RLF AgTech

REPLACEMENT PROSPECTUS

INITIAL OFFERING OF ORDINARY SHARES

For an initial public offer of up to 50,000,000 Shares at an issue price of $0.20 per Share to raise up to $10,000,000 (before costs) and a Minimum Subscription of 35,000,000 Shares at an issue price of $0.20 per Share to raise $7,000,000 (before costs) (**Public Offer**).

The Prospectus also contains an offer of Shares to the Noteholders in satisfaction of the Convertible Notes **(Convertible Note Share Offer)**.

Important Information

In the event that the Public Offer does not proceed then the Convertible Note Share Offer will not proceed.

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. An investment in the Securities offered by this Prospectus should be considered as speculative.

This prospectus contains an Independent Expert's Report on whether the performance securities proposed to be issued by the Company at and following listing are fair and reasonable to the non-participating security holders at listing. The Independent Expert's Report is contained in Annexure A and sets out the advantages and disadvantages of the issue of the performance securities. The Independent Expert has concluded that the proposed issue of the performance securities at listing is fair and reasonable to the non-participating security holders at listing. You should read this Independent Expert's Report in full before deciding whether to invest in the Company.

DISCOVERY CAPITAL PARTNERS

LEAD MANAGER

IMPORTANT NOTICE

This replacement prospectus is dated 24 February 2022 and was lodged with ASIC on that date (**Prospectus**). It replaces the original prospectus lodged with ASIC on 10 February 2022 (**Original Prospectus**). ASX, ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which the Prospectus relates. The expiry date of this Prospectus is that date which is 13 months after the date this Prospectus was lodged with ASIC. No Shares may be issued on the basis of this Prospectus after that expiry date.

This document is important and investors should read this Prospectus in its entirety and seek professional advice where necessary before deciding whether to participate in the Offers. The Shares the subject of this Prospectus should be considered speculative. This document does not take into account the investment objectives, financial, taxation or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to their particular needs, and consider their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult their stockbroker, solicitor, accountant or other professional adviser without delay. Some of the risk factors that should be considered by potential investors are outlined in Section 11 and Section 12.

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. ASIC extended the Exposure Period from 7 days to 14 days from the lodgement of the Original Prospectus. No applications have been received during the Exposure Period. Applications under this Prospectus will not be processed until after the expiry of the Exposure Period. No preference will be conferred on applications lodged prior to the expiry of the Exposure Period.

Application will be made to ASX within seven days after the date of this Prospectus for Official Quotation of the Shares the subject of this Prospectus.

Persons wishing to apply for Shares pursuant to the Public Offer must do so using the replacement Public Offer Application Form accompanying this Prospectus either in paper form or online form. Online Applications for Shares under the Offer must be made by following the instructions at www.registrydirect.com.au/offer/rlf-ipo. The Corporations Act prohibits any person passing onto another person an Application Form unless it accompanies the complete and unaltered version of this Prospectus.

Replacement Prospectus

This Prospectus is a replacement prospectus and has been issued to: **(a)** replace the Chairman's Letter; **(b)** add footnote references to several statements in Section 4.6 of the Prospectus; **(c)** add more information regards the trials undertaken on the RLF Plant Nutrition Products in Section 4.8(c) and (d) of the Prospectus; **(d)** clarify some of the wording in Section 4.9 (b) regards the RLF Carbon business; **(e)** add more information about the RLF Carbon business and the risks associated with this by adding new Sections 4.9 (c) and (d) to the Prospectus; **(f)** add further detail to the narrative of the pro forma adjustments in Section 7.7 and 7.8 of the Prospectus and adding numbering to link the narrative to the pro forma adjustments; **(g)** correct a typographical error in the summary of the Australian Distribution Agreement in Section 10.1(c); **(h)** add a new risk regards climate change and implementation of the RLF Carbon business.

For the Purposes of this document this replacement prospectus will be referred to as either the Prospectus of the Replacement Prospectus.

By submitting an Application Form, you acknowledge that you have received and read this Prospectus and you have acted in accordance with the terms of the Offers detailed in this Prospectus.

No person is authorised to give any information or to make any representation in relation to the Offers which is not contained in this Prospectus. An information or representation not so contained may not be relied upon as having been authorised by the Company or the Directors in relation to the Offers. You should only rely on information in this Prospectus.

WEBSITE – ELECTRONIC PROSPECTUS

A copy of this Prospectus can be downloaded from the website of the Company at www.rlfagtech.com. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must only access this Prospectus from within Australia.

Persons having received a copy of this Prospectus in its electronic form may obtain a paper copy of this Prospectus and any supplementary prospectus and a paper version of the Application Form (free of charge) by contacting the Company on +61 8 9334 8700 between 9.00am and 5.00pm (WST) Monday to Friday.

A copy of this Prospectus is available for inspection at the registered office of the Company at 61 Dowd Street, Welshpool, Western Australia during normal business hours.

Applications for Shares under the Public Offer will only be accepted by submitting a Public Offer Application Form which accompanies this Prospectus either in paper form or online form. The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to, or accompanied by, the complete unaltered version of the Prospectus. If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form.

The Company and the Lead Manager reserve the right not to accept an Application Form from a person if they have reason to believe that when that person was given access to the online Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

OVERSEAS APPLICANTS

The offers of Shares made pursuant to this Prospectus are not made to persons to whom, or places in which, it would be unlawful to make such an offer of Shares. No action has been taken to register or qualify the Offers under this Prospectus or otherwise permit the Offers to be made in any jurisdiction outside of Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law in those jurisdictions and therefore persons who come into possession of this Prospectus should seek legal advice on, and observe, any of those restrictions. Failure to comply with these restrictions may violate securities laws.

It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to his or her Application. The return of a duly completed Application Form will be taken by the Company or the Lead Manager (as applicable) to constitute a representation and warranty that there has been no breach of such law and that all necessary approvals and consents have been obtained.

FORWARD LOOKING STATEMENTS

This Prospectus may contain forward-looking statements which are identified by words such as 'may', 'should', 'will', 'expect', 'anticipate', 'believes', 'estimate', 'intend', 'scheduled' or 'continue' or other similar words. Such statements and information are subject to risks and uncertainties and a number of assumptions, which may cause the actual results or events to differ materially from the expectations described in the forward looking statements or information.

While the Company considers the expectations reflected in any forward looking statements or information in this Prospectus are reasonable, no assurance can be given that such expectations will prove to be correct. The risk factors outlined Section 11 and Section 12, as well as other matters not yet known to the Company, or not currently considered material to the Company, may cause actual events to be materially different from those expressed, implied or projected in any forward looking statements or information. Any forward looking statement or information contained in this Prospectus is qualified by this cautionary statement.

DEFINITIONS

A number of defined terms are used in this Prospectus. Unless the contrary intention appears, the context requires otherwise or words are defined in Section 16, words and phrases in this Prospectus have the same meaning and interpretation as in the Corporations Act or Listing Rules.

DIRECTORS + COMPANY SECRETARY

Non-Executive Chairman
Donald McLay
Independent

Non-Executive Director
Liza Carpene
Independent

Non-Executive Director
Paul McKenzie
Independent

Managing Director
Kenneth Hancock
Non-Independent

Executive Director
Lu Shen (Mike)
Non-Independent

Executive Director
Gavin Ball
Non-Independent

Company Secretary
Benjamin Donovan

Proposed ASX Code
RLF

Registered Office
61 Dowd Street
Welshpool WA 6106
corporate@rlfagtech.com
www.rlfagtech.com

SHARE REGISTRY
Registry Direct
Level 3, 162 Collins Street
Melbourne VIC 3000
www.registrydirect.com.au

LEAD MANAGER
Discovery Capital Partners
Level 1, 3 Ord Street
West Perth WA 6005
www.discoverycapital.com.au

INVESTIGATING ACCOUNTANTS
Moore Australia
Level 15, Exchange Tower
2 Esplanade
Perth WA 6000
www.moore-australia.com.au

AUSTRALIAN SOLICITORS
GTP Legal
68 Aberdeen Street
Northbridge WA 6003
www.gtplegal.com

AUDITOR
Hall Chadwick WA Audit
283 Rokeby Road
Subiaco WA 6008
www.hallchadwickwa.com.au

INDEPENDENT EXPERT
Moore Australia
Level 15, Exchange Tower
2 Esplanade
Perth WA 6000
www.moore-australia.com.au

CHINESE SOLICITORS
Grandall Law Firm (Qingdao)
13F, Office Tower of Shangri-La Centre
9 Xianggang Middle Road
Qingdao China 266071
www.grandall.com.cn

SECTIONS

KEY OFFER DETAILS

	Minimum Subscription $7,000,000	Maximum Subscription $10,000,000
Price per Share under the Public Offer	$0.20	$0.20
Existing Shares on issue	120,049,523	120,049,523
Shares to be Issued under the Public Offer	35,000,000	50,000,000
Shares to be Issued under the Convertible Note Share Offer[2]	22,232,879	22,232,879
Total Shares on issue on Completion of Offers	177,282,402	192,282,402
Amount raised by the Public Offer (excluding costs)	$7,000,000	$10,000,000
Total pro-forma cash on Completion of the Offers (after costs of the Offers)	$8,815,238	$11,815,238
Indicative market capitalisation[1]	$35,456,480	$38,456,480

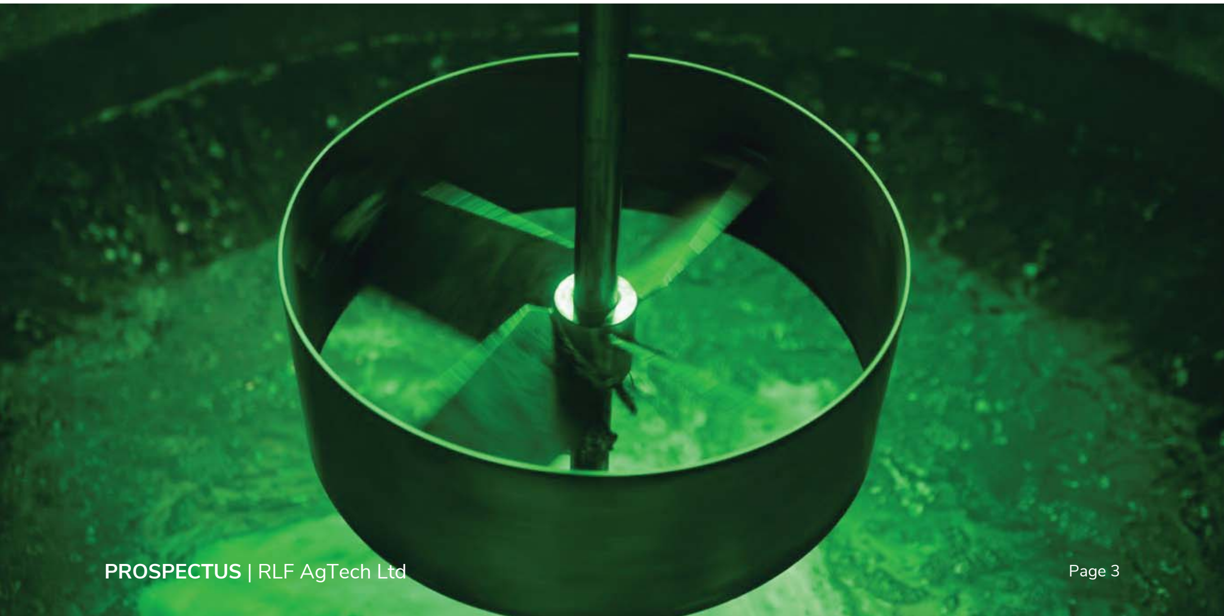
[1] Indicative market capitalisation is determined by the Offer Price multiplied by the total number of Shares at Completion of the Offers.

[2] On the basis of the Indicative Timetable set out below, the actual number of Shares to be issued under the Convertible Note Share Offer will be higher depending on the date of completion of the Convertible Note Share Offer and the actual Issue Date, and will be included as part of the disclosures to be released by the Company in connection with its admission to the Official List of the ASX.

KEY DATES: INDICATIVE TIMETABLE[3]

Lodgement of the Original Prospectus with ASIC	10.02.2022
Exposure Period begins	10.02.2022
Exposure Period ends	24.02.2022
Lodgement of the Replacement Prospectus with ASIC	24.02.2022
Opening Date	25.02.2022
Closing Date of the Offer	10.03.2022
Issue of Shares under the Offers	04.04.2022
Despatch of holding statements	08.04.2022
Expected date for quotation on ASX	12.04.2022

[3] The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or Close the Public Offer early without notice.



SECTION 01

INVESTMENT OVERVIEW

This Section is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety. The Shares offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Shares.

1.1 ABOUT THE COMPANY

Who is the Issuer of this Prospectus?

RLF AgTech Ltd ACN 622 055 216

Who is the Company and what does it do? More Information at Section 4

RLF Agtech is a technology-based plant nutrition company focused on solving some of the world's great agricultural, environmental and human issues. RLF Agtech does this by focusing on plant physiology to achieve efficiency gains in global agriculture by the use of its specialty liquid nutrition products. The RLF Plant Nutrition Products are powered by technologies that allow nutrient to be absorbed into a plant's leaf and seed.

These technologies; which form the basis of the RLF Plant Nutrition Products; have been subject to various independent and on-farm evaluations over the many years of their availability and use. Results across a variety of climates and soil types, have been able to demonstrate an ability to increase yield and quality in the world's main horticultural and broadacre crop types. Positive yield results can drive gains in efficiency and could provide potential for improved financial returns for farmers. RLF Plant Nutrition Products have also shown an ability to add to soil health and achieve other positive environmental effects and consequences.

The Company is an Australian registered company that is the holding company of the Company Group. The Company Group first commenced operations in 2009, although the RLF Plant Nutrition Products were originally developed in, and acquired from, RLF Australia, a company separate from the Company Group and which acts as a territory distributor within Australia of the RLF Plant Nutrition Products under licence, except for any products which may be used as part of a carbon sequestration scheme for which RLF AgTech has global rights. See Section 10.1 for details.

The Company owns 100% of the RLF Intellectual Property in the RLF Plant Nutrition Products and continues to develop them with its team of in-house scientists and researchers and has a number of additional products in development. RLF Agtech's ambition is to become a globally relevant crop nutrition company by leveraging its existing international sales and production platform.

The Company operates in the global agricultural market, with a predominantly Australian executive team who are supported by management and personnel both in Australia and overseas.

The diagram below represents the current Company Group structure. This structure contains corporate entities registered in Australia, Hong Kong, Thailand and China.

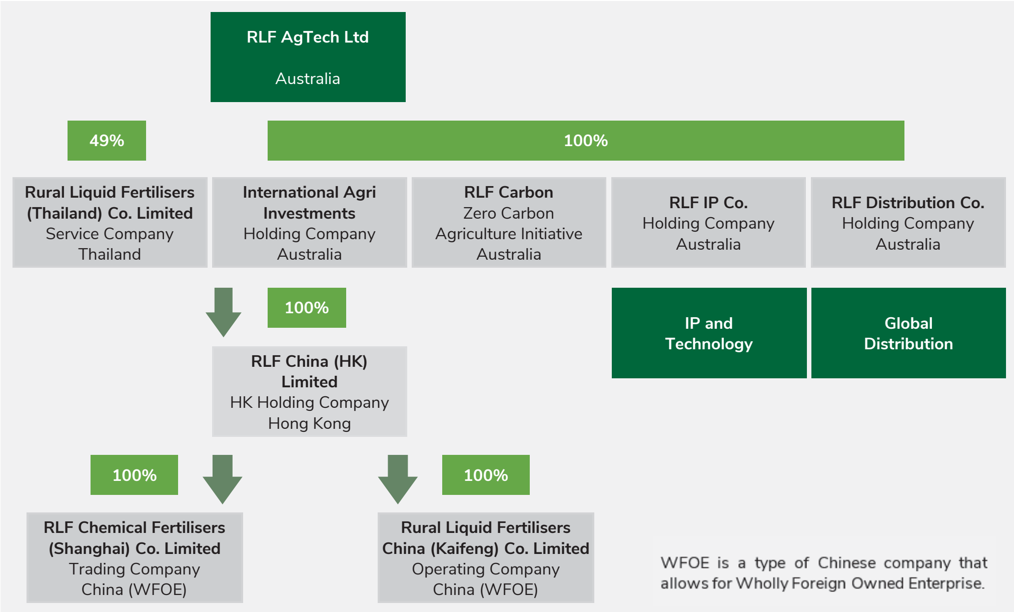


Figure 1.1 Company Group Structure

What is the Company's Business?

More Information at Sections 4 and 5

The Company owns, develops, manufactures, distributes and sells the RLF Plant Nutrition Products. As an Australia-based business with a world-wide focus, RLF's Plant Nutrition Products and plant nutrition programs are based on plant physiology. The RLF Plant Nutrition Products aim to address some of the major issues facing global agriculture to provide more, and a better quality of food, for a growing population on the basis of reducing granular fertiliser inputs and in a more sustainable and environmental manner.

The Company aims to build upon the RLF brand it has established over many years of operation, during which time the RLF Plant Nutrition Products have been tried and tested in a large range of climates and soil types and because of which, the RLF brand and its trademarks have developed in-market trust and recognition.

Specialty plant nutrition products such as RLF's Plant Nutrition Products, are more technical than traditional fertilisers or other crop nutrition products. They are specifically designed and formulated to address known nutrient deficiencies, and to target unknown nutrient deficiencies. They are intended to provide the nutritional requirements to drive plants to achieve maximum yield potential. Additionally, supplying sufficient available micronutrients can help the plant produce higher quality and more nutritious food which is healthier to eat. Crops can also become stronger and therefore more resilient.

As demand for specialty plant nutrition and technology-based crop management programs are becoming more understood and accepted, products such as the RLF Plant Nutrition Products are proving to be an effective and viable alternative to traditional fertiliser practices. The use of innovative and more efficient forms of farm management, (including the use of high-tech Plant Nutrition Products and crop management technologies), are better aligned with both industry and government policy directives aimed at achieving sustainable agricultural outcomes. Given that traditional mining related to chemical fertilisers is becoming more costly, energy polluting and environmentally harmful, the need for alternative technology, including RLF's Plant Nutrition Products, is expected to increase significantly to deliver the world's food.

RLF aims to leverage its existing manufacturing and distribution platform in Asia, whilst aiming to develop the business globally to become a major supplier to the agricultural sector.

The Company's business model is underpinned by supporting four critical factors, being the farmers and growers, the consumers of agricultural produce, the soil that provides and sustains the food-growing environment and the climate resilience of agricultural products.

- **Farmers**

  Plants grown with RLF Plant Nutrition Products deliver nutrients to crops in a way that's natural for them, and have demonstrated yield increases of between 10% - 30%, and with higher produce quality. Typically, an increase in yield can deliver increased incomes for farmers and contributes to food security. RLF Plant Nutrition Products are available for most crop types and conditions.

- **Consumers**

  Plants grown with RLF Plant Nutrition Products have been shown to absorb and contain a greater value of the nutrients considered necessary for healthy human life. RLF Plant Nutrition Products aim to biofortify the food that is grown through increased intake of nutrients, vitamins and minerals. This means the potential for higher quality food with higher micronutrient intake for consumers.

- **Sustainable Soil**

  Plants grown with RLF Plant Nutrition Products are more likely to achieve an enhanced root system and increased top growth. The intention of these outcomes being to capture carbon from the air and store it in the soil by using the plant's own normal functions. Enhanced root systems have shown to improve the condition of the soils, and in this way, RLF Plant Nutrition Products can support farmers in their goals to restore and sustain their soils for future use.

- **Climate resilience**

  Plants grown with RLF Plant Nutrition Products can develop healthier, more robust top cover, including a greater number of plant tillers and thicker stalks. The healthier a plant is, the better it is able to withstand the adverse effects of climate change in cropping environments. The direct access and availability of nutrient supply can improve plant health and therefore a healthier plant can better buffer the negative effects of climate variability and provide greater plant resilience.

Established Proprietary Technology

The Company's Australian-developed and formulated **Plant Proton Delivery Technology (PPDT)**, is the foundation for its specialty seed and foliar nutrition technologies.

These technologies are intended to assist in addressing many of the global issues facing agriculture, and provide both the systems and products to bring about change. Amongst the issues sought to be addressed by the RLF Plant Nutrition Products are global food security, halting soil degradation and arresting the over application of traditional soil-based fertilisers, managing energy pollution and supporting human health through the supply of foods that contain the nutrients considered essential. This gives the Company potential for expansion into the largest global markets.

Intellectual Property

The Company holds a large body of intellectual property in the RLF Intellectual Property including trade secrets and know-how in its product formulations that underpins its RLF Plant Nutrition Products and programs. The RLF Intellectual Property drives the targeted and/or intended outcomes needed. This includes:

- **Plant Physiology**

  The basis for the RLF Intellectual Property is the science of plant physiology.

- **Proprietary Proton Chemistry**

  The Plant Proton Delivery Technology is the technology that underpins the RLF Plant Nutrition Products. It is rich in protons (H+) which have an effect on the plant's energy systems and metabolism.

- **Nutrient Delivery System Technology**

  The Nutrient Delivery System is comprised of elements and compounds critical to plant function. When combining the Nutrient Delivery System with the Company's PPDT and multi nutrient formulations, this provides a complete package to support optimum plant growth.

- **Integrated Crop Nutrition & Carbon Management**

  The Integrated Crop Nutrition & Carbon Management (**ICN&CM**) System aims to reduce soil applied chemical fertiliser applications, and increase crop yield and quality whilst targeting greater capacity for CO_2 sequestration and regenerative farming outcomes. It is also designed to provide farmers and growers with an on-farm system that does not increase costs, and fits within existing farm practices.

The Company's manufacturing operations are Quality Assured and have a scalable and knowledgeable technical manufacturing capability. This is combined with highly efficient formulation processes.

What is the RLF Carbon Initiative?

More Information at Sections 4, 10.1 and 10.6

RLF Carbon is a wholly owned subsidiary of the Company.

It has been created to consider and undertake studies on, and if positive, to commence commercial operations to provide services and products to farmers as they transition to the new agricultural economy focused on increasing carbon in soil and decreasing nitrogen related output, with the stated goal of enabling global agriculture to obtain net zero, or potentially carbon negative production of food.

The Company recognises the importance of these transformational changes, and is positioning itself to provide customers with products and program methodologies so that they can increase yield, enhance quality of the product, improve soil quality and sustainability and assist agricultural products being grown with climate resilience. It is intended that such program methodologies would also result in an increase in the capture of carbon in the soil or a reduction in nitrous oxide (due to a reduction in nitrogen in the soil) with the goal to enable the ability to earn credits under an emissions reduction scheme.

Non-binding Letter of Intent with the Commonwealth Bank

RLF Carbon is not currently providing these services. The Company has entered into a non-binding Letter of Intent (Letter of Intent) under which the Company and the Commonwealth Bank agree to discuss and explore opportunities to potentially conduct a carbon feasibility study with respect to a possible strategic carbon relationship. The Letter of Intent constitutes a preliminary indication of intent only and creates no liability or obligation of any nature whatsoever on either party to enter into a strategic relationship. There is no certainty that Commonwealth Bank will enter into a definitive strategic relationship with the Company. Refer to Section 10.6 for details.

Based on internal studies/modelling undertaken by the Company RLF Carbon believes there is a high potential for its products, based on the predicted deposition of carbonaceous matter in the soil to play a key role in global agriculture reaching net zero.

What is the Company's Business Strategy?

More Information at Section 4.13

(a) Operational strategy

The Company's operational strategy is to expand the existing functions of the business through increased investment in people and physical resources. The expectation is that by increasing resources, an accelerated expansion of the existing business should occur, particularly given the demonstrated performance of RLF's products. This has been the basis of the growth of the Company to date, and considered a reasonable model from which to base future expansion.

The Company plans to expand based on seven specific actions by:

i. continuing to develop the Company's specialised Team whose sole purpose is to work towards commercial services and products for farmers by the Company so that they can increase yield, enhance quality of the product, enhance soil quality and sustainability and assist agricultural products being grown with climate resilience and to potentially participate in emissions schemes.

ii. employing more people into Sales and Technical Support roles for customers. This will enable the points of contact in both the Direct Sales and OEM Distribution pathways to be fostered. There will be particular focus placed on its relationships with crop protection customers, as RLF Plant Nutrition Products have considerable advantage via this channel.

iii. increasing its research and development efforts to advance more technologies and nutrition programs to accompany the rollout and release of new RLF Plant Nutrition Products and product registrations.

iv. establishing a specialised Team for the seed market, whose sole focus will be to build supportive partnerships and drive sales for the RLF Seed Nutrition Products.

v. increasing support for existing Distributor Partnerships, and investing in the establishment and/or scale-up of partnerships in new countries.

vi. investing in the capital upgrade of facilities for the manufacturing, packaging and distribution segments of the business to better manage future supply demands.

vii. increasing funding for marketing programs, so that field demonstrations, evaluation trials, farmer meetings, distributor/partner meetings, electronic and print media, attendance at tradeshows and training resources can all contribute better to the building of the sale of products and technologies.

(b) Corporate strategy

The corporate strategy for the Company broadly consists of the following possibilities that have not yet been realised:

i. Economies of Scale

The Company will upscale to take advantage from economies of scale by increasing its current operations, managing its staff resources and streamlining administrative functions.

ii. Utilising Existing Infrastructure to Create New Revenues

The Company is confident that the valuable service it has developed from its already established manufacturing, packaging, sales, marketing and distribution platforms, will provide the basis for expansion. There is also potential for this service to be made available as a contracted distribution channel for owners of third-party products wanting to deliver their products into the same regions as the Company.

Who are the Company's Competitors? More Information at Section 5.10

The Company operates in the global agricultural market, which is a highly competitive market with many operators. Competition in this market is not limited to, but typically comes from, fertiliser manufacturing or distribution companies, agricultural chemical or other agricultural product manufacturers and/or distributors and companies operating in the agricultural marketplace at various levels spanning multi-national, national, regional or local.

1.2 KEY STRENGTHS

What are the Competitive Advantages of the Company? More Information at Section 4.10

The key competitive advantages for the Company include:

- **(a)** The RLF Plant Nutrition Products have an established record of being used in commercial farming practice for 25+ years.
- **(b)** The RLF Plant Nutrition Products have a strong product performance history because of the continuing program of demonstration and evaluation trials, as well as on-farm use through the sale and customer use of the RLF Plant Nutrition Products.
- **(c)** The Company operates an Australian-owned and operated agricultural business and benefits from the general good reputation of Australian products and Australian farmers.
- **(d)** The Company has been able to demonstrate that improved overall crop strength, healthier plants, increased yield and better quality of produce result from the science-based technologies used in the development of the RLF Plant Nutrition Products.
- **(e)** The Company has been able to demonstrate the potential to improve the economic viability of the crop when a yield and quality gain is achieved by using the RLF Plant Nutrition Products.
- **(f)** The Company has been able to demonstrate that sustainability benefits accrue by using the RLF Plant Nutrition Products such as increasing and supporting ongoing soil health and fertility.
- **(g)** The use of the RLF Plant Nutrition Products fits within existing farm practices, which in turn lowers the barriers to adopting RLF Plant Nutrition Products.
- **(h)** The RLF Plant Nutrition Products are manufactured with chemistry that is designed to be compatible for use with a range of agricultural chemicals such as fungicides, pesticides and herbicides, that allow farmers to save time and reduce costs associated with input applications.
- **(i)** The Plant Nutrition Products are gaining greater farmer acceptance as awareness of the potential benefits of using micro-nutrients and the role they play in the different phases of a crop's growth cycle increases.
- **(j)** The Company has the benefit of the 10+ years of experience operating in China, during which time it has built RLF brand recognition, reputation and a product history based on customer use of the RLF Plant Nutrition Products.
- **(k)** The Company has an established manufacturing facility and distribution and sales channel network in China supported by experienced Australian technical personnel and a team of local people providing services directly to the market without relying on local partnerships or joint-ventures.
- **(l)** The majority of the Company's current operations are based in central China where distribution costs, access to raw materials and packaging supplies can be gained. Further, as a local operating company, China's seasonal import and export duties are not applicable and therefore avoided.
- **(m)** The Company has the potential to expand its distribution networks for RLF Plant Nutrition Products into global markets using the Company's wealth of experience gained to date.

What are the Benefits of Specialty Plant Nutrition?

More Information at Sections 4 and 5

General Benefits of Specialty Plant Nutrition

The benefit of specialty plant nutrition, such as the RLF Plant Nutrition Products, is that they:

(a) contain chemical characteristics intended to facilitate a more efficient uptake of nutrients into and within crops;

(b) can improve efficiency in farming practices by providing chemical nutrition to crops which is proven to be a more effective method;

(c) are easy to apply and can often fit into existing farm practices;

(d) can be applied in a mixture with other agricultural chemical products such as compatible pesticides, lowering the farmer's costs;

(e) are typically applied with the intention of increasing crop productivity such as yield and quality;

(f) can reduce the potential for nutrient loss to the environment through ground run-off, as application is typically through the leaf or seed and therefore bypasses the soil;

(g) can result in increased natural soil quality achieved when a physically larger root system is developed and results in more microbial activity in the soil which remains after the crop has been harvested; and

(h) can reduce the impact on the environment given their on-farm resource and labour-saving attributes.

Key Benefits of RLF Plant Nutrition Products

RLF Plant Nutrition Products have the following key benefits:

(a) an established track record of strong product performance in many countries and multiple continents and cropping environments around the world through demonstration and evaluation trials;

(b) trials have demonstrated the ability to increase yield and the farmers' return on investment using the RLF Plant Nutrition Products;

(c) the continuing support of customers who attest to the attributes and outcomes of the products from their on-farm experiences;

(d) the demonstrated results from key RLF Plant Nutrition Products that develop larger and stronger root mass, which in turn produces a number of positive agronomic and soil benefits;

(e) application methods that generally fit with existing farmer practices; and

(f) the demonstrated chemical compatibility of key RLF Plant Nutrition Products with other agricultural products and chemicals such as pesticides, herbicides and fungicides. This allows the RLF Plant Nutrition Products to be mixed with other agricultural products which can then be applied in a single application, saving time and costs.

What Material Contracts has the Company Group entered into?

More Information at Section 10

The Company Group is a party to the following material contracts:

- Australian Distribution Agreement with RLF Australia.
- Toll Manufacturing Agreement with RLF Australia.
- Office Services Agreement with RLF Australia.
- Aggregated Payables Deferred Agreement with RLF Australia and RLF Global.
- Lead Manager Mandate pursuant to which the Company has appointed Discovery Capital Partners to act as Lead Manager to the Public Offer.

1.3 KEY RISKS

What are the Key Risks of an Investment in the Company?	More Information at Sections 11 and 12

Prospective investors should be aware that subscribing for Shares in the Company involves a number of risks and uncertainties. The risk factors set out in Sections 11 and 12, and other risks applicable to all listed Securities, may affect the value of the Shares in the future. Accordingly, an investment in the Company must be considered highly speculative. This Section summarises some of the risks that apply to an investment in the Company.

Covid-19 Risks	More Information at Section 12.3.16

The outbreak of the novel coronavirus disease (COVID-19) is continuing to impact global economic markets. The nature and extent of the effect of the ongoing impacts of COVID-19 on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving and the consequences are therefore inevitably uncertain.

Repatriation of Funds to Australia	More Information at Section 11.2.3

The majority of the Company's revenue is derived from its Chinese Subsidiaries, RLF Kaifeng and RLF Shanghai. Chinese laws currently impose tight controls on the conversion of RMB into foreign currencies and the remittance of currency out of China. There is potential risk of its capital being restricted or frozen by Chinese authorities. The Company is currently not experiencing any difficulties remitting currency out of China and has not experienced any such difficulties in its 10+ years of operating in China, however there can be no guarantee that Chinese laws or policies regarding foreign investment will not be amended in the future which could have a materially adverse impact on the Company's financial conditions and results of operation.

Competition and New Products	More Information at Section 12.2.14

The global agricultural industry in which the Company is involved is immense and highly competitive with a number of large established players, and is subject to increasing competition. Certain market conditions may cause an increase in competition. For instance, an increase in demand may present the opportunity for competitors to expand their operations and markets. While the Company will undertake all reasonable due diligence in its business decisions and operations, it will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively, or negatively affect the operating and financial performance of the Company's projects and business.

For instance, new products created by competitors could decrease demand for the RLF Plant Nutrition Products which could negatively impact on the financial position and financial performance of the Company. Further, the cost of responding to changing products from competitors may require the Company to undertake additional research and development activities for products which may be expensive, time consuming or difficult to create, which may affect the Company's profitability or, if such cost is prohibitive, may reduce the Company's capacity to expand or maintain its business. Similarly, aggressive pricing or additional product offerings from competitors may reduce the volume and price of the RLF Plant Nutrition Products that the Company is able to sell, which may have a material and adverse effect on the Company's revenue and profitability, and in particular its growth.

If a third party accuses the Company of infringing its intellectual property rights, or if a third party commences litigation against the Company for the infringement of patent or other intellectual property rights, the Company may incur significant costs in defending such action, whether or not it ultimately prevails.

Typically, intellectual property rights litigation is expensive. Costs that the Company incurs in defending third party infringement actions would also include diversion of management's and technical personnel's time.

In addition, competitors making claims against the Company may be able to obtain injunctive or other relief that could prevent the Company from commercialising the RLF Plant Nutrition Products. In the event of a successful claim of infringement against the Company, it may be required to pay damages and obtain one or more licenses from the prevailing third party. If it is not able to obtain these licenses at a reasonable cost, if at all, it could encounter delays in product introductions and loss of substantial resources while it attempts to develop alternative products. Defence of any lawsuit or failure to obtain any of these licenses could prevent the Company from commercialising available products and could cause it to incur substantial expenditure.

Quality Control and Product Performance Risk

More Information at Section 12.2.21

To ensure the quality of the RLF Plant Nutrition Products sold by the Company, it employs Australian personnel to manage the manufacturing process of the RLF Plant Nutrition Products at the Company's facilities overseas. In addition, the Company is focused on managing its quality control and holds international accreditation for Quality Management Systems for packaging and sales of liquid fertilisers. Although the Company has strict quality control systems, there is nevertheless risk that product quality issues may arise such as incorrect preparation or packaging of products. If a quality issue arises, the Company may experience adverse impacts to its sales, reputation and corporate brand image.

Product performance risk in agriculture is high, given the number of variable factors outside the control of the Company that have a direct influence on results. This may include, but is not limited to weather, pests, other non-Company products used, farmer practice and general environmental factors such as frost or heat. Poor user experience may affect customer take-up, retention and level of usage of the RLF Plant Nutrition Products. Additionally, impacted customer experiences may result if the Company does not have sufficient numbers of customer service personnel, fails to provide adequate training and resources for partners, or there is a disruption to product supply.

The Company conducts ongoing research and development of the RLF Plant Nutrition Products. At times in the future the Company may wish to launch new and innovative RLF Plant Nutrition Products into the marketplace in addition to the products currently being sold. The RLF Plant Nutrition Products often contain complex chemistry and formulations, and while the Company has rigorous testing processes, it is possible that new products may not perform as intended or tested.

Poor experiences may result in damage to the brand, loss of customers or customers reducing their use of the RLF Plant Nutrition Products, loss of partners or distributors, adverse publicity, litigation, liability for damages or regulatory enquiries, any of which could adversely impact the Company's business and operating results.

Relationship with, and Conduct of, Agents and Distribution Partners

More Information at Section 12.2.10

The Company mainly sells the RLF Plant Nutrition Products in wholesale quantities to regional sales agents and its distributor partners, who then on-sell the RLF Plant Nutrition Products to end-consumers. The Company has established good ongoing relationships with various sales agents and distributor partners. These sales agents are important to the Company's sales strategy and are responsible for establishing distribution channels and promotional programs. However, in the event that a sales agent or distributor partner suspends or reduces its business activities, the Company may not be able to find qualified and suitable replacements at an acceptable level. This may adversely impact the Company's business, financial position, operating results and prospects.

In addition, the amount of product sales and revenue the Company generates can be affected by the conduct of a sales agent or distributor partner. Such conduct may include poor customer care, applying insufficient resources, and not understanding the benefits of the RLF Plant Nutrition Products. This can have a negative effect on the Company's sales, brand and the customer's perception of the Company and the willingness of farmers to use or continue to use the RLF Plant Nutrition Products.

Contractual Disputes

More Information at Section 12.2.12

The Company's sales strategy is partially dependent on contractual agreements with its customers, although this risk is minimised because the Company does not rely on any particular major customers. Of the Company's top 20 customers in FY 2021, each customer individually accounted for a percentage (ranging between 1.0% and 5.6%) of the Company's total revenue.

In relation to the Company's distribution outside of its main market, the Company does not typically enter into an agreement with a distributor partner until it is comfortable with the distributor partner's potential, so the distributor partner may be distributing the RLF Plant Nutrition Products for a period of time before a contractual arrangement with the Company is formalised.

Brand Damage

More Information at Section 12.2.15

The Company believes that its brand is important to growing its customer base, and that its brand depends on the ability to achieve a positive experience with customers. Circumstances outside of the control of the Company could affect this experience with customers, which may cause a customer to have a poor experience. This could damage the Company's brand and adversely affect its business.

Management of Growth

More Information at Section 12.2.16

As the Company and its operations expand it will be required to continuously improve, and where appropriate upscale its operational and financial systems, procedures and controls. It will also be required to expand, retain, manage and train its employees accordingly. There is a risk that the Company will not be able to manage rapid growth of the business.

The capacity of the Company to efficiently and effectively implement and manage business growth may affect the Company's financial performance.

Reliance on Personnel

More Information at Section 12.2.17

The Company's operational success will depend substantially on the continuing efforts of, and the provision of services by its senior executives. The loss of one or more senior executive may have an adverse effect on the Company's operations. The Company continues to seek and hire expertise in the areas where opportunities exist. Furthermore, if the Company is unable to attract, train and retain these key individuals, and other highly skilled employees and consultants, its business may be adversely affected.

In addition, the Company's future success will also, in part, depend on its ability to hire and train qualified and motivated staff. There can be no assurance that the Company will be successful in attracting and retaining such personnel. A failure to do so may have an adverse effect on the operations and profitability of the Company's business.

Marketing and Sales Success

More Information at Section 12.2.18

Following completion of the Offers, the Company intends to maintain and if possible accelerate growth by focusing on marketing and sales. By its nature, there is no guarantee that the Company's marketing campaign will be successful and generate new customers and sales. In the event that it is not successful, this would likely have an adverse impact on the Company's sales and profitability. Even if the Company does successfully maintain and if possible accelerate growth by focusing on marketing and sales, there is a risk that the Company will not achieve a commercial return. The Company may not be able to make sufficient revenues from customers to cover its operating and capital costs.

Manufacturing Risk

More Information at Sections 4.13 (a) vi; 4.14 (b); 12.2.20

The manufacture of RLF Plant Nutrition Products involves complex and capital intensive mechanical equipment and processes. In addition, fertiliser processes involve risks related to plant breakdown or damage, logistics, supply of raw materials, labour and other resources. Difficulties or delays relating to the manufacturing of the RLF Plant Nutrition Products could also result from factors outside the Company's control, such as inadequate supply of electricity or other utilities, accidents, government intervention, labour strikes, extreme weather, earthquakes or other natural disasters. The occurrence of such events could increase the Company's costs, and this would likely result in an adverse material impact on the Company's business and operating performance. Further, the Company's growth plans include expanding its manufacturing facilities which is dependent on numerous third parties and various factors outside of the Company's control.

Protection of Intellectual Property Rights and Infringement of Third Party Intellectual Property Rights

More Information at Section 12.2.24

The Company has responsibility for the RLF Intellectual Property in relation to the RLF Plant Nutrition Products, including trade secrets and know-how in respect of its proprietary product formulations. Also, the Company has a number of trademarks registered in various markets and may rely on confidentiality agreements with its employees, consultants and third parties to protect its brand and other Intellectual Property rights.

Legal standards relating to the validity, enforceability and scope of protection of Intellectual Property rights are uncertain. Effective confidentiality and trade secret protection may not be available to the Company in some of the jurisdictions in which the Company seeks to operate. Accordingly, despite its efforts, the Company may not be able to prevent third parties from infringing upon or misappropriating the RLF Intellectual Property. The Company may be required to incur significant expenses in monitoring and protecting the RLF Intellectual Property. If the Company fails to protect the RLF Intellectual Property, competitors or third parties could engage in behaviors that could harm the Company's business. The Company 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 the Company and cause a distraction for management.

Additional Requirements for Capital

More Information at Section 12.2.4

The Company's capital requirements depend on numerous factors. Depending on its ability to continue to generate income from its operations, the Company may require further financing in the future.

Further funding may be required by the Company to support its ongoing activities and operations, including making contributions towards the ongoing research and development of the RLF Plant Nutrition Products, developing new product lines, or to increase its manufacturing and operating infrastructure or possibly to acquire complementary businesses and technologies in the future (although no such acquisitions are currently planned).

Accordingly, the Company may need to engage in equity or debt financings to secure additional funds. There can be no assurance that such funding will be available on satisfactory terms, or at all at the relevant time. Any inability to obtain additional funding will adversely affect the business and financial condition of the Company and consequently its performance.

The majority of the Company's operations are in China, and accordingly most of its revenue is generated from China. This subjects the Company to a significant degree to economic, political and legal developments in China which may include risks such as:

- **(a)** changes in the policies of the government in China that could have a significant impact upon the Company being able to conduct its business in China;
- **(b)** laws and regulations in China which govern current business operations are sometimes vague and uncertain. Any changes in these laws and regulations in China may have a material and adverse effect on the Company's business;
- **(c)** changes in economic growth in China may assert a negative (or positive) impact on the Company's operations and financial results;

(d) a downturn in the Chinese economy, an increase in inflation or a difficulty managing the risk associated with doing business in the Chinese fertiliser and agricultural products sectors, could have a material adverse effect; and

(e) the fluctuation of RMB and governmental control of currency conversion may materially and adversely affect the Company's business.

1.4 DIRECTORS AND KEY MANAGEMENT

Who are the Directors? More Information at Section 6.1

The Company's Board comprises:

- Donald McLay, Non-Executive Chairman
- Liza Carpene, Non-Executive Director
- Paul McKenzie, Non-Executive Director
- Kenneth Hancock, Managing Director and CEO (Global)
- Lu Shen (Mike), Executive Director and CEO (Asia)
- Gavin Ball, Executive Director

Who are the Company's Key Management Personnel? More Information at Section 6.2

In addition to the Company's Managing Director and CEO (Global) and CEO (Asia), the Company's other key management personnel include:

- Dr Hooshang Nassery BSc, MSc, PhD, Chief Scientist and Head of Plant Physiology
- Dr Carl Urbani BSc (Hons), PhD, Chief Chemist and Head of Research & Development
- Su-Mei Sain, Chief Financial Officer
- Benjamin Donovan, Company Secretary

What are the Significant Interests of Directors in the Company? More Information at Section 6.4 – 6.8

Directors' interests in the Company are detailed in Sections 6.4 – 6.7.

On Completion of the Offers:

- Managing Director, Ken Hancock will have a relevant interest in 74,503,259 Shares (representing 38.75% at the Maximum Subscription and 42.03% at the Minimum Subscription of the Company's Shares on issue at completion of the Offer) and will hold 8,333,333 Incentive Options and 2,000,000 Performance Rights and 10,000,000 Class A Deferred Shares and 10,000,000 Class B Deferred Shares;
- Executive Director, Gavin Ball will have a relevant interest in 25,428,480 Shares (representing 13.22% at the Maximum Subscription and 14.34% at the Minimum Subscription of the Company's Shares on issue at completion of the Offer) and will hold 3,333,333 Incentive Options and 2,000,000 Performance Rights and 2,187,500 Class A Deferred Shares and 2,187,500 Class B Deferred Shares;
- Executive Director and CEO (Asia), Lu Shen (Mike) will have a relevant interest in 4,861,110 Shares (representing 2.53% at the Maximum Subscription and 2.74% at the Minimum Subscription of the Company's Shares on issue at completion of the Offer) and 2,000,000 Performance Rights.
- Non-Executive Director, Donald McLay has a relevant interest in 999,920 shares and will be will be offered a total of 741,096 Shares in satisfaction of Convertible Notes held which have a face value of $100,000 (Convertible Note Share Offer) and interest and will have a relevant interest in 1,741,016 Shares (representing 0.91% at the Maximum Subscription and 0.98% at The Minimum Subscription of the Company's Shares on issue at completion of the Offer) and will hold 1,250,000 Incentive Options;
- Non-Executive Director, Liza Carpene, pursuant to this Prospectus, will be offered a total of 370,548 Shares in satisfaction of Convertible Notes held which have a face value of $50,000 (Convertible Note Share Offer) and interest and will have a relevant interest in 370,548 Shares (representing 0.19% at the Maximum Subscription and 0.21% at the Minimum Subscription of the Company's Shares on issue at completion of the Offer) and will hold 1,000,000 Incentive Options; and

- Non-Executive Director, Paul McKenzie will hold 1,000,000 Incentive Options.

See Section 6.4 for more information.

Section 6.7 sets out details of the Company's related party agreements and transactions with the Company from which the Directors may benefit. These comprise:

- Customary executive service agreements, consultancy agreements, appointments and deeds of indemnity, insurance and access with each of the Directors.
- Ancillary Agreements with RLF Australia and RLF Global (entities outside the Company Group) relating to the Restructure, including the Australian Distribution Agreement, the Toll Manufacturing Agreement, the Office Services Agreement and the Aggregated Payables Deferred Agreement. Kenneth Hancock and Gavin Ball have interests in RLF Australia and RLF Global, as set out in Section 6.6. Details of the Restructure are set out in Section 4.3. Full summaries of these Ancillary Agreements are set out in Section 10.
- The Company has an arrangement with Sourcefit Philippines, a company which provides services to the Company including the graphic design work on this Prospectus, graphic design work for product labels and other product information on commercial terms as detailed in Section 6.7 (j) ii. Gavin Ball has a non-controlling interest in Sourcefit Philippines.
- The Company has an arrangement with Magicorp Pty Ltd, a company which provides digital services to the Company, including website and domain services and other services on an as required basis on commercial terms as detailed in Section 6.7 (j) iii. Gavin Ball has a controlling interest in Magicorp.

1.5 RESTRUCTURE

Restructure of the Company Prior to IPO	More Information at Sections 4.3 and 6.6

In preparation for the Company's IPO, the Company recently reorganised its operations and structure pursuant to the Restructure, details of which are set out in Section 4.3.

Under the Restructure, the Company acquired the RLF Intellectual Property in the RLF Plant Nutrition Products and the worldwide rights (except Australia which were retained by RLF Australia) to distribute the RLF Plant Nutrition Products from RLF Australia (the original owner and developer of the RLF Plant Nutrition Products) and RLF Global (the holder of rights to distribute the RLF Plant Nutrition Products outside of Australia). RLF Australia and RLF Global are companies separate from the Company Group.

Prior to the Restructure

Prior to the Restructure, the Company had been granted exclusive rights by RLF Australia and RLF Global to manufacture and distribute the RLF Plant Nutrition Products in China and 19 other countries in the Asia Region under previous formal arrangements.

Prior to the Restructure, all Intellectual Property rights in the RLF Plant Nutrition Products were owned by RLF Australia, which includes:

- know-how, trade secrets and other confidential information to formulate the RLF Plant Nutrition Products (including proprietary product activators) and other products currently undergoing research and development and/or laboratory trials;
- all research and records of product development including specification sheets, safety data sheets, quality control processes and procedures, education and training materials, database of chemical compatibilities for formulations and research data;
- labels, packaging, and related documentation for the RLF Plant Nutrition Products;
- marketing material;
- registrations and authorisations with any relevant authorities for the RLF Plant Nutrition Products; and
- trade-marks, service marks, business names, product names, brand names, websites and social media relating to the RLF Plant Nutrition Products, (together the **RLF Intellectual Property**).

Prior to the Restructure, RLF Australia as the original developer and owner of the RLF Plant Nutrition Products also owned the rights to distribute the RLF Plant Nutrition Products. RLF Australia had previously licensed its rights to exclusively distribute the RLF Plant Nutrition Products outside of Australia to RLF Global and RLF Australia had retained the rights to distribute the RLF Plant Nutrition Products within Australia.

Summary of Restructure

Pursuant to the Restructure:

(a) the Company acquired 100% of the issued capital of RLF IP Co Pty Ltd, a wholly owned subsidiary of RLF Australia which is the holder of the RLF Intellectual Property;

(b) the Company acquired 100% of the issued capital of RLF Distribution Co Pty Ltd, a wholly owned subsidiary of RLF Global which is the holder of the rights of exclusive worldwide distribution (except Australia) of the RLF Plant Nutrition Products;

(c) RLF Australia has retained the exclusive rights to distribute under licence the RLF Plant Nutrition Products in Australia only (**Australian Distribution Agreement**); and

(d) the Company may engage RLF Australia on a non-exclusive basis as a toll manufacturer to use its experience and know-how to formulate proprietary product activators for certain RLF Plant Nutrition Products.

