the Shares shall cease to be Escrow Securities and the Holding Lock will

Release Dates applicable to all shareholders, except for those listed in Holding Lock Release Schedule 2.	Escrow Securities to be released from Holding Lock
final report for the fiscal year ending December 31, 2020 to the ASX.	be released with respect to such Shares.
The Second Release Date will be 4:15 pm (Sydney, Australia time) on the date on which the Company releases its preliminary final report for the fiscal year ending December 31, 2021 to the ASX.	Not Applicable.

Holding Lock Release Schedule 2

Release Dates applicable to all directors of the Company (including Henry Albrecht) and any member of management listed in Section 6.2 of the Prospectus.	Escrow Securities to be released from Holding Lock
The First Release Date will be 4:15 pm (Sydney, Australia time) on the date on which the Company releases its preliminary final report for the fiscal year ending December 31, 2020 to the ASX.	On the First Release Date, 50% of the Shares shall cease to be Escrow Securities and the Holding Lock will be released with respect to such Shares.
The Second Release Date will be 4:15 pm (Sydney, Australia time) on the date on which the Company releases its preliminary final report for the fiscal year ending December 31, 2021 to the ASX.	On the Second Release Date all remaining Shares will cease to be Escrow Securities and the Holding Lock will be released with respect to such shares.

3.4 Shares issued during Escrow Period

If additional Shares are issued to the Holder or a Controller after the date of this Agreement and before the First Release Date pursuant to the exercise of a Convertible Security, then those Shares will become subject to the terms of this Agreement.

3.5 Share Transfer Authorization

Each of the Holder and each Controller (if any) hereby irrevocably appoints Limeade and its directors as its attorneys with the several authority to transfer all Shares the subject of this Agreement to CDN in return for the issue to the Holder of CDIs in respect of those Shares (1 CDI for each Share) and to take any such other action on its behalf as is necessary or desirable to exchange, perform or complete this Agreement, including to enter into documents in the Holder or the Controller's name and do such other things that are necessary or desirable to effect this Agreement and the other matters contemplated by this Agreement. The appointment under this clause 3.5 automatically expires on 1 January 2020. The Holder has executed a stock power in blank, attached to this Agreement and acknowledges that the attorney appointed pursuant to this clause 3.5 may complete on or prior to Completion a completed stock power representing the Shares in order to facilitate transfer of the Shares to CDN.

3.6 Notice by Holder

If the Holder becomes aware:

- (a) that any action, event or circumstance referred to in clause 3.1 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 3.1 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event or circumstance, as applicable, providing full details regarding such action, event, circumstance or matter.

3.7 Notice by Controller

If the Controller becomes aware:

- (a) that any action, event or circumstance referred to in clause 3.2 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 3.2 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event or circumstance, as applicable, providing full details regarding such action, event, circumstance or matter.

3.8 Dividends and voting rights

- (c) The terms of this Agreement will have no effect on any rights of the Holder to receive or participate in dividends, any rights issue, bonus issue or other distributions in connection with the Escrow Securities (if any).
- (d) The terms of this Agreement will have no effect on any rights of the Holder to exercise voting rights in respect of the Escrow Securities and no voting rights are conferred on the Company or any of its Affiliates pursuant to this Agreement.

3.9 Takeovers, mergers and reorganizations

Clause 3.1, and 3.2 will cease to apply, and the Company will do all things necessary to ensure that the Holding Lock in clause 3.3 is released, to the extent necessary to allow:

- (a) the Holder to accept an offer by a third party for all of the Shares (**Takeover Offer**), provided that:
 - (i) subject to clause 3.9(a)(ii), holders of not less than 50% of the Shares to which the Takeover Offer relates that are not subject to restrictions similar to or identical to those in this Agreement have accepted the Takeover Offer (or will have accepted the Takeover Offer if the Holder accepts the Takeover Offer); and

- (ii) the Takeover Offer is unconditional (or would become unconditional if accepted by the Holder) or all conditions to the Takeover Offer have been satisfied or waived;
- (b) the Escrow Securities to be transferred or cancelled as part of an equal Share buyback, capital reduction or equal return of capital or other similar pro rata reorganization, a merger, including by way of a share exchange or an acquisition of all Shares, which has in any such case received all necessary approvals, including all such necessary approvals by shareholders of the Company and courts and is in accordance with applicable laws;
- (c) any other such event having an effect similar to the foregoing and relating to the Escrow Securities,

provided that, if for any reason any or all Escrow Securities are not transferred or cancelled in a transaction contemplated by clauses 3.9(a) to 3.9(c) then the Holder agrees that the restrictions applying to the Escrow Securities under this Agreement (including under clauses 3.1 and 3.2) will continue to apply and without limiting the foregoing, the Holding Lock will be reapplied to all Escrow Securities not so transferred or cancelled.

3.10 Reorganization

Clauses 3.1 and 3.2 will cease to apply, and the Company will do all things necessary to ensure that the Holding Lock in clause 3.3 is released, to the extent necessary to allow a Dealing in Escrow Securities or Controller Interests to enable the Holder or Controller to undertake a reorganization, subject to:

- (a) the prior consent of the Company in writing;
- (b) the Controller retaining ultimate control of, or the beneficial ownership of, the Escrow Securities (provided that in circumstances where a Dealing results in the transfer of the Escrow Securities to an entity in which the Controller holds beneficial ownership, the Transferee also enters into an escrow arrangement with the Company in respect of those Escrow Securities on substantially the same terms as this Agreement for the remainder of the Escrow Period); and
- (c) any new holder of the Escrow Securities or Controller Interests agreeing to be bound by an agreement in substantially the same terms as this Agreement (and the Controller agreeing not to dispose of any Controller Interests).

3.11 Other exceptions

Clauses 3.1 and 3.2 will cease to apply, and the Company will do all things necessary to ensure that the Holding Lock in clause 3.3 is released, to the extent necessary to allow a Dealing in Escrow Securities or Controller Interests:

- (a) to the extent required by applicable law, including pursuant to an order of a court of competent jurisdiction compelling any Escrow Securities or Controller Interests to be disposed of or a Security Interest granted over them; or
- (b) in the case of a Holder or a Controller who is a natural person, the death, serious disability or permanent incapacity of the Holder or a Controller (as determined by the Board, acting reasonably); or

- (c) in the case of a Holder that is neither a natural person nor Affiliated with an officer or employee of the Company (or Affiliate of the Company at the Admission Date), a transfer (in one or more transactions) of any or all Escrow Securities or Controller Interests to an Affiliate or Affiliate Fund of the Holder or Controller, provided such Affiliate or Affiliate Fund transferee also enters into an escrow arrangement with the Company in respect of those Escrow Securities or Controller Interests on substantially the same terms as this Agreement for the remainder of the Escrow Period; or
- (d) the grant of a Security Interest over any or all of their Escrow Securities or Controller Interests to a bona fide third party financial institution as security for a loan, hedge or other financial accommodation, provided that the Security Interest does not in any way constitute a direct or indirect disposal of the economic interests, or decrease an economic interest, that the Holder or Controller has in any of its Escrow Securities or Controller Interests and no Escrow Securities or Controller Interests may be transferred to the financial institution in connection with the Security Interest, provided that the terms of this Agreement apply to the Escrow Securities and/or Controller Interests for the remainder of the Escrow Period as reflected in the documentation granting such a Security Interest; or
- (e) if the Dealing in Escrow Securities or Controller Interests constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Escrow Securities or Controller Interests to:
 - (i) a company wholly-owned by the Holder; or
 - (ii) a trust in relation to which the Holder and/or any relative of the Holder are the only beneficiaries;

(each a **Transferee**), where the Transferee also enters into an escrow arrangement with the Company in respect of those Escrow Securities or Controller Interests on substantially the same terms as this Agreement for the remainder of the Escrow Period.

4. Termination

- (a) This Agreement terminates with immediate effect and without the action of any party upon expiration of the Escrow Period.
- (b) The Company will cause the Share Registry to release the Holding Lock over the Escrow Securities, if still in effect, as soon as possible following termination of this Agreement.
- (c) This Agreement will terminate with immediate effect if the Company is not admitted to the official list of ASX by the Non-IPO Date.

5. Representations, warranties and acknowledgement

5.1 Giving of representations and warranties

Each of the representations and warranties in this clause 5 is given by the Holder or a Controller, as applicable in favor of the Company as at the date of this Agreement, unless a later date is specified in clause 5.2 or 5.3.

The representations and warranties in this clause 5 are given in respect of any and all Escrow Securities from time to time during the Escrow Period.