The consideration paid by the Company at the time for the Restructure comprised a combination of cash and equity as follows:

- $2,000,000 in cash paid to RLF Australia at completion of the Restructure;
- a total of 43,125,000 ordinary Shares in the Company issued to RLF Australia and RLF Global at completion of the Restructure; and
- deferred consideration consisting of a total of 24,375,000 ordinary Shares in the Company to be issued to RLF Australia and RLF Global upon the Company achieving certain milestones based on financial metrics as detailed in the table below comprising 12,187,500 Class A Deferred Consideration Shares and 12,187,500 Class B Deferred Consideration Shares (together the **Deferred Consideration Shares**).

Class	Milestone
Class A Deferred Consideration Shares	The Company achieving one of the following (whichever occurs first) in respect of a financial year: **(a)** annual consolidated gross revenue of not less than A$25 million; or **(b)** annual EBITDA of not less than A$5 million, as reported in the Company's audited financial statements for the relevant financial year.*
Class B Deferred Consideration Shares	The Company achieving one of the following (whichever occurs first) in respect of a financial year: **(a)** annual consolidated gross revenue of not less than A$50 million; or **(b)** annual EBITDA of not less than A$10 million, as reported in the Company's audited financial statements for the relevant financial year.*

* Excluding one-off or extraordinary revenue items and revenue received in the form of government grants, allowances, rebates or other hand-outs.

Annexure A contains the Independent Expert's Report on the proposed issue of the Deferred Consideration Shares. Potential investors should read this report in full.

The Independent Expert has opined that the issue is fair and reasonable to non-participating Security holders. The Independent Expert has also set out the respective advantages and disadvantages of the issue of the Deferred Consideration Shares in the Independent Expert's Report. Refer to Section 13.4 for an explanation of why the Deferred Consideration Shares are proposed to be issued by the Company. Investors should read the Prospectus including the Independent Expert's Report in full before deciding to invest in the Company.

For the purposes of Listing Rule 10.1, the Company is treated by the ASX as having entered into agreements to acquire a substantial asset from RLF Australia and RLF Global under the Restructure including the Ancillary Agreements which would require approval by Shareholders if these agreements had been entered into following the Company's admission to the Official List of the ASX.

As the Company completed the Restructure including entering into the Ancillary Agreements prior to its proposed admission to the Official List of the ASX, Shareholder approval is not required under the exception in Listing Rule 10.3(e) on the basis that Shareholder approval will be granted on a de facto basis by prospective Shareholders of the Company agreeing to subscribe for Shares under the Offer.

The following information is provided to prospective Shareholders of the Company for the purposes of the exception in Listing Rule 10.3(e):

(a) the Company completed the Restructure prior to listing which includes the Company entering into the Ancillary Agreements with RLF Australia and RLF Global as detailed in Section 6.7 (j). The Company is currently making ongoing payments to RLF Australia and RLF Global under the Ancillary Agreements;

(b) RLF Australia and RLF Global are associates of Directors, Kenneth Hancock and Gavin Ball, and therefore fall within the category in Listing Rule 10.1.4;

(c) full details of the Restructure are set out in Section 4.3, including details of the consideration paid and payable by the Company;

(d) details of future ongoing amounts payable by the Company to RLF Australia and RLF Global under the Ancillary Agreements are set out in the summaries of the Ancillary Agreements contained in Section 6.7 (j); and

(e) the Company intends to continue making ongoing payments to RLF Australia and RLF Global under the Ancillary Agreements from future revenue of the Company.

1.6 FINANCIAL INFORMATION

What is the Company's Key Financial Information? More Information at Sections 7 and 8

The financial information set out below includes a summary historical statement of profit and loss and other comprehensive income for the Company, and the entities it controlled at any time during the year, for the financial years from 1 July 2018 to 30 June 2021.

	FY 30 June 2021 $	FY 30 June 2020 $	FY 30 June 2019[1] $
Revenue	8,518,510	9,528,676	10,390,966
Cost of sales	(3,455,748)	(4,543,250)	(4,819,177)
Gross profit	**5,062,762**	**4,985,426**	**5,571,789**
Gross margin as a % of revenue	**59%**	**52%**	**54%**
EBITDA	**$717,972**	**($924,560)**	**($1,261,544)**

[1] The FY2019 net profit and EBITA include non-cash share-based expenses of $1,256,529 which relate to options and performance rights issued to Directors and an advisor in FY2019.

Decrease in EBITDA During FY 2020 and Revenue in FY 2021

More Information at Sections 7 and 8

Decrease in EBITDA During FY 2020

The substantial decrease in EBITDA during FY2020 is attributable to operational disruptions experienced in China with periods of complete closure of the production facilities for 4 weeks, followed by a further 3 months of limited operations due to restrictions. This was further exacerbated by a limitation on working capital due to uncertainties in the economy caused by the COVID-19 pandemic, which meant that the business had to reduce operations to accommodate this. A number of marketing methods, including face to face distributor meetings, trade shows and exhibitions were delayed or cancelled due to travel and other restrictions across the Asia Region. Whilst restrictions eased during FY21, there continued to be some disruption to operations which led to a further decline in revenue in FY21. Despite this, demand started increasing in the second half of FY21. The Company implemented a cost cutting strategy during FY21 which has helped to improve profitability.

What is the Financial Outlook for the Company?

More Information at Section 3.19

The Company is in a growth stage of operations and intends to use the funds raised from the Public Offer to grow the business of the Company. Given that the Company is intending to grow its operations and sales, there are significant uncertainties associated with forecasting the future revenues and expenses of the Company. In light of uncertainty as to timing and outcome of the Company's growth strategies, and the general nature of the industry in which the Company will operate, as well as uncertain macro-market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On this basis, and after considering ASIC Regulatory Guide 170, the Directors believe that reliable financial forecasts for the Company cannot be prepared and accordingly have not included financial forecasts in this Prospectus.

What is the Company's Dividend Policy?

More Information at Section 3.10

The Company does not expect to pay dividends in the near future as its focus will primarily be on using cash reserves to grow and develop its business.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.

1.7 OFFERS

What is the Public Offer?

More Information at Section 3

The Company is offering 35,000,000 Shares at an issue price of $0.20 each to raise $7,000,000 (before costs of the Offer) (**Minimum Subscription**). Oversubscriptions of a further 15,000,000 Shares at an issue price of $0.20 each to raise a further $3,000,000 (before costs of the Offer) may also be accepted (**Maximum Subscription**).

What is the Convertible Note Share Offer?

More information at Section 3.2

The Company is issuing Shares at an issue price of $0.14 per Share to the Noteholders in satisfaction of the conversion of the Company's existing Convertible Notes (both face value and accrued interest).

What is the Purpose of the Public Offer? More Information at Section 3.5

The purpose of the Public Offer is to:

- facilitate an application by the Company for admission to the Official List;
- provide capital to further develop the business of the Company;
- enhance the public profile of the Company;
- provide the Company with access to equity capital markets for future funding needs;
- meet the costs of the Offers; and
- provide working capital and administration expenditure.

What are the Conditions of the Offer? More Information at Section 3.3

The Public Offer is conditional upon the following events occurring:

- the Company raising the Minimum Subscription amount under the Offer (being $7,000,000); and
- ASX granting conditional approval for the Company to be admitted to the Official List.

If the Conditions of the Public Offer are not achieved, then the Company will not proceed with the Public Offer and will repay all Application Monies received (without interest) in accordance with the Corporations Act.

If the Public Offer does not proceed then the Convertible Note Share Offer will not proceed.

Are the Offers Underwritten? More Information at Section 3.1

The Offers are not underwritten.

Who is the Lead Manager to the Public Offer? More Information at Sections 3.15, 3.16 and 10.5

The Company has entered into a Lead Manager Mandate with the Lead Manager, Discovery Capital Partners in respect of the Public Offer. The terms of the Lead Manager Mandate are summarised in Section 3.15.

The Company has agreed to pay the Lead Manager the following fees in respect of the Public Offer:

- a capital raising fee of 4% (excluding GST) on the total amount of the Public Offer.;
- a management fee of 2% (excluding GST) on total funds raised under the Public Offer;
- a total of 7,000,000 Adviser Options to be granted to the Lead Manager or its nominees on completion of the Offers each exercisable at $0.30 and expiring 3 years from the date of grant and otherwise on the terms and conditions in Section 13.6.

Any selling fees required to be paid to third party brokers, investment houses or intermediaries who participate in the Public Offer will be paid by the Lead Manager.

Interests of the Lead Manager

As at the date of this Prospectus, the Lead Manager and its associates have a relevant interest in 2,114,274 Shares which amounts to a percentage holding of 1.76% in the Company as at the date of this Prospectus.

Based on the information available to the Company as at the date of this Prospectus regarding the Lead Manager's and its associates' intentions regarding the Public Offer, it is expected that on admission to the Official List of the ASX, the Lead Manager and its associates will have a relevant interest in 2,114,274 Shares which amounts to a percentage holding of 1.10% at the Maximum Subscription and 1.19% at the Minimum Subscription in the Company on completion of the Offers.

The Lead Manager and its associates have been issued the following Securities set out in the table below in lieu of cash fees for certain services provided or via payment of subscription monies pursuant to offers made by the Company. Other than as detailed below, the Lead Manager has not participated in an issue of Securities by the Company in the 2 years preceding the date of this Prospectus.

	Securities issued	Consideration Paid
Seed raising	149,988 Shares	$0.10 per Share
Advisory services (general) (1)	625,000 Shares	$0.0002 per Share
Advisory services – Carbon Business Setup and Establishment (2)	446,429 Shares	$0.0001 per Share
Advisory services (Restructuring and Corporate Advice) (3)	892,857 Shares	$0.0001 per Share
TOTAL	**2,114,274 Shares**	

(1) The Lead Manager received these Shares as fees for corporate advisory services provided in connection with the rebranding of the Company and services prior to the Company's Seed Raising.

(2) Issued as part of the fees for services provided in connection with the establishment of the Company's carbon business in RLF Carbon.

(3) Issued as part of the fees for services provided in connection with the restructuring of the Company's business and M&A Advisory services.

The Lead Manager has also received $60,900 (plus GST) as part of the fees for services provided in connection with the Company's Seed Raising and $180,000 (plus GST) as part of the fees for services provided in connection with the Company's issue of Convertible Notes.

How do I Apply for Shares under the Offer?

More Information at Sections 3.1; 3.10 – 3.13

Applications under the Public Offer

Applications for Shares under the Public Offer must be made by completing a valid Public Offer Application Form accompanying this Prospectus in either paper form or online form and following the instructions in the Public Offer Application Form.

Online applications for Shares under the Public Offer must be made by following the instructions at www.registrydirect.com.au/offer/rlf-ipo.

The minimum Application size is 10,000 Shares ($2,000) and thereafter in multiples of 1,000 shares ($200).

Applications under the Convertible Note Share Offer

The Company has separately advised the Noteholders of the application procedure under the Convertible Note Share Offer.

When will I Receive Confirmation that my Application has been Successful?

More Information at Section 3.13

It is expected that holding statements will be sent to successful Applicants by post on or about 8 April 2022.

Will the Shares Issued under the Offers be Listed?

More Information at Section 3.4

The Company will apply for listing of the Shares offered under the Public Offer and the Convertible Note Share Offer on the ASX within seven days of the date of this Prospectus. Completion of the Public Offer is conditional on ASX approving this application.

All Shares issued under the Offers will rank equally in all respects with existing Shares on issue.

The rights and liabilities attaching to the Shares are described in Section 13.1.

What will the Company's Capital Structure look like after Completion of the Offer?

More Information at Section 3.7

The proposed capital structure of the Company following completion of the Offers will be as follows:

Maximum Subscription	Shares	Options	Performance Rights	Deferred Consideration Shares
On issue as at date of Prospectus	120,049,523	14,444,444	6,000,000	24,375,000
Issued pursuant to the Public Offer	50,000,000	-	-	-
Issued to Lead Manager (or nominee) on completion of the Public Offer	-	7,000,000	-	-
Issue to consultant	-	500,000	-	-
Issue of Incentive Options to Directors	-	3,250,000	-	-
Issue of Incentive Options to CFO	-	1,000,000	-	-
Issued to Convertible Note holders on conversion of the Convertible Notes	21,428,571	-	-	-
Issued to Convertible Note holders in satisfaction of the interest on the Convertible Notes	804,308[1]	-	-	-
Total following Completion of the Offers	**192,282,402**	**26,194,444**	**6,000,000**	**24,375,000**

Minimum Subscription	Shares	Options	Performance Rights	Deferred Consideration Shares
On issue as at date of Prospectus	120,049,523	14,444,444	6,000,000	24,375,000
Issued pursuant to the Public Offer	35,000,000	-	-	-
Issued to Lead Manager (or nominee) on completion of the Public Offer	-	7,000,000	-	-
Issue to consultant	-	500,000	-	-
Issue of Incentive Options to Directors	-	3,250,000	-	-
Issue of Incentive Options to CFO	-	1,000,000	-	-
Issued to Convertible Note holders on conversion of the Convertible Notes	21,428,571	-	-	-
Issued to Convertible Note holders in satisfaction of the interest on the Convertible Notes	804,308[1]	-	-	-
Total following Completion of the Offers	**177,282,402**	**26,194,444**	**6,000,000**	**24,375,000**

[1] On the basis of the Indicative Timetable set out in the Key Offer Details on Page 3 of the Prospectus. The actual number of Shares to be issued under the Convertible Note Share Offer will be higher depending on the date of completion of the Convertible Note Share Offer and the actual Issue Date, and will be included as part of the disclosures to be released by the Company in connection with its admission to the Official List of the ASX.

Will any Securities be Subject to Escrow?

More Information at Section 3.8

On completion of the Offer the following other Securities will be subject to escrow:

(a) approximately 74,438,395 existing Shares held by Directors, promotors, advisors and related vendors of assets to the Company will be subject to ASX escrow for 24 months from the date of Official Quotation, depending on various escrow determinations which may be made by the ASX as part of the Company's listing application;

(b) approximately 5,074,594 Shares issued by the Company to unrelated investors in June 2021 to raise seed capital will be subject to ASX escrow for 12 months from issue;

(c) approximately 6,871,236 Shares issued by the Company to the Noteholders on conversion of the Convertible Notes and satisfaction of interest on completion of the Convertible Note Share Offer will be subject to ASX escrow for 12 months from completion of the Public Offer;

(d) a total of 19,194,444 Incentive Options and 6,000,000 Performance Rights held by Directors will be subject to ASX escrow for 24 months from the date of Official Quotation;

(e) a total of 7,500,000 Options comprising 7,000,000 issued to the Lead Manager (or its nominees) and 500,000 Options to be issued to a consultant of the Company on completion of the Public Offer will be subject to ASX escrow for 24 months from the date of Official Quotation; and

(f) A total of 1,000,000 Incentive Options issued to the Chief Financial Officer will be subject to ASX escrow for 12 months from the date of issue.

1.8 USE OF FUNDS

How will the Proceeds of the Public Offer be used? More Information at Section 3.6

Proceeds of the Public Offer are proposed to be used to implement the Company's business objectives in the 24 month period from completion of the IPO as set out below.

Maximum Subscription	$		
Use of Funds	**Year 1**	**Year 2**	**Years 1 + 2**
Sales and Marketing	2,100,000	2,870,000	**4,970,000**
RLF Carbon Initiative	400,000	600,000	**1,000,000**
Manufacturing (Plant + Equip)	450,000	550,000	**1,000,000**
Corporate and Administration	870,000	270,000	**1,140,000**
Working Capital	620,000	190,000	**810,000**
IPO Expenses	1,080,000	-	**1,080,000**
TOTAL	5,520,000	4,480,000	**10,000,000**

Minimum Subscription	$		
Use of Funds	**Year 1**	**Year 2**	**Years 1 + 2**
Sales and Marketing	2,100,000	1,010,000	**3,110,000**
RLF Carbon Initiative	350,000	90,000	**440,000**
Manufacturing (Plant + Equip)	450,000	150,000	**600,000**
Corporate and Administration	870,000	270,000	**1,140,000**
Working Capital	620,000	190,000	**810,000**
IPO Expenses	900,000	-	**900,000**
TOTAL	5,290,000	1,710,000	**7,000,000**

Will the Company be Adequately Funded after Completion of the Offers? More Information at Section 3.6

The Directors are satisfied that on completion of the Offers the Company will have sufficient working capital to carry out its business objectives as stated in this Prospectus.

1.9 ADDITIONAL INFORMATION

What are the Tax Implications of Investing in Securities? More Information at Sections 3.21; 12.3.9; 14.5

The tax consequences of any investment in Shares will depend upon your particular circumstances. Prospective investors should obtain their own tax advice before deciding to invest.

The Company has adopted The Corporate Governance Principles and Recommendations (Fourth Edition), as published by ASX Corporate Governance Council (Recommendations).

What are the Corporate Governance Principles and Policies of the Company? More Information at Section 9

A Corporate Governance Policy and Practices Plan is outlined in Section 9, of this Prospectus and any departure from the recommendations will be clearly expressed. The Company's full suite of Corporate Governance Policies is available from the Company's website www.rlfagtech.com.

Where can I find out more Information about the Prospectus or the Offer? More Information at Section 3.22

Questions relating to the Offers can be directed to the Company on +61 8 9334 8700 between 9.00am and 5.00pm (AWST) Monday to Friday. Questions relating to the completion of an Application Form can be directed to the Share Registry on 1300 556 635 (within Australia) or +61 3 9909 9909 (outside Australia) between 9.00am and 5.00pm (AEST) Monday to Friday.

SECTION 02

CHAIRMAN’S LETTER

Dear Investor

On behalf of my fellow Directors at RLF AgTech Ltd, it is our pleasure to invite you to read this Prospectus and become a Shareholder in the Company.

RLF AgTech is an Australian public company focused on solving some of the world's great agricultural, environmental and human challenges. We do this by using our Australian developed technology to formulate specially designed products to address the huge inefficiencies in global agriculture, resulting in exceptional crop yield increases in a range of global conditions but also healthier, more nutritious food from more resilient crops grown in a way which restores soils and the natural environment.

If existing population and prosperity levels continue to follow current trends, then it is estimated that nearly double the amount of global crops will be required to be delivered by 2050 to meet demand. Improved productivity and better technology will be essential in ensuring we can feed a growing population sustainably and in an environmentally responsible way.

The over application of traditional chemical fertilisers has resulted in significant damage to soils, plant health and a vast global greenhouse gas footprint. Such issues will only become more pressing as pressure mounts to grow more food unless we can demonstrate better, more efficient processes.

By using our advanced crop nutrition products, growers are able to significantly reduce the amount of traditional fertilisers required to achieve exceptional results in increased yield and quality, and therefore the associated greenhouse gas and carbon emissions related to global agriculture can be reduced substantially. Because we affect the critical 'root:shoot ratio', we also have the potential for achieving a globally significant and natural mechanism of carbon sequestration. Our wholly owned subsidiary RLF Carbon has been incorporated to expressly pursue this objective.

Our proprietary Plant Proton Delivery Technology engages with a plant at a cellular level to provide an additional energy source apart from photosynthesis to drive increased growth both above and below the soil to form stronger shoots and leaves and denser, deeper root structures. Our products have been tried and proven in a range of global conditions and across multiple continents. The size of our target market is enormous and in urgent need of technologies like ours.

This Prospectus has been issued by the Company for an initial public offering of up to 50,000,000 Shares at an issue price of $0.20 per Share to raise up to $10,000,000 (before costs) and Minimum Subscription of 35,000,000 Shares at issue price of $0.20 per Share to raise $7,000,000 (before costs). Details of the Offer are in Section 3.

The purpose of the Company undertaking its initial public offering is to ensure sufficient funds are available to expand the Company's current operations and establish the RLF Carbon business. For full details of the Use of Funds under the Offer, see Section 3.6.

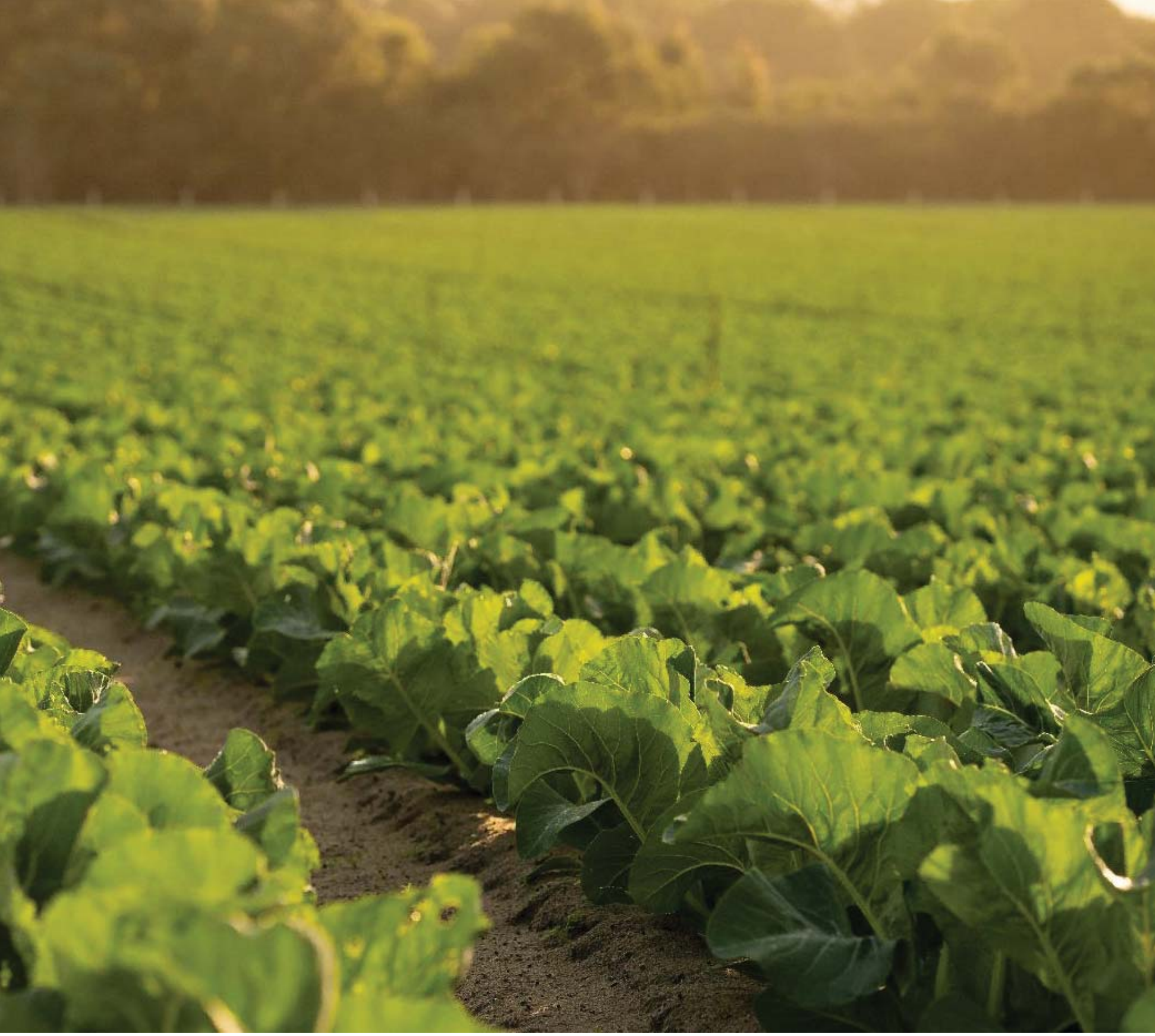
Listing of the Company on the ASX will provide the opportunity for new Shareholders to invest in the Company, provide liquidity for new and existing Shareholders, improve the Company's ability to access capital markets and enhance the Company's public profile.

This Prospectus contains detailed information about the Offer and the Company's proposed expenditure, as well as the risks of investing in the Company. The Key risks are summarised in Section 1.3 and all of the risks associated with an investment are contained in Section 12 of the Prospectus. Some of the risk factors you should consider are Sections 12.2.1 Doing Business Outside of Australia; 12.2.2 Regulatory Compliance and Changes in Regulations; 12.2.4 Additional Requirements for Capital; 12.2.8 Changes to Customer Preferences and Consumption Patterns and 12.2.20 Manufacturing Risk. I ask that you read this document carefully (including the risk factors) and seek independent professional advice before investing in the Company.

On behalf of the Board, we invite you to become a Shareholder in the Company and be a part of this exciting investment opportunity to overcome some of agriculture's greatest challenges.

Yours faithfully

Donald McLay
Non-Executive Chairman



SECTION 03

DETAILS OF THE OFFER

3.1 THE PUBLIC OFFER AND MINIMUM SUBSCRIPTION

Pursuant to this Prospectus, the Company offers 35,000,000 Shares at an issue price of $0.20 each to raise $7,000,000 (before costs of the Offer) (**Minimum Subscription**). Oversubscriptions of a further 15,000,000 Shares at an issue price of $0.20 each to raise a further $3,000,000 (before costs of the Offer) may also be accepted (**Maximum Subscription**).

The Public Offer is not underwritten.

The Directors will determine the recipients of the Shares under the Public Offer in consultation with the Lead Manager in accordance with the Allocation Policy set out in Section 3.13. The Directors, in conjunction with the Lead Manager, reserve the right to reject any application or to issue a lesser number of Shares than that applied for. If the number of Shares allocated is less than that applied for, or no issue is made, the surplus Application Monies will be promptly refunded by cheque or bank transfer to the Applicant (without interest).

The minimum level of subscription for the Public Offer is the amount to be raised under the Public Offer of $7,000,000 (before costs of the Offer). No Shares will be issued under this Prospectus until the Minimum Subscription has been achieved. If the Minimum Subscription is not received within four months after the date of this Prospectus (or such period as varied by ASIC), no Shares will be issued under this Prospectus and all Application Monies received under this Prospectus will be repaid (without interest) in accordance with the Corporations Act.

The Public Offer may be withdrawn at any time before Shares are issued under this Prospectus. If the Public Offer does not proceed then the Convertible Note Share Offer will not proceed.

The Offers are made on the terms, and subject to the conditions, set out in this Prospectus.

All Shares issued pursuant to this Prospectus will rank equally with the existing Shares on issue. The rights and liabilities attaching to the Shares are summarised in Section 13.1.

Applications for Shares must be made on the Application Form which accompanies this Prospectus and received by the Company or the Lead Manager (as applicable) on or before the Closing Date. Online Applications for Shares under the Public Offer must be made by following the instructions at www.registrydirect.com.au/offer/rlf-ipo. Persons wishing to apply for Shares should refer to Section 3.11 for further details and instructions.

3.2 CONVERTIBLE NOTE SHARE OFFER

Pursuant to this Prospectus, the Company also offer Shares at an issue price of $0.14 per Share to the Noteholders in satisfaction of the face value and accrues interest payable on the Convertible Notes which have a face value of $3,000,000 (**Convertible Note Share Offer**). The material terms and conditions of the Convertible Notes are summarised in Section 13.7.

All Shares issued pursuant to the Convertible Note Share Offer will rank equally with the Existing Shares on issue. Please refer to Section 13.1 for further information regarding the rights and liabilities attaching to the Shares.

The Company will provide a personalised Convertible Note Share Offer Application Form to the Noteholders including instructions for how to apply for Shares under the Convertible Note Share Offer.

If the Public Offer does not proceed then the Convertible Note Share Offer will not proceed.

3.3 CONDITIONS OF THE OFFERS

The Public Offer is conditional upon the following events occurring:

- **(a)** the Company raising the Minimum Subscription amount of the Offer (being $7,000,000); and
- **(b)** ASX granting conditional approval for the Company to be admitted to the Official List (together the **Conditions of the Offer**).

If the Conditions of the Public Offer are not achieved, then the Company will not proceed with the Public Offer and will repay all Application Monies received (without interest) in accordance with the Corporations Act.

If the Public Offer does not proceed then the Convertible Note Share Offer will not proceed.

3.4 ASX LISTING

The Company will apply to ASX within seven days after the date of this Prospectus for admission to the Official List and for Official Quotation of the Shares, other than those existing Shares that the ASX is likely to treat as "restricted securities" (as that term is defined in the Listing Rules). For information on the Securities which are likely to be treated as restricted securities, please refer to Section 3.8. If the Shares are not admitted to Official Quotation by ASX before the expiration of three months after the date of issue of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

3.5 PURPOSE OF THE PUBLIC OFFER

The purpose of the Public Offer is to:

- facilitate an application by the Company for admission to the Official List,
- provide capital to further develop the business of the Company (Section 3.6),
- enhance the public profile of the Company,
- provide the Company with access to equity capital markets for future funding needs,
- meet the costs of the Offers, and
- provide working capital and administration expenses.

3.6 USE OF FUNDS

The table below sets out the Company's intended use of the funds raised under the Public Offer in the 2 years following completion of the Offers.

Maximum Subscription	$		
Use of Funds	**Year 1**	**Year 2**	**Years 1 + 2**
Sales and Marketing	2,100,000	2,870,000	**4,970,000**
RLF Carbon Initiative	400,000	600,000	**1,000,000**
Manufacturing (Plant + Equip)	450,000	550,000	**1,000,000**
Corporate and Administration	870,000	270,000	**1,140,000**
Working Capital	620,000	190,000	**810,000**
IPO Expenses	1,080,000	-	**1,080,000**
TOTAL	5,520,000	4,480,000	**10,000,000**

Minimum Subscription	$		
Use of Funds	**Year 1**	**Year 2**	**Years 1 + 2**
Sales and Marketing	2,100,000	1,010,000	**3,110,000**
RLF Carbon Initiative	350,000	90,000	**440,000**
Manufacturing (Plant + Equip)	450,000	150,000	**600,000**
Corporate and Administration	870,000	270,000	**1,140,000**
Working Capital	620,000	190,000	**810,000**
IPO Expenses	900,000	-	**900,000**
TOTAL	5,290,000	1,710,000	**7,000,000**

The above table is a statement of current intentions as at the date of this Prospectus. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of sales, marketing and business development activities and market and general economic conditions. In light of this, the Board reserves the right to alter the way the funds are applied.

The Board is satisfied that upon completion of the Offers, the Company will have sufficient working capital to meet its stated objectives as set out in this Prospectus. The use of debt or further equity funding will be considered by the Board where it is appropriate to expand sales, marketing and business development efforts or capitalise on further opportunities.

3.7 CAPITAL STRUCTURE

The Company's capital structure on completion of the Offers will be as set out in the table below.

Maximum Subscription	Shares[1]	Options	Performance Rights	Deferred Consideration Shares
On issue as at date of Prospectus	120,049,523	14,444,444[2]	6,000,000[3]	24,375,000[5]
Issued pursuant to the Public Offer	50,000,000		-	-
Issued to the Lead Manager (or nominee) on completion of the Public Offer	-	7,000,000[4]	-	-
Issue to consultant	-	500,000[4]	-	-
Issue of Incentive Options to Directors		3,250,000[7]	-	-
Issue of Incentive Options to CFO	-	1,000,000[8]	-	-
Issued to Convertible Note holders on conversion of the Convertible Notes	21,428,571[6]	-	-	-
Issued to Convertible Note holders in satisfaction of the interest on the Convertible Notes	804,308[9]	-	-	-
Total following Completion of the Offers	**192,282,402**	**26,194,444**	**6,000,000**	**24,375,000**

Minimum Subscription	Shares[1]	Options	Performance Rights	Deferred Consideration Shares
On issue as at date of Prospectus	120,049,523	14,444,444[2]	6,000,000[3]	24,375,000[5]
Issued pursuant to the Public Offer	35,000,000	-	-	-
Issued to Lead Manager (or nominee) on completion of the Public Offer	-	7,000,000[4]	-	-
Issue to consultant		500,000[4]		
Issue of Incentive Options to Directors		3,250,000[7]		
Issue of Incentive Options to CFO		1,000,000[8]		
Issued to Convertible Note holders on conversion of the Convertible Notes	21,428,571[6]	-	-	-
Issued to Convertible Note holders in satisfaction of the interest on the Convertible Notes	804,308[9]	-	-	-
Total following Completion of the Offers	**177,282,402**	**26,194,444**	**6,000,000**	**24,375,000**

[1] Rights attaching to Shares are summarised in Section 13.1.

[2] Comprising Incentive Options issued to directors of the Company and a corporate adviser to the Company which have an Exercise Price of $0.54 and expiry date 5 years from the date of Official Quotation, comprising 8,333,333 Incentive Options held by Kenneth Hancock, 3,333,333 Incentive Options held by Gavin Ball and 2,777,778 Incentive Options held by BXW Ventures Pty Ltd. The terms and conditions of the Incentive Options are summarised in Section 13.2.

[3] A total of 6,000,000 Performance Rights issued in 2 tranches to each of Kenneth Hancock comprising 2,000,000 Performance Rights, Lu Shen comprising 2,000,000 Performance Rights and Gavin Ball comprising 2,000,000 Performance Rights, which gives the holder the right to elect to convert each Performance Right to a Share subject to the Company achieving performance milestones based on increasing financial metrics for each tranche within a 5- year period. The terms and conditions of the Performance Rights and the reasons for their issue are summarised in Section 13.3. Annexure A contains the Independent Expert's Report on the proposed issue of the Performance Rights. The Independent Expert's Report contained in Annexure A sets out the advantages and disadvantages of the proposed issue of the Performance Rights. The Independent Expert has concluded the proposed issue of the Performance Rights is fair and reasonable to the non-participating Security holders at Listing. Refer to the Independent Expert's Report in Annexure A.

[4] A total of 7,000,000 Options to be issued to the Lead Manager or its nominees (participating brokers in the Offer) and 500,000 Options to be issued to a consultant to the Company on completion of the Public Offer which each have an Exercise Price of $0.30 and expiry date 3 years from the date of Official Quotation and otherwise issued on terms and conditions in Section 13.6.

[5] A total of 24,375,000 Deferred Consideration Shares are contractually obliged to be issued, comprising 10,000,000 Class A Deferred Consideration Shares and 10,000,000 Class B Deferred Consideration Shares to RLF Australia and 2,187,500 Class A Deferred Consideration Shares and 2,187,500 Class B Deferred Consideration Shares to RLF Global. The terms and conditions of the Deferred Consideration Shares and the reasons for their issue are summarised in Section 13.4. Also refer to Section 4.3 which contains information in the Pre-IPO Restructure. Annexure A contains the Independent Expert's Report on the issue of the Deferred Consideration Shares. The Independent Expert's Report contained in Annexure A sets out the advantages and disadvantages of the issue of the Deferred Consideration Shares.

The Independent Expert has concluded the issue of the Deferred Consideration Shares is fair and reasonable to the non-participating Security holders at Listing. Refer to the Independent Expert's Report in Annexure A.

[6] Convertible Notes on issue will automatically convert to 21,428,571 Shares on completion of the Convertible Note Share Offer. The terms and conditions of the Convertible Notes are summarised in Section 13.7.

[7] Comprising Incentive Options issued to directors of the Company which have an Exercise Price of $0.54 and expiry date 5 years from the date of Official Quotation, comprising 1,250,000 Incentive Options held by Donald McLay, 1,000,000 Incentive Options held by Liza Carpene and 1,000,000 Incentive Options held by Paul McKenzie. The terms and conditions of the Incentive Options are summarised in Section 13.2.

[8] Comprising 1,000,000 Incentive Options issued to CFO of the Company which have an Exercise Price of $0.54 and expiry date 5 years from date of Official Quotation and vesting at 6 months of continuous employment with the Company. The terms and conditions of the Incentive Options are summarised in Section 13.2.

[9] On the basis of the Indicative Timetable set out in the Key Offer Details on Page 3 of the Prospectus, the actual number of Shares to be issued under the Convertible Note Share Offer in satisfaction of the interest may be higher depending on the date of completion of the Convertible Note Share Offer and the actual Issue Date, and will be included as part of the disclosures to be released by the Company in connection with its admission to the Official List of the ASX. The Company has used a conversion date of 18 March 2022 in its calculations. The terms and conditions of the Convertible Notes are summarised in Section 13.7.

The Company has adopted an Employee Securities Incentive Plan under which the Company may grant Eligible Participants (including employees, officers and contractors of the Company) Shares, Options or Performance Rights up to a limit of 29,000,000 Securities in the 3 year period following the Company's listing. Refer to Section 13.5 for a summary of the Employee Securities Incentive Plan.

3.8 RESTRICTED SECURITIES

Chapter 9 of the Listing Rules prohibits holders of Restricted Securities from disposing of those Securities or an interest in those Securities or agreeing to dispose of those Securities or an interest in those Securities for the relevant restriction periods. The holder is also prohibited from granting a Security interest over those Securities.

Subject to the Company's Shares being admitted to the Official List, certain Shares, Options and Performance Rights may be classified by ASX as restricted securities and may be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

On completion of the Offer the following other Securities will be subject to escrow:

- **(a)** approximately 74,438,395 existing Shares held by Directors, promotors, advisors and related vendors of assets to the Company will be subject to ASX escrow for 24 months from the date of Official Quotation, depending on various escrow determinations which may be made by the ASX as part of the Company's listing application;
- **(b)** approximately 5,074,594 Shares issued by the Company to unrelated investors in June 2021 to raise seed capital will be subject to ASX escrow for 12 months from issue;
- **(c)** approximately 6,871,236 Shares issued by the Company to the Noteholders on conversion of the Convertible Notes and satisfaction of interest on completion of the Convertible Note Share Offer will be subject to ASX escrow for 12 months from completion of the Public Offer;
- **(d)** a total of 19,194,444 Incentive Options and 6,000,000 Performance Rights held by Directors will be subject to ASX escrow for 24 months from the date of Official Quotation;
- **(e)** a total of 7,500,000 Options comprising 7,000,000 issued to the Lead Manager (or its nominees) and 500,000 Options to be issued to a consultant of the Company on completion of the Public Offer will be subject to ASX escrow for 24 months from the date of Official Quotation; and
- **(f)** A total of 1,000,000 Incentive Options issued to the Chief Financial Officer will be subject to ASX escrow for 12 months from the date of issue.

None of the Shares issued under the Public Offer are expected to be Restricted Securities. The Restricted Securities listed above are subject to change depending on escrow determinations made by ASX in accordance with the Listing Rules. Prior to the Company's Shares being admitted to the Official List of ASX, the Company will enter into escrow agreements with the recipients of the Restricted Securities in accordance with Chapter 9 of the Listing Rules, and the Company will announce to the ASX full detail (quantity and duration) of the Securities required to be held in escrow.

3.9 FREE FLOAT

On Completion of the Offers the Company expects that it will have a free float (within the meaning of the Listing Rules) of at least approximately 54.89% at the Maximum Subscription and 51.07% at the Minimum Subscription which will satisfy the ASX condition relating to free float for the admission of the Company to the Official List of the ASX. Subject to certain escrow determinations to be made by the ASX, the free float on listing could be higher.

The free float comprises those Shares which are:

(a) not subject to escrow restrictions; and

(b) not held by affiliated shareholders within the meaning of the Listing Rules including persons who are related parties, or associates of related parties, of the Company (refer to Section 3.7 for further details).

3.10 DIVIDEND POLICY

The Company does not expect to declare any dividends in the near future as its focus will primarily be on using cash reserves to grow and develop its business.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurances can be given by the Company in relation to the payment of dividends or that franking credits may attach to any dividends.

3.11 APPLICATIONS

(a) Public Offer

Applications for Shares under the Public Offer must be made by following the instructions at www.registrydirect.com.au/offer/rlf-ipo. and completing a BPAY® or Electronic Funds Transfer (EFT) payment. Investors will be given a BPAY® biller code and a customer reference number unique to the online Application once the online application form has been completed. Alternatively, you can contact the Company on +61 8 9334 8700 between 9.00am and 5.00pm (WST) Monday to Friday to obtain a paper copy of the Prospectus and paper version of the Application Form (free of charge).

Application for Shares must be for a minimum of 10,000 Shares ($2,000) and thereafter in multiples of 2,500 Shares ($500).

BPAY® payments must be made from an Australian dollar account of an Australian institution. Using the BPAY® details, investors must:

- access their participating BPAY® Australian financial institution either via telephone or internet banking;
- select to use BPAY® and follow the prompts; enter the biller code and unique customer reference number that corresponds to the online Application;
- enter the amount to be paid which corresponds to the value of Shares under the online Application;
- select which account payment is to be made from;
- schedule the payment to occur on the same day that the online Application Form is completed. Applications without payment will not be accepted; and
- record and retain the BPAY® receipt number and date paid.

Applicants should confirm with their Australian financial institution:

- whether there are any limits on the investor's account that may limit the amount of any BPAY® or EFT payment; and
- the cut off time for the BPAY® or EFT payment.

If such payment is not made via BPAY®, the online Application will be incomplete and will not be accepted. The online Application Form and BPAY® payment must be completed and received by no later than 3.00pm (AWST) on the Closing Date.

Applicants under the Public Offer are urged to lodge their Application Forms or make an online Application and BPAY® or EFT payment as soon as possible as the Public Offer may close early without notice.

By making an Application, you declare that you were given access to this Prospectus, together with an Application Form.

If you are in doubt as to the course of action, you should consult your professional advisor.

An original, completed and lodged Application Form, together with a payment for the Application Monies by BPAY® or EFT payment through an online Application constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form including through an online Application. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an application as valid and how to construe, amend or complete the Application Form is final. However an Applicant will not be treated as having applied for more Shares than is indicated by the amount of the BPAY® or EFT payment for the Application Monies.

(b) Convertible Note Share Offer

The Convertible Note Share Offer is an offer to the Noteholders only.

Only the Noteholders may apply for Shares under the Convertible Note Share Offer.

A personalised application form will be issued to the Noteholders, together with a copy of this Prospectus (**Convertible Note Share Offer Application Form**). The number of Shares to be offered to the Noteholders will be outlined in the Convertible Note Share Offer Application Form provided by the Company. The Company will only provide the Convertible Note Share Offer Application Form to the Noteholders.

In order to apply for the issue of Shares under the Convertible Note Share Offer, Noteholders must complete and return the personalised Convertible Note Share Offer Application Form to:

Company Secretary
RLF AgTech Ltd
61 Dowd Street
Welshpool Western Australia 6106

by no later than 5.00pm (WST) on the Closing Date. If you do not return your Convertible Note Share Offer Application Form by this time and date, then the Convertible Note Share Offer will lapse.

3.12 APPLICATION MONIES TO BE HELD ON TRUST

Until the Shares are issued under this Prospectus, the Application Monies for Shares will be held by the Company on trust on behalf of Applicants in a separate bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus. If the Shares to be issued under this Prospectus are not admitted to quotation within three months after the date of this Prospectus, no Shares will be issued and Application Monies will be refunded in full without interest in accordance with the Corporations Act.

3.13 ALLOCATION POLICY

The allocation of Shares under the Public Offer will be determined by the Company in consultation with the Lead Manager having regard to the following factors:

- **(a)** the number of Shares applied for;
- **(b)** the overall level of demand for the Public Offer;
- **(c)** the desire for spread of investors, including institutional investors;
- **(d)** the desire for an informed and active market for trading Shares following completion of the Offers.

The Company and the Lead Manager reserve the right to decline any Application in whole or in part, without giving any reason. Applicants whose Applications are not accepted, or who are allocated a lesser number of Shares than the amount applied for, will receive a refund of all or part of their Application Monies, as applicable.

Interest will not be paid on any monies refunded. The Company will not be liable to any person not allocated Shares or not allocated the full amount of Shares applied for.

The Company's decision on the number of Shares to be allocated to an Applicant is final.

3.14 APPLICANTS OUTSIDE AUSTRALIA

This Prospectus does not, and is not intended to, constitute an Offer in any place in which, or to any person to whom it would not be lawful to make such an Offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable Securities laws. No action has been taken to register this Prospectus or qualify the Shares or otherwise permit an offering of the Shares, the subject of this Prospectus in any jurisdiction outside Australia.

It is the responsibility of Applicants outside Australia to obtain all necessary approvals for the issue of the Shares pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained.

3.15 LEAD MANAGER AND SELLING FEES

The Company has entered into a Lead Manager Mandate with the Lead Manager, Discovery Capital Partners in respect of the Public Offer. The terms of the Lead Manager Mandate are summarised in Section 10.5.

The Company has agreed to pay the Lead Manager the following fees in respect of the Public Offer:

- a capital raising fee of 4% (excluding GST) on the total amount of the Offer;
- a management fee of 2% (excluding GST) on total funds raised under the Public Offer;
- a total of 7,000,000 Adviser Options to be granted to the Lead Manager or its nominees on completion of the Public Offer each exercisable at $0.30 and expiring 3 years from the date of grant and otherwise on the terms and conditions in Section 13.6.

Any selling fees required to be paid to third party brokers, investment houses or intermediaries who participate in the Public Offer will be paid by the Lead Manager.

3.16 INTERESTS OF THE LEAD MANAGER

As at the date of this Prospectus, the Lead Manager and its associates have a relevant interest in 2,114,274 Shares which amounts to a percentage holding of 1.76% in the Company as at the date of this Prospectus.

Based on the information available to the Company as at the date of this Prospectus regarding the Lead Manager's and its associates' intentions regarding the Public Offer, it is expected that on admission to the Official List of the ASX, the Lead Manager and its associates will have a relevant interest in 2,114,274 Shares which amounts to a percentage holding of 1.10% at the Maximum Subscription and 1.19% at the Minimum Subscription in the Company on completion of the Offers.

The Lead Manager and its associates have been issued the following Securities set out in the table below in lieu of cash fees for certain services provided or via payment of subscription monies pursuant to offers made by the Company. Other than as detailed below, the Lead Manager has not participated in an issue of Securities by the Company in the 2 years preceding the date of this Prospectus.

	Securities issued	Consideration Paid
Seed raising	149,988 Shares	$0.10 per Share
Advisory services (general) [1]	625,000 Shares	$0.0002 per Share
Advisory services – Carbon Business Setup and Establishment [2]	446,429 Shares	$0.0001 per Share
Advisory services (Restructuring and Corporate Advice) [3]	892,857 Shares	$0.0001 per Share
TOTAL	**2,114,274 Shares**	

[1] The Lead Manager received these Shares as fees for corporate advisory services provided in connection with the rebranding of the Company and services prior to the Company's Seed Raising.

[2] Issued as part of the fees for services provided in connection with the establishment of the Company's carbon business in RLF Carbon.

[3] Issued as part of the fees for services provided in connection with the restructuring of the Company's business and M&A Advisory services.

The Lead Manager has also received $60,900 (plus GST) as part of the fees for services provided in connection with the Company's Seed Raising and $180,000 (plus GST) as part of the fees for services provided in connection with the Company's issue of Convertible Notes.

3.17 CHESS AND ISSUER SPONSORSHIP

The Company will apply to participate in the Clearing House Electronic Subregister System (**CHESS**), for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

All trading on the ASX in the Shares will be settled through CHESS. ASX Settlement Pty Ltd, a wholly-owned subsidiary of the ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules. On behalf of the Company, the Share Registry will operate an electronic issuer sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together will make up the Company's principal register of Securities.

Under CHESS, the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their holder identification number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship. Ownership of Securities can be transferred without having to rely upon paper documentation.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Security holdings changes. Shareholders may request a statement at any other time, however a charge may be made for additional statements.

3.18 RISKS

As with any share investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Sections 11 and 12 of this Prospectus. The Shares on Offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, applicants should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

3.19 FORECAST FINANCIAL INFORMATION

The Company is at a growth stage of operations and intends to use the funds raised from the Public Offer to grow the business of the Company. Given that the Company is intending to grow its operations and sales, there are significant uncertainties associated with forecasting future revenues and expenses of the Company. In light of uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company will operate, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated.

On this basis and after considering ASIC Regulatory Guide 170, the Directors believe that reliable financial forecasts for the Company cannot be prepared and accordingly have not included financial forecasts in this Prospectus.

3.20 PRIVACY STATEMENT

If you complete an Application for Shares, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your Application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder. The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

You can access, correct and update the personal information that the Company holds about you. If you wish to do so, please contact the Share Registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

3.21 TAXATION

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them in relation to the Offers, by consulting their own professional tax advisers. Neither the Company nor any of its Directors or officers accepts any liability or responsibility in respect of the taxation consequences of the matters referred to above.

3.22 ENQUIRIES

This is an important document and should be read in its entirety. Investors should consult with their professional advisers before deciding whether to apply for Shares under this Prospectus. Any investment in the Company under this Prospectus should be considered speculative.

Questions relating to the Offers can be directed to the Company on +61 8 9334 8700 between 9.00am and 5.00pm (AWST) Monday to Friday. Questions relating to the completion of an Application Form can be directed to the Share Registry on 1300 556 635 (within Australia) or +61 3 9909 9909 (outside Australia) between 9.00am and 5.00pm (AEST) Monday to Friday.

SECTION 04

COMPANY OVERVIEW

4.1 INTRODUCTION

RLF AGTECH

WE’RE GROWING YOUR FUTURE WITH BETTER, HEALTHIER CROP NUTRITION

With its Australian-developed and formulated **Plant Proton Delivery Technology (PPDT)**, see Section 4.8 (b) for more information, the Company is aiming to build upon its already established position as a provider of specialty Plant Nutrition Products for farmers and growers.

The Company already holds an advantage with its seed and foliar Plant Nutrition Products, and believes its new and developing technologies and methodologies for plant nutrition programs will provide other opportunities for growth and expansion.

The Company is poised to resume its pre-COVID international expansion program, and further develop its track record of growth. This expansion is based upon increasing awareness of the yield and quality improvement results generated from the use of RLF Plant Nutrition Products demonstrated on millions of hectares of broadacre and horticultural crops over the past 25+ years.

PLANT PROTON DELIVERY TECHNOLOGY
Australian developed and proprietary.

DEMONSTRATED 200% – 1,000%+ ROI
to the farmer.

SUSTAINABLE & REGENERATIVE FARMING
for healthier soils.

10-30%+ YIELD INCREASE
Typical range demonstrated from evaluation and farmer trials.

PRE COVID CAGR 60% YEAR ON YEAR
RLF revenue FY14-FY19

GLOBAL CARBON CAPTURE & SEQUESTRATION

4.2 HISTORY

The story behind today's RLF Plant Nutrition Products, began with the establishment of RLF Australia (an entity outside the Company group) in 1992, the original owner and developer of the proprietary technology behind the RLF Plant Nutrition Products. Since then, the technology and range of RLF Plant Nutrition Products has grown significantly.

During this time, many influences have shaped the agricultural sector and food markets, such as global population movement and the worldwide ambition to meet the UN's food security targets, together with the changing demographics and consumer demand for healthier and increased variety of food choices. Today, smarter agricultural practices are being implemented to address the issues of food security for all, of arresting land degradation and restoring healthy soils, halting the over application of traditional fertilisers, aiding human health, and capturing and harnessing harmful carbon emissions.

A timeline of the Company's evolution is briefly outlined as follows:

1997	RLF Australia (an entity outside the Company group) starts the development of its earliest crop nutrition foliar products which today are known as the RLF Plant Nutrition Product.
1999	RLF Australia develops and launches seed priming technology.
2006	RLF China (HK) is incorporated. A decision is made by RLF Australia to launch a separate business through a new company called International Agri Investments with plans to grant the separate business a licence to locally manufacture and sell the RLF Plant Nutrition Products in China.
2007	RLF Kaifeng is incorporated as a fully-owned Chinese subsidiary of RLF China (HK) and obtains official registration in China as a Wholly Foreign Owned Enterprise (WFOE) and commences business in China. RLF introduces the RLF Australia PPDT 12-nutrient foliar product to the China market for trials.
2009	RLF Kaifeng imports product from Australia and introduces the RLF Australia PPDT 12-nutrient foliar product to the China market for trials and evaluations.
2010	RLF Kaifeng completes construction of a 2,000sqm factory and begins marketing a limited range of RLF Plant Nutrition Products for the domestic China market. Sells to its first Chinese farmer customers.
2011	RLF Kaifeng expands its product trial and product registration programs in order to validate product and agronomic performance. Licenses a more extensive range of RLF Plant Nutrition Products for sales into China. Registrations are ongoing from this point as more products are introduced.
2012	RLF Kaifeng commences a full corporatisation, recruitment and sales program with Dr Lu Shen (Mike) appointed as General Manager in order to grow the business. Trial results demonstrate plant and crop performance is far better than anticipated, showing consistently good or great results.
2013	RLF Kaifeng invests in more factory/production capacity. Revenue increases, and the sales and support teams continue to expand.
2014	RLF Kaifeng attracts new customers by establishing OEM relationships with major Chinese Ag-chem companies. Staff numbers increase, and capital investment in plant and equipment continues in order to keep up with increased demand. Records $1m in revenue.
2015	RLF Kaifeng relocates to an expanded manufacturing facility, at 12,000sqm it is six times the size of the previous facility. Continues investment in manufacturing and packaging equipment to meet the demands.
2016	RLF Kaifeng records $4m in revenue. Receives approval for the establishment of RLF Shanghai as another fully owned Chinese subsidiary of RLF China (HK).
2017	RLF Kaifeng expands its tech-based agronomic programs based on integrated nutrition management for farmers and growers. RLF AgTech, then called Rural Liquid Fertilisers Asia is incorporated as a parent company for the Asia business.
2018	RLF AgTech, then called Rural Liquid Fertilisers Asia acquires 100% of International Agri Investments, RLF China (HK), RLF Kaifeng and RLF Shanghai as wholly owned subsidiaries on 26 June 2018. The China business achieves maiden $1m profit.
2019	RLF AgTech, then called Rural Liquid Fertilisers Asia, converts to a public unlisted company and achieves over $10m revenue.
2021	Receives Shareholder approval to Restructure arrangements with RLF Australia and RLF Global by acquiring the RLF Intellectual Property and the worldwide Distribution Rights (except Australia which are licensed to RLF Australia under the Australian Distribution Agreement) from RLF Australia and RLF Global positioning RLF AgTech for global expansion. Establishes RLF Carbon as a new subsidiary to focus on products and soil carbon program methodologies to reduce carbon emissions.

4.3 RESTRUCTURE OF THE COMPANY

In preparation for the IPO, the Company recently reorganised its operations and structure (**Restructure**). Before the Restructure, the Company operated a manufacturing, distribution and sales business of specialty crop nutrition products known as the RLF Plant Nutrition Products in China and certain other countries in Asia. At that time, the RLF Intellectual Property in the RLF Plant Nutrition Products was owned by the original developer, RLF Australia (an entity outside the Company group). RLF Australia had previously granted worldwide rights to distribute the RLF Plant Nutrition Products outside Australia to RLF Global (another entity outside the Company group). Prior to the Restructure, RLF Australia and RLF Global had granted the Company exclusive rights to manufacture and distribute the RLF Plant Nutrition Products in China and certain other countries in Asia Under a perpetual manufacturing agreement in place with RLF Australia and a perpetual Asian Distribution Agreement in place with RLF Global. Under the terms of these prior agreements, the Company made various payments (including manufacture and distribution fees) to RLF Australia and RLF Global.

Under the Restructure, the Company's previous arrangements with RLF Australia and RLF Global were restructured so that the Company acquired ownership of 100% of the RLF Intellectual Property in the RLF Plant Nutrition Products and 100% of the worldwide Distribution Rights (except Australia which were retained by RLF Australia) relating to the RLF Plant Nutrition Products.

As part of the Restructure, RLF Australia has retained exclusive rights to distribute the RLF Plant Nutrition Products in Australia only. Under the Australian Distribution Agreement, RLF Australia pays the Company a royalty fee for RLF Plant and Nutrition Products sold in the Australian market. Under the Toll Manufacturing Agreement, the Company has also engaged RLF Australia on a non-exclusive basis as a toll manufacturer to use RLF Australia's experience and know-how to formulate proprietary product activators for certain RLF Plant Nutrition Products.

The consideration paid by the Company for the Restructure comprised a combination of cash and equity as follows:

- $2,000,000 in cash paid to RLF Australia at completion of the Restructure;
- a total of 43,125,000 ordinary Shares in the Company issued to RLF Australia and RLF Global at completion of the Restructure (**Initial Consideration Shares**); and
- deferred consideration consisting of a total of 24,375,000 ordinary Shares in the Company to be issued to RLF Australia and RLF Global upon the Company achieving certain milestones based on financial metrics as detailed in the table below comprising 12,187,500 Class A Deferred Consideration Shares and 12,187,500 Class B Deferred Consideration Shares (together the **Deferred Consideration Shares**).

Class	Milestone
Class A Deferred Consideration Shares	The Company achieving one of the following (whichever occurs first) in respect of a financial year: **(a)** annual consolidated gross revenue of not less than A$25 million; or **(b)** annual EBITDA of not less than A$5 million, as reported in the Company's audited financial statements for the relevant financial year.*
Class B Deferred Consideration Shares	The Company achieving one of the following (whichever occurs first) in respect of a financial year: **(a)** annual consolidated gross revenue of not less than A$50 million; or **(b)** annual EBITDA of not less than A$10 million, as reported in the Company's audited financial statements for the relevant financial year.*

* Excluding one-off or extraordinary revenue items and revenue received in the form of government grants, allowances, rebates or other hand-outs.

Annexure A contains the Independent Expert's Report on the issue of the Deferred Consideration Shares. Potential investors should read this report in full.

The Independent Expert has opined that the issue is fair and reasonable to non-participating Security holders. The Independent Expert has also set out the respective advantages and disadvantages of the issue of the Deferred Consideration Shares in the Independent Expert's Report. Refer to Section 13.4 for an explanation of why the Deferred Consideration Shares have been issued by the Company. Investors should read the Prospectus including the Independent Expert's Report in full before deciding to invest in the Company.

Shareholders should be aware that certain Directors of the Company, Kenneth Hancock and Gavin Ball have interests in RLF Australia and RLF Global. More information on their interests is contained at Section 6.4.

For the purposes of Listing Rule 10.1, the Company is treated by the ASX as having entered into agreements to acquire a substantial asset from RLF Australia and RLF Global under the Restructure including the Ancillary Agreements which would require approval by Shareholders if these agreements had been entered into following the Company's admission to the Official List of the ASX.

As the Company completed the Restructure including entering into the Ancillary Agreements prior to its proposed admission to the Official List of the ASX, Shareholder approval is not required under the exception in Listing Rule 10.3(e) on the basis that shareholder approval will be granted on a de facto basis by prospective Shareholders of the Company agreeing to subscribe for Shares under the Offer.

The following information is provided to prospective Shareholders of the Company for the purposes of the exception in Listing Rule 10.3(e):

- **(a)** the Company completed the Restructure prior to listing which includes the Company entering into the Ancillary Agreements with RLF Australia and RLF Global as detailed in Section 6.7 (j). The Company is currently making ongoing payments to RLF Australia and RLF Global under the Ancillary Agreements;
- **(b)** RLF Australia and RLF Global are associates of Directors, Kenneth Hancock and Gavin Ball, and therefore fall within the category in Listing Rule 10.1.4;
- **(c)** full details of the Restructure are set out in Section 4.3, including details of the consideration paid and payable by the Company;
- **(d)** details of future ongoing amounts payable by the Company to RLF Australia and RLF Global under the Ancillary Agreements are set out in the summaries of the Ancillary Agreements contained in Section 6.7 (j); and
- **(e)** the Company intends to continue making ongoing payments to RLF Australia and RLF Global under the Ancillary Agreements from future revenue of the Company.

4.4 CURRENT STRUCTURE

The current corporate structure of the Group is shown in Figure 4.1.

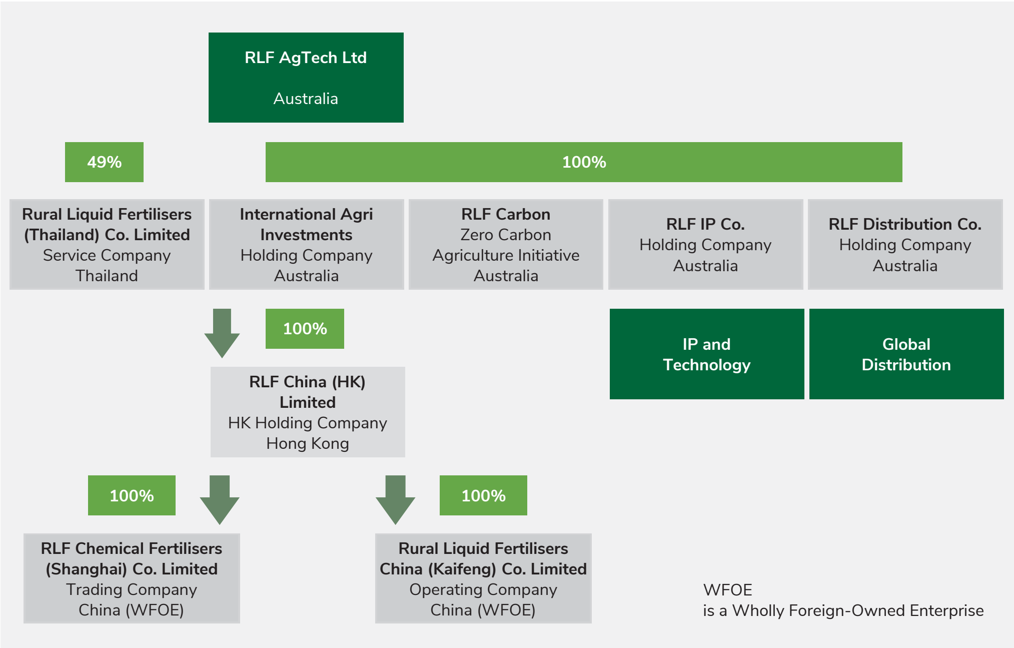


Figure 4.1 Company Group Structure

4.5 CORE BUSINESS

The Company owns, develops, manufactures, distributes and sells the RLF Plant Nutrition Products which are specialty crop nutrition products including liquid fertilisers.

The Company is an Australia-based business with a world-wide focus. The RLF Plant Nutrition Products and plant nutrition programs are proprietary, science-based technologies. The Company's business aims to provide solutions that address a range of agricultural requirements, farm economics and soil sustainability issues.

The Company business model is underpinned by supporting four critical factors, being:

1. the farmers and growers;
2. the consumers of agricultural produce;
3. the soil that provides and sustains the food-growing environment; and
4. the climate resilience of agricultural produce.

The Company's team of scientists, researchers, agronomists and field staff are continuously motivated by the results they see, and this informs the ongoing development of RLF Plant Nutrition Products based on plant physiology. These advances, when manufactured to the Company's production standards, deliver many tangible benefits to support each of the four critical factors noted above.

Farmers

Plants grown with RLF Plant Nutrition Products deliver nutrients to crops in a way that's natural for them, and have demonstrated typical yield increases of between 10% - 30%, and with higher produce quality. Typically, this delivers increased incomes for farmers and growers, and contributes to food security. RLF Plant Nutrition Products are available for most crop types and conditions.

Consumers

Plants grown with RLF Plant Nutrition Products have been shown to absorb and contain a greater value of the nutrients considered necessary for healthy human life. RLF Plant Nutrition Products aim to biofortify the food that is grown through increased intake of nutrients, vitamins and minerals. This means higher quality food with higher micronutrient intake for consumers.

Sustainable Soil

Plants grown with RLF Plant Nutrition Products are likely to achieve an enhanced root system and increased top growth. The intention of these outcomes being to capture carbon from the air and store it in the soil by using the plant's own normal functions. This has been shown to produce better soils, and in this way, RLF Plant Nutrition Products can lead to restored soils, nourished and improved for future use.

Climate resilience

Plants grown with RLF Plant Nutrition Products are more likely to develop healthier, more robust top cover, including a greater number of tillers and thicker stalks. The healthier a plant is, the better it is able to withstand the adverse effects of climate change in cropping environments. The direct access and availability of nutrient supply can support and buffer the negative effects of climate variability and provide greater plant resilience.

Demand for specialty plant nutrition and technology-based crop management programs is growing as farmers become aware of the role they play in providing an effective and viable alternative to traditional fertiliser practices. This is especially so when seeking to address many of the challenges facing agriculture, such as climate change, soil condition and carbon capture as they transform to new economic frameworks.

With the introduction of innovative and more efficient forms of farm management – and the high-tech RLF Plant Nutrition Products and crop management technologies play a clear role in this – the better aligned they are with both industry and government policy directives aimed at achieving sustainable agricultural outcomes, including the below:

1. Improved Crop Yield and Quality

RLF Plant Nutrition Products aim to achieve more efficient nutrient uptake in plants. Providing crops with more efficient nutrient uptake has been demonstrated to improve both crop yield and the quality of produce.

Higher farmer financial outcome can be achieved with improved crop yield and quality.

2. Improved Soil Carbon and Condition

RLF Plant Nutrition Products have been demonstrated to enhance both root systems and top growth. By these two increased functions of plant growth, the potential for the capture of carbon exists as it is driven from the air and stored within the soil. This function contributes to better soils and cleaner air.

3. Environment and Climate Resilience

Leaf applied RLF Plant Nutrition Products have reduced nutrient loss to the environment as these products are typically applied with a foliar spray that has up to 7 times more efficiency of uptake than soil applied fertilisers. The ability to reduce by up to 20% the amount of soil-applied granular fertilisers used further reduces the potential for harmful environmental run-off and leaching.

Specialty plant nutrition products (such as the RLF Plant Nutrition Products) are also intended to improve plant health due to their balanced nutrient composition. Healthier plants improved resistance to the adverse effects of climate change and help buffer the negative effects of climate variability.

Established Proprietary Technology

The Company's Australian-developed and formulated **Plant Proton Delivery Technology (PPDT)**, has provided it with seed and foliar nutrition technologies. This gives potential for expansion into global markets.

4.6 RLF TECHNOLOGY AIMS TO MAKE A DIFFERENCE

The Company is using the technical knowledge and extensive data from its laboratory-based and on-farm trials and crop comparison experiments, and applying it to develop plant nutrition technologies that have the potential to influence the way in which food is grown in today's evolving agricultural environments.

The technologies behind the RLF Plant Nutrition Products are intended to confront some of the global issues facing agriculture, and provide both systems and products to bring about change. Some of these issues include:

Food Security

Global food production requires a 70% increase in the next 30 years to feed the world[1]. RLF Plant Nutrition Products have been demonstrated to increase yield by between 10% - 30% and have shown increased nutritional content of the produce.

Soil Degradation

About 33% of world soils are considered moderately to highly degraded[2]. RLF Plant Nutrition Products build stronger root systems, and this function has been shown to build soil fertility and help reverse soil degradation, giving the potential for higher yield and healthier crops.

Human Health

Micronutrients are required for human health. Poor soils and traditional fertilisers can yield less nutrient-dense produce. RLF Plant Nutrition Products have been shown to improve the biofortification of the food produced, which has the potential to deliver an increased intake of nutrients, vitamins and minerals from food.

[1] Report called, "How to Feed the World in 2050", Food and Agriculture Organization of the United Nations (FAO) https://www.fao.org/fileadmin/templates/wsfs/docs/expert_paper/How_to_Feed_the_World_in_2050.pdf

[2] Article called, "Soils are endangered, but the degradation can be rolled back – Population Growth, industrialization and climate change threaten soil health"." Food and Agriculture Organization of the United Nations (FAO) https://www.fao.org/news/story/en/item/357059/icode/#:~:text=In%20particular%2C%2033%20percent%20of,and%20chemical%20pollution%20of%20soils.&text=But%20the%20report%20also%20offers,General%20Jos%C3%A9%20Graziano%20da%20Silva

All references in this Prospectus to statements from the above publication have been included without the author's consent as permitted by ASIC Corporations (Consent to Statements) Instrument 2016/72.

Energy Pollution

Manufacturing, transportation and application of traditional fertilisers typically generates carbon emissions. RLF Plant Nutrition Products are concentrated for transport and can be used simultaneously with existing crop application products. This efficiency means potential lower CO_2 emissions.

Over Application of Traditional Fertilisers

High rates of chemical fertilisers can destroy soil biology and health that could result in reduced grower returns, and lead to the creation of other environmental issues. RLF's integrated **Crop Nutrition & Carbon Management System** (ICN&CM) requires a reduction in traditional fertiliser use by up to 20%. This reduction could result in benefits for soil health and reduced carbon footprint resulting from manufacture of traditional fertilisers and lower farm input costs.

4.7 RLF INTELLECTUAL PROPERTY BASED ON SCIENCE

The Company holds a large body of trade secrets in its propriety product formulations and know-how comprising the RLF Intellectual Property that underpins its plant nutrition products and programs. The RLF Intellectual Property drives the targeted/intended outcomes required for many different cropping environments.

Plant Physiology

RLF Intellectual Property is based on plant physiology. Plant physiology refers to the factual understanding of the functions and chemical requirements of the different types of plants. It is also based, in part, on the plant's nutrient requirements and on the nutrient removal science of the soil. Some basic plant functions are held in common across all crop types, however often, each crop type also has plant-specific physiological functions and therefore slightly different needs. This can also be affected by the variability that occurs in the characteristics of every growing environment, such as soil types, soil quality, climatic and other agronomic conditions. The Company bases the development of the RLF Plant and Nutrition Products on this science.

Proprietary Proton Chemistry

Plant Proton Delivery Technology (PPDT) is rich in protons (H^+) which have an effect on the plant's energy systems and metabolism. Protons, incorporated in the PPDT, work at a cellular level within the plant, most likely resulting in the plant expending less energy in the transfer of nutrients. This conserved energy can then become available to drive plant growth and yield, whilst increasing the size and quality of the crops.

Nutrient Delivery System Technology

The Company's Nutrient Delivery System is comprised of elements and compounds critical to plant function. When combining the Nutrient Deliver System with the Company's Plant Proton Delivery Technology and multi nutrient formulations this provides a complete package to support optimum plant growth.

Integrated Crop Nutrition & Carbon Management System

The Integrated Crop Nutrition & Carbon Management (**ICN&CM**) System aims to reduce soil applied chemical fertiliser applications, and increase crop yield and quality whilst giving greater capacity for CO_2 sequestration and regenerative farming outcomes. It is also designed to provide farmers and growers with an on-farm system that does not increase costs, and fits within existing farm practices.

Manufacturing Expertise

The Company has a scalable and knowledgeable technical manufacturing capability.

Brand/Licenses

The earliest created RLF Plant Nutrition Products have been in the marketplace for 25+ years, and over this time the RLF Plant Nutrition Products have developed a brand and become recognised as a reputable product.

4.8 INNOVATION, RESEARCH AND DEVELOPMENT

(a) Research

The Company's current research and development team comprises over 20 scientists, researchers and agronomists, all with suitable accreditation and experience. They are supported by a team of field evaluation and product support staff.

Years of research and development has provided the technical foundation for the development of the Company's proprietary technologies, including its Plant Proton Delivery Technology.

To date extensive trials and evaluations have been conducted on the RLF Plant Nutrition Products, including replicated trials performed by other independent professional and academic teams.

A bank of research papers and articles has been accumulated documenting the use and performance outcomes of the RLF Plant Nutrition Products across multiple countries and crop types.

5-YEAR PRODUCT DEVELOPMENT CYCLE

1-3 yrs
formulation & lab testing

1 yrs
field research & refinement

1 yrs
regulatory approval

Commercial Sales

(b) Plant Proton Delivery Technology

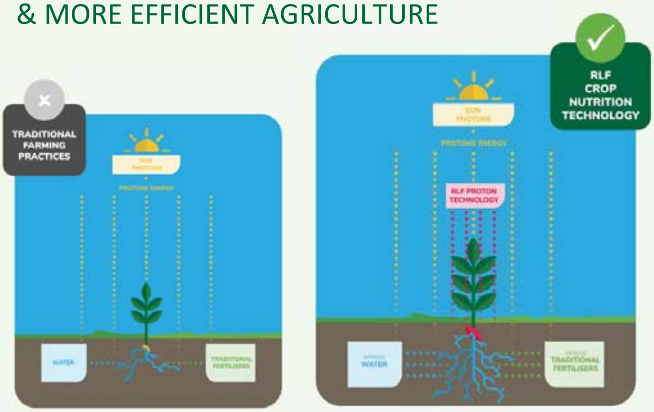
Protons, incorporated in the PPDT, work at a cellular level within the plant, most likely resulting in the plant expending less energy in the transfer of nutrients. This conserved energy can then become available to drive plant growth and yield, whilst increasing the size and quality of the world's major crops.

PPDT is applied via the plant's foliage and therefore is rapidly taken up by the plant and is faster acting than traditional soil fertiliser application. This increase in rate delivers a faster increase in both the total biomass of the plant, and the size and quality of the sub-surface root systems.

Application of the PPDT in conjunction with the Company's seed treatments has shown both significantly greater development of plant root systems and typical yield increases of 10 - 30%. The plants, therefore, have (i) a greater ability to exchange, sequester and store CO_2, (ii) increased production of energy and food sources that are exuded through the root system which ultimately facilitates an increase in the soil's natural microbial population numbers (iii) an improved uptake of soil-applied fertilisers and (iv) increased humus production.

PLANT PROTON DELIVERY TECHNOLOGY

DRIVES GREATER YIELD, HIGHER QUALITY & MORE EFFICIENT AGRICULTURE



1. Direct Seed and Leaf applications deliver nutrients and energy directly into a plant via PPDT.
2. PPDT supplements the energy traditionally delivered by the sun via binding of a hydrogen proton within the plant at a cellular level as a source of internal energy to drive growth.
3. PPDT drives larger root system for better nutrient uptake, more robust crops, healthier soils and reduces the need for applied chemical fertilisers up to 20%.
4. Increased root mass leads to better water retention and a decrease in watering requirement.

(c) Trials and Results

The key intended outcome of the Company's Plant Proton Delivery Technology is to increase crop yield.

The table below gives details of a range of trial results, and specifies the crop type, location, date, number of seasons, and the particular season in which each trial was conducted. Further explanatory details about how the trials were conducted, and a guide to interpret the trial program and results are also provided.

Indicative

Yield test results are an indicative comparison. They are a result of a biological process that is influenced by many variables and conditions, ranging growth, maturity and harvest, together with the factors associated with geographical location. These can include the variability and condition of the soil type, rainfall and weather patterns, climatic conditions such as frost or heat, and environmental factors such as pest or fungal attack.

Consistency in Comparison

Significance of the percentage yield variance is that it demonstrates a direct comparison between the Test and Control crops, both grown under the same geographical and environmental conditions. This allows for a consistency of results when compared with each other.

Parameters used to Determine Percentage Yield Increase Represented

The percentage yield increase represented is a calculation of the results of the harvested grain, fruit or vegetable weights from both Test and Control. The calculation of the difference weights follows a set formula, being:
Test yield weight – Control yield weight = Yield variance / Control yield weight = %

Method of Study and Analysis

i. **Crop Selection**

Crops have typically been selected for trial because they either represent a cross-section or are the market relevant/dominant crop grown in the geographical location or region. Crops that represent the most relevant economic position are also typically represented in this selection.

ii. **Location**

Farmer conducted trial locations have been selected to represent the typical local area conditions, and when the chosen trial crop type is the same crop type as grown by the farmer or grower at that location. Independent trial locations are either conducted at customer farmer locations such as the Sri Lanka trials, or at designated **trial sites such as those sites** specifically used for the conduct of trial programs as for the Beverley, Bangladesh, Tunisia and the USA trials.

iii. **Local Farming Methods**

In the farmer conducted trials, local cropping methods and techniques (including sowing procedures) are normally adhered to as to represent results that are consistent with local area farming practices. When the trials are conducted in designated trial sites, the practices used are also typical of the farming procedures for that region.

iv. **Local Area Practices**

In the farmer conducted trials, local area practices are typically maintained and include such things as fertilisers used and the application rates considered typical to the local farmer practice, along with the agricultural chemical practices and inputs considered normal and routine.

In the independent conducted trials, local regional practices which are considered standard are maintained and include label rate for the fertilisers used.

In both cases the sowing rates should be the same as those usually practised in the local area, however for the purposes of trial comparison, the sowing rates are the same for both the Test and Control crops. Seeds used in the trials are typically from the same source and quality that are routinely used.

v. Trial Plots

Trial plots are typically established on uniform ground, and they vary in size between trial programs. Trial plots are marked and measured with inground markers to distinguish the Test and the Control plot locations. **In farmer conducted trials** the trial plots are generally located next to one another and in the same area to ensure similar soil and conditions variability.

vi. Methodology

Trial Protocol is:
Test. Area practice and existing fertiliser practice + RLF Products application (typically at label rate).
Control. Area practice and existing fertiliser practice.

vii. Analysis

Analysis represented in the trial results data table is based only on the yield result measurement. At the conclusion of the trial, both the Test and Control crops are harvested, and the grain, fruit or vegetables are weighed. Weights are recorded and the differential (Control v Test) variance is calculated and represented in the table in both weight and percentage.

Further Information about these Trials

Further information regarding the trials that are detailed in the table below are available from the Company website at www.rlfagtech.com.

				Scale	Yield Result	Yield Result	Yield Variance	Variance %
STATE	LOCATION	YEAR	CROP TYPE		CONTROL	TEST	VARIANCE	%
AUSTRALIA								
New South Wales	**Gilgandra**	2001	Wheat	kg/ha	3640	4740	**1100**	**30.2%**
Farmer conducted trial (jointly supervised)		1 Winter season	AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar)					
New South Wales	**Moree**	2004	Wheat	kg/ha	2840	3850	**1010**	**35.6%**
Farmer conducted trial (jointly supervised)		1 Winter season	AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar)					
South Australia	**Bool Lagoon**	1997	Lentils	kg/ha	1676	2069	**393**	**23.4%**
Farmer conducted trial (jointly supervised)		1 Winter season	AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar)					
South Australia	**Pinery**	1996	Wheat	kg/ha	2277	2889	**612**	**26.9%**
Farmer conducted trial (jointly supervised)		1 Winter season	AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar)					
Western Australia	**Gardiner**	1998	Barley	kg/ha	1870	2420	**550**	**29.4%**
Farmer conducted trial (jointly supervised)		1 Winter season	AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar)					
Western Australia	**Dalwallinu**	1998	Wheat	kg/ha	778	1010	**232**	**29.8%**
Farmer conducted trial (jointly supervised)		1 Winter season	AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar)					
Western Australia	**Esperance**	2003	Canola	kg/ha	1480	1820	**340**	**23.0%**
Farmer conducted trial (jointly supervised)		1 Winter season	AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar)					
Western Australia	**Maya**	1997	Lupins	kg/ha	800	1210	**410**	**51.3%**
Farmer conducted trial (jointly supervised)		1 Winter season	AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar)					
Western Australia	**Beverley**	2000	Wheat	kg/ha	3150	3550	**400**	**12.7%**
Independent Gov't trial (on demo farm)		5 Winter season	AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar)					
Queensland	**Allora**	2001	Sorghum	kg/ha	5700	6820	**1120**	**19.6%**
Farmer conducted trial (jointly supervised)		1 Winter season	AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar + N)					

				Scale	Yield Result	Yield Result	Yield Variance	Variance %
STATE	LOCATION	YEAR	CROP TYPE		CONTROL	TEST	VARIANCE	%
CHINA								
Anhui	**Shuzhou**	2013	Wheat	kg/ha	810	968	**158**	**19.5%**
Farmer conducted trial (jointly supervised)		1 Winter season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Seed)				
Henan	**Xiangcheng**	2013	Wheat	kg/ha	796	937	**141**	**17.7%**
Farmer conducted trial (jointly supervised)		1 Winter season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Seed)				
Henan	**Xiangcheng**	2013	Wheat	kg/ha	783	1197	**414**	**52.9%**
Farmer conducted trial (jointly supervised)		1 Winter season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar + Seed)				
Jiangsu	**Lianyuangang**	2019	Rice	kg/ha	8519	10236	**1718**	**20.2%**
Farmer conducted trial (jointly supervised)		1 Winter season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar + PPK)				
Zhejiang	**Jiaxing**	2020	Rice	kg/ha	9914	11693.5	**1780**	**18.0%**
Farmer conducted trial (jointly supervised)		1 Winter season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar + PPK)				
Jiangsu	**Danyang**	2020	Rice	kg/ha	9186	11018	**1832**	**19.9%**
Farmer conducted trial (jointly supervised)		1 Winter season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar + PPK)				
Henan	**Xinxiang**	2019	Wheat	kg/ha	7947	9363	**1416**	**17.8%**
Farmer conducted trial (jointly supervised)		1 Winter season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar + PPK)				
Jiangsu	**Sihong**	2020	Wheat	kg/ha	9411	11556	**2145**	**22.8%**
Farmer conducted trial (jointly supervised)		1 Winter season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar + PPK)				
Hebei	**Botou**	2020	Wheat	kg/ha	7941	9687	**1747**	**22.0%**
Farmer conducted trial (jointly supervised)		1 Winter season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar + PPK)				
Xinjiang	**Wusu**	2019	Tomato	kg/ha	120975	166350	**45375**	**37.5%**
Farmer conducted trial (jointly supervised)		1 Spring season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar + PPK)				
Xinjiang	**Shawan**	2020	Grape	kg/ha	47805	61500	**13695**	**28.6%**
Farmer conducted trial (jointly supervised)		1 Spring season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Foliar + PPK)				
Jiangxi	**Xinyu City**	2021	Orange	kg/ha	38780	42735	**3955**	**10.20%**
Farmer conducted trial (jointly supervised)		1 Spring season		AREA PRACTISE (existing fertiliser program) + RLF Product (Fertigation)				
Zhejiang	**Rui'an City**	2019	Cucumber	kg/ha	13718	15238	**1520**	**11.08%**
Farmer conducted trial (jointly supervised)		1 Spring season		AREA PRACTISE (existing fertiliser program) + RLF Product (Fertigation)				

BANGLADESH								
Dhaka	**Gazipur**	2015	Spinach	kg/ha	19050	22440	**3390**	**17.8%**
Independent Private Trial (Lal Teer Seed Ltd)		1 Winter/Spring season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Folt2)				
Dhaka	**Gazipur**	2015	Spinach	kg/ha	19050	23730	**4680**	**24.6%**
Independent Private Trial (Lal Teer Seed Ltd)		1 Winter/Spring season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Folt3)				
Dhaka	**Gazipur**	2015	Spinach	kg/ha	19050	24280	**5230**	**27.5%**
Independent Private Trial (Lal Teer Seed Ltd)		1 Winter/Spring season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Folt4)				
Dhaka	**Gazipur**	2015	Cabbage	kg/ha	21000	24320	**3320**	**15.8%**
Independent Private Trial (Lal Teer Seed Ltd)		1 Winter/Spring season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Folt1)				
Dhaka	**Gazipur**	2015	Cabbage	kg/ha	21000	25840	**4840**	**23.0%**
Independent Private Trial (Lal Teer Seed Ltd)		1 Winter/Spring season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Folt3)				
Dhaka	**Gazipur**	2015	Tomato	kg/ha	14000	16040	**2040**	**14.6%**
Independent Private Trial (Lal Teer Seed Ltd)		1 Winter/Spring season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Folt2)				
Dhaka	**Gazipur**	2015	Tomato	kg/ha	14000	17220	**3220**	**23.0%**
Independent Private Trial (Lal Teer Seed Ltd)		1 Winter/Spring season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT Folt3)				

				Scale	Yield Result	Yield Result	Yield Variance	Variance %
STATE	LOCATION	YEAR	CROP TYPE		CONTROL	TEST	VARIANCE	%
SRI LANKA								
South Province	**Galle District**	2014	Tea	kg/acre	233	416	**183.4**	**78.8%**
Independent Private Trial (OPEX Fertiqa Ltd)		1 Summer season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT)				
North-Central	**Rajanganaya**	2014	Rice	kg/ 2' x 2' Area	288	333	**45**	**15.6%**
Independent Private Trial (OPEX Fertiqa Ltd)		1 Summer season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT)				
North-Central	**Wilachahya**	2014	Rice	kg/ 2' x 2' Area	210	247	**37**	**17.6%**
Independent Private Trial (OPEX Fertiqa Ltd)		1 Summer season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT)				
TUNISIA								
Tunisia	**Belvedere**	2020	Wheat	kg/ha	7300	10080	**2780**	**38.1%**
Independent Private Trial (Brandt Consolidated Inc.)		1 Winter season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT S)				
USA								
Illinois	**Pleasant Plains**	2019	Maize	**Bu/acre**	282	317.3	**35.45**	**12.6%**
Independent Private Trial (Brandt Consolidated Inc.)		1 Spring season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT S)				
Illinois	**Pleasant Plains**	2019	Maize	**Bu/acre**	282	316.9	**34.9**	**12.4%**
Independent Private Trial (Brandt Consolidated Inc.)		1 Spring season		AREA PRACTISE (existing fertiliser program) + RLF Product (PPDT S)				

(d) Results in Pictures

***Location**: Tongliao City, Inner Mongolia **Date**: July 2015*
***Crop Type**: Corn*
***Product/Program**: RLF Broadacre Plus. Standard farmer practice versus a program using a foliar application applied once.*
***Visual Result Context**: Demonstrates the visual differences between corn stalks with features noted such as the greater number of lateral roots, with more capillary roots, broader and greener leaves, stronger stalks and good growth of the maize.*

***Location**: Dalianhua Village, Ciyutuo Town, Liaoning County, Shenyang City, Liaoning Province **Date**: August 2017*
***Crop Type**: Rice*
***Product/Program**: RLF Silica Plus. Standard farmer practice versus a program using a foliar application applied twice, one fortnight apart.*
***Visual Result Context**: Demonstrates the visual differences between crops with features noted such as increased leaf thickness, enhanced strength, erectness of plant, increased luminosity, mature rod with accelerated grain fill.*

Location: Handan City, Hebei Province **Date**: May 2014 **Crop Type**: Potato
Product/Program: RLF Fruit & Veggies Plus and RLF Plant Milk High-N. Standard farmer practice versus a program using a foliar application applied twice, plus one fertigation application.
Visual Result Context: Demonstrates the visual differences between crops with features noted such as good fruit expansion, fast colour change, uniform fruit size, healthy green leaves.

Location: Xiangcheng City, Henan Province **Date**: March 2013 **Crop Type**: Wheat
Product/Program: RLF BSN Seed and Broadacre Plus. Standard farmer practice versus a program using seed priming prior to planting and a foliar application applied twice.
Visual Result Context: Demonstrates the visual differences between the plants showing features such as a well-developed root system, thicker stalks and leaves, with the seedling raising effect clearly demonstrated.

Location: "New Daxu Village", Zhaoling Town, Luohe City, Henan Province **Date**: May 2017 **Crop Type**: Watermelon
Product/Program: RLF Fruit & Veggies Plus and Plant Milk High-K. Standard farmer practice versus a program using a foliar application applied twice, together with a single fertigation application.
Visual Result Context: Demonstrates the visual differences between the fruits grown with features noted such as higher yield, larger size fruit, shiny rind, earlier ripening and greater sweetness.

Location: Kaifeng City, Henan Province **Date**: August 2012 **Crop Type**: Peanut
Product/Program: RLF Broadacre Plus. Standard farmer practice versus a program using a foliar application applied once.
Visual Result Context: Demonstrates the visual differences between crops with features noted such as greener growth.

4.9 RLF CARBON BUSINESS

RLF Carbon is a wholly owned subsidiary of the Company.

It has been created to consider and undertake studies on, and if positive, to commence commercial operations to provide services and products to farmers as they transition to the new agricultural economy focused on increasing carbon in soil and decreasing nitrogen related output, with the stated goal of enabling global agriculture to obtain net zero, or potentially carbon negative production of food.

The Company recognises the importance of these transformational changes, and is positioning itself to provide customers with products and program methodologies so that they can increase yield, enhance quality of the product, enhance soil quality and sustainability and assist agricultural products being grown with climate resilience. It is intended that such program methodologies would also result in an increase in the capture of carbon in the soil or a reduction in nitrous oxide (due to a reduction in nitrogen in the soil) with the goal to enable the ability to earn credits under an emissions reduction scheme.

Non-binding Letter of Intent with the Commonwealth Bank

RLF Carbon is not currently providing these services. The Company has entered into a non-binding Letter of Intent (Letter of Intent) under which the Company and the Commonwealth Bank agree to discuss and explore opportunities to potentially conduct a carbon feasibility study with respect to a possible strategic carbon relationship. The Letter of Intent constitutes a preliminary indication of intent only and creates no liability or obligation of any nature whatsoever on either party to enter into a strategic relationship. There is no certainty that Commonwealth Bank will enter into a definitive strategic relationship with the Company. Refer to Section 10.6 for details.

Based on internal studies/modelling undertaken by the Company RLF Carbon believes there is a high potential for its products, based on the predicted deposition of carbonaceous matter in the soil to play a key role in global agriculture reaching net zero. Refer to Section 4.9 (d) for specific risks of the RLF Carbon business.

Under the terms of the Australian Distribution Agreement, the Company will retain all rights on an exclusive basis to distribute and sell products (including any RLF Plant Nutrition Products) to customers in Australia who intend to use those products for program/s to generate carbon credits or other emission reduction programs with the aim of reducing emissions outcomes. See Section 10.1 (c). for a summary of the Australian Distribution Agreement.

Benefits for Farmer

- Potential to earn emissions credit units
- Compatibility with current on-farm practices

Benefits for Agriculture

- Improved long-term soil health for future generations
- Yield and higher quality produce

Benefits for Environment

- Sequestration of soil-based carbon and storage of CO_2
- Soil fertility for future food production
- Reduction in nitrous oxide emissions

(a) Soil Carbon Projects

RLF Carbon intends to consider the use RLF Plant Nutrition Products as the basis of registrable carbon sequestration project methodologies and programs. Approved programs can be registered as an Emissions Reduction Project, and in Australia this is administered by the Australian Government's Clean Energy Regulator. The intended results from these programs are the generation of Australian Carbon Credit Units (ACCU). In other global markets, outside of Australia, similar carbon credit programs exist for the purposes of administering and issuing carbon credit units.

The following table is an indication, based on RLF modelling, as to how RLF Carbon intends to achieve its stated goals:

Enhanced root system and top growth drives carbon capture from the air and storage in the soil resulting in better soils and CO_2 removed from the air.	A 10% yield on a 5 tonne per hectare grain crop generates a total of about 2.1 tonnes per hectare of CO_2 capture, trash and grain.	Based on the 2021 European carbon price (Nov 2021), the value of 2.1 tonnes of carbon would be approximately $190.	Application of soil applied chemical fertilisers can be reduced by 10%-20%, decreasing the traditional carbon footprint associated with this fertiliser use, whilst positively impacting the environment.	RLF Plant Nutrition Products are highly efficient in nutrient uptake when compared to traditional soil-applied chemical fertilisers, leading to a more sustainable and carbon efficient process across the whole agricultural supply chain.

The RLF Carbon business aims to achieve:

- A reliable increase in soil-based carbon through the adoption of new on-farm practices and RLF Plant Nutrition Products that are able to generate Carbon Credit Units,
- A 10% -20% reduction in the use of granular fertiliser,
- An increase in yield and produce quality, and
- Integration with existing on-farm work practices without material change to workload or operating costs.

(b) Basis for the RLF Carbon Business

The Company's RLF Plant Nutrition Products have shown the ability to increase soil-based carbon through the functions they perform within the plant.

The key points are:

- RLF's Integrated Crop Nutrition & Carbon Management (ICN&CM) Systems assist plants to harvest more light energy from the sun, capturing more CO_2 and exchanging this with oxygen.
- RLF Plant Nutrition Products provide critical micronutrients that have demonstrated an increase in both above ground and sub-surface growth, and improvements in crop yield and quality.
- RLF Plant Nutrition Products directly target the seed and the foliage of the crop to increase the productivity of the crop,
  - Soil-only applied nutrient uptake is less effective and may result in environmental impacts such as nutrient leaching into waterways and soil acidification.
- Australian Carbon Credit Units (ACCU) can be generated through registrable carbon sequestration project methodologies and programs.
- RLF Plant Nutrition Products have been demonstrated to increase yield and improve the quality of products, therefore farmer use is incentivised.
- RLF Plant Nutrition Products typically integrate with existing agricultural and farming practices,
  - RLF Carbon programs are 'products-based programs', meaning additional farm practice imposts are minimised, and
  - Projects that are 'systems-based programs', typically mean farmers will be required to make change to their existing practices.

(c) Key Milestones of the RLF Carbon Business

For the Company to establish the RLF Carbon business, it intends to commence and complete the following activities to achieve its stated goals.

Following Completion of the Offer RLF Carbon aims to recruit suitably experienced personnel to manage the development of the RLF Carbon business.

The key milestones for achievement of the successful development, implementation and commercialisation of the RLF Carbon business are the:

1. creation of registrable carbon sequestration project methodologies and programs;
2. completion of a scoping study of the feasibility of the registrable carbon sequestration project methodologies and programs which will include development, verification and costing of the implementation of the proposed RLF Carbon systems and development and validation of the financial and commercial proposition;
3. application for, and registration of, the Company carbon sequestration project methodologies and programs as an Emissions Reduction Fund Project under the carbon emissions reduction legislation;
4. establishment of partnerships with farmers, distributors and other services providers, for the purposes of conducting the business; and
5. conduct of trials to demonstrate to farmers, distributors and Company partners the carbon in soil outcomes, increases in yield and reductions in granular fertiliser usage created by the Company's carbon sequestration project methodologies and programs.

(d) Specific Risks or the RLF Carbon Business

The RLF Carbon business has been created to consider and undertake studies on, and if positive, to commence commercial operations to provide services and products. The key risks to the successful implementation and commercialisation of the RLF Carbon business that investors should be aware of are:

Failure to meet Regulations and Determined Methodology

The RLF Carbon business will be dependent upon the ability to satisfy the legislative requirements of the Emissions Reduction Fund, under the Carbon Credits (Carbon Farming Initiative) Act 2011 and that the proposed RLF Carbon programs satisfy the methodology rules for emission reduction or carbon storage projects as determined under the Act. Failure to satisfy any of these legislative requirements or achieve registration for the Company's sequestration project methodologies and programs, will result in the Company not being able to commercially exploit the RLF Carbon business opportunity.

Economic Viability of RLF Carbon Programs

The RLF Carbon business will be dependent upon the costs of generating Australian Carbon Credit Units through the Company's sequestration project methodologies and programs being less than the value of the Australian Carbon Credit Units created. If the costs of the program are greater than the value of the Australian Carbon Credit Units created, or the differential is not at a satisfactory level that the marketplace considers commercially acceptable, then the RLF Carbon business would not be viable.

Market Acceptance of RLF Carbon Business

The RLF Carbon business will be dependent upon its future ability to sell (currently unproven) the Company's sequestration project methodologies and programs (once registered) to potential customers. The ability to sell such methodologies and programs will in part be dependent on the farm practises that such methodology require and the extent to which these methodologies diverge from current practices adopted by farmers. If the RLF Carbon business cannot sell its services, or the marketplace does not consider these services worth engaging, then the business would not be viable.

The RLF Carbon business services offer is also subject to competition and new competitive service offerings or new business enterprises entering into the same market. A competitors service offer could be more appealing to potential customers or more cost effective than the RLF Carbon service offer.

4.10 ADVANTAGES

(a) Australian Company

Trust in the products farmers use is important, as the market is often subjected to products that are of variable quality and effectiveness. Australian-owned and operated entities that operate within the global marketplace are generally considered trustworthy, and being Australian generally carries a reputation for agricultural knowledge and products of good quality.

The Company has an added advantage of being an early-mover Australian business, offering Australian-developed Plant Nutrition Products to the Chinese market. This in effect gives the Company a 10+ years track record of operations and experience in this large market.

In other global markets, being Australian provides the Company with a point of difference and aligns the business with the good reputation and credibility of Australian products and Australian farmers.

(b) RLF Plant Nutrition Products have a Recorded Product History of 25+ Years

The RLF Plant Nutrition Products were originally developed by RLF Australia (an entity outside the Company group) in 1992 and have a recorded product history of 25+ years in the Australian marketplace, with demonstrated crop outcomes in many different growing environments. The Company now owns and develops the RLF Plant Nutrition Products which are recognised as a reputable product based on a long history of use, which places the Company in a competitive position.

(c) 10+ Years in the China Market

The Company's business has been operating in China since 2009. Over this time, it has built RLF brand recognition and reputation through long-term investment in product evaluations, demonstration trials, farmer meetings and promotions in China. Through these activities, the Company has fostered long-standing relationships with an increasing number of customers in China who use RLF Plant Nutrition Products in their farming and agricultural enterprises. This level of trust takes time to establish, and has helped the Company build a local business and distribution network in China based on these strong relationships and direct interactions.

The Company has worked with many government departments and government personnel in the normal course of doing business in China, and has gained invaluable knowledge and experience working within China's complex legislative and bureaucratic frameworks. This gives the Company an advantage that newcomers to the China market would not have. Experience also comes in the form of lessons learned, and the Company has an understanding of the unique China market model, where information, education, personal engagement and trust is highly valued. This experience has allowed the Company to better appreciate the China market and build its business based on actual knowledge and understanding. The Company believes these lessons and experiences translate readily to the wider Asia Region market.

(d) Strong Product Performance

RLF Plant Nutrition Products have built a strong product performance reputation because of the Company's continuing program of demonstration and evaluation trials, as well as actual on-farm use and comparison by farmers and growers. This has mostly been achieved through the sale and use of its products in Australia, China and the Asia Region.