5.2 Holder representations and warranties

The Holder represents and warrants to the Company that:

- (a) prior to the Escrow Period it has not done, or omitted to do, any act which would result in a Dealing in Escrow Securities which will take effect during the Escrow Period;
- (b) the Escrow Securities of the Holder are free from all Security Interests and other third party interests or rights and will remain so during the Escrow Period except to the extent permitted by this Agreement;
- (c) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this Agreement;
- (d) it has taken all necessary action to authorize the execution, delivery and performance of this Agreement in accordance with its terms;
- (e) this Agreement constitutes a legal, valid and binding obligation of it and is enforceable in accordance with its terms;
- (f) if the Holder is a Trustee, the Trustee is the sole trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust;
- (g) the execution, delivery and performance by the Holder of this Agreement does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, rule or regulation;
 - (ii) its certificate of incorporation or formation or other similar governing documents, if any, (and, if the Holder is a Trustee, the trust agreement for the Trust); or
 - (iii) any agreement, covenant, Security Interest or document which is binding on the Holder;
- (h) it holds, or will hold, following completion of the IPO, the Escrow Securities; and
- (i) the Escrow Securities are all of the securities, economic interests or other interests that the Holder has directly or indirectly in the Company; and
- (j) if no Controller is party to this Agreement, the Holder has no controller within the meaning of the ASX Listing Rules.

5.3 Controller warranties and representations

Each Controller represents and warrants to the Company that:

- (a) before the Escrow Period it has not done, or omitted to do, any act which would result in a Dealing in any Controller Interests which will take effect during the Escrow Period;
- (b) the Controller Interests of the Controller are free from all Security Interests and other third party interests or rights and will remain so during the Escrow Period except to the extent permitted under this Agreement;

- (c) it has full power and authority, without the consent of any person, to enter into and perform its obligations under this Agreement (including, if the Controller has entered into this Agreement as a trustee (**Trustee**), under the trust agreement for the relevant trust (**Trust**);
- (d) it has taken all necessary action to authorize the execution, delivery and performance of this Agreement in accordance with its terms;
- (e) this Agreement constitutes legal, valid and binding obligations of it and is enforceable in accordance with its terms;
- (f) if the Controller is a trustee, the trustee is the sole trustee of the relevant trust and there is no proposal to remove the Controller as trustee of the relevant trust;
- (g) the execution, delivery and performance by the Controller of this Agreement does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, rule or regulation; or
 - (ii) its certificate of incorporation or formation or other similar governing documents, if any, (and, if the Controller is a Trustee, the trust agreement for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Controller; and
- (h) it holds, or will hold, following completion of the IPO, the Controller Interests; and
- (i) the Controller Interests are all of the securities, economic interests or other interests that the Controller has directly or indirectly in the Company.

5.4 Survival of representations and warranties

The representations and warranties in this clause 5 will survive termination of this Agreement.

6. Consequences of breaching this Agreement

- (a) If the Holder or a Controller breaches this Agreement, or the Company believes that a prospective breach of this Agreement may occur, each of the following applies:
 - (i) the Company may take the steps necessary to enforce the Agreement, or to rectify the breach, as soon as practicable after becoming aware of the breach or prospective breach; and
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or other Dealing in any Escrow Securities.
- (b) The parties agree that damages would be an insufficient remedy for a breach or prospective breach of this Agreement by the Holder or a Controller and the Holder and each Controller agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's or Controller's (as applicable) obligations under this Agreement, without proof of actual damage and without prejudice to any of the Company's other rights or remedies.

7. Notices and other communications

7.1 Form

Unless expressly stated otherwise in this Agreement, all notices, certificates, consents, approvals, waivers and other communications in connection with this Agreement must be in writing, signed by the sender (or an authorized representative of the sender) and marked for the attention of the person identified or referred to in Schedule 1 or, if the recipient has notified otherwise, then marked for attention in the way last notified.

7.2 Delivery

Any notice given under this Agreement must be:

- (a) left at the relevant address set out or referred to in Schedule 1;
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in Schedule 1;
- (c) sent by email to the email address set out or referred to in Schedule 1; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed postal address or changed email address, then the communication must be to that address or number.

7.3 When effective

Notice will be effective from the time it is received unless a later time is specified.

7.4 Receipt - post

If sent by post, a notice will be deemed to be received three days after posting (or seven days after posting if sent to or from a place outside the US).

7.5 Receipt - email

If sent by email, unless the party sending the email knows or reasonably ought to suspect that the email and the attached communication were not in fact delivered, 24 hours after the email was sent.

8. General provisions

8.1 Discretion in exercising rights

Each party may, in its absolute discretion, give conditionally or unconditionally or withhold any approval, consent, resolution or determination under this Agreement, unless this Agreement expressly states otherwise.

8.2 Partial exercising of rights

If a party does not exercise a right or remedy fully or at a given time, the party may still exercise it at a later time.

8.3 No liability for loss

A party is not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising a right or remedy under this Agreement.