The science-based formulations of the RLF Plant Nutrition Products recognise that crop results can be very different because of factors such as soil variability, agricultural conditions, extremes of climate and other environmental impacts like pests and disease all needing to be considered. They have demonstrated that improved overall crop strength, healthier plants, increased yield and better quality of produce are as a result of the technologies used. Application by foliar or fertigation gives the plant the direct access to the nutrients it needs, and by better understanding the requirements of the crop during its different phases of growth and adjusting the nutrient supply accordingly, a farmer or grower can achieve an improvement in crop yield and quality.

This in turn has the potential to improve not only the economic viability of the crop, but other sustainability benefits accrue such as increased and ongoing soil health and fertility.

Demonstration and evaluation trials conducted throughout Australia, China and other countries such as Sri Lanka, Bangladesh, Vietnam and Turkey indicate that the use of RLF Plant Nutrition Products have resulted in larger and stronger root masses and greater green shoot and leaf production. Both of these factors deliver a number of positive agronomic benefits. Bigger root systems give the plant strength with better ability to access the soil and subsoil nutrients, and they can also result in increased rhizosphere microbial activity. Together with any top growth returned to the soil following harvest, the bigger and healthier root mass that remains can also add to the build-up of nutritional value for the soil.

(e) Strong Application Features

RLF Plant Nutrition Products are compatible for use with a range of agricultural chemicals such as fungicides, pesticides and herbicides. Often, agricultural chemical products are in liquid form and are packed and handled in a similar way to the RLF Plant Nutrition Products. When crop protection and plant nutrition products are compatible, they can be safely combined into a 'tank-mix' which can then be applied to plants and crops in a single application. This allows farmers to save time and reduce the costs associated with input applications.

Typically, a farmer would perform a 'jar test' to test chemical compatibility of agricultural products before applying to crops. This represents an advantage for RLF Plant Nutrition Products when compared to other crop products that are not chemically compatible. The 'tank-mix' application method for RLF Plant Nutrition Products fit well with existing farm practice. Fitting into existing farm practice lowers barriers to the adoption of RLF Plant Nutrition Products as agricultural input-handling is well-practiced by the farmer.

(f) Partnerships with Crop Protection

The Company has sought to increase its partnerships with crop protection manufacturers and distributors during recent years. This customer base typically uses RLF Plant Nutrition Products in their existing distribution systems, to be sold with their own range of crop protection products as a value-add, or alternatively to re-package the RLF Plant Nutrition Products with their own brand.

(g) Nutrient Opportunity

Typically, traditional farm fertiliser programs have been heavily reliant on nitrogen, phosphorus and potassium (NPK) as a soil-based program. As access to micro-nutrient specialty fertiliser products has increased, and farmers and growers have become more aware of the potential benefits of using micro-nutrients, and the role they play in the different phases of a crop's growth cycle, the greater acceptance there has been of RLF Plant Nutrition Products. This opportunity is an advantage for the Company.

Some of the benefits are:

- enhanced efficiency technology
- ease of application
- reduced application costs
- increased agricultural productivity
- use of multiple nutrient pathways for efficient uptake in plants
- reduced potential for nutrient losses to the environment, with resource and labour-saving attributes

(h) Policy Direction for Food Security

Globally

Generally, this is informed by the ambitions and objectives of the UN's Sustainable Development Goals.

It is recognised that as the world population continues to grow, much more effort and innovation is needed to sustainably increase agricultural production, improve the global supply chain, decrease food losses and waste and ensure that all who are suffering from hunger and malnutrition have access to nutritious food.

The member countries agree that there are many elements of traditional farmer knowledge, that when enriched by the latest scientific knowledge, can support productive food systems if remedial actions and transformational change is planned and undertaken.

Some of the transformational actions required involve:

- addressing soil fertility and building sustainable soils
- restoring degraded lands
- boosting yield on existing agricultural lands
- using water resources wisely
- embracing new plant nutrition technologies that resist pest and disease attack
- pursuing a wholistic and integrated approach to food production

China

Food security in China is a core government priority that is managed under the government's directives set out in the 13th 5-Year Plan for the Development of China. The government has indicated that it is committed to the need to ensure food supply, and has outlined its 5-year policy and innovation expectations for China's agricultural industry so that the industry can work towards improving its food supply. As outlined in the 13th 5-Year Plan for the Development of China, the government has allocated resources to improve farming practices in order to modernise and deliver better food supply and security for the future.

(i) Established Global Market Relationships

The Company has been working to expand the distribution network for RLF Plant Nutrition Products into global markets, including into the greater Asia Region using the experience it has gained to date. It recognises that it takes time to establish distribution into new markets because the sales cycle often involves product trials and evaluation programs over several seasons. Sometimes lengthy government product registration processes have to be undertaken before products can be sold.

To this end, the Company has embarked upon establishing these relationships in several countries including Canada, Turkey, Iran, Thailand, Cambodia, Myanmar, Sri Lanka, the Philippines and Vietnam.

4.11 CHANNELS TO MARKET

The Company currently has two overarching pathways to market - **Direct Distribution**, which accounted for approximately 68% of revenue in FY 2021, and **OEM Distribution**, which accounted for approximately 32% of revenue in FY 2021.

Direct Distribution refers to the direct sales of RLF Plant Nutrition Products which are RLF-branded or sold under other brands owned by the Company, and supported by local people employed by the Company.

OEM Distribution refers to the sale of RLF Plant Nutrition Products which are branded in the name of the OEM Distributor, typically a chemical company or other agricultural manufacturer.

Each pathway has numerous channels to distribution, as shown in the Figure 4.2 below:

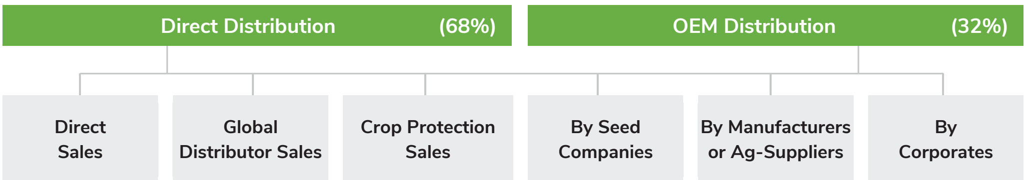


Figure 4.2 Channels to Market

These typical channels to market are described as follows:

(a) Direct Sales

The Company sells its plant nutrition products, whether they be RLF-branded or those labelled under other brands owned by the Company directly to the market. Typically, these products are transported to customers who on-sell through their own retail distribution networks with the support of people employed by the Company as part of the Sales, Marketing and Technical Support Division to manage customer relationships, sales, logistics and technical education and support.

(b) Global Distributor Sales

The Company sells the RLF Plant Nutrition Products by establishing commercial relationships with in-country companies that are typically agricultural products distributors who already have an established sales and distribution network.

Primarily, the Company looks to establish distributor relationships with companies that are already selling complementary products, such as fertilisers, crop protection chemicals and other agricultural supplies. The Company generally delivers its RLF Plant Nutrition Products to the distributor in minimum order volume quantities. This product is sometimes co-branded, and it is often packaged in the local language along with other requirements such as measurements and application directions that are specific to the country in which they are being sold. In some cases, the Company may supply its products in bulk quantities that allows the distributor to re-package these products locally.

(c) Crop Protection Distribution

The Company sells the RLF Plant Nutrition Products through direct distribution relationships it has established and grown, with manufacturers or suppliers of crop protection and other agricultural chemical products. Typically, these distributors are larger crop protection chemical formulators, who often enter into agreements to have the RLF Plant Nutrition Products re-packaged in their own brands, for sale alongside or complementary to their own product range.

(d) Seed Companies

The Company sells a range of its Seed Nutrition Products to companies that manufacture, package and sell seed, or to their allied distributors and retailers. The RLF Seed Nutrition Products can be either pre-applied to seed (at the point of seed packaging) or sold with the seed as a value-add.

(e) Manufacturers or Ag-Suppliers

The Company sells the Plant Nutrition Products through manufacturers or suppliers of agricultural products and services, where the RLF Plant Nutrition Products are considered to be complementary. An example of this is with the manufacturers and providers of plant nutrition and protection products delivered to the crop by UAV (Unmanned Aerial Vehicles). These UAV's have an increasing presence in today's agricultural industries, especially for mid to large sized enterprises. Other examples of potential distribution for this channel are manufacturers and suppliers of irrigation systems, horticultural or high intensity cropping equipment, and other fertiliser-related agricultural services.

(f) Corporates

The Company sells the RLF Plant Nutrition Products in bulk, directly to corporate customers. Typically, corporate customers are those large-scale farming enterprises and/or government owned/managed farming organisations (also known as cooperatives in many Asia Region countries). This customer base would buy large volumes of RLF Plant Nutrition Products specifically purposed to their needs, and generally based on an articulated agronomic and financial business case. The Company has limited corporate distribution at this time.

4.12 CUSTOMER ENGAGEMENT

(a) Method

In general, the Company contracts with its customers on standard terms. It has standard terms for direct customers, distributors and sales agents, and they are all engaged on the same terms and conditions.

It is the Company's general policy of only manufacturing and supplying products where customers have paid in advance for the orders they have placed. From time to time, (but on a considered and managed case-by-case basis) the Company may extend terms of credit to an individual customer. RLF's arrangements with its customers are generally considered informal, as contracts are non-exclusive and have no minimum product supply quota or purchase obligations. The main focus for the Company is to manage its relationships with customers to ensure continuity of custom. For some global distribution partnerships, the Company may enter into an either exclusive or non-exclusive Distribution Partnership, but does not do this until such time as it is comfortable with the level of experience, knowledge and level of service provision given by the distributor and the mutual benefits that will accrue from the arrangement for RLF.

(b) Top 20 Customers

As indicated in Figure 4.3 below, the Company's top 20 customers in FY 2021 accounted for approximately 44% of revenue in aggregate. Of these customers, the Company's top customer accounted for approximately 6% of revenue and the other customers in the top 20 each individually accounted for approximately 1% to 5% of revenue.

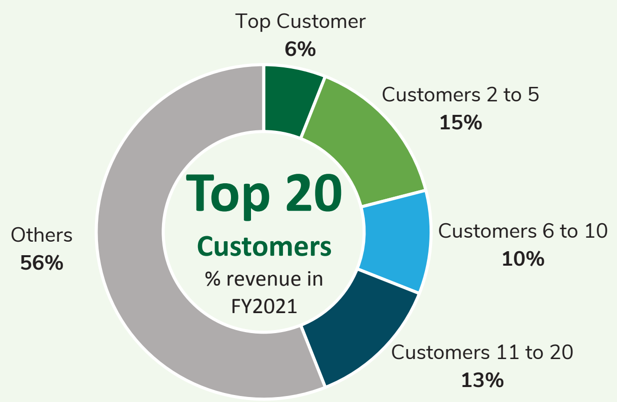


Figure 4.3 Top 20 Customers in FY 2021

(c) Long Standing Customer Relationships

RLF has built long standing relationships with its customers and often return with each agricultural season to place orders for the RLF Plant Nutrition Products. Of the revenue generated by the top 20 customers, 98% of this revenue was generated by customers coming back over repeat seasons, as illustrated in Figure 4.4 below. 65% of these customers have repeated their custom over four seasons or more, but it is also worthy of note that a number of the Company's relationships with smaller customers, (those who sit outside of the top 20), involve repeat custom as well.

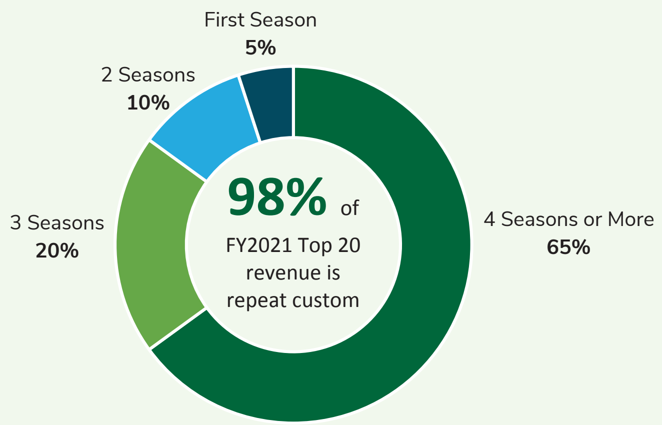


Figure 4.4 Repeat Custom Generated by Top 20 Customers in FY 2021

4.13 BUSINESS STRATEGY

The Company's business strategy is centred upon the sales growth of the RLF Plant Nutrition Products, predicated on the expansion of its China business, with a rapid escalation into other countries within the greater Asia Region, and on building its relationships in other global jurisdictions such as North America, South America and India.

(a) Operational strategy

The Company's operational strategy is to expand the existing functions of the business through increased investment in people and physical resources. The expectation is that by increasing resources, an accelerated expansion of the existing business should occur. This has been the basis of the growth of the Company to date, and considered a reasonable model from which to base future expansion.

The Company plans to expand based on seven specific actions by:

i. continuing to develop the Company's specialised Team whose sole purpose is to work towards commercial services and products for farmers by the Company so that they can increase yield, enhance quality of the product, enhance soil quality and sustainability and assist agricultural products being grown with climate resilience and to potentially participate in emissions schemes.

ii. employing more people into Sales and Technical Support roles for customers. This will enable the points of contact in both the Direct Sales and OEM Distribution pathways to be fostered. There will be particular focus placed on its relationships with crop protection customers, as RLF Plant Nutrition Products have considerable advantage via this channel.

iii. increasing its research and development efforts to advance more technologies and nutrition programs to accompany the rollout and release of new RLF Plant Nutrition Products and product registrations.

iv. establishing a specialised Team for the seed market, whose sole focus will be to build supportive partnerships and drive sales for the RLF Seed Nutrition Products.

v. increasing support for existing Distributor Partnerships, and investing in the establishment and/or scale-up of partnerships in new countries.

vi. investing in the capital upgrade of facilities for the manufacturing, packaging and distribution segments of the business to better manage future supply demands.

vii. increasing funding for marketing programs, so that field demonstrations, evaluation trials, farmer meetings, distributor/partner meetings, electronic and print media, attendance at tradeshows and training resources can all contribute better to the building of the sale of products and technologies.

(b) Corporate strategy

Corporate strategy for the Company broadly consists of the following possibilities that have not yet been realised:

i. Economies of Scale

The Company will make every effort to gain benefit from economies of scale by increasing its current operations, managing its staff resources and streamlining administrative functions.

ii. Utilising Existing Infrastructure to Create New Revenues

The Company is confident that the valuable service it has developed from its already established manufacturing, packaging, sales, marketing and distribution platforms, (most notably in China) will provide the basis for expansion and growth. There is also potential for this service offering to be made available as a contracted distribution channel for owners of third-party products wanting to deliver their products into the same regions as the Company.

4.14 FACILITIES

(a) Factory Hub in Asia

RLF's factory facility has been designed as an integrated, multi-functional manufacturing, packaging, distribution and storage space. It is separated into five sections and also includes space for associated administrative functions.

The five sections comprise:

i. Raw materials receipt and storage.
ii. Formulation, manufacture and pre-packaged bulk storage.
iii. Product finishing, including bottling and packaging, all made ready for dispatch.
iv. Packaging receipt and storage.
v. Finished goods storage and dispatch.

Established fully operational 12,000m^2 manufacturing facility in central China

Access to **high quality** raw materials

Local manufacture means protection from **import tariffs** which are not applicable

Strong government support with critical industry status and permanent business operating license granted.

(b) Expansion of Facilities in China

The Company's manufacturing facility currently has capacity to formulate 5,000 tonnes of RLF Plant Nutrition Products each year, and pack 10,000 tonnes (note, the Company is currently operating at a production rate of approximately 3,500 tonnes per annum). As noted in Section 4.13, one part of the Company's operational strategy is to expand the capacity of its facility. Expansion can occur a number of ways, including increasing the number of daily shifts worked (currently 1 shift per day), upgrading the plant equipment to improve efficiency and increase output, installing new bottling, packing and boxing equipment to increase the rate of these functions, or by improving the current storage solutions to maximise space. Moderate upgrade to the general facilities is also proposed as part of this operational strategy. The Company believes that significant increases in capacity can be achieved without the need to increase the size of the facility.

RLF Operations Team at the Manufacturing and Packaging Facility, Kaifeng, Henan, September 2015

4.15 PRODUCTS

RLF Plant Nutrition Products operate across three general crop nutrition segments, being Seed Primer, Soil and Fertigation and Foliar.

The full range of products is listed as follows, but it should be noted that not all products are available, or are registered for sale in all Asia Region countries or other global jurisdictions. Only those products authorised or permitted for sale can be sold, and as such the availability of RLF Plant Nutrition Products will differ from country to country.

Seed Priming
BSN Superstrike
BSN Ultra
BSN-10
BSN Rice

Ultra Foliar
Broadacre Plus
Fruits & Veggies Plus
Plasma Fusion
Ultra12 Foliar
K-Komplex
Field Crop Plus
12 Nutrients

Rapid Foliar
Rapid Max
Rapid Zinc
Rapid Copper
Rapid Manganese
Rapid PZM

MAX Foliar
Broadacre Max
Cereal Max
Fruits & Veggies Max
Legume Max
Pasture Max

Nutrient Charger
Unidip
Canedip

Hydroponics and Gardens
HYDRIX FLORIX A+B
HYDRIX VEGIX A+B
GardGro Home Garden

Foliar
AcetaK25
Boron Plus
Boron Blue
Calcium Plus 5
Calcium Plus 17
Calcium Plus SC40
Caltro High Calcium
Tetrachel Tiller
KC30
Nitrogen Plus
Plasma Power
Potassium Plus
Silica Plus
XFoliar1
XFoliar2
MolyBoost

Crop-Specific Foliar
Canola Plus
Cereal Plus Zinc
Cotton Plus
Horticulture Plus
Viticulture Plus

INTELLITRACE Product Range
Intellitrace Ca+B+Mo
IntelliTrace Copper
IntelliTrace Insync
IntelliTrace Iron
IntelliTrace Mang
IntelliTrace Zn+Mn
IntelliTrace Zinc
Intellitrace Zn+Cu
Intellitrace Assure
Intellitrace Genisys
Intellitrace Trio

NPK Foliar
PowerN26
PowerN39
PowerN42
PowerNP
PowerNK
PowerNS
PowerNEnergise 15 Bio-Activator
PowerNEnergise 33
PowerP
PowerP Plus
PowerPK35
PowerPK42
PowerPK35+Zn+B+Fe
PowerPK42+Zn+B+Fe
PowerPK35+Cu
PowerPK42+Cu
PowerPK50
PowerPK60
PowerPK50+Zn+B
PowerPK60+Zn+B
PowerPZ
Power Duo

JOEY Product Range
JOEY Fertigation
JOEY Field Crops
JOEY Fruits & Veggies
JOEY Nitrogen
JOEY Nutrient Charger
JOEY Pasture Plus
JOEY Potassium
JOEY Rapid Max
JOEY Rapid Zinc
JOEY Seed Priming

Fertigation/ Furrow Injection
Almendra Plus
Fertigation Plus
Plasma Furrow Inject
Nutricover
Ground Force
Dynamo High-N
Dynamo High-P
Dynamo High-K
Plant Milk High-N
Plant Milk High-K
PowerPK38
PowerPK46
Fortify Manganese
Fortify Zinc
Fortify Copper
Fortify ZMC
JetWet
Rhino
Triplex Pro
PowerPK38
PowerPK46

KING Product Range
Cane King Billet Charger
Cane King Foliar
Grow King Nutrient Charger
Grow King Foliar
Grow King Potassium
Rice King Seed Primer
Rice King Foliar Part1
Rice King Foliar Part2
Seed King Seed Primer
Turf King Foliar
Turf King Silica

4.16 REVENUE CYCLE IN AGRICULTURE

The Company has a revenue cycle that is shaped by seasonal demand. This is typical to agriculture generally. Approximately one-third of sales occur between the months July to December, with the remaining two-thirds of sales occurring between January and June.

The following table details the actual percentages for the past three annual cycles.

Revenue Cycle	FY 2019	FY 2020	FY 2021
First Half			
Period 1 July to 31 December	34%	39%	27%
Second Half			
Period 1 January to 30 June	66%	61%	73%

4.17 OPERATIONS IN CHINA

The Company's operations are based in China, and the majority of its revenue is derived from China. Section 11 discusses in detail, some of the legal implications and risks the Company faces whilst conducting business and operating in China.

4.18 OPERATIONS IN AUSTRALIA

Five members of the Company's Board, executive management, plant science, and research and development functions are operated from its base in Australia.

The Company also has the Australian Distribution Agreement and Toll Manufacturing Agreement, see Sections 10.1 and 10.2 for details, in place with RLF Australia (an entity outside the Company group).

RLF Australia has been operating in the Australian market for over 25-years and has an established customer base for the RLF Plant Nutrition Products. As part of the Restructure, RLF Australia retained exclusive rights to manufacture and distribute the RLF Plant Nutrition Products in Australia only. Under the Australian Distribution Agreement, RLF Australia pays the Company a royalty fee for RLF Plant and Nutrition Products sold in the Australian market. Under the Australian Distribution Agreement, the Company has rights to sell RLF Plant Nutrition Products in Australia where the customer is participating in a scheme to generate carbon credits or other emissions reduction program with the aim of reducing emission outcomes (or similar instruments) under any Australian or other overseas carbon credit scheme or other program promoted by the Company.

Under the Toll Manufacturing Agreement, the Company may also engage RLF Australia on a non-exclusive basis as a toller to use RLF Australia's experience and know-how to formulate proprietary product activators for certain RLF Plant Nutrition Products.

4.19 OPERATIONS IN THAILAND

The Company has a 49% interest in a local Thai company, RLF Thailand. Whilst it currently does not conduct product sales through this entity, it does provide the Company with an established corporate structure from which to launch a South-East Asia regional base of operations should it decide to do so. Thailand is geographically central to the South-East Asia market, and importantly has a large and experienced pool of people from which employees can be recruited.

4.20 OPERATIONS IN OTHER GLOBAL MARKETS

The Company's current operations in other global markets are limited, and currently account for less than 1% of its aggregate revenue. Typically, these sales are jointly labelled and conducted through informal distribution arrangements with local suppliers, however a network with the potential for developing partnerships is gradually being built.

It is the Company's intention to allocate resources to establish and/or expand sales into Asia Region countries expand sales into the Asia Region countries other than China. Its initial focus will be on the greater Asia Region, North America and the South/Central American markets. This may include the recruitment of in-country personnel to provide sales and technical support services. And, in the longer term, the Company may decide to establish manufacturing or packaging facilities that would better support the supply of RLF Plant Nutrition Products to these other global markets.

SECTION 05

INDUSTRY AND MARKET OVERVIEW

World Need by 2050

According to an article published by McKinsey & Co (July 2015):

"Food and agribusiness have a massive economic, social and environmental footprint. The US$5 trillion industry represents 10% of global consumer spending, 40% of employment, and 30% of greenhouse gas emissions. Although sizable productivity improvements over the past 50 years have enabled an abundant food supply in many parts of the world, feeding the global population has re-emerged as a critical issue. If current trends continue, by 2050, caloric demand will increase by 70%, and crop demand for human consumption and animal feed will increase by at least 100%."

https://www.mckinsey.com/industries/chemicals/our-insights/pursuing-the-global-opportunity-in-food-and-agribusiness

All references in this Prospectus to statements from this publication have been included without the author's consent as permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72

5.1 THE RLF PLANT NUTRITION PATHWAYS

RLF Plant Nutrition Products are classified as inorganic (chemical) compound liquid solutions that fall within the higher technical end of the fertiliser classifications.

The product range is extensive, and the Company has a catalogue of product formulations suited to each of the nutrient pathways. The large range of formulations exists because of the diversity in the highly specialised technical solutions required to address the agronomic nutrient needs of many different crop types and cropping environments.

The plant nutrient pathways are broadly:

SEED PRIMER

Seed Primers apply Plant Proton Delivery Technology directly to the seeds before planting to give them the nutrients they need for a vigorous start to life.

SOIL AND FERTIGATION

Soil and Fertigation products deliver a powerful nutrient package to the budding seedling through irrigation or ground injection.

FOLIAR

Liquid Foliar products are applied directly to the plant's leaves to deliver micronutrients through their natural physiological processes.

5.2 THE ROLE OF NUTRITION IN FOOD PRODUCTION

Nutrition is provided for plants through the use of compounds given to them to promote growth. They are commonly called fertilisers, and they play a critical role in producing food. Plant nutrition makes crops grow faster, bigger and healthier so that the targets set for crop production and yield can be achieved or increased.

RLF Plant Nutrition Products are applied in all agricultural environments, whether they be arable, permanent or pasture, to supplement the nutrient elements found in the soil. Soil-based elements deplete with repeated cropping use and this eventually leads to malnourished or degraded soils. The cropping and pasture environments then need building back up to repair and restore soil heath.

Achieving good responses from fertilisers is based upon the premise that for all plants – outside of water, carbon dioxide and air – the only other available factor able to influence or increase yield is nutrition. Plants require the essential elements of nitrogen, phosphorus and potassium. They also require **optimal levels** of micronutrients, such as zinc, copper, manganese, molybdenum, boron, magnesium, iron, cobalt, calcium, nickel and sulphur.

Plant nutrition is therefore an important key to unlocking yield potential and promoting sustainable plant and soil health.

Figure 5.1 The Elements Plants Need

5.3 THE IMPORTANCE OF BALANCED PLANT NUTRITION

Years of research and development on the RLF Plant Nutrition Products since they were originally developed by RLF Australia in 1992 now allows the Company to lead the way with its unique and proprietary technologies that deliver nutrition from RLF Plant Nutrition Products in a balanced and targeted way.

Plants require an **optimal balance** of all 17 elements, otherwise they cannot achieve the best agronomic outcomes. This fact has been reinforced with 100's of field trials, including independent replicated trials across a range of crop types and growing environments. RLF Plant Nutrition Products are formulated to deliver the optimum level of each nutrient required by the plant. In this way, a consistent supply of balanced nutrition is made available for the plant.

5.4 THE DIFFERENT CLASSES OF FERTILISER

Fertiliser products come with different classifications, as well as in different types and forms. The two primary types of fertilisers are INORGANIC and ORGANIC, that can then be broken down further as shown on Figure 5.2.

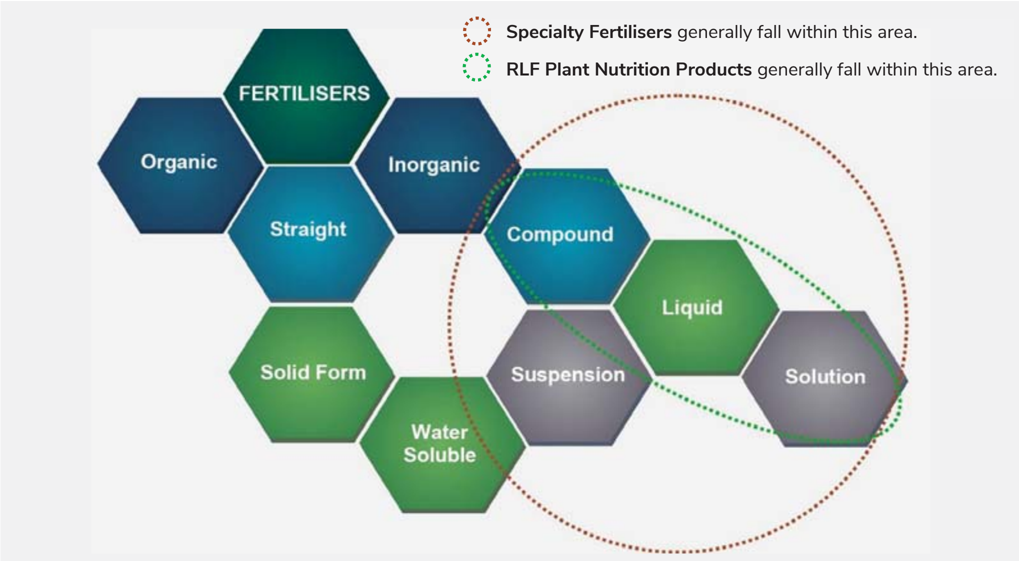


Figure 5.2 Fertiliser Classifications

Inorganic fertilisers are the most widely used in broadacre and other large-scale enterprises because of the ability to deliver the nutrient requirements in an efficient and cost-effective way. The ease with which they can be applied also better suits on-farm practices.

EVOLUTION OF HIGH ANALYSIS CROP NUTRITION

NPK CHEMICAL FERTILISERS (UNCHANGED FOR 80-100 YEARS)

MINOR TECHNOLOGY ADVANCEMENTS

MULTI-SPECTRUM PROTON CHEMISTRY

1880s
Super phosphate enters market phosphorus

1940s
Large potash reserves in Canada identified potash

1970s
Development of compound NPK granular fertilisers

1990s
Liquid micronutrients enter markets

2000s
Technology is tested extensively in field for seed and foliar applications in major crops, early stage

LOW YIELD

HIGH YIELD

PRE 1850s
Organic fertilisers (low yielding) used to grow crops

1920s
Bosch process invented for large scale urea production nitrogen

1960s
First basic liquid fertilisers created by dissolving fertiliser in water

1980s
Micronutrients incorporated into NPK fertilisers

2000s
Commencement of **RLF AgTech** R&D in proprietary Broad Spectrum Proton Technology for crop nutrition

2010-2020
RLF AgTech makes further advances in technology development and commercialisation of formulations in China and Southeast Asia

5.5 THE IMPORTANCE OF SPECIALTY PLANT NUTRITION PRODUCTS

Specialty plant nutrition products (such as the RLF Plant Nutrition Products) are designed to perform specific functions. They are formulated to address known plant nutrient deficiencies, or to target the unknown nutrient deficiencies arising from the soil, and many can be manufactured to suit the specific nutrient needs of a particular crop type.

The full RLF Plant Nutrient Product range consists of an array of specialised products ranging from the high-tech, highly targeted products to the more basic or commoditised products, but each aimed at addressing the specific agronomic needs of a crop during the different growth stages. In this way, each crop type can be provided with their nutrition needs, including those needs arising from deficiencies of the soil.

For example, within the Foliar segment alone, the range includes broad, multi or single spectrum solutions to give farmers a range of approaches to crop management.

5.6 THE KEY MARKET ADVANTAGES OF SPECIALTY PLANT NUTRITION PRODUCTS

Demand for specialty plant nutrition and technology-based crop management programs is growing as farmers become aware of the role they play in providing an effective and viable alternative to traditional fertiliser practices. This is especially so when seeking to address many of the challenges facing agriculture as they transform to new economic frameworks. With the introduction of innovative and more efficient forms of farm management – and the high-tech RLF Plant Nutrition Products and crop management technologies play a clear role in this – the better aligned they are with both industry and government policy directives aimed at achieving sustainable agricultural outcomes.

(a) Agronomic Advantages

Specialty plant nutrition products (such as the RLF Plant Nutrition Products) have agronomic advantages which can include improvements in on-farm efficiencies and improved crop yield and quality outcomes, as outlined below.

i. Improved On-farm Efficiencies

The ease of handling and applying RLF Plant Nutrition Products, together with the potential to mix them with compatible crop protection products can deliver savings in time, labour and costs.

ii. Improved Crop Yield and Quality

RLF Plant Nutrition Products are engineered to achieve more efficient nutrient uptake in plants due to their method of application and the chemistry and technology contained in their formulations. Providing crops with more efficient nutrient uptake has been demonstrated to improve both crop yield and the quality of produce. RLF Plant Nutrition Products have also demonstrated greater potential for reduced nutrient loss to the environment as they are typically applied with a foliar spray.

iii. Improved Soil Carbon and Condition

RLF Plant Nutrition Products have been demonstrated to enhance both root systems and top growth. By these two increased functions of plant growth, the potential for the capture of carbon exists as it is driven from the air and stored within the soil. This function contributes to better soils and cleaner air.

RLF Plant Nutrition Products are designed to provide the plant with the nutrition it requires to achieve improved yield and better produce quality, that in turn may reward the farmer with increased economic return.

(b) Commercial Advantages

Specialty plant nutrition products (such as the RLF Plant Nutrition Products) operate in a marketplace dominated by the use of traditional commodity fertiliser products, such as granular or water-soluble fertilisers which make up the overwhelming majority of current volumes within the fertiliser market.

As a result, specialty plant nutrition products (such as the RLF Plant Nutrition Products) typically have less direct competition, creating the potential for pricing and margin benefits.

5.7 MARKET POTENTIAL FOR RLF AGTECH

The Company has an established distribution network. Although the majority of sales from the RLF Plant Nutrition Products are currently derived from the China market, there is opportunity for the Company to expand into other established and/or emerging economies.

The Company's RLF Plant Nutrition Products are engineered to suit most crop types and farming environments across the globe, and are available for the commercial crop production market.

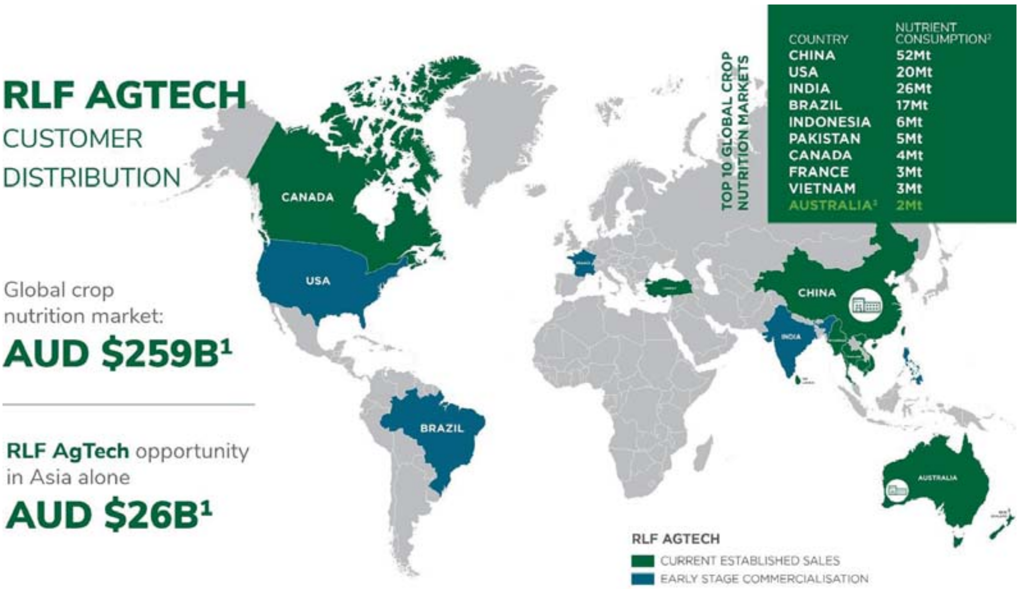


Figure 5.3 Market Potential for RLF AgTech

1. *https://www.gminsights.com/industry-analysis/fertilizer-market and Fortune Business Insights; Feb 2020 and currency exchange calculated at 17.01.2022 using XE Currency Converter*
2. *FAO STAT 2017*
3. *Distribution license for Australian market - royalty paid to RLF AgTech under Australian Distribution Agreement (see Section 10.1).*

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5.8 THE SIZE OF THE MARKET

(a) Current Market Statistics

The Asia Region is the largest crop production market, representing 60% of crop production (by value) in 2018 (2018 FAOSTAT most recent reporting period for this dataset).

Value (US$) Crop Production 2018		
Region		Gross Production Value
Asia	60%	$1,349,414,773,000
Americas	18%	$394,764,178,000
Europe	13%	$294,648,286,000
Africa	9%	$192,782,760,000
Oceania	1%	$21,230,604,000
World	**100%**	**$2,252,840,601,000**

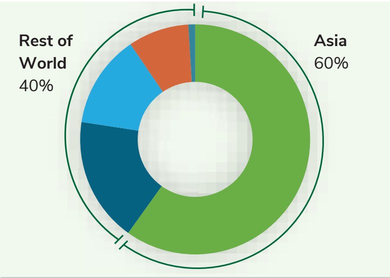

Figure 5.4 % by Value Crop Production

(b) Asia Region Key Market Statistics

Out of the 18 agricultural producing countries in the Asia Region, China accounted for 58% of crop production and over 50% of the area harvested. (2019 FAOSTAT most recent reporting period for this dataset).

Country		Crop Production (in Tonnes)	Area Harvested (in Hectares)
China	58%	1,819,013,609	186,648,494
Indonesia	12%	369,347,079	47,211,204
Thailand	7%	208,692,321	21,034,831
Pakistan	5%	141,771,051	21,389,999
Viet Nam	4%	109,926,343	14,142,685
Malaysia	3%	108,715,125	7,334,778
Philippines	3%	98,588,463	14,818,280
Bangladesh	3%	81,564,667	15,970,567
Myanmar	2%	58,910,198	17,135,980
Japan	1%	32,911,145	2,834,204
Cambodia	1%	23,952,632	3,988,747
Nepal	1%	22,808,680	5,113,994
Korea	1%	19,718,106	1,478,109
Lao	0%	12,442,038	1,666,289
Afghanistan	0%	9,051,763	3,019,521
Sri Lanka	0%	8,216,464	2,106,156
Iraq	0%	6,024,543	1,996,839
Mongolia	0%	461,345	424,278

(c) Importance of the Asia Region and China Markets

In global terms China represents 29% of crop production (by value) in 2018 (2018 FAOSTAT most recent reporting period for this dataset).

China	29%	$660,064,325,000
Rest of Asia	31%	$689,350,448,000
Rest of World	40%	$903,425,828,000
World	**100%**	**$2,252,840,601,000**

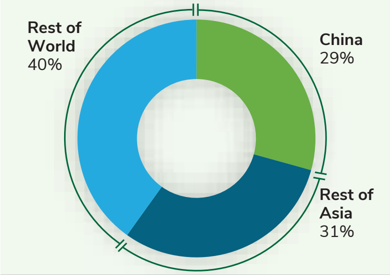

Figure 5.5 % by Value Crop Production

(d) Potential Future Market Statistics

The Company's other potential future markets together, represent 28% of global of crop production (by value) in 2018 (2018 FAOSTAT most recent reporting period for this dataset).

India	13%	$289,802,032,000
North America	9%	$206,287,807,000
South America	6%	$140,487,197,000

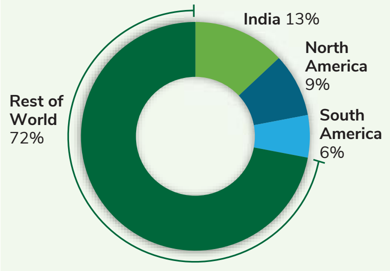

Figure 5.6 % by Value Crop Production

5.9 THE IMPORTANCE OF THE ASIA REGION MARKET

There are a number of factors and challenges which drive demand for RLF Plant Nutrition Products in the Asia Region. They are:

(a) Increasing Consumer Demand

Plant Nutrition Products are used for the production of food, and therefore a direct relationship exists between food consumption and fertiliser demand.

Today, the population of the Asia Region is approximately 4.6bn. China, the most highly populated country in the world today has a population of approximately 1.4bn people, with India close behind with approximately 1.38bn people. Together these two countries account for around 60% of the people living within the greater Asia Region.

Statistics dating back as far as 2009 indicate that there is growth of an increasingly aspirational middle-class society within the Asia Region, with more control and higher expectations over their food consumption and lifestyle choices. This presents significant challenges for sustained agricultural production. As a result, food supply is a key goal for governments within the Asia Region, and it corresponds with increased policy support for innovative practices and products. These policy directions align well with the Plant Nutrition Products manufactured and distributed by the Company.

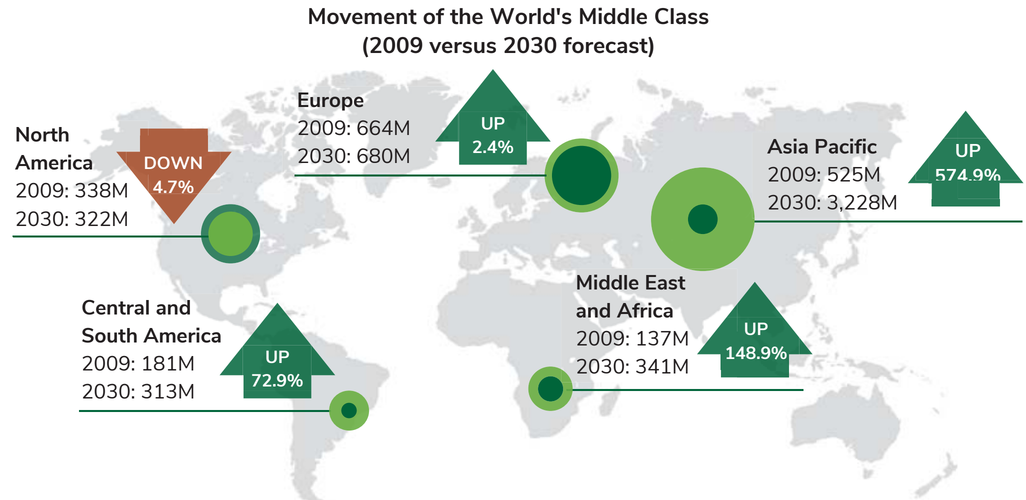

Figure 5.7 Movement of the World's Middle Class

Source: Kharas, H. 2010, Working Paper No 285: 'The emerging middle class in developing countries', OECD Development Centre.

All references in this Prospectus to statements from the above publication have been included without the author's consent as permitted by ASIC Corporations (Consent to Statements) Instrument 2016/72

(b) Food Security Recognition by Governments

Over the twenty five year period between 1990 – 2015, extreme poverty declined across the Asia Region in response to UN food security targets, particularly for those countries in the South East and East Asia Region. However, since 2015 signs of worsening hunger and food insecurity has been confirmed, with the sharpest of these rises being in South Asia.

In recognition of the need for greater food security, governments across the world are implementing campaigns and policies to innovate and improve methods of farming and food production.

Agricultural practices are being managed to become more sustainable, so that the available lands can be farmed well into the future. China in particular, has mandated government policies under its 13th 5-year Plan for Economic and Social Development that underpins greater food security in China, with smarter, more efficient fertiliser practices being just one key strategy to help deliver required yield and crop quality outcomes for the future.

Whilst traditional family-based farming still predominates over much of the Asia Region, larger scale enterprises are becoming more common as the market shifts and adapts in this quest for greater production to meet this need.

(c) Impact of Aging Populations, Increased Urbanisation and Westernisation of Diets

The impact of aging populations, increased urbanisation and Westernisation of diets across the Asia Region places further pressures on agriculture to grow more, with less resources. As populations age and working populations decline, better labour-saving methods and means of agricultural production are needed. Added to this, is the worldwide phenomenon of people living longer, which in itself increases the need to produce more crops to sustain populations. These factors all drive the requirement for better crop production. RLF Plant Nutrition Products are engineered to improve crop growth and increase higher quality produce, thereby assisting the agricultural sector in the Asia Region to manage this population impact.

(d) Facing Shared Challenges

The market opportunity for the RLF Plant Nutrition Products is similar across the entire Asia Region because their agricultural sectors face the same challenges. These include impacts such as the effects of climate change, loss of arable cultivation lands either through degradation or urban encroachment, or through the increased demand for animal protein in a previously predominately grain-based diet. Added to these challenges is the displacement created by world conflict, the increasing scarcity of water resources and that of combating poor nutrition through more viable agricultural practices, education and healthier food that naturally contains an adequate supply of vitamins and minerals.

Asia Region Statistics

People Consuming Food	Crop Production (in tonnes) % of World Production	Growth of the Middle Class
2.7 billion[1]	28.6%[2]	574.9%[3]

[1] https://data.worldbank.org/indicator/SP.POP.TOTL?view=chart plus nominated country profile 2017

[2] The Food and Agriculture Organisation of the United Nations, Statistics Data 2017 http://fao.org/faostat

[3] Kharas, H. 2010, Working Paper No 285: 'The emerging middle class in developing countries', OECD Development Centre.

All references in this Prospectus to statements from the above publication have been included without the author's consent as permitted by ASIC Corporations (Consent to Statements) Instrument 2016/72

Figure 5.8 Asia Region Statistics

In summary, the Company's market opportunity in the Asia Region is significant, for the following reasons.

i. The Asia Region is a dominant component of the global food chain, accounting for approximately 60% of crop productions (by value, 2018). For more information see Section 5.8.

ii. The Asia Region has a large and growing population, coupled with rising incomes and a burgeoning middle class which will continue to drive demand for food and agricultural commodities and resources.

iii. The Asia Region is at risk of not producing enough food to support its populations. It has limited arable land, inadequate water, poor resource management, low farm yield and environmental impact factors such as soil degradation and aging, inadequate infrastructure. These factors all limit food production, so methods to improve production efficiency are needed.

iv. The Asia Region needs its agribusiness and agriculture companies to grow in size and scope to meet the increasing demand for food. It is likely that these companies will position themselves to respond to national priorities and policies implemented by governments to improve food security.

The Company aims to provide farmers in the Asia Region with the RLF Plant Nutrition Products and the crop management technologies needed to transition from traditional farming practices to those that are supported by advanced and modern technologies and application methods.

The Company's RLF Plant Nutrition Products have already demonstrated (over a significant number of years) that they have a beneficial and healthy impact on crop productivity since it commenced its operations in China, and current indications are that this trend is likely to continue. The Company is committed to the Asia Region market and will strive for continued growth in the Asia Region, particularly in those areas that address issues such as yield, efficient fertiliser use, quality of produce, soil sustainability, reducing emissions and the building of natural soil fertility.

5.10 THE COMPETITION

The Company operates in the global agricultural market that is highly competitive and with many operators.

Competition in the global agricultural sector is not limited to, but typically comes from, fertiliser manufacturing or distribution companies, agricultural chemical or other agricultural product manufacturers and/or distributors and companies operating in the agricultural marketplace at various levels spanning multi-national, national, regional or local.

SECTION 06

KEY PEOPLE

6.1 DIRECTOR PROFILES

Non-Executive | Independent

Donald McLay, Non-Executive Chairman

Don is known for his strategic vision, integrity, determination and sound business management. His experience is global, with particular emphasis on Australia, Asia and North America. A key strength is his ability to develop new business platforms, lead Boards and business teams in new directions and optimise market opportunities. Don was Chairman of Credit Corp (ASX:CCP), during which time he presided over a market capitalisation increase from $30 million to in excess of $2 billion. He was Chairman and a founding member of the Sydney Branch of the Institute of Chartered Accountants of New Zealand (now Chartered Accountants Australia & New Zealand) and holds a Bachelor of Commerce degree from Otago University NZ.

Kenneth Hancock, Managing Director

With over 25 years operational experience in mid-sized manufacturing and distribution businesses, Kenneth has been responsible for the development of the Company's core business assets, including establishing its initial operations in China, the world's largest plant nutrition market. He was responsible also for the development of strategic supply alliances that offered a comprehensive range of plant nutrition products from RLF Australia into the New Zealand market. Kenneth oversaw the establishment of a new corporate structure that has enabled the expansion of global operations for the Company.

Executive | Non-Independent

Non-Executive | Independent

Liza Carpene, Non-Executive Director

Liza's executive experience encompasses corporate governance, social responsibility, stakeholder engagement, statutory reporting, human resources and day to day operational management, with an emphasis on leading companies through periods of growth and transformational change. She is a qualified Chartered Secretary with ASX100 experience, a Fellow of the Governance Institute of Australia, a graduate of the Australian Institute of Company Directors and holds a Master of Business Administration. Liza brings a natural affinity for inclusive discussion and decision-making that delivers the outcomes required to meet strategic direction and corporate goals.

Paul McKenzie, Non-Executive Director

Paul is the Managing Partner of Agrarian Management, a leading Western Australian agriculture consultancy. He has 29 years' experience in agribusiness, management, finance and primary production, advising over $1.2 billion of agriculture assets. He is a Fellow of AICD, past President of the Australian Association of Agricultural Consultants (WA) Inc and a Ministerial Appointee to various agribusiness review and advisory panels. Paul's current directorships are Non-Executive Director, Minbos Resources Limited (ASX: MNB) and Kiland Limited (ASX: KIL), Chairman of CRC for Honey Bee Products Ltd, Chairman of Hay Australia Pty Ltd and a Director of SALIC Australia Pty Ltd. He is also a Director of Rural Financial Counselling Service (WA), which administers a federal government-funded program in WA under the Department of Agriculture, Fisheries and Forestry.

Non-Executive | Independent

Executive | Non-Independent

Dr Mike Lu, PhD, CEO (Asia) and Executive Director

Mike is responsible for the Company's Asia Region operations and has significant management experience in Chinese plant nutrition markets. He holds a PhD in Soil Science and Plant Nutrition. Mike has considerable senior level industry experience, including with Cargill Fertilizer Inc. (USA) and its Cargill Tianjin China (US-Sino Joint Venture) operations. He is fluent in Mandarin and English, and brings an understanding of Chinese culture, business practices and government compliance requirements to the Company.

Gavin Ball, Executive Director

Gavin has over 30 years of expertise in the start-up, development, growth and ongoing management of business. He has operated a diverse range of businesses aligned with real estate, telecommunications, retail, media, technology, mining and agriculture. Working in numerous executive roles, Gavin has a management, financial and accounting skill set with a sales, marketing and commercialisation focus. Gavin has worked in his role as Executive Director since the Company was established in 2017.

Executive | Non-Independent

6.2 KEY PERSONNEL PROFILES

Benjamin Donovan, Company Secretary

Ben is a member of the Governance Institute of Australia and provides corporate advisory, IPO and consultancy services to a number of companies. He is currently Company Secretary for several ASX listed and public unlisted companies, with his experiences ranging across the resources, agritech, biotech, media and technology industries. Ben has extensive experience in listing rules compliance and corporate governance, and in addition in capital markets by raising capital and assisting companies achieve an initial listing on the ASX.

Su-Mei Sain, Chief Financial Officer

Su-Mei is a qualified Chartered Accountant with 20 years of experience. Much of Su-Mei's experience has been gained within the mining resources industries, but she has also worked in the biotech and retail sectors. Her expertise has been cultivated through high growth companies, where her strong communication skills and analytical and creative thinking have allowed her to work effectively in fast paced companies looking to grow. Su-Mei was awarded a Bachelor of Commerce (Major in Accounting and Finance) degree from the University of WA and followed this with CPA accreditation.

Dr Hooshang Nassery BSc, MSc, PhD, Chief Scientist and Head of Plant Physiology

Hooshang coordinates the Company's research and trials, product development, technical studies, and strategy. He has an extensive international academic and research record, and has held positions as Professor of Biology within the university education sector, held senior research roles in both government and private enterprises, and is credited with a number of significant findings in the field of plant nutrition.

Dr Carl Urbani BSc (Hons), PhD, Chief Chemist and Head of Research & Development

Carl has extensive experience in inorganic and polymer chemistry. He is responsible for new product development, including laboratory-based and pilot scale testing, and the manufacturing scale-up operations required for delivery to market. Carl brings considerable academic expertise and knowledge to this role and is recognised with patents, publications and other accredited scientific papers.

6.3 DIRECTORS' INTERESTS STATEMENT

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

- **(a)** the formation or promotion of the Company,
- **(b)** any property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or
- **(c)** the Offers.

Further, the Company has not paid any amount or provided any benefit, or agreed to do so to any Director, either to induce that Director to become, or to qualify them as a Director of the Company or otherwise for services rendered by them in connection with the formation or promotion of the Company or the Offers.

6.4 SECURITY HOLDINGS OF DIRECTORS

Directors are not required under the Company's Constitution to hold any Shares.

Set out in the table below are details of the existing relevant interests of the Directors in Securities of the Company at the date of this Prospectus. Donald McLay and Liza Carpene will receive Shares under the Convertible Note Share Offer.

Director	Relevant Interest in Shares			Options	Performance Rights
	Number	% post completion of the Offers		Number	Number
		Maximum	Minimum		
Donald McLay	1,741,016[5]	0.91%	0.98%	1,250,000[4]	-
Kenneth Hancock	74,503,259[1]	38.75%	42.03%	8,333,333[4]	2,000,000[6]
Liza Carpene	370,548[7]	0.19%	0.21%	1,000,000[4]	-
Paul McKenzie	0	0.00%	0.00%	1,000,000[4]	-
Lu Shen (Mike)	4,861,110[3]	2.53%	2.74%	-	2,000,000[6]
Gavin Ball	25,428,480[2]	13.22%	14.34%	3,333,333[4]	2,000,000[6]

Notes:

[1] 58.14% of RLF Australia is held by Benson Chase Pty Ltd (Benson Chase) an entity which is owned 25% by entities associated with Kenneth Hancock and 25% by entities associated with Kenneth Hancock's father. 60% of RLF Global is owned by RLF Australia. As a result, Kenneth Hancock has a deemed relevant interest in the shares in the Company held by RLF Australia (51,378,260 Shares) and RLF Global (18,680,555 Shares). These percentages also include Shares held by Tigris Corporation Limited (4,444,444 Shares), an entity controlled by Kenneth Hancock. In addition, a total of 24,375,000 Deferred Consideration Shares are contractually obliged to be issued, comprising 10,000,000 Class A Deferred Consideration Shares and 10,000,000 Class B Deferred Consideration Shares to Australia and 2,187,500 Class A Deferred Consideration Shares and 2,187,500 Class B Deferred Consideration Shares to RLF Global. The terms and conditions of the Deferred Consideration Shares and the reasons for their issue are summarised in Section 13.4. Also refer to Section 4.3 which contains information in the Pre-IPO Restructure. Annexure A contains the Independent Expert's Report on the issue of the Deferred Consideration Shares. The Independent Expert's Report contained in Annexure A sets out the advantages and disadvantages of the issue of the Deferred Consideration Shares. The Independent Expert has concluded the issue of the Deferred Consideration Shares is fair and reasonable to the non-participating Security holders at Listing. Refer to the Independent Expert's Report in Annexure A.

[2] Held through entities controlled by Gavin Ball, Capital Corporation (Holdings) Pty Ltd (347,222 Shares) and Omnius Pty Ltd (6,400,703 Shares). An entity controlled by Gavin Ball, International Fertilisers Pty Ltd, holds 40% of RLF Global. As a result, Gavin Ball also has a deemed relevant interest in the Shares held by RLF Global (18,680,555 Shares). In addition, a total of 4,375,000 Deferred Consideration Shares are contractually obliged to be issued, comprising 2,187,500 Class A Deferred Consideration Shares and 2,187,500 Class B Deferred Consideration Shares to RLF Global. The terms and conditions of the Deferred Consideration Shares and the reasons for their issue are summarised in Section 13.4. Also refer to Section 4.3 which contains information in the Pre-IPO Restructure. Annexure A contains the Independent Expert's Report on the issue of the Deferred Consideration Shares. The Independent Expert's Report contained in Annexure A sets out the advantages and disadvantages of the issue of the Deferred Consideration Shares. The Independent Expert has concluded the issue of the Deferred Consideration Shares is fair and reasonable to the non-participating Security holders at Listing. Refer to the Independent Expert's Report in Annexure A.

[3] Includes 138,889 Shares held by Wu Ying Employee Trust Holdings on trust for Lu Shen (Mike).

[4] Incentive Options each exercisable at $0.54 with an expiry 5 years from the date of Official Quotation. Terms and conditions of the Incentive Options are summarised in Section 13.2.

[5] Held through entities controlled by Donald McLay, Nagarit Pty Ltd (999,920 Shares and Convertible Notes held which have a face value of $100,000 and will convert to approximately 714,286 Shares in satisfaction of the Convertible Notes and 26,810 Shares in satisfaction of the interest on the Convertible Notes under the Convertible Note Share Offer).

[6] 6,000,000 Performance Rights Issued in 2 tranches to Kenneth Hancock comprising 2,000,000 Performance Rights, Lu Shen (Mike) comprising 2,000,000 Performance Rights and Gavin Ball comprising 2,000,000 Performance Rights, which gives the holder the right to elect to convert each Performance Right to a Share subject to the Company achieving performance milestones based on increasing financial metrics for each tranche within a 5-year period. The terms and conditions of the Performance Rights and the reasons for their issue are summarised in Section 13.3. Annexure A contains the Independent Expert's Report on the proposed issue of the Performance Rights. The Independent Expert's Report contained in Annexure A sets out the advantages and disadvantages of the proposed issue of the Performance Rights. The Independent Expert has concluded the proposed issue of the Performance Rights is fair and reasonable to the non-participating Security holders at Listing. Refer to the Independent Expert's Report in Annexure A.

[7] Held through entities controlled by Liza Carpene, Roman Road Holdings Pty Ltd (Convertible Notes held which have a face value of $50,000 and will convert to approximately 357,143 Shares in satisfaction of the Convertible Notes and 13,405 Shares in satisfaction of the interest on the Convertible Notes under the Convertible Note Share Offer).

6.5 REMUNERATION OF DIRECTORS

The Constitution provides that the remuneration of Non-Executive Directors will not be more than the aggregate fixed sum determined by a general meeting of Shareholders or until so, by the Directors. The aggregate remuneration for Non-Executive Directors has been set at an amount not to exceed $500,000 per annum. The Board has established that the remuneration for Non-Executive Chairperson, Donald McLay, will be $100,000 per annum (inclusive of statutory superannuation), Non-Executive Director, Liza Carpene will be $60,000 per annum (inclusive of statutory superannuation) and the remuneration for Non-Executive Director, Paul McKenzie will be $60,000 per annum (inclusive of statutory superannuation). A summary of the material terms of each of the Agreements between the Company and each of the Non-Executive Directors is in Section 6.7 (a), (c) and (d).

The remuneration for the Executive Directors will be fixed from time to time by the Board and reviewed by the Remuneration and Nomination Committee and may be paid by way of fixed salary or consultancy fees. A summary of the material terms of the Agreement between the Company and Kenneth Hancock (Managing Director) is set out in Section 6.7 (b) the Agreement between the Company and Lu Shen (Mike) (Chief Executive Officer (Asia) and Executive Director) is set out in Section 6.7 (e) and the Agreement between the Company and Gavin Ball (Executive Director) is set out in Section 6.7 (f).

The annual remuneration (inclusive of statutory contributions) on completion of the Offers payable to each of the Directors is as follows.

Director	Annual Remuneration from completion of the Offer
Donald McLay	$100,000 [1,3]
Kenneth Hancock	$250,000 [1,3]
Liza Carpene	$ 60,000 [1,3]
Paul McKenzie	$ 60,000 [1,3]
Lu Shen	$218,000 [2,4]
Gavin Ball	$180,000[1,3]

[1] Exclusive of GST.

[2] Lu Shen is entitled to a salary of RMB 1,000,000 per annum (approximately $218,000) plus annual contributions under Hong Kong's statutory Mandatory Provident Fund Scheme of HKD18,000 (approximately $3,250) per annum plus variable commission based on product sales.

[3] Inclusive of statutory superannuation.

[4] During FY2022, Lu Shen received a one-off performance bonus of 3,333,333 Shares.

In the **two years prior to the date of this Prospectus**, the Directors received the following remuneration.

(a) Donald McLay, the Company has accrued but not yet paid $41,644 for the half year ended 31 December 2021, which is inclusive of statutory superannuation.

(b) Kenneth Hancock did not receive, and was not entitled to receive, any remuneration.

(c) Lu Shen was paid $170,025 for the half year ended 31 December 2021, $282,875 in the 2021 financial year and $298,316 in the 2020 financial year including statutory loadings, taxes, contributions and commissions.

(d) Gavin Ball had received payment of $10,783 of fees and expenses and $50,000 of accrued fees but not yet paid for the half year ended 31 December 2021, $60,000 of accrued fees but not yet paid for the 2021 financial year and had received payment of $50,000 of fees and $40,000 of accrued fees but not yet paid for the 2020 financial year. All amounts are including superannuation and exclusive of GST.

(e) Liza Carpene, the Company has accrued but not yet paid $2,630 for the half year ended 31 December 2021, which is inclusive of superannuation.

(f) Paul McKenzie, the Company has accrued but not yet paid $2,630 for the half year ended 31 December 2021, which is inclusive of superannuation.

6.6 RESTRUCTURE

As detailed in Section 4.3, the Company recently completed the Restructure as part of its preparations for listing. Pursuant to the Restructure, the Company acquired the RLF Intellectual Property and the worldwide distribution rights (except Australia which were retained by RLF Australia) in the RLF Plant Nutrition Products from RLF Australia (the original owner and developer of the RLF Plant Nutrition Products) and RLF Global (the holder of rights to distribute the RLF Plant Nutrition Products outside of Australia).

Prior to the Restructure, the Company had been granted exclusive rights by RLF Australia and RLF Global to manufacture and distribute the RLF Plant Nutrition Products in China and 19 other countries in the Asia Region under previous licensing arrangements with RLF Australia and RLF Global.

The consideration paid by the Company for the Restructure comprised a combination of cash and equity as follows:

- $2,000,000 in cash paid to RLF Australia at completion of the Restructure;
- a total of 43,125,000 Initial Consideration Shares in the Company issued to RLF Australia and RLF Global at completion of the Restructure; and
- a total of 24,375,000 Deferred Consideration Shares to be issued to RLF Australia and RLF Global upon the Company achieving certain milestones based on financial metrics as detailed in Section 4.3.

Directors of the Company, Kenneth Hancock and Gavin Ball, have interests in the Vendors, RLF Australia and RLF Global.

Kenneth Hancock is associated with both RLF Australia and RLF Global as follows:

- Approximately 58% of RLF Australia is held by Benson Chase Pty Ltd, an entity which is held 25% by entities associated with Kenneth Hancock and 25% by entities associated with Kenneth Hancock's father. As a result, Kenneth Hancock has a deemed relevant interest in Shares in the Company held by RLF Australia. Kenneth Hancock is also a director of RLF Australia.
- 60% of RLF Global is held by RLF Australia, which consequently controls RLF Global. As a result, Kenneth Hancock has a deemed relevant interest in Shares in the Company held by RLF Global. Kenneth Hancock is also a director of RLF Global.

Gavin Ball is associated with RLF Global because an entity controlled by Gavin Ball, International Fertilisers Pty Ltd, holds 40% of RLF Global. As a result, Gavin Ball has a deemed relevant interest in Shares in the Company held by RLF Global. Gavin Ball is also a director of RLF Global.

The relevant interests in the Company of Directors, Kenneth Hancock and Gavin Ball and RLF Australia and RLF Global upon completion of the Offers are set out in the below table:

Relevant interests of related parties and associates	Kenneth Hancock	Gavin Ball	RLF Australia	RLF Global
Shares prior to Restructure	31,378,259[(1)]	12,303,480[(2)]	26,933,815[(3)]	5,555,555
Incentive Options	8,333,333	3,333,333	Nil	Nil
Performance Rights	2,000,000	2,000,000		
Initial Consideration Shares issued under Restructure	43,125,000 [(4)]	13,125,000 [(5)]	43,125,000 [(3)]	13,125,000
Entitlement to Deferred Consideration Shares under Restructure	24,375,000 [(7)]	4,375,000 [(8)]	24,375,000 [(9)]	4,375,000
Total interests in Shares following Restructure	98,878,259	29,803,480	94,433,815	23,055,555
Voting power on IPO Maximum Subscription[(10)]	38.8%	13.2%	36.4%	9.7%
Voting power on IPO Minimum Subscription[(11)]	42.0%	14.3%	39.5%	10.5%

(1) Approximately 58% of RLF Australia is held by Benson Chase Pty Ltd, an entity which is held 25% by entities associated with Kenneth Hancock and 25% by entities associated with Kenneth Hancock's father. 60% of RLF Global is held by RLF Australia and as a result, Kenneth Hancock has a deemed relevant interest in the shares in the Company held by RLF Australia (51,378,260 Shares) and RLF Global (18,680,555 Shares). This total number also include Shares held by Tigris Corporation (4,444,444 Shares), an entity controlled by Kenneth Hancock.

(2) Held through entities controlled by Gavin Ball, Capital Corporation (Holdings) Pty Ltd (347,222 Shares) and Omnius Pty Limited (6,400,703 Shares). An entity controlled by Gavin Ball holds 40% of RLF Global and as a result, Gavin Ball also has a deemed relevant interest in the Shares held by RLF Global (18,680,555 Shares).

(3) RLF Australia holds 60% of RLF Global and consequently controls RLF Global. Accordingly, RLF Australia has a relevant interest in the shares held by RLF Global (18,680,555 Shares).

(4) Comprising 30,000,000 Initial Consideration Shares issued to RLF Australia and 13,125,000 Initial Consideration Shares issued to RLF Global pursuant to the Restructure. RLF Australia holds 60% of RLF Global and therefore has a deemed relevant interest in the 13,125,000 Initial Consideration Shares issued to RLF Global pursuant to the Restructure. Kenneth Hancock has a deemed relevant interest in Shares held by RLF Australia and RLF Global because RLF Australia is held approximately 58% by Benson Chase Pty Ltd, an entity which is held 25% by entities associated with Kenneth Hancock and 25% by entities associated with Kenneth Hancock's father.

(5) Comprising 13,125,000 Initial Consideration Shares issued to RLF Global pursuant to the Restructure. Gavin Ball has a deemed relevant interest in Shares held by RLF Global because an entity associated with Gavin Ball holds 40% of RLF Global.

(6) Comprising 30,000,000 Initial Consideration Shares issued to RLF Australia and 13,125,000 Initial Consideration Shares issued to RLF Global pursuant to the Restructure. RLF Australia holds 60% of RLF Global and therefore has a relevant interest in Shares held by RLF Global.

(7) Comprising 10,000,000 Class A Deferred Consideration Shares and 10,000,000 Class B Deferred Consideration Shares agreed to be issued to RLF Australia and 2,187,500 Class A Deferred Consideration Shares and 2,187,500 Class B Deferred Consideration Shares agreed to be issued to RLF Global. Kenneth Hancock has a deemed relevant interest in Shares held by RLF Australia and RLF Global as set out in Note 1 above.

(8) Comprising 2,187,500 Class A Deferred Consideration Shares and 2,187,500 Class B Deferred Consideration Shares agreed to be issued to RLF Global. Gavin Ball has a deemed relevant interest in Shares held by RLF Global as set out in Note 2 above.

(9) Comprising 10,000,000 Class A Deferred Consideration Shares and 10,000,000 Class B Deferred Consideration Shares agreed to be issued to RLF Australia and 2,187,500 Class A Deferred Consideration Shares and 2,187,500 Class B Deferred Consideration Shares agreed to be issued to RLF Global. RLF Australia has a relevant interest in Shares held by RLF Global as set out in Note 3 above.

(10) Assumes the Company will have 192,282,402 Shares on issue upon completion of the Offers and does not include the issue of the Deferred Consideration Shares, which will only be issued upon the Company achieving certain financial metrics as detailed in Section 4.3.

(11) Assumes the Company will have 177,282,402 Shares on issue upon completion of the Offers and does not include the issue of the Deferred Consideration Shares, which will only be issued upon the Company achieving certain financial metrics as detailed in Section 4.3.

6.7 KEY TERMS OF AGREEMENTS WITH DIRECTORS, KEY PERSONNEL OR RELATED PARTIES

(a) Donald McLay, Non-Executive Chairman, Agreement

The Company has entered into an Agreement with Don McLay in respect of his appointment as a Non-Executive Director and Chairman of the Company.

Don McLay will be paid a fee of $100,000 per annum (inclusive of statutory superannuation) and has been issued 1,250,000 Incentive Options which are each exercisable at $0.54 and have an expiry 5 years from the date of Official Quotation (refer to Section 13.2 for the terms and conditions of the Incentive Options), for his services as a Director and Chairman from the date of the Company's admission to the Official List of ASX and will be reimbursed for all reasonable expenses incurred in performing his duties.

At the date of this Prospectus it is proposed that Don McLay will be Chairman of the Company's Conflict Management Committee and a member of the Remuneration and Nomination Committee and the Audit and Risk Committee.

It is currently intended that no further fee will be payable to Don McLay for time spent as a member of these Board committees. The appointment of Don McLay as Chairman is otherwise on terms that are customary for an appointment of this nature.

(b) Kenneth Hancock, Managing Director, Consultancy Agreement

The Company and an entity related to Kenneth Hancock have entered into a Consultancy Agreement for Kenneth Hancock's role as Chief Executive Officer (Global) and Managing Director, which comes into effect from the Company being admitted to the Official List.

The principal terms of the agreement are as follows:

i. A fee of $250,000 per annum (inclusive of statutory superannuation) (exclusive of GST).
ii. Entitlement to participate in the Company's employee and executive incentive plans and the Company may provide additional bonus and incentives. Kenneth Hancock has been granted 8,333,333 Incentive Options which are each exercisable at $0.54 and have an expiry 5 years from the date of Official Quotation (refer to Section 13.2 for the terms and conditions of the Incentive Options).
iii. Kenneth Hancock has been granted 2,000,000 Performance Rights issued in 2 equal tranches (each comprising 1,000,000 Performance Rights), which entitle Kenneth Hancock to elect to convert each Performance Right into a Share. Each tranche will vest upon the Company achieving performance milestones based on increasing financial metrics for each tranche within a 5 year period from listing (refer to Section 13.3 for the terms and conditions of the Performance Rights including vesting milestones).
iv. Kenneth Hancock will devote such time as is necessary in order to properly and efficiently ensure the provision of the services to the Company as agreed with the Board from time to time.
v. The Agreement has no fixed term and may be terminated:
   (a) by either party without cause with 6 months' notice, or in the case of the Company, immediately with payment in lieu of notice; or
   (b) by the Company with immediate effect following an occurrence that gives the Company a right of summary dismissal at common law or for illness persisting for either 3 consecutive months or 3 months in aggregate over a 12 month period; or
   (c) by Kenneth Hancock with immediate effect if the Company is in breach of a material term of the agreement which is not remedied within 10 days of the Company receiving notice of the breach.
vi. Other industry standard provisions for a senior executive of a public listed company.

The Company has also entered into an Agreement with Kenneth Hancock in respect of his appointment as an Executive Director of the Company. No additional fees are payable to Kenneth Hancock for his role as a Director in excess of the amounts payable to him under the Consultancy Agreement as detailed above. The appointment of Kenneth Hancock as an Executive Director is otherwise on terms that are customary for an appointment of this nature.

(c) Liza Carpene, Non-Executive Director Appointment, Agreement

The Company has entered into an Agreement with Liza Carpene in respect of her appointment as a Non-Executive Director of the Company.

Liza Carpene will be paid a fee of $60,000 per annum (inclusive of statutory superannuation) and has been issued 1,000,000 Incentive Options which are each exercisable at $0.54 and have an expiry 5 years from the date of Official Quotation (refer to Section 13.2 for the terms and conditions of the Incentive Options), for services as Non-Executive Director from the date of the Company's admission to the Official List of ASX and will be reimbursed for all reasonable expenses incurred in performing her duties.

At the date of this Prospectus it is proposed that Liza Carpene will be a member of the Company's Conflict Management Committee and the Audit and Risk Committee, and be the Chair of the Remuneration and Nomination Committee. It is currently intended that no further fee will be payable to Liza Carpene for time spent as a member of these Board committees. The appointment of Liza Carpene as a Non-Executive Director is otherwise on terms that are customary for an appointment of this nature.

(d) Paul McKenzie, Non-Executive Director Appointment, Agreement

The Company has entered into an Agreement with Paul McKenzie in respect of his appointment as a Non-Executive Director of the Company.

Paul McKenzie will be paid a fee of $60,000 per annum (inclusive of statutory superannuation) and has been issued 1,000,000 Incentive Options which are each exercisable at $0.54 and have an expiry 5 years from the date of Official Quotation (refer to Section 13.2 for the terms and conditions of the Incentive Options), for services as Non-Executive Director from the date of the Company's admission to the Official List of ASX and will be reimbursed for all reasonable expenses incurred in performing his duties.

At the date of this Prospectus it is proposed that Paul McKenzie will be a member of the Company's Conflict Management Committee and the Remuneration and Nomination Committee, and be the Chair of the Audit and Risk Committee. It is currently intended that no further fee will be payable to Paul McKenzie for time spent as a member of these Board committees. The appointment of Paul McKenzie as a Non-Executive Director is otherwise on terms that are customary for an appointment of this nature.

(e) Lu Shen (Mike), CEO (Asia) and Executive Director, Employment Agreement

The Company and Lu Shen (Mike) have entered into an Employment Agreement for Lu Shen's role as Chief Executive Officer (Asia) and Executive Director of the Company.

The principal terms of the Agreement are as follows:

i. A base annual salary of RMB 1,000,000 (approx. AUD 218,000 per annum).
ii. A statutory superannuation contribution under the Hong Kong Mandatory Scheme Provident Fund of HK 1,500 per month (approx. AUD 3,250 per annum).
iii. A monthly commission calculated on volume of certain RLF Plant Nutrition Products sold.
iv. Lu Shen is engaged on a full time basis.
v. Entitlement to participate in the Company's employee and executive incentive plans and the Company may provide additional bonus and incentives. Lu Shen has been granted 2,000,000 Performance Rights issued in 2 equal tranches (each comprising 1,000,000 Performance Rights), which entitle Lu Shen to elect to convert each Performance Right into a Share. Each tranche will vest upon the Company achieving performance milestones based on increasing financial metrics for each tranche within a 5 year period from listing (refer to Section 13.3 for the terms and conditions of the Performance Rights including vesting milestones).
vi. The Agreement has no fixed term and may be terminated:
    (a) by either party without cause with 6 months' notice, or in the case of the Company, immediately with payment in lieu of notice, or

(b) by the Company with immediate effect following Lu Shen's serious or persistent breach of the agreement, misconduct, behaviour which reflects unfavourably on the Company, bankruptcy, death or for illness persisting for 4 months (either consecutively or in aggregate over the term of the agreement); or

(c) by Lu Shen with immediate effect if the Company is in breach of a material term of the agreement which is not remedied within 10 days of the Company receiving notice of the breach, or if any payment due from the Company to Lu Shen pursuant to the agreement remains unpaid for 30 days.

vii. Other industry standard provisions for a senior executive of a public listed company.

The Company has also entered into an Agreement with Lu Shen in respect of his appointment as an Executive Director of the Company. No additional fees are payable to Lu Shen for his role as a Director in excess of the amounts payable to him under the Employment Agreement as detailed above. The appointment of Lu Shen as an Executive Director is otherwise on terms that are customary for an appointment of this nature.

(f) Gavin Ball, Executive Director, Consultancy Agreement

The Company and an entity related to Gavin Ball have entered into a Consultancy Agreement for Gavin Ball's role as Executive Director, which comes into effect from the Company being admitted to the Official List.

The principal terms of the Agreement are as follows:

i. A fee of $180,000 per annum (inclusive of statutory superannuation) (exclusive of GST).

ii. Entitlement to participate in employee and executive incentive plans and the Company may provide additional bonus and incentives. Gavin Ball has been granted 3,333,333 Incentive Options which are each exercisable at $0.54 and have an expiry 5 years from the date of Official Quotation (refer to Section 13.2 for the terms and conditions of the Incentive Options).

iii. Gavin Ball has been granted 2,000,000 Performance Rights issued in 2 equal tranches (each comprising 1,000,000 Performance Rights), which entitle Gavin Ball to elect to convert each Performance Right into a Share. Each tranche which vest upon the Company achieving performance milestones based on increasing financial metrics for each tranche within a 5 year period from listing (refer to Section 13.3 for the terms and conditions of the Performance Rights including vesting milestones).

iv. Gavin Ball will devote such time as is necessary in order to properly and efficiently ensure the provision of the services to the Company as agreed with the Board from time to time.

v. The Agreement has no fixed term and may be terminated:

(a) by either party without cause with 6 months' notice, or in the case of the Company, immediately with payment in lieu of notice; or

(b) by the Company with immediate effect following an occurrence that gives the Company a right of summary dismissal at common law or for illness persisting for either 3 consecutive months or 3 months in aggregate over a 12 month period; or

(c) by Gavin Ball with immediate effect if the Company is in breach of a material term of the agreement which is not remedied within 10 days of the Company receiving notice of the breach.

vi. Other industry standard provisions for a senior executive of a public listed company.

The Company has also entered into an Agreement with Gavin Ball in respect of his appointment as an Executive Director of the Company. No additional fees are payable to Gavin Ball for his role as a Director in excess of the amounts payable to him under the Consultancy Agreement as detailed above. The appointment of Gavin Ball as an Executive Director is otherwise on terms that are customary for an appointment of this nature.

(g) Su-Mei Sain, Chief Financial Officer, Consultancy Agreement

The Company has entered into an agreement with Su-Mei Sain in respect of her role as Chief Financial Officer of the Company.

Su-Mei Sain will be paid a fee of $200,000 per annum (exclusive of statutory superannuation), will be reimbursed for all reasonable expenses incurred and has been issued 1,000,000 Incentive Options which are each exercisable at $0.54 and have an expiry 5 years from the date of Official Quotation (refer to Section 13.2 for the terms and conditions of the Incentive Options), for services as Chief Financial Officer. Exercise of the Incentive Options are subject to a 6-month continuous employment vesting condition.

The agreement otherwise contains industry-standard provisions for a senior manager of a public company that is seeking a listing on the Official List of the ASX.

(h) Benjamin Donovan, Company Secretary, Consultancy Agreement

The Company and Argus Corporate Partners have entered into a Consultancy Agreement for Benjamin Donovan's role as Company Secretary of the Company.

The principal terms of the Agreement are as follows:

i. A monthly fee of $10,000.00 (exclusive of GST) until February 2022 and thereafter a monthly fee of $5,000.00 (exclusive of GST).
ii. Benjamin Donovan must provide the services and ensure he has sufficient capacity and devotes such time as is necessary in order to property and efficiently perform the Company Secretarial function.
iii. The Agreement has no fixed term and may be terminated:
    (a) by either party without cause with 2 months' notice, or in the case of the Company, immediately with payment in lieu of notice;
    (b) by the Company with immediate effect if Argus Corporate Partners or Benjamin Donovan becomes bankrupt or insolvent or is guilty of gross misconduct or wilful neglect in the discharge of its duties; or
    (c) by Argus Corporate Partners with immediate effect in the event of any breach or non-observance or non-performance by the Company, that has not been remedied with 14 days of written notice being received.
iv. Other industry standard provisions for an appointment of this nature.

(i) Deeds of Indemnity, Insurance and Access

The Company is party to deeds of indemnity, insurance and access with each of the Directors and the Company Secretary. Under these deeds, the Company indemnifies each Director and the Company Secretary to the extent permitted by the Corporations Act against any liability arising as a result of the Director or the Company Secretary acting as a Director or the Company Secretary of the Company. The Company is also required to maintain insurance policies for the benefit of the relevant Director and the Company Secretary and must also allow the Directors and the Company Secretary to inspect board papers in certain circumstances.

(j) Agreements with RLF Australia and RLF Global

i. Ancillary agreements relating to the Restructure

Directors of the Company, Kenneth Hancock and Gavin Ball have interests in RLF Australia and RLF Global. More information on their interests is contained at Section 6.6.

In connection with the Restructure (as detailed in Section 4.3), the Company has entered into several agreements with RLF Australia and RLF Global, as follows:

(a) the Australian Distribution Agreement pursuant to which RLF Australia has retained the rights to distribute RLF Plant Nutrition Products in Australia only. The Company will receive a royalty fee from RLF Australia for RLF Plant Nutrition Products sold in Australia. The Company will own rights to sell RLF Plant Nutrition Products in Australia where the customer is participating in a scheme to generate carbon credits involving a proprietary methodology promoted by the Company;

(b) the Toll Manufacturing Agreement pursuant to which the Company may engage RLF Australia on a non-exclusive basis as a toller to use its experience and know-how to formulate proprietary product activators for certain RLF Plant Nutrition Products and other agreed RLF Plant Nutrition Products or manufacturing inputs. The Company will pay RLF Australia a tolling fee for these manufacturing services;

(c) the Office Services Agreement pursuant to which the Company and RLF Australia will share office space and administrative services. The Company will pay RLF Australia a monthly fee for these shared services; and

(d) the Aggregated Payables Deferred Agreement pursuant to which RLF Australia and RLF Global have agreed to allow the Company and its related bodies corporate to defer payment of certain historical fees owed to RLF Australia and RLF Global relating to royalties, toll manufacturing fees and services.

See Section 10 for a detailed summary of the material terms and conditions of the above agreements.

ii. Staff Arrangement with Sourcefit

Gavin Ball has a non-controlling interest in Sourcefit Philippines which provides outsourced staff to the Company, with the outsourced staff providing communications, preparation of marketing materials and presentations, product labels, design work and other marketing services on an as required basis. The Company is charged Sourcefit Philippines' standard fees which are currently approximately $1,500 per month. Fees charged by Sourcefit Philippines are the recovery of the cost of engaging the outsourced staff plus a monthly fee per outsourced staff member engaged to cover the costs of Sourcefit procuring and managing the outsourced staff and providing them a place to operate.

iii. Service Arrangement with Magicorp

Gavin Ball has a controlling interest in Magicorp Pty Ltd which provides digital services to the Company, including website and domain services and other services on an as required basis. The Company is charged Magicorp's standard fees which are approximately $270 per month. Fees charged by Magicorp are the recovery of the cost of the services provided plus a commercial margin.

iv. Historical Payments

Set out in the table below are historical amounts paid and payable by the Company in the periods as shown preceding this Prospectus to (1) Sourcefit Philippines under the staff arrangements detailed above; (2) Magicorp under the service arrangements detailed above; and (3) RLF Australia and RLF Global under the Company's previous licensing arrangements with RLF Australia and RLF Global which have since been restructured pursuant to the Restructure. Details of the Restructure are set out in Section 4.3.

Agreement / Arrangement	1 Jul 2021 to 12 Dec 2021	FY2021	FY 2020	FY 2019
Arrangement with RLF Australia prior to the Restructure under a formal manufacturing agreement [1]	561,483	1,033,805	913,469	791,091
Arrangement with RLF Global prior to the Restructure under a formal distribution agreement[1]	95,259	311,004	314,963	379,619
Continuing Post Restructure	**1 Jul 2021 to 12 Dec 2021**	**FY2021**	**FY 2020**	**FY 2019**
Offices Services Agreement	18,000	36,000	36,000	18,000
Staff arrangement with Sourcefit Philippines[2]	5,369	9,561	12,576	22,439
Service arrangement with Magicorp	3,292	448	649	3,484

[1] RLF Australia and RLF Global have agreed to allow the Company and its related bodies corporate to defer payment of certain historical fees owed to RLF Australia and RLF Global under these arrangements pursuant to the Aggregated Payables Deferred Agreement. See Section 10.4 for a detailed summary of the material terms and conditions of this agreement. [2] From 1 July 2019, fees for services provided to the Company by Sourcefit Philippines were invoiced directly to the Company. Prior to this, fees were invoiced to RLF Global which were then allocated to services provided by Sourcefit Philippines to the Company and invoiced by RLF Global to the Company at cost.

SECTION 07

FINANCIAL INFORMATION

7.1 OVERVIEW OF FINANCIAL INFORMATION

Introduction

The financial information set out in this Section includes the following:

Historical financial information, being the:

- Historical consolidated statements of profit or loss and other comprehensive income for RLF AgTech Ltd (the "Company") for the years ended 30 June 2019, 2020 and 2021;
- Historical consolidated statements of financial position for the Company as at 30 June 2019, 2020 and 2021;
- Historical consolidated statements of cash flows for the Company for the years ended 30 June 2019, 2020 and 2021; and

Pro forma historical financial information, being the:

- Pro forma historical consolidated statement of financial position of the Company as at 30 June 2021 reflecting the Directors' pro forma adjustments which includes the pro forma transactions, subsequent events, consolidation adjustments and capital raising as set out in Section 7.8.

The historical financial information and the pro forma historical financial information are collectively referred to as the Financial Information.

No forecast financial information has been provided for the Company.

Other

The Financial Information should be read together with the other information contained in this Prospectus, including:

- the basis of preparation and presentation of the Financial Information (see Section 7.3);
- Management's discussion and analysis of the historical financial information;
- Significant accounting policies and critical areas of accounting estimates and judgements applied, set out in Section 7.9;
- the risk factors described in Section 12;
- the Independent Limited Assurance Report on the historical and pro forma financial information set out in Section 8; and
- the other information contained in this Prospectus.

The Financial Information has been reviewed and reported on by Moore Australia Corporate Finance (WA) Pty Ltd whose Independent Limited Assurance Report is contained in Section 8. The Independent Limited Assurance Report has been prepared in accordance with the Australian Standard on Assurance Engagements ASAE 3450 *Assurance Engagement Involving Fundraising and/or Prospective Financial Information*. Investors should note the scope and limitations of the Independent Limited Assurance Report.

All amounts disclosed in the tables in this Section are presented in Australian Dollars and, unless otherwise noted, are rounded to the nearest dollar. Some numerical figures included in this Prospectus have been subject to rounding adjustments. Any discrepancies between totals and sum of components in figures contained in this Prospectus are due to rounding.

Investors should also note that historical results are not a guarantee of future performance.

7.2 FORECAST FINANCIAL INFORMATION

There are significant uncertainties associated with forecasting future revenues and expenses of the Company. Given uncertainty as to timing and outcome of the Company's growth strategies and the nature of the industry in which the Company operates, as well as uncertain macro market and economic conditions, the Company's performance in any future period cannot be reliably estimated. Given this and after consideration of ASIC Regulatory Guide 170, the Directors do not believe they have a reasonable basis to reliably forecast future earnings and accordingly forecast results have not been included in the Prospectus.

7.3 BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL INFORMATION

Overview

The Directors are responsible for the preparation and presentation of the Financial Information.

The Financial Information included in this Prospectus is intended to present potential investors with information to assist them in understanding the historical financial performance, cash flows and financial position of the Company.

The historical and pro forma financial information included in this Section has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with the International Financial Reporting Standards (**IFRS**), issued by the International Accounting Standards Board (**IASB**).

The historical and pro forma financial information is presented in an abbreviated form insofar as it does not include all the presentation, disclosures, statements or comparative information as required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act. Significant accounting policies applied to the historical and pro forma financial information are noted Section 7.9 under the heading 'Significant Accounting Policies'.

Preparation of historical financial information

The Company's historical financial information has been extracted from its financial reports for the years ended 30 June 2019, 30 June 2020 and 30 June 2021. The financial report for the year ended 30 June 2019 was audited by Pitcher Partners and for the year ended 30 June 2020 and 30 June 2021 was audited by Bentley's Audit & Corporate (WA) Pty Ltd (now Hall Chadwick Audit WA Pty Ltd) in accordance with Australian Auditing Standards. The auditors for 30 June 2020 and 30 June 2021 issued an unmodified audit opinion with material uncertainty related to going concern. The audit report for the year ended 30 June 2019 was qualified on the basis that the auditors were appointed subsequent to 30 June 2018 and as such they were not able to verify the opening inventories balance at that date.

Preparation of pro forma historical financial information

A pro forma statement of financial position is set out in Section 7.8 and has been derived from the historical financial position of the Company as at 30 June 2021, adjusted to reflect transactions which have, or are expected to occur between 1 July 2021 and the listing date and the impact of the proposed acquisition of assets, Capital Raising and other related pro forma adjustments as set out in Section 7.7. The Company believes that it provides useful information as it illustrates the financial position of the Company as at 30 June 2021 on the basis that the proposed acquisition of assets, the Capital Raising and other related pro forma transactions were completed as at that date.

The accounting policies of the Company have been consistently applied throughout the periods presented.

The impact of new and revised IFRS, which have been adopted during the years presented and effective as at the current date, to the results for each year presented is not significant.

The pro forma historical financial information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards (AAS), other than that the pro-forma historical consolidated Statement of Financial Position of the Company includes certain adjustments which have been prepared in a manner consistent with AAS, which reflect the impact of certain transactions which are planned to or have taken place subsequent to 30 June 2021, as if they had occurred on or before 30 June 2021.

The financial information has been reviewed and reported on by Moore Australia Corporate Finance (WA) Pty Ltd in the Independent Limited Assurance Report contained in Section 8. Investors should read and note the scope and limitations of the Independent Limited Assurance Report before making any investment decision.

The Company believes that the completion of the Public Offer will provide the Company with sufficient working capital to resolve the material uncertainty related to going concern raised by the auditors in the above financial reports of the Company.

The audited financial statements (inclusive of significant accounting policies) of the Company for the years ended 30 June 2019 to 2021 are available (free of charge) on request to the Company on + 61 8 9334 8700 between 9.00am and 5.00pm (WST) Monday to Friday and will be lodged with the ASX on listing.

7.4 HISTORICAL CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

The table below presents the audited historical consolidated statements of profit or loss and other comprehensive income for the years ended 30 June 2021.

	Notes	FY 30 June 2021 $	FY 30 June 2020 $	FY 30 June 2019 $
Revenue	1	8,518,510	9,528,676	10,390,966
Cost of sales		(3,455,748)	(4,543,250)	(4,819,177)
Gross profit		**5,062,762**	**4,985,426**	**5,571,789**
Other income		16,112	15,811	5,990
Operating expenses	2	(2,323,208)	(3,594,440)	(3,168,831)
Administration expenses	3	(2,276,955)	(2,385,293)	(3,623,897)
Finance costs		(50,289)	(54,431)	(61,081)
Profit/(Loss) before income tax		**428,422**	**(1,032,927)**	**(1,276,030)**
Income tax expense	4	(9,448)	-	(61,701)
Profit/(Loss) for the year		**418,974**	**(1,032,927)**	**(1,337,731)**
Other comprehensive income				
Items that will be reclassified subsequently to profit or loss				
Foreign currency translation loss		(443,182)	(559,827)	(33,640)
Total comprehensive income for the year		**(24,208)**	**(1,592,754)**	**(1,371,371)**

Note 1. Revenue	2021 $	2020 $	2019 $
Revenue from customers with contracts	8,518,510	9,528,676	10,390,966
Total revenue	**8,518,510**	**9,528,676**	**10,390,966**

Refer to Section 7.11 for management discussion on the historical financial performance of the Company.

Note 2. Operating Expenses	2021 $	2020 $	2019 $
Advertising and promotion expense	429,343	1,219,944	1,008,218
Communication expense	-	21,777	37,665
Salary expense	794,392	875,757	733,515
Transportation expense	455,559	544,211	511,785
Travelling expense	599,641	865,664	778,880
Other	44,273	67,087	98,768
Total operating expenses	**2,323,208**	**3,594,440**	**3,168,831**

Refer to Section 7.11 for management discussion on the historical financial performance of the Company.

Note 3. Administration Expenses	2021 $	2020 $	2019 $
Amortisation expense	2,112	2,212	2,105
Consulting service expense	366,939	401,064	1,005
Royalty fee expense (related party)	311,004	295,523	379,619
Depreciation expense	176,944	68,100	14,835
Motor vehicle expense	21,459	28,680	35,645
Office expense	93,261	104,947	61,790
Professional service expense	178,213	454,119	451,659
Rental expense	51,835	55,239	62,716
Research and development expenses	375,153	282,337	-
Salary expense	493,999	527,534	911,464
Travelling expense	53,805	231,318	304,795
Marketing expense (related party)	-	2,189	22,439
Share-based payment expenses	-	(69,167)	1,256,529
Write down of investment	37,819	-	-
Other	114,412	1,198	119,296
Total administration expenses	**2,276,955**	**2,385,293**	**3,623,897**

Refer to Section 7.11 for management discussion on the historical financial performance of the Company.

Note 4. Income Tax Expense

The Company has significant tax losses which have not been recognised in the financial statements, hence no significant tax expense or benefit has been recognised during the periods presented.

7.5 HISTORICAL CONSOLIDATED STATEMENTS OF CASH FLOWS

The table below presents the audited historical consolidated statements of cash flows for the years ended 30 June 2019, 2020 and 2021.

	FY 30 June 2021 $	FY 30 June 2020 $	FY 30 June 2019 $
Cash Flows from Operating Activities			
Receipts from customers	8,117,137	9,578,243	8,631,287
Payments to suppliers and employees	(8,167,019)	(10,083,322)	(8,128,399)
Interest received	16,112	1,821	2,752
Finance costs	(50,289)	(54,431)	(61,081)
Income tax paid	-	-	(71,324)
Net cash provided by (used in) operating activities	**(84,059)**	**(557,689)**	**373,235**
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	144,732	(46,202)	(82,490)
Purchase of intangible assets	(426)	-	(10,831)
Proceeds from disposal of property, plant and equipment	-	3,182	-
Net cash from/(used in) investing activities	**144,306**	**(43,020)**	**(93,321)**
Cash Flows from Financing Activities			
Cash advances to/(from) related parties	-	400,000	(712,178)
Proceeds from shares issued	1,015,113	-	716,000
Cost of capital raising	(60,900)	-	-
Net cash provided by financing activities	**954,213**	**400,000**	**3,822**
Net change in cash and cash equivalents	**1,014,460**	**(200,709)**	**283,736**
Cash and cash equivalents at the beginning of the financial year	**1,052,771**	**1,253,480**	**959,965**
Effect of exchange rates on cash holdings in foreign currency	7,807	-	9,779
Cash and cash equivalents at the end of the financial year	**2,075,038**	**1,052,771**	**1,253,480**

7.6 HISTORICAL CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The table below presents the audited historical consolidated statement of financial position as at 30 June 2021, 30 June 2020 and 30 June 2019.

	30 June 2021 $	30 June 2020 $	30 June 2019 $
CURRENT ASSETS			
Cash and cash equivalents	2,075,038	1,052,771	1,253,480
Trade receivables	1,290,183	888,810	1,376,442
Inventory	2,506,704	2,369,022	2,209,472
Other current assets	43,340	168,526	158,578
TOTAL CURRENT ASSETS	**5,915,265**	**4,479,129**	**4,997,972**
NON-CURRENT ASSETS			
Property, plant and equipment	566,580	722,948	893,888
Intangible assets	4,943	6,630	8,842
Investment accounted for using the equity method	-	37,819	54,810
Right of use asset	662,661	834,973	-
TOTAL NON-CURRENT ASSETS	**1,234,184**	**1,602,370**	**957,540**
TOTAL ASSETS	**7,149,449**	**6,081,499**	**5,955,512**
CURRENT LIABILITIES			
Trade and other payables	2,971,420	2,671,253	4,509,086
Loan payable	400,000	400,000	-
Contract liabilities	215,701	103,022	286,463
Lease liabilities	559,358	843,707	-
Income tax payable	9,448	-	62,275
TOTAL CURRENT LIABILITIES	**4,155,927**	**4,017,982**	**4,857,824**
NON-CURRENT LIABILITIES			
Trade and other payables	2,577,750	2,577,750	-
TOTAL NON-CURRENT LIABILITIES	**2,577,750**	**2,577,750**	**-**
TOTAL LIABILITIES	**6,733,677**	**6,595,732**	**4,857,824**
NET ASSETS / (LIABILITIES)	**415,772**	**(514,233)**	**1,097,688**
EQUITY			
Issued Share Capital	2,559,429	1,605,216	1,555,216
Reserves	5,131,987	5,575,169	6,204,163
Accumulated Losses	(7,275,644)	(7,694,618)	(6,661,691)
TOTAL (DEFICIT) / NET EQUITY	**415,772**	**(514,233)**	**1,097,688**

7.7 PRO FORMA FINANCIAL INFORMATION

The Pro Forma Statement of Financial Position set out in section 7.8 has been derived from the audited historical statement of the financial position of the Company as at 30 June 2021, after reflecting the Directors' pro forma adjustments for the following subsequent events and other transactions which are proposed to occur immediately before or following completion of the Offer, as if they had occurred at 30 June 2021. The pro forma statement of financial position as at 30 June 2021 is based on the audited statement of financial position of the Company as at 30 June 2021 after incorporating the following pro forma adjustments:

IPO related adjustments:

A1. The Public Offer of the Maximum Subscription of $10,000,000 through the issue of fully paid ordinary Shares, with associated capital raising costs of $600,000, which has been debited to issued share capital, and the Minimum Subscription of $7,000,000 through the issue of fully paid ordinary Shares, with associated capital raising costs of $420,000 which has been debited to issued share capital.

A2. The recognition of 500,000 Advisor Options ($22,295) issued to the company secretary and expensed to accumulated losses, and the issue of 7,000,000 Advisor Options ($312,125) related to the Public Offer and debited to issued share capital costs. The Advisor Options are to be issued upon completion of the Public Offer, vesting at a strike price of $0.30 and an expiry date 3 years from the issue date and have been valued using the Black Scholes Valuation Methodology.

A3. The recognition of 6,000,000 Performance Rights to be issued to Directors of the Company on Completion of the Public Offer, at a fair value of $33,498 credited to reserves and expensed to the profit and loss.

Non-IPO related adjustments:

B1. The Company's acquisition of RLF IP Co Pty Ltd ("RLF IP Co") and RLF Distribution Co Pty Ltd ("RLF Distribution Co") for total consideration of $5,770,052 consisting of $2,000,000 cash and $3,770,052 in equity ("Consideration"). The value of the Consideration has been determined by deducting the estimated pre-acquisition equity value from the post-acquisition equity value of the Company (both calculated on a controlling basis, based on an independent third party valuation assessment contained within the Independent Expert's Report which is contained in Annexure A of this Prospectus) and settled through the issue of 43,125,000 Consideration Shares and 24,375,000 Deferred Consideration Shares in the Company, giving rise to intangible assets of approximately $5,770,053.

B2. The payment of costs associated with the acquisition of RLF IP Co and RLF Distribution Co and the listing of the Company on the ASX of $480,000 and expensing of these costs to accumulated losses.

B3. The raising of cash of $3,000,000, before costs, via the issue of Convertible Notes and the mandatory conversion of these Convertible Notes to equity under the Convertible Note Share Offer. The associated costs of the issue of the Convertible Notes of $180,000 have been expensed to accumulated losses.

B4. To expense the value attributed to the conversion feature associated with the Convertible Notes of $1,446,575. The Convertible Notes are convertible into Shares on completion of the Public Offer at a conversion price which is a 30% discount to the Public Offer price per Share of $0.20.

B5. The transfer of related party trade payables of $926,376 from current to non-current to reflect the terms of under the Aggregated Payables Deferred Agreement.

B6. The recognition of $1,464 in trade payables related to the Company's acquisition of RLF IP Co and RLF Distribution Co and the expensing of these to accumulated losses.

B7. The recognition of 7,000,000 ordinary shares (on a pre-consolidation basis, which equates to 3,888,889 on a post-consolidation basis) to be issued as fully paid capital for nil consideration to the Asia CEO/Director and a consultant for services provided to date at fair value of $544,444, credited to share capital and expensed to the profit and loss. The shares have been valued at $0.14 each on a post-consolidation basis by reference to the value assessed in the Independent Expert's Report referred to above.

B8. The recognition of 1,339,286 shares on a post-consolidation basis to be issued to advisors at a price of $0.0001 per share, credited to equity and expensed to the profit and loss at a fair value of $187,500. The shares have been valued at $0.14 each by reference to the value assessed in the Independent Expert's Report referred to above.

B9. The recognition of 4,250,000 Incentive Options issued to the Directors and CFO and expensed to accumulated losses. The Incentive Options have an exercise price of $0.54 and an expiry date 5 years from the date of the Company's admission to the Official List of the ASX and have been valued using the Black Scholes Valuation Methodology.

The adjustments above are referenced in the proforma financials in section 7.8 and illustrated in the account reconciliations set out on Note 1 to 9 which include assumptions relating to matters that are known as at the date of this prospectus. With the exception of the subsequent events and pro forma transactions noted above no other material transactions have occurred between 30 June 2021 and the date of this Prospectus which the Directors consider require disclosure.

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7.8 PRO FORMA HISTORICAL CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The pro forma consolidated statement of financial position is provided for illustrative purposes only and is not represented as being necessarily indicative of the Company's view of its future financial position.

	Note	Proforma Reference	30 June 2021 $ Audited	Minimum Subscription Pro Forma Adjustments $ Unaudited	Minimum Subscription Pro Forma 30 June 2021 $ Unaudited	Maximum Subscription Pro Forma Adjustments $ Unaudited	Maximum Subscription Pro Forma 30 June 2021 $ Unaudited
CURRENT ASSETS							
Cash and cash equivalents	1	A1	2,075,038	6,920,200	8,995,238	9,740,200	11,815,238
Trade receivables			1,290,183	-	1,290,183	-	1,290,183
Inventory			2,506,704	-	2,506,704		2,506,704
Other current assets			43,340	-	43,340	-	43,340
TOTAL CURRENT ASSETS			**5,915,265**	**6,920,200**	**12,835,465**	**9,740,200**	**15,655,465**
NON-CURRENT ASSETS							
Property, plant and equipment			566,580	-	566,580		566,580
Intangible assets	2	B1	4,943	5,770,053	5,774,996	5,770,053	5,774,996
Right of use asset			662,661	-	662,661	-	662,661
TOTAL NON-CURRENT ASSETS			**1,234,184**	**5,770,053**	**7,004,237**	**5,770,053**	**7,004,237**
TOTAL ASSETS			**7,149,449**	**12,690,253**	**19,839,702**	**15,510,253**	**22,659,702**
CURRENT LIABILITIES							
Trade and other payables	3	B5 B6	2,971,420	(924,912)	2,046,508	(924,912)	2,046,508
Loan payable			400,000	-	400,000	-	400,000
Contract liabilities			215,701	-	215,701	-	215,701
Lease liabilities			559,358	-	559,358	-	559,358
Income tax payable			9,448	-	9,448	-	9,448
TOTAL CURRENT LIABILITIES			**4,155,927**	**(924,912)**	**3,231,015**	**(924,912)**	**3,231,015**
NON-CURRENT LIABILITIES							
Trade and other payables	5	B5	2,577,750	926,376	3,504,126	926,376	3,504,126
TOTAL NON-CURRENT LIABILITIES			**2,577,750**	**926,376**	**3,504,126**	**926,376**	**3,504,126**
TOTAL LIABILITIES			**6,733,677**	**1,464**	**6,735,141**	**1,464**	**6,735,141**
NET ASSETS			**415,772**	**12,688,789**	**13,104,561**	**15,508,789**	**15,924,561**
EQUITY							
Issued Share Capital	6 9	A1 A2 B1 B3 B7 B8	2,559,429	15,216,647	17,776,076	18,036,647	20,596,076
Reserves	7	A3 B9	5,131,987	489,324	5,621,311	489,324	5,621,311
Accumulated Losses	8	A2 A3 B2 B3 B4 B7 B8	(7,275,644)	(3,017,182)	(10,292,826)	(3,017,182)	(10,292,826)
TOTAL DEFICIT/NET EQUITY			**415,772**	**12,688,789**	**13,104,561**	**15,508,789**	**15,924,561**

NOTE 1 - PRO FORMA CASH AND CASH EQUIVALENTS

The reviewed pro forma cash and cash equivalents has been set out below:

	Minimum Subscription 30 June 2021 $	Maximum Subscription 30 June 2021 $
Audited Cash and Cash Equivalents as at 30 June 2021	**2,075,038**	**2,075,038**
Pro forma adjustments		
Proceeds from the issue of Convertible Notes	3,000,000	3,000,000
Estimated costs of the issue of Convertible Notes	(180,000)	(180,000)
Cash component of the cost of acquisition of RLF IP Co	(2,000,000)	(2,000,000)
Cash acquired in RLF IP Co and RLF Distribution Co acquisitions	200	200
Proceeds from Shares issued under the IPO	7,000,000	10,000,000
Estimated direct costs of the issue of Shares under the IPO	(420,000)	(600,000)
Estimated indirect costs of the Offer and acquisition of intangible assets	(480,000)	(480,000)
Pro forma Cash and Cash Equivalents	**8,995,238**	**11,815,238**

NOTE 2 - PRO FORMA INTANGIBLE ASSETS

The reviewed pro forma intangible assets has been set out below:

	30 June 2021 $
Audited Intangible Assets as at 30 June 2021	**4,943**
Pro forma adjustments	
Acquisition of intellectual property via the acquisition of RLF IP Co	4,622,645
Acquisition of distribution rights via the acquisition of RLF Distribution Co	1,147,408
Pro forma Intangible Assets	**5,774,996**

NOTE 3 - PRO FORMA CURRENT TRADE AND OTHER PAYABLES

The reviewed pro forma current trade and other payables has been set out below:

	30 June 2021 $
Audited Current Trade and Other Payables as at 30 June 2021	**2,971,420**
Pro forma adjustments	
Acquisition of trade payables balance in RLF IP Co	732
Acquisition of trade payables balance in RLF Distribution Co	732
Reclassification of trade payables from current to non-current under the Aggregated Payables Deferred Agreement with RLF Australia and RLF Global	(926,376)
Pro forma Current Trade and Other Payables	**2,046,508**

NOTE 4 - PRO FORMA CONVERTIBLE NOTE LIABILITY

The reviewed pro forma Convertible Note liability has been set out below:

	30 June 2021 $
Audited Convertible Note Liability as at 30 June 2021	**-**
Pro forma adjustments	
Convertible Note liability	4,446,575
Mandatory conversion of Convertible Note to shares upon IPO	(3,000,000)
Amortisation of conversion feature attributed to the Convertible Notes	(1,446,575)
Pro forma Convertible Note Liability	**-**

NOTE 5 - PRO FORMA NON CURRENT TRADE AND OTHER PAYABLES

The reviewed pro forma non current trade and other payables has been set out below:

	30 June 2021 $
Audited Non Current Trade and Other Payables at 30 June 2021	**2,577,750**
Pro forma adjustments	
Reclassification of trade payables from current to non-current under the Aggregated Payables Deferral Agreement with RLF Australia and RLF Global	926,376
Pro forma Non Current Trade and Other Payables	**3,504,126**

These liabilities comprise amounts payable to related parties pursuant to the Aggregated Payables Deferral Agreement with RLF Australia and RLF Global. (see Section 10.4)

NOTE 6 - PRO FORMA ISSUED SHARE CAPITAL

The reviewed pro forma issued share capital has been set out below:

	Minimum Subscription 30 June 2021 $	Maximum Subscription 30 June 2021 $
Audited issued share capital as at 30 June 2021	**2,559,429**	**2,559,429**
Pro forma adjustments		
Issue of Shares per RLF IP Co acquisition agreement	2,622,745	2,622,745
Issue of Shares per RLF Distribution Co acquisition agreement	1,147,508	1,147,508
Issue of Shares through Public Offer	7,000,000	10,000,000
Costs of the Public Offer	(420,000)	(600,000)
Mandatory conversion of Convertible Notes to Shares	4,446,575	4,446,575
Issue of Shares to CEO (Asia)/Director and consultant	544,444	544,444
Issue of Shares to Lead Manager	187,500	187,500
Capitalisation of option expense for Options issued to Lead Manager in relation to capital raising	(312,125)	(312,125)
Pro forma Share Capital	**17,776,076**	**20,596,076**

NOTE 7 - PRO FORMA RESERVES

The reviewed pro forma reserves has been set out below:

	30 June 2021 $
Audited reserves as at 30 June 2021	**5,131,987**
Pro forma adjustments	
Fair value of Options issued to a consultant and Lead Manager	334,419
Fair value of Performance Rights issued to Directors	33,498
Fair value of Options issued to Directors	121,407
Pro forma Reserves	**5,621,311**

NOTE 8 - PRO FORMA ACCUMULATED LOSSES

The reviewed pro forma accumulated losses has been set out below:

	Minimum Subscription 30 June 2021 $	Maximum Subscription 30 June 2021 $
Audited Accumulated Losses as at 30 June 2021	**(7,275,644)**	**(7,275,644)**
Pro forma adjustments		
Accumulated loss acquired upon acquisition of RLF IP Co and RLF Distribution Co	(1,462)	(1,462)
Costs of the IPO and Convertible Note issue	(660,000)	(660,000)
Cost of the conversion feature of Convertible Notes	(1,446,575)	(1,446,575)
Cost of Advisor Options issued to consultant	(22,295)	(22,295)
Cost of Shares issued to CEO (Asia)/Director and consultant	(544,444)	(544,444)
Cost of Performance Rights issued to Directors	(33,498)	(33,498)
Success fee issued to advisors in relation to the acquisition of RLF IP Co and RLF Distribution Co	(187,500)	(187,500)
Fair value of Options issued to Directors	(121,408)	(121,408)
Pro forma Accumulated Losses	**(10,292,826)**	**(10,292,826)**

NOTE 9 - PRO FORMA NUMBER OF FULLY PAID ORDINARY SHARES

The reviewed of number of fully paid ordinary Shares on issue has been set out below:

	Minimum Subscription 30 June 2021	Maximum Subscription 30 June 2021
Audited number of Shares as at 30 June 2021	**129,053,473**	**129,053,473**
Shares issued to CEO (Asia)/Director pre consolidation of capital	6,000,000	6,000,000
Shares issued to consultant pre consolidation of capital	1,000,000	1,000,000
9:5 consolidation of capital	**(60,468,236)**	**(60,468,236)**
Shares on a post consolidation basis	75,585,237	75,585,237
Consideration Shares for the acquisition of RLF IP Co	30,000,000	30,000,000
Consideration Shares for the acquisition of RLF Distribution Co	13,125,000	13,125,000
Fees paid to Lead Manager	1,339,286	1,339,286
Shares on issue at the date of the Prospectus	**120,049,523**	**120,049,523**
Issue of Shares under Public Offer	35,000,000	50,000,000
Mandatory conversion of Convertible Notes to Shares upon listing	22,232,879	22,232,879
Pro forma issued capital	**177,282,402**	**192,282,402**

7.9 SIGNIFICANT ACCOUNTING POLICIES

The financial information has been prepared in accordance with the requirements, methodologies and principles set out in the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis of Preparation

The consolidated financial information has been prepared on an accrual basis and are based on historical costs modified by the revaluation of selected non-current assets and financial instruments for which the fair value basis of accounting has been applied. All amounts are presented in Australian Dollars ($) which is the Group's presentational currency, unless otherwise noted.

Material accounting policies adopted in the preparation of this financial information are presented below and have been consistently applied unless stated otherwise.

Going Concern

The consolidated Financial Information has been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations.

The Company recorded a net profit of $418,974 (2020: net loss $1,032,927) and experienced net cash outflows from operations of $84,059 (2020: $557,689) for the year ended 30 June 2021. As at 30 June 2021, the Company has a working capital surplus of $1,759,338 (2020: $461,147).

The Company's ability to continue as a going concern is dependent upon its ability to obtain the funding or financing necessary, from either shareholders or new investors, including pursuant to the proposed capital raising via this Prospectus, to continue operations.

This requirement gives rise to a material uncertainty that may cast a significant doubt over the Company's ability to continue as a going concern and therefore that it will be able to realise its assets and discharge its liabilities in the normal course of business, and at the amount stated in the financial report.

The Directors believe that the Company will continue as a going concern for the following reasons:

- The major shareholder of the Company prior to listing, being Rural Liquid Fertilisers Pty Ltd, has acknowledged its financial support for the 2022 financial year up until the date on which the Company is listed on the ASX.
- The ability to raise funding pursuant to the proposed capital raising via this Prospectus or from other sources.

The ability of the Company to continue as a going concern and meet its planned objectives is dependent on the factors noted above. On this basis no adjustments have been made to the financial information relating to the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might be necessary should the Company not continue as a going concern. Accordingly, the financial information has been prepared on a going concern basis.

Significant Accounting Policies

Material accounting policies adopted in the preparation of this financial information are presented below and have been consistently applied unless stated otherwise.

(a) Principle of Consolidation

The consolidated financial information incorporates all of the assets, liabilities and results of the parent company RLF Agtech Ltd and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Business Combination

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving businesses under common control. Business combinations other than those involving businesses under common control are accounted for from the date that control is attained, whereby the identifiable assets acquired and liabilities (including contingent liabilities) assumed are recognised at their acquisition-date fair values (except in a limited number of circumstances as identified in AASB 3: *Business Combinations*).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of profit or loss and other comprehensive income. The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

(b) Income Tax

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities are settled. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

(c) Property, Plant and Equipment

Property, plant and equipment are measured at cost less depreciation and any impairment losses.

The cost of property, plant and equipment constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all property, plant and equipment including building and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the Group commencing from the time the asset is held ready for use. Leased assets are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the assets.

The depreciation rates used for each class of depreciable assets are:

Class of Property, Plant and Equipment	Depreciation Rate
Buildings	5%~12.5%
Plant and equipment	5%~33%
Office equipment	20%~33%
Motor vehicles	13%
Lease improvement	33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income.

(d) Intangible Assets other than goodwill

Software

Computer software is recognised at cost of acquisition. It has a finite life and is carried at cost less any accumulated amortisation and any impairment losses. Software is amortised over its licensed period of 5 years.

Intellectual Property and Distribution Rights

Intellectual Property and Distribution Rights are recognized at cost of acquisition. They have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Intellectual Property and Distribution Rights are amortised over their useful lives ranging from 5 to 10 years.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of fixed overheads. Overheads are applied on the basis of direct material usage. Costs are assigned on the basis of weighted average costs. Inventories were recognised by the Group on a first-in, first-out (FIFO) basis.

The direct overhead and direct labour are allocated based on standard manufacturing hours under normal production capacity. In the situation where the production facility is operating under normal capacity, the unallocated direct labour and direct overhead costs will be allocated to the administrative expense.

(f) Financial Instruments

Recognition, Initial Measurement and Derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and Subsequent Measurement of Financial Assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, the Group classifies its trade and other receivables as financial assets at amortised cost upon initial recognition. All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items.

Classifications are determined by both:

- The entities business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, other income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

Subsequent Measurement Financial Assets

Financial Assets at Amortised Cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Impairment of Financial Assets

AASB9's impairment requirements use more forward-looking information to recognise expected credit loss – the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'); and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Trade Receivables

The Group makes use of a simplified approach in accounting for trade receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward- looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due. Refer to Note 26 for details of credit risk analysis of the Group.

Other Financial Assets

ECL for other financial assets at amortised cost, including cash and cash equivalents and other receivables, are assessed on 12-month expected credit losses basis as there had been no significant increase in credit risk since initial recognition.

Classification and Measurement of Financial Liabilities

The Group's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

(g) Impairment of Non-Financial Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Any excess of the asset's carrying amount over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

(h) Employee Benefits

Salary and wages are paid on a monthly basis and recognised as an expense when incurred and no leave entitlements accrue at the end of the reporting period.

(i) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(j) Revenue

Revenue arises mainly from the sale of liquid fertilisers.

To determine whether and when to recognise revenue, the Group follows a 5-steps process:

i. Identifying the contract with a customer
ii. Identifying the performance obligations
iii. Determining the transaction price
iv. Allocating the transaction price to the performance obligations
v. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised at a point in time when the Group satisfies performance obligations by transferring the promised goods to its customers.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts in the statement of financial position (see Note 16). Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Revenue from the sales of liquid fertilisers for a fixed fee is recognised when or as the Group transfers control of the assets to the customer. Invoices for goods transferred are due upon despatch of goods to the customer.

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs it is compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

All revenue is stated net of the amount of value added tax (VAT) or Goods and Services Tax (GST).

(k) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets, less any provision for impairment.

(l) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30~90 days of recognition of the liability.

(m) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale. All other borrowing costs are recognised in the statement of profit or loss and other comprehensive income in the period in which they are incurred.

(n) Value Added Tax (VAT), Goods and Services Tax (GST) And Other Similar Taxes

For Revenues, expenses and assets are recognised net of the amount of VAT/GST, except where the amount of VAT/GST incurred is not recoverable from the Local Taxation Office. In these circumstances, the VAT/GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of VAT/GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the VAT/GST component of investing and financing activities, which are disclosed as operating cash flows. Commitments and contingencies are disclosed net of the amount of VAT/GST recoverable from, or payable to, the tax authority.

(o) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key Estimates — Impairment of Non-Financial Assets

The Group assesses impairment at each reporting date by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Significant Judgments — Provision for Obsolescence of Inventory and Share-based Payment Measurements

The Group assesses the provision for obsolescence of inventory at each reporting date by evaluating the ageing of the inventory.

The measurement of share-based payment is outlined in Note (p) below.

(p) Share-Based Payments

The Company operates a share-based payment employee incentive securities plan. The fair value of the equity to which employees, officer, or contractors or associated body corporate or such other person who has been determined by the Board of Directors entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity reserve account. In respect of share-based payments that are dependent on the satisfaction of performance conditions, the number of shares and options expected to vest is reviewed and adjusted at each reporting date. The amount recognised for services received as consideration for these equity instruments granted is adjusted to reflect the best estimate of the number of equity instruments that eventually vest.

(q) Foreign Currency Transactions and Balances

Functional and Presentation Currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The functional currency of the main operating entities, RLF Chemical Fertilisers (Shanghai) Co., Ltd and Rural Liquid Fertilisers China (Kaifeng) Co., Ltd is Chinese Renminbi. The consolidated financial statements are presented in Australian dollars which is the Parent Entity's functional and presentation currency.

Transaction and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise the exchange difference is recognised in profit or loss.

Group Entities

Financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated at year end exchange rates;
- Income and expenses are translated at average rates for the period;
- Retained earnings are translated at historical average rates; and
- Share capital is translated at historical spot rates.

Exchange differences arising on the translation of foreign operations are recognised directly to the Group's foreign currency translation reserve in the Consolidated Statement of Financial Position.

7.10 COMMITMENTS AND CONTINGENCIES

Contingencies

In the course of its business activities the Company may from time to time, be the subject of civil claims by third parties, including former employees that could give rise to a liability to pay compensation or damages. In addition, the Company may receive notices from regulatory and other governmental agencies responsible for the administration of regulations impacting on the Company's business affairs, in relation to the imposition or intended imposition of penalties, assessments and other orders that could potentially have an adverse effect or negatively impact on the Company's business and financial condition. Based upon historic experience with the management of such claims, assessment and regulatory actions, the Company does not anticipate that the outcome of those claims, assessments and regulatory actions, will have a materially adverse effect on the Company's business or financial condition.

Commitments

The Company has not contracted to any material capital commitments, excluding leases. The Company's intended capital commitments can be found at Section 3.6.

7.11 MANAGEMENT DISCUSSION AND ANALYSIS OF THE HISTORICAL FINANCIAL INFORMATION

General Overview

The section below is a discussion of the Company's operating and financial performance during the period of the statutory historical financial information and which may impact on future operating and financial performance.

The general matters discussed below are a summary only, do not represent all events and factors that affected the Company's historical operating and financial performance, nor everything that may affect the Company's operating and financial performance in future periods.

The information in this section should also be read in conjunction with the risk factors set out in Section 12 and the other information set out in this Prospectus.

Historical Financial Performance

Revenue, Gross Profit and EBITDA

The group generates revenue predominantly from the sale of fertiliser chemicals in China.

	FY 30 June 2021 $	FY 30 June 2020 $	FY 30 June 2019 $
Revenue	8,518,510	9,528,676	10,390,966
Cost of sales	(3,455,748)	(4,543,250)	(4,819,177)
Gross profit	**5,062,762**	**4,985,426**	**5,571,789**
Gross margin as a % of revenue	**59%**	**52%**	**54%**
EBITDA	**717,972**	**(924,560)**	**(1,261,544)**

Revenue during the second half of the 2020 financial year and the 2021 financial year was negatively impacted due to government responses to the COVID-19 pandemic. Whilst restrictions eased during FY2021, there continued to be disruption to operations which led to a further decline in revenue in FY2021. Despite this, demand started increasing in the second half of FY2021.

The substantial decrease in EBITDA for FY2020 is attributable to operational disruptions experienced in China with periods of complete closure of the production facilities for 4 weeks, followed by a further 3 months of limited operations due to restrictions. This was further exacerbated by a limitation on working capital due to uncertainties in the economy caused by the COVID 19 pandemic, which meant that the business had to reduce operations to accommodate this. A number of marketing methods, including face to face distribution meetings, trade shows and exhibitions were delayed or cancelled due to travel and other restrictions across Asia.

The Company implemented a cost cutting strategy during FY2021 which has helped to improve profitability.

Operating Expenses

The Company's operating expenses relate to the advertising and marketing, travel, transport, communication and salary expense overheads related to operations. As noted above, the Company's sales were negatively impacted due to events relating to the COVID-19 pandemic in the second half the 2020 year and the 2021 year, hence the commensurate decline in operating expenses in the 2021 year. Due to the seasonal nature of the business, the Company had already spent or committed to a significant proportion of its expenditure during the first half of the year during the 2020 financial year. Additionally, the Company incurred one off promotional expenses related to the launch of new products of approximately $242,000 in FY 2019, $791,000 in FY 2020 and $93,000 in FY 2021.

Prior to the Restructure (refer to Section 4.3 of the Prospectus for details of the Restructure), the Company incurred distribution and operating fee expenses under the terms of the perpetual manufacturing agreement and perpetual Asian distribution agreement in place with RLF Australia and RLF Global of $1.17M in 2019, $1.193M in 2020 and $1.453M in 2021. Under the Restructure, the Company's previous arrangements with RLF Australia and RLF Global were restructured so that the Company acquired ownership of 100% of the RLF Intellectual Property and 100% of the worldwide Distribution Rights (except Australia which were retained by RLF Australia). As such, these fees were no longer be applicable from the 13th December 2021.

As part of the Restructure, the Australian Distribution Agreement and the Toll Manufacturing Agreement have been executed. Under these agreements, RLF Australia retained exclusive rights to distribute RLF products in Australia only and is obligated to pay the Company a royalty fee for RLF Products sold in the Australian market. Under the Toll Manufacturing Agreement RLF Australia has been engaged to formulate proprietary products. Given that these contracts were not in place historically, the directors are not able to accurately quantify the financial impact of these contracts on the operating revenue and expenses of the Company going forward.

Administration Expenses

The Company's administration expenses relate to the corporate, research and development and administration overheads of the Company. The Company incurred non-cash Share based payment expenses of approximately $1,256,000 in FY 2019 and ($69,000) in FY 2020 (being a write back of a previous year expense).

The Company also incurred one off expenses relating to the preparations for an Initial Public Offer of $769,000 in FY 2019 and $259,000 in FY 2020.

The Company responded to the uncertainty that surrounds the impact of the COVID-19 pandemic on operating activities during the second half of the 2020 financial year and the 2021 financial year by reducing where possible administrative expenses during these periods.

Key Factors Affecting the Company's Historical Statement of Cashflows

Cash generated from operations declined in FY2020 and FY2021 and was inadequate to sustain operations, consistent with the decline in results from operations during this period, as noted above. The principal source of funds for the Company during the three years ended 30 June 2021 on were borrowings from related parties, deferral of trade payables owed to related parties in the form of the Aggregated Deferred Payables Agreement, and cash raised from share issues.

Working Capital

As at 30 June 2021, prior to pro forma adjustments, the Company had net current assets of $1,759,338.

Subsequent to the proposed capital raising and other pro forma adjustments, as illustrated in the pro forma historical consolidated statement of financial position, pro forma net current assets increased to $10,444,450 (based on the minimum subscription) or $12,424,450 (based on the maximum subscription) due to the amount of cash raised from the Public Offer and Convertible Note issue and the impact of the deferral of trade payables owed to related parties in the Aggregated Deferred Payables Agreement.

Funding

Following completion of the IPO process the Company's principal sources of funds are expected to be cash and cash equivalents and deferred payables owing to related parties. The Company does not currently foresee the need for additional capital raisings or debt facilities in the next two years.

SECTION 08

INDEPENDENT ASSURANCE REPORT

Moore Australia

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8 February 2022

The Directors
RLF AgTech Ltd
PO Box 387
WELSHPOOL WA 6986

Dear Directors

Independent Limited Assurance Report

1. Introduction

This report has been prepared at the request of the Directors of RLF AgTech Ltd (the "Company" or "RLF") for inclusion in a prospectus to be issued by the Company ("Prospectus") in respect of the proposed public offering of fully paid ordinary shares in the Company ("Capital Raising" or "the Offer") and the listing of the Company on the Australian Securities Exchange Limited ("ASX").

Expressions defined in the Prospectus have the same meaning in this report.

The report does not address the rights attaching to the shares to be issued in accordance with the Offer, nor the risks associated with accepting the Offer. Moore Australia Corporate Finance (WA) Pty Ltd has not been requested to consider the prospects for RLF, nor the merits and risks associated with becoming a shareholder and accordingly has not done so, nor purports to do so.

Consequently, Moore Australia Corporate Finance (WA) Pty Ltd has not made and will not make any recommendation, through the issue of this report, to potential investors of the Company, as to the merits of the Offer and takes no responsibility for any matter or omission in the Prospectus other than responsibility for this report.

2. Scope of Report

The Directors of the Company have requested Moore Australia Corporate Finance (WA) Pty Ltd prepare an Independent Limited Assurance Report on:

Historical Financial Information

The Directors have requested that Moore Australia Corporate Finance (WA) Pty Ltd review:

- The Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income of RLF for the years ended 30 June 2019, 2020 and 2021;
- The Historical Consolidated Statement of Cash flows of RLF for the years ended 30 June 2019, 2020 and 2021; and
- The Historical Consolidated Statements of Financial Position of RLF as at 30 June 2019, 2020 and 2021;

which is collectively termed the "Historical Financial Information".

The Historical Financial Information is presented in an abbreviated form insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to financial reports in accordance with the *Corporations Act 2001*.

The Historical Financial Information has been extracted from the audited general purpose financial statements of the Company for the years ended 30 June 2019, 2020 and 2021.

Historical Financial Information (continued)

Pitcher Partners audited the general purpose financial statements of the Company for the year ended 30 June 2019, whilst Hall Chadwick Audit WA Pty Ltd (formerly known as Bentleys Audit & Corporate (WA) Pty Ltd) audited the general purpose financial statements for the years ended 30 June 2020 and 2021.

Pitcher Partners issued a modified opinion on the financial statements for the year ended 30 June 2019 on the basis that they had been appointed as auditors subsequent to 30 June 2018 and as such were unable to verify the opening inventory balance as at 30 June 2018. Hall Chadwick Audit WA Pty Ltd issued unmodified opinions on the financial statements for the years ended 30 June 2020 and 30 June 2021, however they did include an emphasis of matter in respect of each report with respect to the ability of the Company to continue to operate as a going concern.

The Historical Consolidated Statement of Profit or Loss and Other Comprehensive Income of RLF for the years ended 30 June 2019, 2020 and 2021 are included at section 7.4 of the Prospectus and are presented without adjustment.

The Historical Consolidated Statement of Cash flows of RLF for years ended 30 June 2019, 2020 and 2021 are included at section 7.5 of the Prospectus and are presented without adjustment.

The Historical Consolidated Statements of Financial Position as at 30 June 2019, 2020 and 2021 of the Company are included in section 7.6 of the Prospectus and are presented without adjustment.

Pro Forma Historical Financial Information

The Directors have requested that Moore Australia Corporate Finance (WA) Pty Ltd review:

- The Pro Forma Historical Consolidated Statement of Financial Position of RLF as at 30 June 2021, adjusted to include funds to be raised pursuant to the Prospectus and the completion of certain other transactions as disclosed in section 7.8 of the Prospectus, as if those events and transactions occurred as at 30 June 2021.

which is collectively termed the "Pro Forma Historical Financial Information".

The Pro Forma Historical Consolidated Statement of Financial Position is derived from the Historical Statement of Financial Position of the Company as at 30 June 2021, adjusted on the basis of the completion of the proposed Capital Raising and the completion of certain other transactions as disclosed in section 7.7, as if those events and transactions occurred as at 30 June 2021. The Pro Forma Statement of Financial Position is provided for illustrative purposes only and is not represented as being necessarily indicative of RLF's future financial position.

3. Scope of Review

Directors' Responsibilities

The Directors of RLF are responsible for the preparation and presentation of the Historical and Pro Forma Historical financial information, including the determination of the pro forma transactions. The Directors are also responsible for the information contained within the Prospectus.

This responsibility includes for the operation of such internal controls as the Directors determine are necessary to enable the preparation of the Financial Information presented in the Prospectus that is free from material misstatement whether due to fraud or error.

Our Responsibilities

We have conducted our engagement in accordance with Australian Auditing Standard ASRE 2405 *Review of Historical Financial Information Other than a Financial Report*. We have also considered and complied with the requirements of ASAE 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Historical Financial Information included in a Prospectus or other Document* and ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

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Our Responsibilities (continued)

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any Historical Financial Information used to compile the Pro forma Historical Financial Information, nor have we, in the course of this engagement, performed an audit of the financial information used in compiling the Pro Forma Historical Financial Information, or the Pro Forma Historical Financial Information itself.

The purpose of the compilation of the Pro Forma Historical Financial Information is solely to illustrate the impact of the proposed Capital Raising, related transactions and accounting policies on unadjusted financial information of the Company as if the event or application of accounting policies had occurred at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed Capital Raising, related transactions and accounting policies would be as presented.

We made such inquiries and performed such procedures as we, in our professional judgement, considered reasonable in the circumstances including:

- a review of contractual arrangements;
- a review of financial statements, management accounts, work papers, accounting records and other documents, to the extent considered necessary;
- analytical procedures, to the extent considered necessary;
- a review of the audited financial statements of RLF and its controlled entities, including a review of the auditor's work papers and making enquiries of the auditor, to the extent considered necessary;
- a comparison of consistency in application of the recognition and measurement principles in Accounting Standards and other mandatory professional reporting requirements in Australia, with the accounting policies adopted by the Company;
- a review of the assumptions and pro forma adjustments used to compile the Pro Forma Historical Financial Information; and
- enquiry of Directors, management and advisors of RLF.

These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

These procedures have been undertaken to form a limited assurance conclusion as to whether we have become aware of any matters that indicate the Historical and Pro Forma Historical Financial Information, set out in section 7 of the Prospectus, does not present fairly, in all material respects, in accordance with Australian Accounting Standards and the accounting policies adopted by the Company. This view is consistent with our understanding of the financial position of the Company as at 30 June 2019, 2020 and 2021, the pro forma financial position as at 30 June 2021, and of its financial results and cash flows for the years ended 30 June 2019, 2020 and 2021.

4. Measurement of Intangible Assets Acquired

The acquisition of RLF IP Co Pty Ltd and RLF Distribution Co Pty Ltd, gives rise to intangible assets of $5,770,053 as recorded in the consolidated pro forma statement of financial position, and reflects provisional amounts allocated to the assets acquired, being their estimated cost of acquisition in accordance with the accounting policy adopted for such assets by the Company, so as to illustrate the approximate impact of the proposed acquisitions on the Company.

The assets acquired will be formally remeasured after completion of the acquisition.

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5. Conclusions

Based on our review, which is not an audit:

- Nothing has come to our attention which causes us to believe that the Historical Consolidated Statements of Profit or Loss and other comprehensive income of RLF for the years ended 30 June 2019, 2020 and 2021, as set out in section 7.4 of the Prospectus, do not present fairly the results of the Company for the periods then ended in accordance with the accounting methodologies required by Australian Accounting Standards and adopted by the Company.
- Nothing has come to our attention which causes us to believe that the Historical Consolidated Statements of Cash Flows of RLF for the years ended 30 June 2019, 2020 and 2021, as set out in section 7.5 of the Prospectus, do not present fairly the cash flows of the Company for the periods then ended in accordance with the accounting methodologies required by Australian Accounting Standards and adopted by the Company.
- Nothing has come to our attention which causes us to believe that the Historical Statements of Financial Position of the Company, as set out in section 7.6 of the Prospectus, do not present fairly the assets and liabilities of the Company as at 30 June 2019, 2020 and 2021 in accordance with the accounting methodologies required by Australian Accounting Standards and adopted by the Company.
- Nothing has come to our attention which causes us to believe that the Pro Forma Historical Statement of Financial Position of the Company, as set out in section 7.8 of the Prospectus, does not present fairly the assets and liabilities of the Company, as at 30 June 2021 in accordance with the accounting methodologies required by Australian Accounting Standards and adopted by the Company, and on the basis of assumptions and transactions set out in section 7.7 of the Prospectus.

Emphasis of Matter – Uncertainty relating to going concern

In forming our conclusions on the financial information, which is not modified, we have considered the adequacy of the disclosure as set out in section 7.9 of the financial information, concerning the Company's ability to continue as a going concern. As disclosed in section 7.9 of the Prospectus, the Company is dependent on various funding initiatives in order to fund working capital and discharge its liabilities in the ordinary course of business. The financial information does not include any adjustments that may be required if the Company was unable to continue as a going concern. In our opinion, based on the Company's proposed use of funds and business plans as set out in the Prospectus, completion of the proposed Capital Raising pursuant to the Prospectus is expected to be sufficient to enable the Company to continue operating as a going concern.

6. Subsequent Events

To the best of our knowledge and belief, there have been no other material items, transactions or events subsequent to 30 June 2021 not otherwise disclosed in this report or the Prospectus that have come to our attention during the course of our review which would cause the information included in this report to be misleading.

7. Other Matters

Moore Australia Corporate Finance (WA) Pty Ltd does not have any pecuniary interest that could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion.

RLF is audited by a firm not related to Moore Australia.

Moore Australia Corporate Finance (WA) Pty Ltd will receive a professional fee for the preparation of this Independent Limited Assurance Report.

Moore Australia Corporate Finance (WA) Pty Ltd also prepared an Independent Expert's Report in relation to Performance and Deferred Consideration Shares issued to participating shareholders, as to whether the issues are fair and reasonable to non-participating shareholders. Other than this Moore Australia Corporate Finance (WA) Pty Ltd was not involved in the preparation of any other part of the

Prospectus and accordingly makes no representations or warranties as to the completeness and accuracy of any information contained in any other part of the Prospectus.

Moore Australia Corporate Finance (WA) Pty Ltd consents to the inclusion of this report in the Prospectus in the form and context in which it is included and at the date of this report has not withdrawn this consent.

Yours faithfully

Neil Pace
Director
Moore Australia Corporate Finance (WA) Pty Ltd

MOORE AUSTRALIA CORPORATE FINANCE (WA) PTY LTD

Australian Financial Services Licence No. 240773

FINANCIAL SERVICES GUIDE

This Financial Services Guide is issued in relation to our Independent Limited Assurance Report for RLF AgTech Ltd ("RLF"). Our report has been prepared at the request of the Directors of RLF for inclusion in the Prospectus to be dated on or about 10 February 2022 in respect of the initial public offering of fully paid ordinary shares in RLF and listing of RLF on the Australian Securities Exchange Limited.

Moore Australia Corporate Finance (WA) Pty Ltd

Moore Australia Corporate Finance (WA) Pty Ltd ("MACF") has been engaged by the directors of RLF to prepare an Independent Limited Assurance Report in respect of the initial public offering of fully paid ordinary shares in RLF and listing of RLF on the Australian Securities Exchange Limtied

MACF holds an Australian Financial Services Licence – Licence No 240773.

Financial Services Guide

As a result of our report being provided to you we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). The FSG includes information on the use of general financial product advice and is issued so as to comply with our obligations as holder of an Australian Financial Services Licence.

Financial Services we are licensed to provide

MACF holds an Australian Financial Services Licence which authorises us to provide reports for the purposes of acting for and on behalf of clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate restructures or share issues, and to carry on a financial services business to provide general financial product advice for securities to retail and wholesale clients.

We provide financial product advice by virtue of an engagement to issue a report in connection with the issue of securities of a company or other entities.

Our report includes a description of the circumstances of our engagement and identifies the party who has engaged us. You have not engaged us directly but will be provided with a copy of our report as a retail client because of your connection with the matters on which our report has been issued. We do not accept instructions from retail clients and do not receive remuneration from retail clients for financial services.

Our report is provided on our own behalf as an Australian Financial Services Licensee authorised to provide the financial product advice contained in this report.

General Financial Product Advice

Our report provides general financial product advice only, and does not provide personal financial product advice, because it has been prepared without taking into account your particular personal circumstances or objectives either financial or otherwise, your financial position or your needs.

Some individuals may place a different emphasis on various aspects of potential investments.

An individual's decision in relation to the proposed transaction may be influenced by their particular circumstances and, therefore, individuals should seek independent advice.

Benefits that we may receive

We will charge fees for providing our report. The basis on which our fees will be determined has been agreed with, and will be paid by, the person who engaged us to provide the report. Our fees have been agreed on either a fixed fee or time cost basis. We estimate that our fees for the preparation of this report will be approximately $30,000 plus GST.

Remuneration or other benefits received by our employees

All our employees receive a salary. Employees may be eligible for bonuses based on overall productivity and contribution to the operation of MACF or related entities but any bonuses are not directly in connection with any assignment and in particular are not directly related to the engagement for which our report was provided.

Referrals

We do not pay commissions or provide any other benefits to any parties or person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

MACF is the licensed corporate advisory arm of Moore Australia (WA) Pty Ltd, Chartered Accountants. The directors of MACF may also be partners in Moore Australia (WA) Pty Ltd Chartered, Accountants.

Moore Australia (WA) Pty Ltd, Chartered Accountants is comprised of a number of related entities that provide audit, accounting, tax, and financial advisory services to a wide range of clients.

MACF's contact details are set out on our letterhead.

Complaints resolution

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to The Complaints Officer, Moore Australia (WA) Pty Ltd, PO Box 5785, St George's Terrace, Perth WA 6831.

On receipt of a written complaint we will record the complaint, acknowledge receipt of the complaint and seek to resolve the complaint as soon as practical.

If we cannot reach a satisfactory resolution, you can raise your concerns with Australian Financial Complaints Authority Limited ("AFCA"). AFCA is an independent body established to provide advice and assistance in helping resolve complaints relating to the financial services industry. MACF is a member of AFCA. AFCA may be contacted directly via the details set out below.

Australian Financial Complaints Authority Limited
GPO Box 3
Melbourne VIC 3001
Toll free: 1800 931 678
Email: info@afca.org.au

SECTION 09

CORPORATE GOVERNANCE

This summary identifies the key corporate governance policies and practices adopted by the Company's Board. The Board is committed to ensuring continued investor confidence in the operations of the Company and in maintaining high standards of corporate governance in the performance of their duties.

The full suite of the Company's corporate governance policies and practices is available at the Company's website at www.rlfagtech.com.

9.1 THE BOARD

The Role of the Board

The role of the Board of Directors is to provide strategic guidance to the Company (and its related bodies corporate), effective oversight of management and to provide a sound base for a culture of good corporate governance within the Company. The Board will always retain ultimate authority over the management and staff of the Company and its related bodies corporate.

In performing its role, the Board should act, at all times:

(a) in recognition of its overriding responsibility to act honestly, fairly and in accordance with the law in serving the interests of the Company, its Shareholders, as well as its employees, customers and the community,
(b) in a manner designed to create and continue to build sustainable value for Shareholders,
(c) in accordance with the duties and obligations imposed upon them by the Company's constitution and applicable law, and
(d) with integrity and objectivity, consistent with the ethical, professional and other standards set out in the Company's corporate governance policies.

To assist the Company in carrying out its responsibilities, the Board has established an Audit and Risk Committee, a Remuneration and Nomination Committee and a Conflict and Related Party Management Committee.

Responsibilities of the Board

The responsibilities of the Board include to:

(a) represent and serve the interests of Shareholders by overseeing and appraising the Company's strategies, policies and performance,
(b) protect and optimise the Company's performance and build sustainable value for Shareholders,
(c) set, review and ensure compliance with the Company's values and governance framework, and
(d) ensure that Shareholders are kept informed of the Company's performance and major developments.

Composition of the Board

Under the Company's constitution, the minimum number of Directors is three and the maximum number is ten. The Board at the date of this Prospectus comprises six Directors;

- Donald McLay, Non-Executive Chairman
- Liza Carpene, Non-Executive Director
- Paul McKenzie, Non-Executive Director
- Kenneth Hancock, Managing Director
- Gavin Ball, Executive Director
- Lu Shen (Mike), Chief Executive Officer

Of the Company's six Directors, three are considered independent, being Donald McLay, Liza Carpene, and Paul McKenzie.

The Company does not consider Kenneth Hancock and Gavin Ball to be independent because they are each a significant shareholder of the Company (either directly or through controlled entities). The Company does not consider Lu Shen to be independent because the Company employs him as its Chief Executive Officer.

The Directors consider the size and composition of the Board is appropriate given the current size and status of the Company.

Each Director is bound by all of the Company's charters, policies and codes of conduct. If the Board determines it is appropriate or necessary, they may establish additional committees (in addition to the committees of the Board which have already been established as outlined below) to assist in carrying out various responsibilities of the Board. Such additional committees will be established by a formal charter.

The responsibility for the day to day operation and administration of the Company is delegated by the Board to the executive of the Company determined by the Board.

The Board seeks to nominate persons for appointment to the Board who have the qualifications, experience and skills to augment the capabilities of the Board.

Committees

The Board has established the following committees:

Committee	Purpose and composition
Audit and Risk Committee	***Purpose*** The role of the Audit and Risk Committee is to assist the Board in fulfilling its corporate governance responsibilities with respect to: **(a)** the reliability and integrity of financial information for inclusion in the Company's financial statements; **(b)** audit, accounting and financial reporting obligations of the Company; **(c)** safeguarding the independence of the external auditor; and **(d)** financial risk management. In particular, the Audit and Risk Committee is to undertake the functions of the audit committee referred to in the Corporate Governance Principles and Recommendations (4th Edition) issued by ASX Corporate Governance Council (**ASX Recommendations**). ***Composition*** The Audit and Risk Committee Charter provides that the Audit and Risk Committee is to consist of at least three financially literate Directors who, where possible should be non-executives, and a majority of whom should be independent. The Board appoints the members of the Audit and Risk Committee and its chair. The Audit and Risk Committee presently consists of three members, Donald McLay, Liza Carpene and Paul McKenzie. All members of the Audit and Risk Committee are Non-Executive and considered independent. Paul McKenzie acts as the Chair of the Audit and Risk Committee.

Committee	Purpose and composition
Remuneration and Nomination Committee	***Purpose*** The role of the Remuneration and Nomination Committee is to assist the Board in fulfilling its corporate governance responsibilities with respect to: **(a)** remuneration policies for Non-Executive Directors; **(b)** remuneration policies for Executive Directors; **(c)** remuneration policies for executive management; **(d)** equity participation; **(e)** human resources policies, including the Company's selection and appointment practices; and **(f)** other matters referred to the Remuneration and Nomination Committee by the Board. In particular, the Remuneration Committee and Nomination Committee is to undertake the functions of the Remuneration Committee and Nomination Committee referred to in the ASX Recommendations. ***Composition*** The Remuneration and Nomination Committee Charter provides that the Remuneration and Nomination Committee should comprise at least three members, all of whom should, where possible, be non-executive directors, and a majority of whom should, if practical be independent. The Remuneration and Nomination Committee presently consists of three members, Donald McLay, Liza Carpene and Paul McKenzie. All members of the Remuneration and Nomination Committee are Non-Executive and considered independent. Liza Carpene acts as the Chair of the Remuneration and Nomination Committee.
Conflict Management Committee	***Purpose*** The role of the Conflict Management Committee is to oversee the Conflict and Related Party Transactions Policy (summarised in Section 9.3). The Company Secretary and legal counsel will also be invited to attend all meetings of the Conflict Management Committee which will be held quarterly. The Conflict Management Committee will be responsible for: **(a)** maintaining a register which records details of all contracts, payments and transactions between the Company and RLF Australia or any other related party in which a director of the Company has a material personal interest. The register will consist of indexed and numbered Reporting Forms which include a detailed analysis of how a material personal interest may arise, how the matter constitutes a related party transaction and, if applicable, an explanation for why an exemption applies; and **(b)** considering any relevant contract, payment or transaction which may give rise to a related party or a director of the Company acquiring a material personal interest.

Committee	Purpose and composition
Conflict Management Committee	***Composition*** The Conflict Management Committee Charter provides that the Conflict Management Committee is to consist of at least three Directors who, where possible should be non-executives, and a majority of whom should be independent. The Board appoints the members of the committee and its chair. The Conflict Management Committee presently consists of three members, Donald McLay, Liza Carpene and Paul McKenzie. All members of the Conflict Management Committee are Non-Executive and considered independent. Donald McLay acts as the Chair of the Conflict Management Committee.

Audit and Risk Committee Charter

The Audit and Risk Committee Charter states the roles and responsibilities of the Audit and Risk Committee in performing its function to oversee the Company's internal and external audit matters. The primary role of the Audit and Risk Committee is set out in the table above.

Remuneration and Nomination Committee Charter

The Remuneration and Nomination Committee Charter sets out the policy and procedures for nomination and remuneration of officers and senior management, including in relation to the Executive Directors, to ensure that they are fair and reflect market conditions. The primary role of the Remuneration and Nomination Committee is set out in the table above.

Independent Professional Advice

The Directors are entitled to seek independent professional advice at the Company's expense on any matter connected with the discharge of their responsibilities. Such advice may be sought in accordance with the procedures set out in the Board Charter.

Share Trading Policy

The Company has adopted a formal policy for dealing in the Company's Shares by Directors and employees and their related entities (in accordance with Listing Rule 12.9). The share trading policy provides that Key Management Personnel should:

- **(a)** not deal in the Company's shares while in possession of price sensitive, non-public information; and
- **(b)** only trade in the Company's shares after receiving clearance to do so from a designated clearance officer, where clearance may not be provided in defined 'blackout periods'.

Remuneration Policy

The Company has adopted a remuneration policy designed to align individual and team reward and encourage executives to perform to their full capacity.

Remuneration packages may contain any or all of the following:

(a) annual salary with provision to recognise the value of the individuals' personal performance and their ability and experience;
(b) rewards, bonuses, commissions, special payments and other measures available to reward individuals if deemed appropriate;
(c) long term incentives – Executive Directors may participate in share option schemes with the prior approval of Shareholders; and
(d) other benefits, such as holiday leave, sickness benefits, superannuation payments and long service benefits.

The Remuneration and Nomination Committee will determine the appropriate level and structure of remuneration of the executive team and such consideration will occur each year.

Remuneration of executives will be reviewed annually by the Remuneration and Nomination Committee. Determination of Non-Executive Director's fees is with regard to the long term performance of the Company.

Continuous Disclosure Policy

The Company, as a listed public company, is required to disclose price sensitive information to the market as it becomes known to comply with the continuous disclosure requirements of the Corporations Act and the Listing Rules.

The continuous disclosure policy of the Company ensures that all Shareholders and investors have equal access to the Company's information, to the extent practicable. Price sensitive information will be disclosed by way of an announcement to ASX and placed on the Company's website.

Shareholder Communication

The Board strives to ensure that Shareholders are provided with full and timely information to assess the performance of the Company and its Directors and to make well-informed investment decisions.

Information is communicated to Shareholders:

(a) through the release of information to the market via ASX;
(b) through the distribution of the annual report and notice of annual general meeting;
(c) through letters and other forms of communications directly to Shareholders; and
(d) by posting relevant information on the Company's website.

Ethical Standards and Business Conduct

The Board recognises the need for Directors and employees to observe appropriate standards of behaviour and business ethics when engaging in corporate activity. Through its code of conduct, the Board intends to maintain a reputation for integrity. The Company's business ethics are founded on openness, honesty, fairness, integrity, mutual respect, ethical conduct and compliance with laws.

The standards set out in the code of conduct are required to be adhered to by officers and employees of the Company. This includes an obligation on the Directors, Company Secretary and senior executives to comply with the Company's Conflicts and Related Party Transactions Policy.

Diversity Policy

The Company has adopted a Diversity Policy which sets out the Company's objectives for achieving diversity amongst its board, management and employees.

Anti-Bribery and Anti-Corruption Policy

The Company has adopted an Anti-bribery and Anti-corruption Policy which sets out the Company's requirements in relation to interactions with third parties in both the public and private sector, forbidding corrupt interactions with such individuals.

Whistleblower Policy

The Board has adopted a Whistleblower Protection Policy to ensure concerns regarding unacceptable conduct, including breaches of the Company's policies and standards and all relevant legislation, can be raised on a confidential basis, without fear of reprisal, dismissal or discriminatory treatment. The Whistleblower Protection Policy sets out who the policy applies to, the types of conduct or suspected conduct the policy covers, how to make disclosures of unacceptable conduct and the protections available to whistleblowers (including protecting the confidentiality of the whistleblower, protecting the whistleblower against detriment and protecting the whistleblower from civil, criminal and administrative liability). The Whistleblower Protection Policy also sets out how disclosures of unacceptable conduct will be investigated by the Company, demonstrating the Company's commitment to dealing with disclosures thoroughly, confidentially and in a timely manner.

Risk Management and Internal Compliance and Control Policy

The identification and proper management of the Company's risks are an important priority of the Board, and the Company is committed to designing and implementing systems and methods appropriate to minimise and control its risks. The Board has adopted a Risk Management Policy which sets out the accountabilities and responsibilities of the Board, the Executive Directors, senior Management, the Company Secretary and all other employees of the Company in relation to risk management. Pursuant to this policy, the Audit and Risk Committee has overall responsibility for the identification, understanding and monitoring of key strategic risks affecting the Company and oversight of the Company's financial risk management processes.

Conflicts and Related Party Transaction Policy

The Board recognises the need for Directors and employees to observe appropriate standards of behaviour when engaging in corporate activity which includes appropriately dealing with conflicts and related party matters. The primary purpose of this policy is to ensure that conflicts and related party matters are handled appropriately by parties with no perceived conflict or vested interest. This policy is summarised in Section 9.3.

9.2 ASX CORPORATE GOVERNANCE PRINCIPLES AND RECOMMENDATIONS

Where possible and having regard to the size and nature of the Company's operations, the Board has adopted the Corporate Governance Principles and Recommendations (4th Edition) issued by ASX Corporate Governance Council. As a listed entity the Company has been required to report any departures from the principles and recommendations in its annual report.

The Company's proposed departures from the principles and recommendations, as at the date of admission to the Official List, are set out in the table below.

Recommendation	Nature of Departure	Explanation for Departure
1.5(c)	Measurable objectives for achieving gender diversity have not been established or disclosed.	The Company has not formally established measurable objectives for achieving gender diversity given the current stage of its operations and number of employees. The Company has however adopted a Diversity Policy which outlines the Company's objectives in the provision of equal opportunities in respect of employment and employment conditions. The Company will review the requirement to set and report on measurable objectives for achieving gender diversity as the Company's operations and employee numbers grow. The Board is committed to developing a diverse workplace where appointments or advancements are made on a fair and equitable basis.
1.6(b)	No performance evaluations undertaken for the Board, its committees and individual directors.	To date formal performance evaluations have not been undertaken. Given the size and resources available to the Company, it is not proposed that performance evaluations will take place immediately from the date of admission of the Company to the Official List. As the Company's operations and employee numbers grow, the Board will reassess the Company's practices in relation to performance reviews.
1.7(b)	No performance evaluations undertaken for senior executives.	To date formal performance evaluations have been undertaken in respect of certain, but not all, senior executives. It is proposed that periodic performance evaluations will be implemented for all senior executives following the admission of the Company to the Official List.

Recommendation	Nature of Departure	Explanation for Departure
2.2	A listed entity should have and disclose a Board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.	The Company does not currently have a skills or diversity matrix in relation to its Board members. The Board considers that such a matrix is not necessary given the current state of operations. The Company's Remuneration and Nomination Committee is responsible for regularly reviewing the size, composition and skills of the Board to ensure that the Board is able to discharge its responsibilities effectively and to identify any gaps in the skills or experience of the Board. The Board may adopt such a matrix in the future as the Company's operations evolve.
2.4	A majority of the Board of a listed entity should be independent directors.	A majority of the board are not independent directors. Three of the Board's six directors, being Donald McLay, Liza Carpene and Paul McKenzie are considered independent. The Company does not consider Kenneth Hancock or Gavin Ball to be independent because they are each a substantial shareholder of the Company (either directly or through controlled entities). The Company does not consider Lu Shen to be independent because the Company employs him as Chief Executive Officer and Executive Director. The Company believes that the current structure of the Board is appropriate given the size and current operations of the Company and allows for the best utilisation of the experience and expertise of its members. Directors having a conflict of interest in relation to a particular item of business must absent themselves from the Board meeting before commencement of discussion on the topic.
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Upon appointment, new directors will be subject to relevant induction procedures to provide the incoming individual with sufficient knowledge of the entity and its operating environment to enable them to fulfil their role effectively. The Board will, when it considers the Company's operations to be of appropriate size and status, implement a formal induction process that complies with Recommendation 2.6.

9.3 CONFLICTS AND RELATED PARTY TRANSACTIONS POLICY

The Company has adopted a Conflicts and Related Party Transactions Policy to manage the related party transaction and matters in which directors of the Company may have a material personal interest because of their involvement with RLF Australia.

Examples of transactions that will be caught by the Conflicts Policy include:

- the Company buying manufacturing inputs from RLF Australia or selling RLF Plant Nutrition Products to RLF Australia;
- the Company engaging RLF Australia to provide toll manufacturing services;
- the Company making payments to RLF Australia or RLF Global;
- any decisions or disputes in relation to contractual arrangements between the Company and RLF Australia and RLF Global, including in relation to the Distribution Agreement or Toll Manufacturing Agreement, Office Services Agreement or Debt Deferral Agreement (refer to Section 10 for summaries of these agreements); and
- any other transactions or dealings with related parties of the Company including RLF Australia and RLF Global.

The framework for managing and auditing the Company's related party transactions comprises the following measures summarised below.

(a) Board Composition

The Company's Board will have a majority of 4 directors who will not have a material personal interest in transactions with RLF Australia and RLF Global (currently comprising 3 independent non-executive directors and the CEO).

(b) Register of Related Party Transactions

The Company will maintain a register which records details of all contracts, payments and transactions between the Company and RLF Australia or any other related party in which a director of the Company has a material personal interest. The register will consist of indexed and numbered Reporting Forms which include a detailed analysis of how a material person interest may arise, how the matter constitutes a related party transaction and, if applicable, an explanation for why an exemption applies.

(c) Conflict Management Committee

The Conflict Management Committee will be responsible for oversight and management of the Policy and will comprise of the three independent Non-Executive Directors the Company Secretary and the Company's legal counsel will also be invited to attend all meetings of the Committee which will be held quarterly. In addition, the Conflict Management Committee is entitled to seek external legal advice at the Company's cost. The Conflict Management Committee will be responsible for reviewing each item in the Register, reviewing each Reporting Form and considering any relevant contract, payment or transaction which may give rise to a material personal interest.

(d) Vetting and Decision-Making Process

A contract with a related party, or in which a Director has a material personal interest, cannot be entered into unless it is the subject of an applicable exemption or a pre-existing approval (whether Board, shareholder or regulatory approval) or unless it is conditional upon all applicable approvals being obtained.

(e) Annual Review of Policy

The Conflict Management Committee, together with external legal advisors, will undertake a formal review of the Conflicts and Related Party Transactions Policy at least once a year.

SECTION 10

MATERIAL CONTRACTS

10.1 AUSTRALIAN DISTRIBUTION AGREEMENT

As part of the Pre-IPO Restructure, RLF Australia put in place an agreement pursuant to which RLF Australia has retained the rights to distribute RLF Plant Nutrition Products in Australia only in exchange for a royalty fee payable to the Company (**Australian Distribution Agreement**). The material terms of the Australian Distribution Agreement are as follows:

(a) RLF Australia retains exclusive rights to distribute fertiliser products (including any RLF Plant Nutrition Products), or any services or business activities relating to fertiliser products, in Australia only.

(b) The Company will receive a monthly Royalty Fee from RLF Australia of 3.85% of gross sales revenue for RLF Plant Nutrition Products sold in Australia (**Royalty Fee**).

(c) However, the Company will hold all rights on an exclusive basis to distribute and sell fertiliser products (including any RLF Plant Nutrition Products) to certain customers in Australia who intend to use those fertiliser products for project/s within Australia to generate carbon credits or other emissions reduction program with the aim of reducing emission outcomes (or similar instruments) under any Australian or other overseas carbon credit scheme or other program (**Carbon Sales**). In respect of any Carbon Sales:

   i. if the RLF Plant Nutrition Products is manufactured outside Australia, the Company will pay RLF Australia a margin of 30% of the gross sale price. Amounts paid by the Company to RLF Australia under this arrangement will be included for the purposes of calculating the Royalty Fee; and

   ii. if the RLF Plant Nutrition Products is manufactured within Australia, RLF Australia must supply the Company at a price equal to direct manufacturing costs + 15% (**Supply Cost**) and the Company will also pay RLF Australia a further margin of 15% of the gross sale price less the Supply Cost. Amounts paid by the Company to RLF Australia under this arrangement will be excluded for the purposes of calculating the Royalty Fee.

(d) RLF Australia will use reasonable endeavours to promote the growth of sales of RLF Plant Nutrition Products within Australia. If RLF Australia receives an approach from a customer or distributor to sell or distribute fertiliser products (including any RLF Plant Nutrition Products) outside Australia, RLF Australia must refer them to the Company. Likewise, if the Company receives an approach from a customer or distributor to sell or distribute fertiliser products (including any RLF Plant Nutrition Products) within Australia, the Company must refer them to RLF Australia.

(e) If the Company or RLF Australia wishes to purchase any RLF Plant Nutrition Products made by the other party (i.e. RLF Australia made in Australia or the Company made outside of Australia) then the purchasing party will purchase the RLF Plant Nutrition Products at a price equal to direct manufacturing costs + 15%. Amounts paid to RLF Australia by the Company under this arrangement will be excluded for the purposes of calculating the Royalty Fee, but RLF Australia's sales of these RLF Plant Nutrition Products purchased from the Company will be included for the purposes of calculating the Royalty Fee.

(f) The Company will supply RLF Australia with proprietary product activators for certain RLF Plant Nutrition Products at a price equal to direct manufacturing costs + 25%.

(g) At the request of RLF Australia, the Company may agree to carry out specific or bespoke research and development projects for RLF Australia or otherwise provide technical services relating to intellectual property in the RLF Plant Nutrition Products. Such projects or services will be costed on a case by case basis based on agreed consulting rates.

(h) The Agreement will remain in force until terminated. The Agreement may be terminated early if either party goes into liquidation, or enters into a deed of company arrangement, or a winding up order is made, or the party ceases to carry on business or commits a material breach of the Agreement which is not remedied within the agreed timeframe. The parties must not assign their respective rights under the Agreement without the consent of the other party.

(i) If RLF Australia receives a proposal for the sale of all or a majority of its issued capital or assignment of any of RLF Australia's rights, entitlements or interests under this Agreement (**Sale**), then the Company has a first right of refusal in respect of such Sale.

10.2 TOLL MANUFACTURING AGREEMENT

The Company has entered into a Toll Manufacturing Agreement pursuant to which the Company may engage RLF Australia on a non-exclusive basis as a toller to use its experience and know-how to formulate proprietary product activators for certain RLF Plant Nutrition Products and other agreed RLF Plant Nutrition Products or manufacturing inputs (**Toll Manufacturing Agreement**). The material terms of the Toll Manufacturing Agreement are as follows:

- **(a)** The Company may engage RLF Australia (on a non-exclusive basis) as a toller to use its experience and know-how to formulate proprietary product activators for certain RLF Plant Nutrition Products and other agreed RLF Plant Nutrition Products or manufacturing inputs.
- **(b)** The Company grants RLF Australia a non-exclusive licence to formulate the proprietary product activators.
- **(c)** The Company will pay RLF Australia a tolling fee of 15% of direct manufacturing costs for these services.
- **(d)** RLF Australia will store formulated product at no additional cost to the Company.
- **(e)** The Company will provide RLF Australia with non-binding annual forecasts of quantities it expects to order. There is no minimum obligation on the Company to make orders. The Company will raise a written order and if it falls within +10% of the forecast, RLF Australia will be obliged to supply the order. RLF Australia must use best endeavours to also fulfil orders failing outside +10% of the forecast.
- **(f)** RLF Australia must maintain agreed public and product liability cover and include the Company as a named insured party. RLF Australia must also implement specified measures and maintain specified standards to prevent cross contamination at its manufacturing facilities.
- **(g)** The Agreement will remain in force until terminated. The Agreement may be terminated early if either party goes into liquidation, or enters into a deed of company arrangement, or a winding up order is made, or the party ceases to carry on business or commits a material breach of the Agreement which is not remedied within the agreed timeframe. The Agreement may also be terminated by the Company if there is a change of control of RLF Australia or RLF Australia assigns its obligations under the Agreement without the Company's consent.

10.3 OFFICE SERVICES AGREEMENT

The Company has entered into an Office Services Agreement pursuant to which the Company and RLF Australia will share office space and administrative services (**Office Services Agreement**). The material terms of the Office Services Agreement are as follows:

- **(a)** RLF Australia will share with the Company its office space in Perth, Western Australia and associated administrative services including shared boardroom facilities, internet, IT services and other services as agreed from time to time.
- **(b)** The Company will pay RLF Australia a monthly fee of $3,000 for these shared office services.
- **(c)** Either party may terminate the Agreement with 12 months' notice.

10.4 AGGREGATED PAYABLES DEFERRED AGREEMENT

The Company has entered into an Aggregated Payables Deferred Agreement pursuant to which RLF Australia and RLF Global have agreed to allow the Company and its related bodies corporate to defer payment of certain historical fees owed to RLF Australia and RLF Global relating to royalties, manufacturing fees and marketing services payable by the Company under historical arrangements with these entities (**Aggregated Payables Deferred Agreement**). The material terms of the Aggregated Payables Deferred Agreement are as follows:

- **(a)** RLF Australia and RLF Global agree to defer payment of certain historical fees owed by the Company and its related bodies corporate to them, in the amount of $3,504,126 as at 31 March 2021 relating to royalties, manufacturing fees, research and development contributions and marketing services (**Debts**).
- **(b)** RLF Australia and RLF Global agree to defer repayment of the Debts on an interest free basis until 1 March 2024 with repayment to occur in equal instalments over 24 months.

(c) The Company has guaranteed the obligations of its related bodies corporate in respect of repayment of the Debts.

10.5 LEAD MANAGER MANDATE

The Company and Discovery Capital Partners have entered into a Lead Manager Mandate under which Discovery Capital Partners has been appointed as the Lead Manager to the Public Offer (**Lead Manager Mandate**). The material terms of the Lead Manager Mandate are as follows:

(a) Discovery Capital Partners will assist the Company with completing the Public Offer on a best endeavors basis.

(b) Discovery Capital Partners will receive total fees comprising:

i. a capital raising fee of 4% (excluding GST) on the total amount of the Public Offer. Discovery Capital Partners will be responsible for payment of all other selling fees to other brokers, investment houses or intermediaries who participate in the Public Offer;

ii. a management fee of 2% (excluding GST) on total funds raised under the Public Offer;

iii. a total of 7,000,000 Adviser Options to be granted to Discovery Capital Partners or its nominees on completion of the Public Offer each exercisable at $0.30 and expiring 3 years from the date of grant and otherwise on the terms and conditions in Section 13.6.

(c) The Company will pay or reimburse Discovery Capital Partners for out-of-pocket expenses incurred each month provided that Discovery Capital Partners seeks the Company's consent before incurring any individual expenses in excess of $2,500 in each month.

(d) The Company or Discovery Capital Partners may terminate the Lead Manager Mandate with 7 days' notice without cause. If terminated by the Company without cause, the Company must pay Discovery Capital Partners the balance of fees payable under the Lead Manager Mandate except in the case of Discovery Capital Partners' gross negligence, fraud or recklessness.

(e) The Lead Manager Mandate contains covenants, warranties, representations and indemnities that are customary for an agreement of this nature.

10.6 COMMONWEALTH BANK NON-BINDING LETTER OF INTENT

The Company and Commonwealth Bank of Australia Limited (Commonwealth Bank) have entered into a non-binding Letter of Intent (Letter of Intent) under which the Company and the Commonwealth Bank agree to discuss and explore opportunities to potentially conduct a carbon feasibility study with respect to a possible strategic carbon relationship. The Letter of Intent constitutes a preliminary indication of intent only and creates no liability or obligation of any nature whatsoever on either party to enter into a strategic relationship. There is no certainty that Commonwealth Bank will enter into a definitive strategic relationship with the Company. The material terms of the Letter of Intent are as follows:

(a) Commonwealth Bank will work with the Company on development and execution of a carbon feasibility study which will define the terms of pilot programs, trials and any other studies required for the purposes of developing a framework for a possible future strategic carbon relationship regarding the Company's carbon and emission reduction initiatives.

(b) Commonwealth Bank and the Company will agree on deliverables, which include, but are not limited to:

i. identifying sites on which to conduct these studies;

ii. developing testing and measurement methodology;

iii. registration with the Clean Energy Regulator, of the Company's products and practises which may include the creation and registration of the Company's own methodology and registration of a number of Projects;

iv. establishing the commercialisation of the RLF Carbon initiatives, through the employment of personnel, including a CEO, and other such experts or consultants as required to conduct these activities.

(c) Commonwealth Bank and the Company will develop and agree a defined budget, on which basis the Commonwealth Bank will provide funding for these purposes.

10.7 FOCUS SHOPFIT LOAN AGREEMENT

The Company has a loan agreement in place with Focus Shopfit Pty Ltd under which Focus have agreed to make available to the Company a working capital facility of $400,000. The material terms of the facility are:

(a) The facility is repayable on 16 February 2024. Any drawn portion of the loan is repayable on this date.
(b) Interest accrues on the drawn amount at the rate of 8.0% per annum and is payable monthly in arrears.

The full amount of this facility is drawn.

10.8 OMEGA LOAN AGREEMENT

The Company has a loan agreement in place with Omega Investments Pty Ltd under which Omega have agreed to make available to the Company a working capital facility of $250,000. The material terms of the facility are:

(a) The facility is for a period of 30 months from commencement on 16 December 2021 and any drawn portion of the loan is repayable on expiry.
(b) Interest accrues on the drawn amount at the rate of 8.0% per annum.

The full amount of this facility is drawn.

SECTION 11

OPERATING A BUSINESS IN CHINA

11.1 OVERVIEW

The Company currently derives the majority of its revenue from its operations in China conducted through its Chinese Subsidiaries, RLF Kaifeng and RLF Shanghai, entities registered in China and subject to Chinese laws and regulations.

Section 11.2 identifies risks associated with doing business in China which could potentially lead to a materially adverse impact on the Company's operations. Section 11.3 provides a summary of Chinese laws and regulations which are relevant to the Company's operations, but which the Directors do not consider pose a material risk to the Company's business.

Apart from the risks identified in this Section, there are other risks associated with investing in the Company set out in Section 12 which are not risks specific to operating in China. The risks in Section 12 should be read together with the risks set out below. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for Shares.

11.2 RISKS ASSOCIATED WITH OPERATING IN CHINA

11.2.1 Restriction on China's Foreign Investment Policies, Trade Wars or Deterioration in China's Economic, Political or Social Conditions

While China is currently relatively stable, there remain uncertainties in China's political, economic and social conditions in the future. In addition, China's economy has grown significantly since reforms to its economic system in the late 1970s which involved increased protections for foreign investment in China. However, these reforms are subject to refinement and change as Chinese authorities deem appropriate. Any change restricting China's foreign investment policies or other deterioration in China's economic, political or social conditions could have a material adverse effect on the Company's financial condition and results of operations.

In 2020, China levied escalating trade tariffs on Australian commodities, including wine and barley and limited imports of Australian beef, coal and grapes. In addition, China and the US have levied escalating trade tariffs against one another in 2020. Although there are current political discussions about reviewing these trade tariffs, there is a risk that current global trade tensions could escalate, and there can be no assurances that China's other trade policies or foreign investment policies will not be impacted on as a result of current global tensions.

The Company's corporate structure (which enables the Company's business to be operated through the Chinese Subsidiaries) mitigates the impact of foreign trade tariffs, however, there is a risk that an adverse change to China's current foreign investment policies resulting from China's current economic conflict with the US could have a material adverse effect on the Company's operations and financial condition.

On 27 December 2021, the Chinese Government National Development and Reform Commission and the Mistry of Commerce jointly promulgated the Special Administrative Measures for Access of Foreign Investments (Negative List) (2021 version). The Negative List, which came into effect on 1 January 2022. Industries that are not listed in the restricted or prohibited categories are generally open to foreign investment. The sector in which the Company operates does not fall within the “restricted” or “prohibited” category.

11.2.2 Uncertainties in China's Legal System

The Chinese legal system is based on its constitution and written statutes. Unlike common law countries like Australia, prior court decisions are cited for reference but have limited precedential value and are not binding on lower courts. As China's legal system evolves, the interpretations of laws, regulations and rules are not always uniform and enforcement involves uncertainties which may limit the legal protections available to the Company. Further, the Company cannot predict the effect of future developments in China's legal system including the promulgation of new laws, changes to existing laws or the interpretation or enforcement of laws. The Company may have to resort to judicial proceedings to enforce a contract or a particular law such as Intellectual Property rights. The Company has a responsibility to protect the RLF Intellectual Property in the RLF Plant Nutrition Products and relies on the RLF Intellectual Property in the RLF brand. However, since Chinese authorities have significant discretion in interpreting and implementing laws and regulations, it may be more difficult to evaluate the outcome of formal proceedings than in other legal systems. Infringement of Intellectual Property laws, in particular, may pose a common risk of doing business in China. While the risk to the Company is significantly minimised by the Company's use of trade secrets to protect its proprietary product formulations, which makes the RLF Plant Nutrition Products difficult to reverse engineer, there is a risk that the Company may not be able to prevent third parties in China from infringing upon or misappropriating the RLF Intellectual Property owned by the Company despite the Company's best efforts. The Company may potentially be required to enforce its rights through litigation or arbitration in China which may not prove successful and could result in substantial costs to the Company and divert resources and management attention.

11.2.3 Money Controls in China

Chinese laws currently imposes tight controls on the conversion of RMB into foreign currencies and the remittance of currency out of China. Given that the majority of the Company's revenue is derived from China, there is potential risk of its capital being restricted or frozen by Chinese authorities. The Company is currently not experiencing any difficulties remitting currency out of China and has not experienced any such difficulties in its 10+ years of operating in China, however there can be no guarantee that Chinese laws or policies regarding foreign investment will not be amended in the future which could have a materially adverse impact on the Company's financial conditions and results of operation.

The current regime of money controls in China are summarised below.

(a) Remittance of Currency out of China

The Company receives the majority of its revenue in RMB though its Chinese Subsidiaries which are each registered as a Wholly Foreign Owned Entity (WFOE) in China. Chinese laws currently allow a WFOE to remit money out of China to pay current account items without approval from Chinese authorities by complying with certain procedural requirements. These items include after-tax profit distributions, interest payments on debts and trade and service-related foreign exchange transactions. Distributions of profits are not permitted until all losses from prior fiscal years have been offset. For remittance of money out of China to pay capital account items, WFOE’s are required to seek approval from relevant Chinese authorities. These items include repayment of loans denominated in foreign currencies, direct investments, investments in securities and derivative services. These controls may adversely affect the Company’s ability to repay loans granted by the Company to its Chinese Subsidiaries which are denominated in foreign currencies. Currently, after-tax dividends are current account items which are permitted to be remitted to Shareholders outside of China without prior approval. However, there can be no guarantee that China's money controls will not extend to current account items in the future which could limit the Company's ability to pay dividends to Shareholders. Although the Company does not anticipate paying dividends to Shareholders in the foreseeable future, the ultimate goal of the Directors in the long term is to create value for Shareholders by way of dividends (although there can be no guarantee of the generation or timing of sufficient profits to enable dividends to be paid in the future).

(b) Reserve Fund Requirements

Chinese laws currently require a WFOE to preserve a minimum of 10% of its after-tax profits each year as a reserve fund until the cumulative reserve fund amounts to 50% of its registered capital. Currently, RLF Kaifeng has registered capital of USD 1,500,000 and RLF Shanghai has registered capital of USD 700,000. Each of RLF Kaifeng and RLF Shanghai will need to set aside part of their after-tax profits in order to build up their respective reserve funds to 50% of their registered capital in accordance with Chinese laws, which will reduce the pool of funds available to the Company to advance its business or pay dividends to Shareholders (although the Company does not anticipate paying dividends in the short-term future as set out above). Ultimately, the minimum amount required for the reserve fund is subject to, and could potentially be increased, at the discretion of Chinese authorities.

(c) Limits on Foreign Debt

In China, limits are imposed on the amount of debt a WFOE is permitted to accumulate from foreign entities outside China. No such limits apply to debt accumulated from domestic entities within China. The maximum amount of foreign debt a WFOE may accumulate is the difference between its total investment (being the total amount specified in the constituent documents of the WFOE being the maximum amount of the registered capital (total amount of contributed equity) plus its total amount of foreign debt) and the WFOE's registered capital (total amount of contributed equity). There are statutory rules that specify the percentage of the WFOE's total investment that the registered capital must represent. Generally, the greater the registered capital (total amount of contributed equity), the larger the percentage of its total investment that is allowed to be loaned to the WFOE as foreign debt. As required by Chinese law, foreign investment enterprises may take foreign loans freely within the scope of difference between the WFOE's total investment and its registered capital (subject to meeting the rules regards the maximum ratios of registered capital to total investment). A WFOE's total investment amount and the percentage that a WFOE's registered capital (total amount of contributed equity) represents of its total investment amount is examined and verified by the relevant Chinese authority. Where the difference exceeds the maximum ratio permitted under Chinese rules, a WFOE must apply to the relevant Chinese authority to increase its registered capital (and then actually increase the same by injection of new capital or conversion of foreign debt) thereby allowing the WFOE to increase its level of foreign debt. WFOE’s are also required to register foreign debts with local authorities within 15 days of signing the debt instrument. If the Company needs to finance its operations in China in the future by providing loans to the Chinese Subsidiaries, it will be subject to these foreign debt limits and any applicable government registrations and approvals. There is a risk that the Company may not be able to complete those registrations or obtain those approvals on a timely basis or at all. If the Company fails to obtain such registrations or approvals, its ability to finance its operations in China may be negatively impacted, adversely affecting the liquidity of the Chinese Subsidiaries and the Company's ability to fund and expand its business.

11.2.4 China's Early-Stage Insurance Industry

It is not customary for businesses operating in China to take out extensive insurance protection due to the early stage of China's insurance industry. The Company currently maintains limited insurance coverage for its manufacturing machinery equipment and inventory of plant nutrition products and also complies with its statutory obligations regards social security insurance in China. Apart from this insurance, the Company has not taken out any other policies due to limited insurance products being available for the fertiliser sector in China. The Directors have determined that it is not commercially sensible for the Company to obtain further coverage based on the market terms for relevant insurance products available at this time. Accordingly, the Company may not be fully insured against the losses and liabilities that could unintentionally arise from its operations. If the Company incurs uninsured losses or liabilities, the value of the Company’s assets may be at risk. Any uninsured loss or damage, litigation or business disruption may result in substantial cost to the Company, which could have a material and adverse effect on the Company's business, net assets, financial condition and operational results.

11.3 SUMMARY OF RELEVANT CHINESE LAWS AND REGULATION

11.3.1 The Company's Product Licences

The Ministry of Agriculture and Rural Affairs in China issued a notice on the 30th September 2020 that released large element water-soluble fertilisers, medium element water-soluble fertilisers and trace element water-soluble fertilisers from the requirement to be specifically registered with the Ministry of Agriculture and associated bodies, but rather file notice on record. Therefore the majority of the Company's current product registration license (excluding Registration No. Nong Fei (2020) No.16752) fall within these categories. This means that when the current registration licences expire, the Company shall file on record and is no longer required to file any registration.

Any current or future product licenses that do not fall within this category are valid for 5 years at which time they must be renewed. Provided the plant nutrition product still meets the criteria for registration, renewal is effectively an automatic process. Currently, the criteria for registration involves product safety (i.e. the product contents must not be deemed dangerous for use) and product veracity (i.e. the product must contain the nutrient values which it claims to contains on its packaging). The Directors consider that the risk associated with the renewal of its product licenses is minimal however the ongoing eligibility for product licenses is ultimately subject to the discretion of the relevant Chinese authorities.

There can be no guarantee that the criteria for eligibility will remain the same in the future. Any change in the criteria for eligibility may result in the Company being prevented from distributing some or all of the RLF Plant Nutrition Products in China or require the RLF Plant Nutrition Products to be modified and as a result, the Company's business, financial condition and operational results may be adversely affected.

11.3.2 The Company Must Pay Taxes in China

The Company is required to pay various taxes in China at the rates set out in the table below.

No	Description of Tax	Basic Rate
1	Enterprise Income Tax	25% of taxable income
2	Value-Added Tax	9% of revenue
3	Urban Maintenance and Construction Tax	5% of Value-Added Tax
4	Educational Tax	3% of Value-Added Tax
5	Local Education Surcharges	2% of Value-Added Tax
6	Stamp Tax	0.03% - 0.05%

The two major taxes in China that the Chinese Subsidiaries are currently required to pay are Enterprise Income Tax and Value-Added Tax. Both RLF Kaifeng and RLF Shanghai are resident Chinese enterprises and are required to pay Enterprise Income Tax on income derived outside and inside China at a rate of 25% of profits. RLF Kaifeng is also required to pay Value-Added Tax on RLF Plant Nutrition Products sold in China at a rate of 9% of revenue. In addition to the above, the Chinese Subsidiaries are required to pay taxes related to social goods comprising Education Tax and Local Education Surcharges to promote the development of local education in China as well as Urban Maintenance and Construction Tax to promote maintenance and construction of local urban public institutions and infrastructure in China. Other ad-hoc taxes in China may be payable by the Company in its ordinary course of business operations including, but not limited to stamp duty, customs duties for exports and imports of certain RLF Plant Nutrition Products, land appreciation tax, deed tax, real estate taxes, vehicle and vessel taxes and resources tax. There can be no guarantee that Chinese laws relating to taxation in China will not be amended in the future which could impose further costs on the Company's operations adversely impact its financial condition.

11.3.3 Labour Laws in China

The Company currently employs over 90 staff in China in its integrated manufacturing and sales business with the majority of its staff employed in Kaifeng. In China, labour contracts are divided into fixed-term labour contracts, non-fixed-term labour contracts and labour contracts which expire upon completion of agreed assignments. Chinese labour laws provide for where an employer fails to conclude a labour contract with an employee within the period of more than one month but less than one year from the date of commencement of work, the employer shall pay the employee double wages each month. Where an employer violates the provisions of this Law in failing to conclude a non-fixed-term labour contract with an employee, the employer shall pay the employee double wages each month with effect from the date of conclusion of non-fixed-term labour contract. All of the Company's employees in China are employed on fixed-term contracts.

China has particularly stringent laws governing termination of employment contracts compared to other countries. Employers are not permitted to terminate an employment contract at will and the grounds for terminating an employment contract for cause are highly circumscribed. In order for the Company to terminate an open-term contract with an employee in China, the Company must obtain the employee's consent and the Company is required by law to pay the employee a severance payment based on the employee's years of service to the Company (generally an amount equivalent to 1 month base salary for every 1 year of service capped at an amount equivalent to 12 years of service). The Company may offer the employee an additional amount, with the intention of obtaining consent from the employee for the termination which is a favorable outcome as it prevents the termination from becoming an onerous and costly dispute which could potentially involve intervention from Chinese authorities. The Company has systems and processes in place to ensure that it complies with Chinese labour laws and that adequate funds are available for severance payments for employees.

The Chinese Subsidiaries are also required by Chinese law to pay social security insurance and contributions to China's social housing fund for the majority of its employees. Society security insurance covers basic pension insurance, basic medical insurance, work-related injury insurance, and unemployment insurance.

11.3.4 Environmental Protection and Safety Laws in China

In China, all business operations must be carried out in compliance with environmental laws and regulations. When the Company's manufacturing facility in Kaifeng was first established, the Company was required to undertake an environmental impact assessment and a report was duly filed by the Company and accepted by the Chinese authorities. As a matter of monitoring ongoing compliance with environmental and safety laws, the Company's manufacturing facility in Kaifeng is subject to regular inspections which are conducted randomly.

If any material adverse issues arise from an inspection in the future, the Company would be required to remediate the issue and may be subject to administrative penalties including but not limited to warnings, fines, suspension or shutdown of operations and/or criminal liabilities. Any interruption to the Company's manufacturing operations until potential environmental or safety issues can be adequately addressed could adversely affect the Company's operations and in turn its financial condition.

11.3.5 Compulsory Acquisition of Land by Government in China

All land in China is either state-owned or collectively owned. Industrial land-use rights are granted by the Government for a fixed terms of 50 years by providing consideration and must apply for an extension to keep using the land before the end of the fixed term. Under special circumstances, the government may take back land from the land-use right holder for the public interest, in which case the government will compensate the land-use right holder. The Company currently leases its main manufacturing facility in Kaifeng pursuant to a contract (**Lease**) with the relevant land-use right holder (**Lessor**). Under the Lease, if the government takes back the land the subject of the Lease, the Lessor will compensate the Company in the amount of RMB 500,000 (~AUD 100,000).

11.3.6 Product Liability

Pursuant to the Civil Code and the Protection of Consumers' Rights and Interests Law of the People Republic of China, both manufacturers and distributors shall be held jointly liable for losses and damage suffered by consumers caused by defective products they manufacture or distribute. Where a product endangers personal life or property safety due to its defect, the manufacturer and the distributors shall bear liability in tort.

SECTION 12

RISK FACTORS

12.1 RISK FACTORS

The Shares offered under this Prospectus should be considered speculative because of the nature of the Company's business. There are numerous risk factors involved with the Company's business. This Section identifies the major areas of risk associated with an investment in the Company, but should not be taken as an exhaustive list of the risk factors to which the Company and its Shareholders are exposed.

Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which securities will trade. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for Shares.

12.2 RISKS SPECIFIC TO THE COMPANY

12.2.1 Doing Business Outside of Australia

The Company currently derives the majority of its revenue from its operations in China although the Company also has limited operations in other countries and has positioned itself through the Restructure (detailed in Section 4.3) to expand its operations worldwide. Accordingly, the Company is exposed to a range of multi-jurisdictional risks such as risks relating to labour practices, environmental matters, difficulty in enforcing contracts, changes to or uncertainty in the relevant legal and regulatory regime (including in relation to taxation and foreign investment and practices of government and regulatory authorities) and other issues in foreign jurisdictions in which the Company may operate. Refer to Section 11 for specific risks relating to operating in China. Businesses that operate across multiple jurisdictions face additional complexities from unique business requirements in each jurisdiction.

12.2.2 Regulatory Compliance and Changes in Regulation

The Company is required to comply with the laws in each jurisdiction in which it operates. These laws include health and safety, laws specific to the fertiliser industry, privacy, taxation and consumer trade practices. The Company may be subject to other laws in jurisdictions in which it plans to operate, and the applicable laws may change from time to time.

These laws and applicable regulations give rise to risks and compliance costs for the Company. Non-compliance with such regulations, changes in the interpretation of current regulations, loss or failure to secure renewal of an accreditation, or the introduction of new laws or regulations may lead to fines imposed on the Company by the relevant regulatory authority or Governmental body, revocation of permits or licenses, or damage to the Company's reputation and may have material adverse effect on the Company's costs, business model and competitive environment and therefore could materially adversely affect the Company's future financial performance and position.

In particular, the Company is subject to regular safety and environmental reviews of its Chinese manufacturing facility. The Company has systems and protocols in place to maintain compliance with the safety and environmental protection laws and regulations and has not experienced any material safety issues to date. However, if any material issues arise from a future review then the Company would be required to remediate the issue. The Company's manufacturing operations may be shut-down until the issues can be addressed (or permanently if the issues cannot be addressed) which could adversely affect the Company's operations.

12.2.3 Liquidity and Realisation Risk and Influence of Large Shareholders

On completion of the Offers, the founder of the Company will have an interest in approximately 38.75% at the Maximum Subscription and 42.03% at the Minimum Subscription of the Company's total issued Shares on completion of the Offer and be in a position to significantly influence the corporate actions of the Company. In addition, up to approximately 41.98% of the Company's total issued Shares (depending on escrow determinations made by the ASX) will be escrowed for up to 24 months from the date of Official Quotation which may contribute to limited liquidity for the market for the Shares.

There can be no guarantee that an active market in the Shares will develop or that the price of the Shares will increase. There may be relatively few potential buyers or sellers at any given time and this may increase the volatility of the market price of the Shares.

12.2.4 Additional Requirements for Capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to continue to generate income from its operations, the Company may require further financing in the future. Accordingly, the Company may require additional capital beyond this point, which will likely involve the use of additional debt or equity funding.

Further funding may be required by the Company to support its ongoing activities and operations, including ongoing research and development of the RLF Plant Nutrition Products, including developing new product lines, or to increase its manufacturing and operating infrastructure or possibly to acquire complementary businesses and technologies in the future (although no such acquisitions are currently planned).

Accordingly, the Company may need to engage in equity or debt financings to secure additional funds. There can be no assurance that such funding will be available on satisfactory terms or at all at the relevant time. Any inability to obtain additional funding will adversely affect the business and financial condition of the Company and consequently its performance.

12.2.5 If the Company's Goodwill or Intangible Assets become Impaired it may be Required to Record a Significant Charge to Earnings

Under generally accepted accounting principles, the Company reviews its intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is required to be tested for impairment at least annually. There is a risk that as a result of the Company's goodwill or intangible assets becoming impaired, it may be required to record a significant charge to earnings.

12.2.6 Impact of Research Reports

The market for the Company's Securities trading on the ASX may be influenced by any research or reports compiled by securities or industry analysts. The price of the Company's Securities may be adversely affected if any of the analysts who may cover the Company and its products change previously disclosed recommendations on the Company's Securities adversely or do not publish or cease publishing research or reports about the Company or its business, competitors or the market.

12.2.7 The Company does not Expect to Declare Dividends in the Foreseeable Future

The Company does not anticipate declaring or paying any dividends to Shareholders in the foreseeable future. Consequently, investors may need to rely on sales of their Securities to realise any future gains on their investment.

12.2.8 Changes to Customer Preferences and Consumption Patterns

Demand for the RLF Plant Nutrition Products is affected by changes in customer behaviour, preferences, and perceptions. On an internal micro-level, customer preferences may be influenced by product factors, such as packaging, results, health, safety, and perceived benefits and utility. On an external macro-level, customer preferences may be affected by overall economic trends, media, and the activities of key competitors. In response to changes in customer behaviour, the Company may be required to decrease the price of the RLF Plant Nutrition Products, increase marketing expenses, and alter the range of RLF Plant Nutrition Products offered. This may result in increased costs and decreased profits for the Company. The Company may also be required to attempt expansion into new markets in order to meet changing customer demands. This involves significant cost and has no guarantee of success. If the Company's plans to expand into new markets are unsuccessful, the Company's financial position, operations and prospects may be adversely affected.

12.2.9 Product Price Variation

Prices of the RLF Plant Nutrition Products are affected by supply and demand variation in the market. Further, aggressive behaviour by competitors may increase competition and result in a lowering of prices, and may decrease the overall sales volume should the Company be unable to match prices. A decrease in commodity prices, a decrease in demand for the RLF Plant Nutrition Products or a decrease in the prices that the Company can charge for the RLF Plant Nutrition Products, whether as a result of the action of competitors or more general economic conditions or supply and demand factors, may result in the Company having to reduce its prices. This in turn may lead to a reduction in the supply of RLF Plant Nutrition Products or an inability to grow the supply and have a resulting effect on the Company's profitability.

12.2.10 Relationship with and Conduct of Agents and Distributor Partners

The Company mainly sells the RLF Plant Nutrition Products in wholesale quantities to regional sales agents and distributor partners, which then on-sell the RLF Plant Nutrition Products to end-consumers. The Company has established good ongoing relationships with these sales agents and distributor partners. These sales agents and distributor partners are important to the Company’s sales strategy and are responsible for establishing distribution channels and promotional strategies to on-sell the RLF Plant Nutrition Products to end-consumers. However, in the event that a significant number of the Company’s sales agents or distributor partners suspend or reduce their business activities, the Company may need to expend resources to find suitable replacement agents or distributor partners at an acceptable level. This may adversely impact the Company’s business, financial position, operating results and prospects.

In addition the amount of product sales and revenue the Company receives can be affected by the conduct of an agent or distributor partner. Actions such as poor customer care, applying insufficient resources and not understanding the benefits of the RLF Plant Nutrition Products can all have an effect on the sales and the customer’s perception and willingness to use or continue to use the RLF Plant Nutrition Products.

12.2.11 Relationships with Suppliers

The Company has relationships with numerous third party suppliers and manufacturers from which the Company sources a number of raw materials and services. Examples include packaging materials, boxes, bottles and equipment. Any material changes in the trading terms and/or supply from these third-party providers or loss of, or changes to these suppliers, may impact the Company’s ability to provide the RLF Plant Nutrition Products to its customers at the current pricing and margin which may have a material and adverse effect on the Company’s production, sales and terms of trade. Material increases in the suppliers’ costs could lead to higher procurement costs for the Company. This could impact the Company’s margins and require it to source raw materials from other locations which could have a negative impact on existing gross margins. Further, if the Company is unable to effectively offset the rise in raw material costs with an increase in product prices, the Company’s future profitability may fall, which will cause adverse effects on the Company’s business, financial position, operating results and future prospects.

12.2.12 Contractual Disputes

The Company’s sales strategy is partially dependent on contractual agreements with its customers, although the Company has no one major customer within its top 20 customers in FY 2021, with each customer individually accounting for a percentage of the Company's total revenue ranging between 1.0% and 5.6%.

In relation to the Company's distribution in the other markets, the Company does not typically enter into an agreement with a distributor partner until the Company is comfortable with the distributor partner's potential, and so the distributor partner may be distributing the RLF Plant Nutrition Products for a period before a contractual arrangement with the Company is formalised.

12.2.13 Credit Risk

The Company currently receives the majority of payments as cash in advance for its sales and does not generally extend credit to its customers except in limited circumstances. However, the Company may choose to extend credit to its customers in the future. If it does so, then the Company will be exposed to credit risks relating to delayed or non-payment. A failure by the Company to adequately assess and manage credit risk may result in credit losses potentially resulting in a material adverse effect on the Company's business, operating and financial performance, including decreased operating cash flows.

12.2.14 Competition and New Products

The agricultural industry in which the Company is involved is large and highly competitive. Certain market conditions may cause an increase in competition. For instance, an increase in demand may present the opportunity for new entrants and competitors to expand their operations. The Company will have no influence or control over the actions of new entrants and its competitors, the results of which may have a negative effect on the performance of the Company's business.

For instance, new products created by new entrants or the Company's competitors could decrease demand for the RLF Plant Nutrition Products which could negatively impact on the financial performance of the Company. Further, the costs of responding to new products from competitors may require the Company to undertake additional research and development activities for products which may be expensive, time consuming or difficult to create which may affect the Company's profitability or, if such cost is prohibitive, may reduce the Company's capacity to expand or maintain its business. Similarly, aggressive pricing or additional product offerings from competitors may reduce the volume and price of the RLF Plant Nutrition Products that the Company is able to sell, which may have a material and adverse effect on the Company's revenue and profitability and, in particular, its growth.

12.2.15 Brand Damage

The Company believes that its brand is important to growing its customer base and that its brand depends on the Company's ability to achieve a positive experience with its customers. Circumstances outside of the control of the Company could affect the Company's experience with its customers which may cause a customer to have a poor experience. This could damage the Company's brand and adversely affect its business.

12.2.16 Management of Growth

As the Company and its operations expand, it will be required to continue to improve and where appropriate, upscale its operational and financial systems, procedures and controls and expand, retain, manage and train its employees accordingly. There is a risk that the Company will not be able to manage rapid growth of the business. The capacity of the Company to efficiently and effectively implement and manage business growth may affect the Company's financial performance.

12.2.17 Reliance on Personnel

The Company's operational success will depend substantially on the continuing efforts of, and provision of high-quality operational services by its senior executives. The loss of one or more senior executive may have an adverse effect on the Company's operations. The Company continues to seek and hire expertise in the areas where opportunities exist. Furthermore, if the Company is unable to attract, train and retain these key individuals and other highly skilled employees and consultants, its business may be adversely affected.

In addition, the Company's future success will also, in part, depend on its ability to hire and train qualified and motivated staff. There can be no assurance that the Company will be successful in attracting and retaining such personnel. A failure to do so may have an adverse effect on the operations and profitability of the Company's business.

12.2.18 Marketing and Sales Success

Following completion of the Offers, the Company intends to maintain and if possible accelerate growth by focussing on marketing and sales. By its nature, there is no guarantee that the Company’s marketing campaign will be successful and generate new customers and sales. In the event that it is not successful, this would likely have an adverse impact on the Company’s sales and profitability.

Even if the Company does successfully maintain and if possible accelerate growth by focussing on marketing and sales, there is a risk that the Company will not achieve a commercial return. The Company may not be able to make sufficient revenues from customers to cover its operating and capital costs.

12.2.19 Fertiliser Registration Rights

The Company has registration rights for the RLF Plant Nutrition Products that it currently distributes.

As an example, China registrations are valid for 5 years, at which time they need to be renewed. Provided the products still meet the required criteria for approval, which are typically based on the level of chemical elements in the products and the claims made on the packaging relating to these products, then renewal is effectively an administrative process. While the Company has not previously had any issues with the grant of registration rights, the registrations are granted at the discretion of the relevant Chinese authorities and the criteria for eligibility may change.

The business activities of the Company are subject to the supervision of these authorities which have the power to revoke previously granted registration rights or reject applications for new or extended registrations. If any of the Company's registration rights are not renewed or are revoked, then the Company will not be able to distribute the relevant RLF Plant Nutrition Products in that particular market and the Company's business may be adversely affected.

In the other countries in which the Company operates, the Company typically relies on its distributor partners holding any necessary registration rights to sell the RLF Plant Nutrition Products in the relevant country. The Company's ability to operate in these countries may depend on the distributor partners' ability to obtain and/or renew any necessary registration rights. In the future, the Company may determine to operate directly in some of the countries in which event, the Company will be required to obtain any necessary registration rights itself.

12.2.20 Manufacturing Risk

The manufacturing of the RLF Plant Nutrition Products involves complex and capital intensive mechanical equipment and processes. In addition, fertiliser processes involve risks related to plant breakdown or damage, logistics, supply of raw materials, labour and other resources. Difficulties or delays relating to the manufacturing of the RLF Plant Nutrition Products could also result from factors outside the Company's control, such as inadequate supply of electricity or other utilities, accidents, government intervention, labour strikes, extreme weather, earthquakes or other natural disasters. The occurrence of such events could increase the costs of the RLF Plant Nutrition Products which would likely result in an adverse material impact on the Company's business and operating performance.

Further, the Company's growth plans include expanding its factory in China (see Section 4.14 (b) and 4.13 (a) for further details) which is dependent on numerous third parties and various factors outside of the Company's control.

12.2.21 Quality Control and Product Performance Risk

To ensure the quality of the RLF Plant Nutrition Products sold by the Company, Australian personnel are employed to assist the Company in the manufacture of RLF Plant Nutrition Products by managing the manufacturing process at the Company’s facilities overseas. In addition, the Company has been focusing on managing its quality control and holds international accreditation for Quality Management Systems for packaging and sales of liquid fertilisers. Although the Company has strict quality control systems, there is nevertheless risk that product quality issues may arise such as incorrect preparation or packaging of products. If a quality issue arises, the Company may experience adverse impacts to its sales, reputation and corporate brand image.

Product performance risk in agriculture is high given the number of variable factors outside the control of the Company, that have a direct influence on results. This may include, but is not limited to, weather, pests, other non-Company products used, farmer practice and general environmental factors such as frost or heat. Poor user experience may affect customer take-up, retention and level of usage of the RLF Plant Nutrition Products. Additionally, impacted customer experiences may result if the Company does not have sufficient numbers of customer service personnel, fails to provide adequate training and resources for partners, or there is a disruption to product supply.

The Company conducts and directly benefits from the ongoing research and development of the RLF Plant Nutrition Products. The Company at times in the future may wish to launch new and innovative RLF Plant Nutrition Products into the marketplace in addition to the RLF Plant Nutrition Products currently being sold. The RLF Plant Nutrition Products often contain complex chemistry and formulations and while the Company has rigorous testing processes, it is possible that new products may not perform as intended or tested.

Poor experiences may result in damage to the RLF brand, loss of customers or customers reducing their use of the RLF Plant Nutrition Products, loss of partners or distributors, adverse publicity, litigation, liability for damages or regulatory enquiries, any of which could adversely impact the Company's business and operating results.

12.2.22 Fluctuations in Supply of Raw Materials

In respect of the Company's current operations in China, the Company sources the majority of its raw materials in China and all raw materials (apart from inputs provided from Australia) are readily available. However, as the manufacturing of the RLF Plant Nutrition Products is dependent on the supply of raw materials, it faces supply risk, such as adverse weather conditions, government restriction on materials, supply and availability, and other commercial risks. In addition, some of the Company's raw materials are subject to increases in commodity prices. Any of these adverse factors can affect the supply or price of raw materials to the Company. If the Company is unable to procure sufficient raw materials to meet its production needs, or if the Company is required to pay an increase in the costs of the raw materials, the Company's future profitability may fall, which may have a material adverse effect on the Company's business, financial position and operating results.

12.2.23 Insurance

The Company maintains insurance considered appropriate for its needs, including insurance of its plant and equipment and inventory fertilisers. However it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

Accordingly, the Company may not be fully insured against all losses and liabilities that could unintentionally arise from its operations. If the Company incurs uninsured losses or liabilities, the value of the Company's assets may be at risk.

12.2.24 Protection of Intellectual Property Rights and Infringement of Third Party Intellectual Property Rights

The Company has pursued protection of the RLF Intellectual Property including product formulations in the form of trade secrets, know-how and confidentiality arrangements. Also, the Company has a number of trademarks registered and may rely on a combination of confidentiality and agreements with its employees, consultants and third parties with whom it has relationships to protect the RLF brand and other rights associated with the RLF Intellectual Property.

The Company relies on its trade secrets, which include specific information relating to the ingredients and formulation knowhow of key inclusions in certain RLF Products. The protective measures that the Company employs may not provide adequate protection for its trade secrets. One of the protective measures is to restrict access to and knowledge of the trade secrets to a small number of key personnel. The Company must rely on these personnel to maintain the trade secret. As such this creates a key person risk to the Company.

The Company manages this risk through agreements with key persons to maintain confidentiality. There is a risk that a key person with this knowledge could make available the specific information to others and breach their agreement to maintain confidentiality. This could erode the Company's competitive advantage and materially harm its business. There is also a risk that trade secrets may be obtained (or inappropriately used) by third parties, for example, through certain breaches of agreements, fraud or theft by third parties. It is possible that employees or third party counterparties may inappropriately disclose trade secrets. The Company cannot be certain that others will not independently develop the same or similar technologies on their own or gain access to trade secrets or disclose such technology, or that the Company will be able to meaningfully protect its trade secrets and unpatented know-how and keep them secret.

Legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain, particularly in China. Effective confidentiality and trade secret protection may not be available in every country in which the Company seeks to operate. Accordingly, despite its efforts, the Company may not be able to prevent third parties from infringing upon or misappropriating the RLF Intellectual Property. This could result in unexpected costs or impact the Company's sales of the RLF Plant Nutrition Products.

Market conditions depending, the Company may be required to incur significant expenses in monitoring and protecting the RLF Intellectual Property. If the Company fails to protect its RLF Intellectual Property including trade secrets, competitors may gain access to its technology which could harm the business. The Company 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 the Company and cause a distraction to management.

If a third party accuses the Company of infringing its intellectual property rights or if a third party commences litigation against the Company for the infringement of patent or other intellectual property rights, the Company may incur significant costs in defending such action, whether or not it ultimately prevails. Typically, intellectual property rights litigation is expensive. Costs that the Company incurs in defending third party infringement actions would also include diversion of management and technical personnel time.

In addition, parties making claims against the Company may be able to obtain injunctive or other relief that could inhibit the Company's distribution and sale of the RLF Plant Nutrition Products. In the event of a successful claim of infringement against the Company, it may be required to pay damages and obtain one or more licenses from the prevailing third party. If it is not able to obtain these licenses at a reasonable cost, if at all, it could encounter delays in product introductions and loss of substantial resources. Defence of any lawsuit or failure to obtain any of these licenses could inhibit the Company's current operations and could cause it to incur substantial expenditure.

12.2.25 Environmental

The Company's operations are subject to government environmental legislation. While environmental issues are continually monitored to minimise the likelihood of risk, there is no assurance that the Company's operations will not be affected by an environmental incident or subject to environmental liabilities. The introduction of new environmental legislation and regulations may result in additional cost to the Company arising from additional compliance, further capital expenditure and monitoring which may have a material adverse impact on the financial position and performance of the Company.

12.2.26 Potential Acquisitions

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

12.2.27 Climate Change

Climate change is a risk and may potentially affect the Company. Climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer term physical risks such as shifting climate patterns. Agricultural farming and food production and supply can be adversely affected by changes in climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates. In particular climate change may result in significant portions of currently arable land ceasing to be suitable for agriculture with the net affect for the Company being the number of participants in agriculture and the total area under agriculture reduces meaning the total addressable market of the Company is substantially reduced. Climate change may also cause other specific impacts to the manufacturing and operational functions in the Company's business. This may include impacts to the supply of raw materials used to manufacture the Company's Plant Nutrition Products through disruptions caused in the materials supply channels which could result in the Company not being able to distribute and supply to its customers.

12.2.28 Failure to meet Regulations and Determined Methodology

The RLF Carbon business will be dependent upon the ability to satisfy the legislative requirements of the Emissions Reduction Fund, under the Carbon Credits (Carbon Farming Initiative) Act 2011 and that the proposed RLF Carbon programs satisfy the methodology rules for emission reduction or carbon storage projects as determined under the Act. Failure to satisfy any of these legislative requirements or achieve registration for the Company’s sequestration project methodologies and programs, will result in the Company not being able to commercially exploit the RLF Carbon business opportunity.

12.2.29 Economic Viability of RLF Carbon Programs

The RLF Carbon business will be dependent upon the costs of generating Australian Carbon Credit Units through the Company’s sequestration project methodologies and programs being less than the value of the Australian Carbon Credit Units created. If the costs of the program are greater than the value of the Australian Carbon Credit Units created, or the differential is not at a satisfactory level that the marketplace considers commercially acceptable, then the RLF Carbon business would not be viable.

12.2.30 Market Acceptance of RLF Carbon Business

The RLF Carbon business will be dependent upon its future ability to sell (currently unproven) the Company’s sequestration project methodologies and programs (once registered) to potential customers. The ability to sell such methodologies and programs will in part be dependent on the farm practises that such methodology require and the extent to which these methodologies diverge from current practices adopted by farmers. If the RLF Carbon business cannot sell its services, or the marketplace does not consider these services worth engaging, then the business would not be viable.

The RLF Carbon business services offer is also subject to competition and new competitive service offerings or new business enterprises entering into the same market. A competitors service offer could be more appealing to potential customers or more cost effective than the RLF Carbon service offer.

12.3 GENERAL RISKS

The future prospects of the Company's business may be affected by circumstances and external factors beyond the Company's control. Financial performance of the Company may be affected by a number of business risks that apply to companies generally and may include economic, financial, market or regulatory conditions.

12.3.1 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 Securities price may be affected by these factors, which are beyond the Company's control.

12.3.2 Changes in Legislation and Government Regulation

Government legislation in Australia or China or any other relevant jurisdiction, including changes to the taxation system, may affect future earnings and relative attractiveness of investing in the Company. Changes in government policy or statutory changes may affect the Company and the attractiveness of an investment in the Company.

12.3.3 Global Credit and Investment Market

Global credit, commodity and investment markets can experience a high degree of uncertainty and volatility. The factors that lead to this situation are outside the control of the Company and may continue for some time resulting in continued volatility and uncertainty in world stock markets (including the ASX). 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.

12.3.4 Exchange Rate Risk

The Company will be operating in a variety of jurisdictions including China, and as such, the Company expects to generate revenue and incur costs and expenses in more than one currency. In addition, the majority of its sales are derived from sales sold in local currencies in China. Consequently, movements in currency exchange rates may adversely or beneficially affect the Company's results or operations and cash flows. For example, any depreciation of currencies in foreign jurisdictions in which the Company operates may result in lower than anticipated revenue, profit and earnings of the Company.

12.3.5 Unforeseen Expenditure Risk

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.

12.3.6 Potential Fluctuations in Prices of Shares

The price at which Shares are quoted on the ASX may increase or decrease due to a number of factors. These factors may cause the Shares to trade below the Offer Price. There is no assurance that the price for the Shares will increase following quotation on the ASX, even if the Company's earnings increase. The market price and demand for shares quoted on ASX could be volatile or fluctuate due to numerous factors including:

i. fluctuations in the domestic and international market for listed stocks;
ii. general economic conditions, including interest rates, inflation rates, exchange rates, commodity prices and oil prices;
iii. changes to government fiscal, monetary or regulatory policies, legislation or regulation, inclusion in or removal from market indices;
iv. the nature of the markets in which the Company operates and general operational and business risks.

12.3.7 Risk of Shareholder Dilution

In the future, the Company may elect to issue additional Shares to raise funds for the Company's business operations or additional acquisitions that the Company may decide to make in the future (although no such acquisitions are currently planned). While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it can issue within a 12-month period (other than where exceptions apply), Shareholders may be diluted as a result of such issuance of Shares and fundraisings.

12.3.8 Accounting Standards

Any changes in accounting standards or how they are applied and interpreted may have an adverse impact on the Company's financial performance and position.

12.3.9 Taxation Reform

Any changes to the current rate of the Company's income tax in Australia or other countries in which the Company operates, may affect Shareholder returns. Any changes to relevant tax laws, the way they are interpreted and applied or to the current rate of taxes could have an adverse effect on the Company's financial performance or results. In addition, any change in tax rules and tax arrangements could also have an adverse effect on the level of dividend imputation or franking and Shareholder returns.

12.3.10 Litigation and Regulatory Inquiries

The Company may be subject to litigation, complaints and other claims or disputes, regulatory inquiries or investigations and other enforcement action initiated by customers, employees, regulators or other third parties in the course of its business. If any claim was successfully pursued it may adversely impact the financial performance, financial position, cash flow and share price of the Company. Even if such matters are successfully defended, or settled without financial consequences, they may have a material adverse effect on the Company's reputation.

12.3.11 Dividends may not be Fully Franked

Given the proportion of the Company's earnings are from Chinese operations, it is unlikely that the Company will have sufficient franking credits in the future to fully frank dividends. There is likewise no guarantee that the franking system will not be varied or abolished. In addition, if the proportion of the Company's earnings from Chinese operations increases, it may not be possible to fully frank dividends. The value and availability of franking credits to a Shareholder will differ depending on the Shareholder's particular tax circumstances. Shareholders should also be aware that the ability to use franking credits, either as a tax offset or as a refund claim after the end of the income year, will depend on the individual tax position of each Shareholder. It should be noted that the Company does not anticipate declaring or paying any dividends to Shareholders in the foreseeable future.

12.3.12 Force Majeure Events

Force majeure events, or events beyond the control of the Company, may occur within or outside China and/or Australia that could affect the world economy, the operations of the Company and the price of the Shares. These events include war, acts of terrorism, civil disturbance, political intervention and natural events such as earthquakes, floods, fires and severe weather conditions.

12.3.13 Unforeseen Risk

There may be other risks which the Directors are unaware of at the time of issuing this Prospectus which may impact on the Company, its operation and/or the valuation and performance of the Company's Shares.

12.3.14 Combination of Risks

The Company may not be subject to a single risk. A combination of risks, including any of the risks outlined in this Section could affect the performance valuation, financial performance and prospects of the Company.

12.3.15 Investment Risks

An investment in the Shares to be issued pursuant to this Prospectus should be considered speculative. They carry no guarantee as to payment of dividends, return of capital or the market value of the Shares. The prices at which an investor may be able to trade the Shares may be above or below the price paid for the Securities. While the Directors recommend the Offers, prospective investors must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.

12.3.16 COVID-19 Risks

The outbreak of the novel coronavirus disease (COVID-19) is continuing to impact global economic markets. The nature and extent of the effect of the ongoing impacts of COVID-19 on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving and the consequences are therefore inevitably uncertain.

SECTION 13

TERMS AND CONDITIONS OF SECURITIES

13.1 RIGHTS ATTACHING TO SHARES

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

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

(a) **General Meetings and Notices:** Each eligible Shareholder is entitled to receive notice of, and to attend and vote at general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act or the Listing Rules.

(b) **Voting Rights:** Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

   (i) each eligible Shareholder entitled to vote, may vote in person or by proxy, attorney or representative;

   (ii) on a show of hands every person present who is an eligible Shareholder or a proxy, attorney or representative of an eligible Shareholder has one vote; and

   (iii) on a poll, every person present who is an eligible Shareholder or a proxy, attorney or representative of an eligible Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote per Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Issues of Further Shares:** The Directors may, on behalf of the Company, issue Shares and grant options over unissued Shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Constitution, Listing Rules, the Corporations Act and any rights and restrictions attached to a class of Shares.

(d) **Variation of Rights:** Unless otherwise provided by the Constitution or by the terms of issue of a class of Shares, the rights attached to the Shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued Shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued Shares of the affected class.

(e) **Transfer of Shares:** Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules. The Directors may decline to register a transfer of Shares (other than a proper transfer in accordance with the ASX Settlement Operating Rules) where permitted to do so under the Listing Rules. If the Directors decline to register a transfer, the Company must, within 5 business days after the transfer is delivered to the Company, give the party lodging the transfer written notice of the refusal and the reason for the refusal.

(f) **Partly Paid Shares:** The Directors may, subject to compliance with the Constitution, the Corporations Act and Listing Rules, issue partly paid Shares upon which there are outstanding amounts payable. These Shares will have limited rights to vote and to receive dividends.

(g) **Dividend Rights:** Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference Shares and to the rights of the holders of any Shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend. Subject to the rights of any preference Shares and to the rights of the holders of any Shares created or raised under any special arrangement as to a dividend, the dividend as declared shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

(h) **Winding-Up:** 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 Shareholders in the proportions which the amount paid (including amounts credited) on the Shares of a Shareholders is of the total amounts paid and payable (including amounts credited) on the Shares of all Shareholders.

(i) **Dividend Reinvestment and Share Plans:** Subject to the requirements in the Corporations Act and the Listing Rules, the Directors may implement and maintain dividend reinvestment plans (under which any member may elect that dividends payable by the Company be reinvested by way of subscription for fully paid Shares in the Company) and any other Share plans (under which any member may elect to forego any dividends that may be payable on all or some of the Shares held by that member and to receive instead some other entitlement, including the issue of fully paid Shares).

(j) **Directors:** The Constitution provides that the minimum number of Directors is three and the maximum number is ten.

(k) **Powers of the Board:** Except as otherwise required by the Corporations Act, any other law, the Listing Rules or the Constitution, the Directors have the power to manage the business of the Company and may exercise every right, power or capacity of the Company.

(l) **Share Buy Backs:** Subject to the provisions of the Corporations Act and the Listing Rules, the Company may buy back Shares in itself on the terms and at times determined by the Directors.

(m) **Unmarketable Parcels:** The Company's constitution permits the Board to sell the Shares held by a Shareholder if they comprise less than a marketable parcel within the meaning of ASX Business Rules. The procedure may only be invoked once in any 12 month period and requires the Company to give the Shareholder notice of the intended sale. If a Shareholder does not want his Shares sold, he may notify the Company accordingly.

(n) **Capitalisation of Profits:** The Directors may capitalise any profits of the Company and distribute that capital to the Shareholders, in the same proportions as the Shareholders are entitled to a distribution by dividend.

(o) **Capital Reduction:** Subject to the Corporations Act and Listing Rules, the Company may reduce its share capital.

(p) **Preference Shares:** The Company may issue preference Shares, including preference Shares that are liable to be redeemed. The rights attaching to preference Shares are those set out in the Constitution unless other rights have been approved by special resolution of the Company's Shareholders.

13.2 TERMS AND CONDITIONS OF THE INCENTIVE OPTIONS

The rights and liabilities attaching to the Incentive Options are summarised as follows:

(a) **Entitlement:** Each Incentive Option entitles the holder to subscribe for one Share upon exercise of the Incentive Option.

(b) **Exercise Price:** The amount payable upon exercise of each Incentive Option will be \$0.54 (Exercise Price).

(c) **Expiry Date:** Each Incentive Option will expire at 5.00pm (AWST) on the date that is five years from the date of the Company's admission to the Official List of the ASX (Expiry Date).

(d) **Exercise Period:** The Incentive Options are exercisable at any time on or prior to the Expiry Date.

(e) **Notice of Exercise:** The Incentive Options may be exercised by notice in writing to the Company (Notice of Exercise) and either payment of the Exercise Price for each Incentive Option being exercised, or an election to use the Cashless Exercise Facility (as defined below) in respect of each Incentive Option being exercised. Any Notice of Exercise of an Incentive Option received by the Company will be deemed to be a notice of the exercise of that Incentive Option as at the date of receipt by the Company.

(f) **Cashless Exercise Facility:** If the Shares of the Company are quoted on the ASX at the time of exercise of the Incentive Options, the holder may elect to pay the Exercise Price for an Incentive Option by setting off the Exercise Price against the number of Shares which they are entitled to receive upon exercise (Cashless Exercise Facility). By using the Cashless Exercise Facility, the holder will receive Shares to the value of the surplus after the Exercise Price has been set off. If the holder elects to use the Cashless Exercise Facility, the holder will only be issued that number of Shares (rounded down to the nearest whole number) as are equal in value to the difference between the total Exercise Price otherwise payable for the Incentive Options on the Incentive Options being exercised and the then market value of the Shares at the time of exercise (determined as the volume weighted average of the prices at which Shares were traded on the ASX during the one week period immediately preceding the exercise date) calculated in accordance with the following formula:

$$S = \frac{O \times (MSP - EP)}{MSP}$$

Where:

S	=	Number of Shares to be issued on exercise of the Incentive Options.
O	=	Number of Incentive Options.
MSP	=	Market value of the Shares (calculated using the volume weighted average prices at which Shares traded on the ASX over the one week period immediately preceding the exercise date).
EP	=	Incentive Option exercise price.

The holder will not be entitled to use the Cashless Exercise Facility if the difference between the total Exercise Price otherwise payable for the Incentive Options (on the Incentive Options being exercised) and the then market value of the Shares at the time of exercise is zero or negative.

(g) **Shares Issued on Exercise:** Shares issued on exercise of the Incentive Options will rank equally in all respects with the then issued Shares of the Company.

(h) **Incentive Options not Quoted:** The Company will not apply to ASX for quotation of the Incentive Options.

(i) **Quotation of Shares on Exercise:** If the Shares of the Company are quoted on the ASX at the time of exercise of the Incentive Options and subject to expiry of ASX escrow requirements, application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Incentive Options.

(j) **Timing of Issue of Shares and Quotation:** After an Incentive Option is validly exercised and within 15 Business Days of the Notice of Exercise and receipt of cleared funds equal to the sum payable on the exercise of the Incentive Option (except where the holder has elected to use the cashless exercise facility), the Company must issue the Shares and do all such acts, matters and things to obtain the grant of official quotation of the Shares on ASX (subject to ASX escrow restrictions) no later than 5 Business Days after issuing the Shares.

(k) **Participation in New Issues:** There are no participation rights or entitlements inherent in the Incentive Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Incentive Options and prior to the exercise of the Incentive Options.

(l) **Adjustment for Bonus Issue:** If the Company makes a bonus issue of Shares or other Securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

(i) the number of Shares which must be issued on the exercise of an Incentive Option will be increased by the number of Shares which the holder would have received if they had exercised the Incentive Option before the record date for the bonus issue; and

(ii) no further consideration will be payable by the holder.

(m) **Adjustment for Rights Issue:** If the Company makes an issue of Shares pro rata to the Company's existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Incentive Option will be reduced according to the following formula:

$$\text{New Exercise Price} = O - \frac{E\,[P-(S+D)]}{N+1}$$

O	=	the old Exercise Price of the Incentive Option.
E	=	the number of underlying Shares into which one Incentive Option is exercisable.
P	=	average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.
S	=	the subscription price of a Share under the pro rata issue.
D	=	the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).
N	=	the number of Shares with rights or entitlements that must be held to receive a right to one Share.

(n) **Adjustment for Reorganisation:** If there is any reorganisation of the issued share capital of the Company, the rights of the holder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(o) **Incentive Options not Transferable:** The Incentive Options are not transferable.

(p) **Lodgement instructions:** Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Incentive Options with the appropriate remittance should be lodged at the Company's Share Registry.

(q) **Deferred Taxation:** Subdivision 83A-C of the Income Tax Assessment Act 1997 applies to the Incentive Options.

13.3 TERMS AND CONDITIONS OF THE PERFORMANCE RIGHTS

ASX in Principle Approval

The Company has applied to ASX for, and ASX has granted the Company, in principle approval to have the contractual obligation to issue the Deferred Performance Rights at Listing, subject to complying with certain conditions imposed by ASX.

Full terms and conditions of the Performance Rights are contained below in this Section 13.3 which also contains an explanation of:

(i) why the Performance Rights are being issued, including the commercial goals the Company is trying to achieve, and the risks it is trying to manage, by imposing the relevant performance milestones;
(ii) details of how the Company determined the number of Performance Rights to be issued and why it considers that number to be appropriate and equitable; and
(iii) any relationship the recipient of the Performance Rights or an associate of the recipient has with the entity.

No application will be made for official quotation of the Performance Rights by the ASX in accordance with the Listing Rules.

Milestones for Performance Rights

The milestones on the Performance Rights are set out in the terms and conditions below.

Performance Rights are treated as "performance securities" by the ASX.

The Performance Rights are granted in accordance with, and subject to, the Company's Employee Securities Incentive Plan.

The rights and liabilities attaching to the Performance Rights are summarised below. For the purposes of these terms and conditions:

Change of Control Event means:

(a) the occurrence of:

  (i) the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
  (ii) that takeover bid has become unconditional, provided that the offeror did not have control of the Company at the time that the Performance Rights are issued; or

(b) the announcement by the Company that:

  (i) shareholders of the Company have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:

    (a) cancelled; or
    (b) transferred to a third party; and

  (ii) the Court, by order, approves the proposed scheme of arrangement, provided that the offeror did not have control of the Company at the time that the Performance Rights are issued.

EBITDA means the earnings before interest, tax, depreciation and amortisation of RLF AgTech Ltd and its subsidiaries in relation to any given 12 month period commencing on 1 July and ending on 30 June of the next year, determined from the Company's audited accounts.

Holder means a holder of a Performance Right.

Revenue means the consolidated gross revenue (excluding sales taxes, VAT, duties or any other equivalent taxes or imposts) of RLF AgTech Ltd and its subsidiaries in relation to any given 12 month period commencing on 1 July and ending on 30 June of the next year, as determined from the Company's audited accounts.

(a) **Entitlement:** Each Performance Right is a right of the Holder (and/or its nominees) to acquire a Share subject to these terms and conditions.

(b) **Vesting:** The Performance Rights are subject to achievement or waiver by the Board of the vesting conditions (each a **Vesting Condition**) set out in the table below.

The Company will provide the Holder with a written notice that the Vesting Condition has been satisfied or waived by the Board in its sole discretion (**Vesting Notice**).

Tranche	Vesting Condition
Class A Performance Rights	The Company achieving one of the following (whichever occurs first) in respect of a financial year: (a) annual consolidated gross revenue of not less than A$25 million; or (b) annual EBITDA of not less than A$5 million, as reported in the Company's audited financial statements for the relevant financial year.*
Class B Performance Rights	The Company achieving one of the following (whichever occurs first) in respect of a financial year: (a) annual consolidated gross revenue of not less than A$50 million; or (b) annual EBITDA of not less than A$10 million, as reported in the Company's audited financial statements for the relevant financial year.*

* Excluding one-off or extraordinary revenue items and revenue received in the form of government grants, allowances, rebates or other hand-outs.

(c) **Exercise:** Upon receiving a Vesting Notice from the Company, the Holder may exercise a Performance Right by delivering a written notice of exercise (Notice of Exercise) to the Company Secretary at any time prior to the Expiry Date. The Holder is not required to pay a fee in order to exercise Performance Rights.

(d) **Expiry and Lapse**: The Performance Rights expire on the date 5 years from the issue of the Performance Rights (**Expiry Date**).

Any Performance Rights that have not been exercised prior to the Expiry Date will automatically expire on the Expiry Date.

An unvested Performance Right will also expire if the Holder ceases to be an Eligible Participant for the purposes of the Company's Employee Securities Incentive Plan, unless otherwise determined by the Board in its discretion.

An unexercised Performance Right will lapse or be forfeited if the Holder ceases to be an Eligible Participant for the purposes of the Company's Employee Securities Incentive Plan, unless otherwise determined by the Board in its discretion.

(e) **No Transfer**: A Performance Right is not transferable, other than to a trust or superannuation fund of which the Holder is a beneficiary.

(f) **No participation in entitlements and bonus issues**: The Holder of a Performance Right will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(g) **Reorganisation of capital**: In the event that the issued capital of the Company is reconstructed, all the Holder's rights will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the Holder's economic and other rights are not diminished or terminated.

(h) **Right to receive Notices and attend general meetings**: Each Performance Right confers on the Holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders. A Holder has the right to attend general meetings of the Company.

(i) **No Voting rights**: A Performance Right does not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the Listing Rules where such rights cannot be excluded by these terms.

(j) **No Dividend rights**: A Performance Right does not entitle the Holder to any dividends.

(k) **No participation in return of capital rights**: The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(l) **No rights on winding up**: The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

(m) **Change in control**: If there is a Change of Control Event prior to exercise of the Performance Rights, then the Vesting Condition will be deemed to have been achieved by the Expiry Date and each Performance Right will automatically and immediately become exercisable by the Holder.

(n) **Timing of issue of Shares on exercise**: Within 10 Business Days of receiving an Exercise Notice, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights specified in the Notice of Exercise;

(ii) if required, give ASX a notice that complies with section 708A(5) (e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Performance Rights.

(o) **Compliance with law**: The conversion of the Performance Rights is subject to compliance at all times with the Corporations Act and the Listing Rules.

(p) **Application to ASX**: Performance Rights will not be quoted on ASX. On conversion of Performance Rights into Shares, the Company will within five (5) Business Days after the conversion, apply for official quotation on ASX of the Shares issued upon such conversion.

(q) **Ranking of Shares**: Shares into which the Performance Rights will convert will rank parri passu in all respects with existing Shares.

(r) **Deferred Taxation**: Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies to the Performance Rights (subject to the conditions in that Act), unless otherwise determined by the Board in its discretion.

(s) **No other rights**: A Performance Right does not give a Holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Restricted securities

Any Deferred Consideration Shares issued are 'restricted securities' for the purposes of the Listing Rules, the issue of any Shares is subject to delivery by each Vendor of a duly executed original copy of a restriction agreement prepared by the Company in the form required by the Listing Rules.

Relationship of the party who has the right to receive the Performance Rights to the Company

Directors of the Company, Kenneth Hancock, Gavin Ball and Lu Shen will receive the Performance Rights.

Reasons for the issue of the Performance Rights and their number

The issue of the Performance Rights is consistent with the commercial objectives of the Company disclosed in this Prospectus and the risks it seeks to manage by imposing milestones for the conversion of the Performance Rights into Shares. The Board believes in the future potential of the Company and the RLF Plant Nutrition Products.

In relation to the issue of the Performance Rights the Company notes the following:

(a) The Company has issued Performance Rights to certain directors, Kenneth Hancock, Gavin Ball and Lu Shen as incentive based remuneration in connection with their roles as executive directors of the Company.

(b) The Board considers the incentives represented by the issue of the Performance Rights is a cost effective and efficient way for the Company to appropriately incentivise and reward their performance as executive directors and will assist with retaining and motivating the directors in their current roles, as opposed to alternative forms of incentive such as the payment of cash compensation.

(c) The Performance Rights link part of the remuneration payable by the Company to the executive directors to a demonstrable measure of the performance of the Company, aligning the interests of the executive directors with the interests of Shareholders.

(d) The Board believes the future success of the Company will depend in large measure on the skills and motivation of the people engaged in and overseeing management of the Company's operations. It is therefore important the Company is able to attract and retain people of the highest calibre, including at the Board level.

(e) The number of Performance Rights proposed to be issued to the executive directors was determined by the Board having regard to:

(i) the total remuneration package for each director;

(ii) recent market examples of comparable remuneration packages;

(iii) the value of the assets of the Company at listing and the Board's assessment of the Company's future prospects;

(iv) the expected share price and expected market capitalisation of the Company on listing;

(v) the percentage of the Company's issued capital that Shares issued upon conversion of the Performance Rights will represent at listing (approximately 3.1% at the Maximum Subscription and approximately 3.4% at the Minimum Subscription) and the dilution to Shareholders upon the Performance Rights being converted to Shares;

(vi) the fact that part of the remuneration payable by the Company to its executive directors (being the Performance Rights) will be deferred until the value of the Company is increased and demonstrated through the milestones being achieved.

The Board believes that the use of performance securities is an equitable, appropriate and optimal course for the benefit of the Company.

Independent Expert's Report

Annexure A contains the Independent Expert's Report on the proposed issue of the Performance Rights. Potential investors should read this report in full.

The Independent Expert has opined that the obligation to issue the Performance Rights is fair and reasonable to non-participating security holders at Listing.

Potential investors should read the Independent Expert's Report contained in Annexure A in full. The Independent Expert's Report has set out the respective advantages and disadvantages of the proposed issue of the Performance Rights.

13.4 TERMS AND CONDITIONS OF DEFERRED CONSIDERATION SHARES

ASX In Principle Approval

The Company has applied to ASX for, and ASX has granted the Company, in principle approval to have the contractual obligation to issue the Deferred Consideration Shares at Listing, subject to complying with certain conditions imposed by ASX.

Full terms and conditions of the Deferred Consideration Shares are contained below in this Section 13.4 which also contains an explanation of:

(i) why the Deferred Consideration Shares are being issued, including the commercial goals the Company is trying to achieve, and the risks it is trying to manage, by imposing the relevant performance milestones;
(ii) details of how the Company determined the number of Deferred Consideration Shares to be issued and why it considers that number to be appropriate and equitable; and
(iii) any relationship the recipient of the Deferred Consideration Shares or an associate of the recipient has with the entity.

No application will be made for official quotation of the Performance Securities by the ASX in accordance with the Listing Rules.

Milestones for Deferred Consideration Shares

The Company is liable, as part of the Pre-IPO Restructure, to issue the Deferred Consideration Shares (totaling up to 24,375,000 Shares) if the Company achieves the milestones set out in the terms and conditions below.

As a result of the deferred payments being required to be settled in Shares, the Deferred Payments are treated as "performance securities" by the ASX.

Terms and Conditions

In respect of the Deferred Consideration Shares:

(a) The Deferred Consideration Shares will be issued upon the Company achieving certain milestones based on financial metrics as detailed in the table below.

Class	Milestone
Class A Deferred Consideration Shares	The Company achieving one of the following (whichever occurs first) in respect of a financial year: **(a)** annual consolidated gross revenue of not less than A$25 million; or **(b)** annual EBITDA of not less than A$5 million, as reported in the Company's audited financial statements for the relevant financial year.*
Class B Deferred Consideration Shares	The Company achieving one of the following (whichever occurs first) in respect of a financial year: **(a)** annual consolidated gross revenue of not less than A$50 million; or **(b)** annual EBITDA of not less than A$10 million, as reported in the Company's audited financial statements for the relevant financial year.*

* Excluding one-off or extraordinary revenue items and revenue received in the form of government grants, allowances, rebates or other hand-outs.

(b) The Deferred Consideration Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.

(c) Prior to the issue of the Deferred Consideration Shares to RLF Australia and RLF Global in accordance with the Restructure:

(i) RLF Australia's and RLF Global's rights to the Deferred Consideration Shares are not transferable and have no attached voting rights, entitlements to be paid dividends of the Company, and have no attached rights to participate in respect of a return of capital (whether in winding up, upon a reduction in capital or otherwise) or in new issues of securities (such as bonus issues or entitlement issues);

(ii) If the Company undertakes a reorganisation of its capital, the Deferred Consideration Shares may be adjusted on the same basis an ordinary Shares; and

(iii) If there is a change of control of the Company, the Company may issue the Deferred Consideration Shares immediately provided that the change of control is triggered by a person who does not control the Company at the time the Deferred Consideration Shares are issued and who achieves control of more than 50% of all Shares in the company.

Restricted securities

Any Deferred Consideration Shares issued are 'restricted securities' for the purposes of the Listing Rules, the issue of any Shares is subject to delivery by each Vendor of a duly executed original copy of a restriction agreement prepared by the Company in the form required by the Listing Rules.

Relationship of the party who has the right to receive the Deferred Consideration Shares to the Company

Directors of the Company, Kenneth Hancock and Gavin Ball, have interests in the Vendors, RLF Australia and RLF Global who are the parties who are entitled to be issued the Deferred Consideration Shares. The nature of the relationship of Kenneth Hancock and Gavin Ball with RLF Australia and RLF Global are detailed in Section 6.6 of the Prospectus.

Reasons for the issue of the Deferred Consideration Shares and their number

The issue of the Deferred Consideration Shares is consistent with the commercial objectives of the Company disclosed in this Prospectus and the risks it seeks to manage by imposing milestones for the issue of the Deferred Consideration Shares. The Board believes in the future potential of the Company and the RLF Plant Nutrition Products.

In relation to the issue of the Deferred Consideration Shares the Company notes the following:

(a) The Deferred Consideration Shares directly link part of the consideration payable by the Company for the RLF Plant Nutrition Products to significant revenue and EBITA milestones.

(b) The revenue and EBITA milestones are certain financial metrics which will be determined from the financial accounts of the Company which are subject to audit from the Company's auditor.

(c) The Company considers that overall financial metrics of the Company are an appropriate and demonstrable measure of the value of the RLF Plant Nutrition Products.

(d) The Deferred Consideration Shares enable a portion of the consideration payable by the Company to be deferred until the future potential of the RLF Plant Nutrition Products being acquired is realised and demonstrated through achievement of the milestones.

(e) The issue of the Deferred Consideration Shares on achievement of the milestones as deferred consideration was determined by the Company to be an appropriate structure for the Company as it allows risk to be shared between the Company and the vendors of the Acquisition. The vendors only receive the portion of the consideration in the event that the future potential of the RLF Plant Nutrition Products is demonstrated by substantial revenue growth or increase in profitability.

(f) On the basis that the Deferred Consideration Shares do not vest until the satisfaction of material revenue or EBITDA milestones are achieved by the Company, the Company considers that the issue of the Deferred Consideration Shares represents a significant demonstration of confidence by the vendors in the ability of the Company to generate material revenue and earnings from the use of the intellectual property and global distribution rights within a limited period whilst also allowing the Company to proceed with the IPO at a market capitalisation (at the Offer Price) which is fair to existing shareholders as well as sufficiently appealing to new shareholders who participate in the Public Offer, whose funds will be used to further expand the scale and earnings capacity of the RLF Plant Nutrition Products.

(g) The quantum of the consideration payable for the Acquisition and the number of Deferred Consideration Shares was determined having regard to:

- (i) the Board's determination of the value and future prospects of the RLF Plant Nutrition Products;
- (ii) the amount spent by RLF Australia in the development of the RLF Plant Nutrition Products which is more than the total consideration being paid (including the Deferred Consideration Shares);
- (iii) the expected market price for the Company's shares and expected market capitalisation of the Company on listing;
- (iv) the percentage of the Company's issued capital that the Deferred Consideration Shares will represent at listing (which at the Maximum Subscription is approximately 12.7% and at the Minimum Subscription is approximately 13.8%) and dilution to Shareholders upon issue of the Deferred Consideration Shares; and
- (v) the fact that part of the consideration payable by the Company (being the Deferred Consideration Shares) will be deferred until the future potential of the RLF Plant Nutrition Products being acquired is realised and demonstrated through achievement of the milestones.

The Board believes that it that the use of performance securities is an equitable, appropriate and optimal course for the benefit of the Company.

Independent Expert's Report

Annexure A contains the Independent Expert's Report on the proposed issue of the Deferred Consideration Shares. Potential investors should read this report in full.

The Independent Expert has opined that the obligation to issue the Deferred Consideration Shares is fair and reasonable to non-participating security holders at Listing.

Potential investors should read the Independent Expert's Report contained in Annexure A in full. The Independent Expert's Report has set out the respective advantages and disadvantages of the proposed issue of the Deferred Consideration Shares.

13.5 SUMMARY OF THE EMPLOYEE SECURITIES INCENTIVE PLAN

The Company has established an employee and executive securities incentive plan pursuant to which the Company can issue Securities to eligible Directors, employees and consultants in order to attract, motivate and retain such persons and to provide them with an incentive to deliver growth and value to all Shareholders (**Employee Securities Incentive Plan**).

Under the Employee Securities Incentive Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Securities including Shares, Options and Performance Rights in the Company as the Board may decide and on the terms set out in the rules of the Employee Securities Incentive Plan, a summary of which is set out in this Section.

A copy of the Employee Securities Incentive Plan is available for review by Shareholders at the registered office of the Company. A copy of the Employee Securities Incentive Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

The maximum number of Securities that the Company may issue under the Plan over the three years from the date of this Prospectus is 29,000,000 Securities.

Following the Company's admission to the Official List:

- **(a)** prior Shareholder approval will be required under Listing Rule 10.14 before any Director or associate of a Director can participate in the Employee Securities Incentive Plan; and
- **(b)** Shareholders must re-approve the Plan and the maximum number of Securities the Company may issue under the Employee Securities Incentive Plan every three years.

The following is a summary of the Employee Securities Incentive Plan and the terms on which offers of Options or Performance Rights (together **Convertible Securities**) or Shares may be made under the Employee Securities Incentive Plan:

(a) **Eligible Participant**: Eligible Participant means a person who is a full-time or part-time employee, officer, or contractor of the Company, or an Associated Body Corporate, or such other person who has been determined by the Board to be eligible to participate in the Employee Securities Incentive Plan from time to time. The Board may determine in its discretion the conditions on which a person may be eligible to participate in the Employee Securities Incentive Plan, as described in the invitation.

(b) **Purpose:** The purpose of the Employee Securities Incentive Plan is to:

- (i) assist in the reward, retention and motivation of Eligible Participants;
- (ii) link the reward of Eligible Participants to Shareholder value creation; and
- (iii) align the interests of Eligible Participants with Shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

(c) **Employee Securities Incentive Plan Administration**: The Employee Securities Incentive Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Employee Securities Incentive Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.

(d) **Eligibility, Invitation and Application**: The Board may from time to time determine that an Eligible Participant may participate in the Employee Securities Incentive Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation and if the Board allows such renunciation, it may impose any conditions it sees fit in respect of that renunciation.

(e) **Grant of Securities:** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Employee Securities Incentive Plan rules and any ancillary documentation required.

(f) **Terms of Convertible Securities:** Each Convertible Security represents a right to acquire one or more Shares (for example, under an Option or Performance Right), subject to the terms and conditions of the Employee Securities Incentive Plan and any further terms and conditions determined by the Board as specified in the invitation. Prior to a Convertible Security being exercised, a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant is not entitled to notice of, or to vote or attend at, a meeting of the shareholders of the Company or to receive any dividends declared by the Company by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them unless otherwise determined by the Board. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

(g) **Convertible Securities not Quoted**: The Company will not make application for quotation of the Convertible Securities unless the Board determines otherwise in its absolute discretion.

(h) **Vesting of Convertible Securities:** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. The Board may in its absolute discretion waive a vesting condition by written notice to the Participant. If all vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

(i) **Exercise of Convertible Securities (including cashless exercise):** A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Employee Securities Incentive Plan rules, or such earlier date as set out in the Employee Securities Incentive Plan rules. To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Security (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice. An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities. Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

(j) **Delivery of Shares on Exercise of Convertible Securities:** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Employee Securities Incentive Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

(k) **Forfeiture of Convertible Securities:** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant unless the Board otherwise determines in its absolute discretion to permit some or all of the Convertible Securities to vest.

(vi) Where the Board determines that the Participant has acted fraudulently or dishonestly; committed an act which has brought the Company, the Company Group or any entity within the Company Group into disrepute, or willfully breached his or her duties to the Company Group or where a Participant is convicted of an offence in connection with the affairs of the Group; or has a judgment entered against him or her in any civil proceedings in respect of the contravention by the Participant of his or her duties at law, in equity or under statute, in his or her capacity as an employee, consultant or officer of the Company Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to be forfeited. Unless the Board so determines, or as otherwise set out in the rules of the Employee Securities Incentive Plan, any Convertible Securities which have not yet vested will be forfeited at the earlier of:

(vii) immediately on the date the Board determines, acting reasonably and in good faith, that any applicable vesting conditions have not been met or cannot be met by the relevant date; or

(viii) automatically on the expiry date specified in the invitation.

(l) **Change of Control:** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.

(m) **Rights Attaching to Shares Issued under the Employee Securities Incentive Plan:** All Shares issued or transferred under the Employee Securities Incentive Plan or issued or transferred to a Participant upon the valid exercise of a Convertible Security will rank equally in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Shares. A Participant may exercise any voting rights attaching to the Shares.

(n) **Disposal Restrictions on Shares Issued under the Employee Securities Incentive Plan**: If the invitation provides that any Shares issued under the Employee Securities Incentive Plan are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction. For so long as a Share is subject to any disposal restrictions under the Employee Securities Incentive Plan, the Participant will not:

(i) transfer, encumber or otherwise dispose of, or have a security interest granted over that Employee Securities Incentive Plan Share; or

(ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

(o) **Adjustment of Convertible Securities for Reorganisation**: If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

(p) **Adjustment for Bonus Issues**: If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

(q) **Rights Issue**: Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro-rata issue of Shares made by the Company or sell renounceable rights.

(r) **No Participation in New Issues**: There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

(s) **Compliance with Applicable Law:** No Security may be offered, granted, vested or exercised if to do so would contravene any applicable law. In particular, the Company must have reasonable grounds to believe, when making an invitation, that the total number of Shares that may be issued upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous three year period under:

    (i) an employee incentive scheme of the Company covered by ASIC Class Order 14/1000; or
    (ii) an ASIC exempt arrangement of a similar kind to an employee incentive scheme,

    but disregarding any offer made or securities issued in the capital of the Company by way of or as a result of:

    (i) an offer to a person situated at the time of receipt of the offer outside Australia;
    (ii) an offer that did not need disclosure to investors because of section 708 of the Corporations Act (exempts the requirement for a disclosure document for the issue of securities in certain circumstances to investors who are deemed to have sufficient investment knowledge to make informed decisions, including professional investors, sophisticated investors and senior managers of the Company); or
    (iii) an offer made under a disclosure document,

    would not exceed 5% (or such other maximum permitted under any applicable law) of the total number of Shares on issue at the date of the invitation.

(t) **Amendment of Employee Securities Incentive Plan**: The Board may at any time amend any provisions of the Employee Securities Incentive Plan rules, including (without limitation) the terms and conditions upon which any Convertible Securities have been granted under the Employee Securities Incentive Plan and determine that any amendments to the Employee Securities Incentive Plan rules be given retrospective effect, immediate effect or future effect. However, no amendment to any provision of the Employee Securities Incentive Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

(u) **Employee Share Trust:** The Board may in its discretion use an employee Share Trust or other mechanism for the purpose of holding or delivering Shares and arising from the exercise of the Convertible Securities issued under the Employee Securities Incentive Plan, on the terms and conditions determined by the Board.

(v) Employee Securities Incentive Plan Duration: The Employee Securities Incentive Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Employee Securities Incentive Plan for a fixed period or indefinitely, and may end any suspension. If the Employee Securities Incentive Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants. If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

(w) Income Tax Assessment Act: The Employee Securities Incentive Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to the conditions in that Act) unless the Board determines otherwise at the time of making an offer of securities under the Employee Securities Incentive Plan.

13.6 TERMS AND CONDITIONS OF THE ADVISOR OPTIONS

The rights and liabilities attaching to the Advisor Options are summarised as follows.

(a) Entitlement: Each Advisor Option entitles the holder to subscribe for one Share upon exercise of the Advisor Option.

(b) Exercise Price: The amount payable upon exercise of each Advisor Option is $0.30 in respect of the Advisor Options (**Exercise Price**).

(c) Expiry Date: Each Advisor Option will expire at 5.00pm (AWST) on the date that is 3 years from the date of grant (**Expiry Date**). An Advisor Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period: The Advisor Options are exercisable at any time on or prior to the Expiry Date.

(e) Notice of Exercise: The Advisor Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Advisor Option being made. Any Notice of Exercise of an Advisor Option received by the Company will be deemed to be a notice of exercise of that Advisor Option as at the date of receipt by the Company.

(f) Shares Issued on Exercise: Shares issued on exercise of the Advisor Options will rank equally in all respects with the then issued Shares of the Company.

(g) Advisor Options not Quoted: The Company will not apply to ASX for quotation of the Advisor Options.

(h) Quotation of Shares on Exercise: Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Advisor Options.

(i) Timing of Issue of Shares and Quotation: After an Advisor Option is validly exercised, the Company must as soon as practicable:

- (i) issue the Shares pursuant to the exercise of the Advisor Options; and
- (ii) do all such acts, matters and things to obtain:
  - (a) the grant of quotation for the Share on ASX no later than 10 days from the date of exercise of the Advisor Options; and
  - (b) receipt of cleared funds equal to the sum payable on the exercise of the Advisor Options.

(j) Participation in New Issues: There are no participation rights or entitlements inherent in the Advisor Options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Advisor Options and prior to the exercise of the Advisor Options.

(k) Adjustment for Bonus Issue: If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

i. the number of Shares which must be issued on the exercise of an Advisor Option will be increased by the number of Shares which the holder would have received if they had exercised the Advisor Option before the record date for the bonus issue; and

ii. no further consideration will be payable by the holder.

(l) Adjustment for Rights Issue: If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of an Advisor Option.

(m) Adjustment for Reorganisation: If there is any reorganisation of the issued share capital of the Company, the rights of the Advisor Option holder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(n) Advisor Options not Transferable: The Advisor Options are not transferable unless with the prior written approval of the Board and provided that the transfer complies with the Corporations Act.

(o) Lodgement Instructions: Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Advisor Options with the appropriate remittance should be lodged at the Company's share registry.

13.7 TERMS AND CONDITIONS OF CONVERTIBLE NOTES

The Company has on issue 3,000,000 Convertible Notes with a total face value of $3,000,000. The material terms of the Convertible Notes are as follows:

(a) The Convertible Notes have a maturity Date of 2 years from issue (being 2 December 2021).

(b) The Convertible Notes automatically convert to Shares at $0.14 per Share on completion of the Offer.

(c) The Convertible Notes accrue interest at 10% per annum. Interest will accrue from the issue date of the Convertible notes to the conversion date and is payable in Shares issued at $0.14 per Share.

SECTION 14

ADDITIONAL INFORMATION

14.1 SUBSTANTIAL SHAREHOLDERS

On completion of the Offers (assuming existing substantial holders do not subscribe for Shares under the Public Offer and no new investors become substantial holders) the substantial holders of the Company are expected to be as set out below:

Shareholder	Relevant interest in Shares	% total Shares on IPO	
		Maximum Subscription	Minimum Subscription
Kenneth Hancock[1]	74,503,259	38.7%	42.0%
RLF Australia[2]	70,058,815	36.4%	39.5%
Alan Hancock[3]	70,058,815	36.4%	39.5%
Peter Wood[4]	70,058,815	36.4%	39.5%
Gavin Ball[5]	25,428,480	13.2%	14.3%
RLF Global	18,680,555	9.7%	10.5%

[1] 58.14% of RLF Australia is held by Benson Chase Pty Ltd (**Benson Chase**) an entity which is held 25% by entities associated with Kenneth Hancock and 25% by entities associated with Kenneth Hancock's father, Alan Hancock. 60% of RLF Global is held by RLF Australia. As a result, Kenneth Hancock has a deemed relevant interest in the Shares in the Company held by RLF Australia (51,378,260 Shares) and RLF