8.4 Variation and waiver

Any provision of this Agreement or a right created under it, may not be waived or varied except in writing, signed by the party or parties to be bound.

8.5 Amendment

This Agreement may be amended only by a document signed by all parties.

8.6 Further assurances

The Holder and the Controller undertake to, and to procure that all persons under their respective Control, do all things necessary or desirable to effect the transactions contemplated by this Agreement as expeditiously as possible, including executing, delivering or completing any form, document or instrument necessary or desirable to give effect to any of the transactions contemplated by this Agreement.

8.7 Survival

The representations, warranties, covenants and indemnities given by a party under this Agreement will not expire on Completion of the IPO.

8.8 Assignment

Neither the Holder or the Controller may transfer, assign, create an interest in, or deal in any other way with, any of their respective rights or obligations under this Agreement without the prior written consent of the Company.

8.9 Counterparts

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. This Agreement takes effect in accordance with its terms at, and not before, the first time at which both parties identified on the first page have executed this document (or counterparts of it).

8.10 Governing law

This Agreement will be governed by and interpreted in accordance with the internal laws of the state of Washington, excluding its conflict of law rules. Exclusive jurisdiction and venue for any claims related to or arising under this Agreement will be in a court located in King County, Washington.

8.11 Entire agreement

This Agreement and the documents referred to in this Agreement are the entire agreement of the parties about the subject matter of this Agreement and supersede any representations, negotiations, arrangements, understandings or agreements and all other communications.

8.12 Remedies

The rights, remedies and powers of the parties under this Agreement are cumulative and not exclusive of any rights, remedies or powers provided to the parties by law.

8.13 Inconsistent agreements

If a provision of this Agreement is inconsistent with a provision of any other agreement, document, representation, negotiation, arrangement or understanding between the Holder and, or, the Controller and the Company, or between the Holder or the Controller and any other person, the provision of this Agreement shall prevail.

8.14 Severability

If the whole or any part of a provision of this Agreement is void, unenforceable or illegal in a jurisdiction it is severed for that jurisdiction. The remainder of this Agreement has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected. This clause has no effect if the severance alters the basic nature of this Agreement or is contrary to public policy.

8.15 Successors and assigns

This Agreement is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns and, in the case of the Holder or the Controller, his or her personal representatives and any trustee, receiver or other person lawfully acting on its behalf.

[Remainder of page intentionally left blank]

Schedule 1 - Holder and Controller Details

Part 1

Holder

Name:

Address:

Preferred Email Address:

Part 2

(Complete if there is a Controller)
Controller

Name:

Address:

Email:

(Complete if there is more than one Controller)
Controller

Name:

Address:

Email:

Signature Page to Escrow Agreement

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement as of the date first written above.

Executed by Limeade, Inc.

Signature

Full name:
Title:

Holder

If the Holder is an individual and is signing personally:

Name of Holder:

Signature

If the Holder is an entity and is signing by authorized signatory:

Executed for and on behalf of:
(name of Holder)

By:
(name of person or entity that controls Holder - leave blank if not applicable)
Its:
(if name is inserted directly above, indicate relationship - i.e. a trustee if
Holder is a Trust)

Signature

Full name of authorized signatory:
Title:

Signature Page to Escrow Agreement

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement as of the date first written above.

Controller

If the Controller is an individual and is signing personally:

Name of Controller:

Signature

If the Controller is an entity and is signing by authorized signatory:

Executed for and on behalf of:
(name of Controller)

Signature

Full name of authorized signatory:
Title:

STOCK POWER AND ASSIGNMENT SEPARATE FROM CERTIFICATE

FOR VALUE RECEIVED and pursuant to that certain Share Escrow Agreement dated as of _____, the undersigned ("**Transferor**") hereby sells, assigns and transfers unto CHES Depository Nominees Pty Limited ACN 071 346 506 ("**Transferee**"), _____ shares of Common Stock of Limeade, Inc., a Washington corporation, standing in the undersigned's name on the books of said corporation represented by certificate number ____ (if applicable) delivered herewith (if applicable), and does hereby irrevocably constitute and appoint Limeade, Inc. as attorney-in-fact, with full power of substitution, to transfer said stock on the books of said corporation.

Dated: _____

If the Transferor is an individual and is signing personally:

Name of Transferor:

Signature

If the Transferor is an entity and is signing by authorized signatory:

Executed for and on behalf of:
(name of Transferor)

By:
(name of person or entity that controls Transferor - leave blank if not applicable)
Its:
(if name is inserted directly above, indicate relationship - i.e. a trustee if Transferor is a Trust)

Signature

Full name of authorized signatory:
Title: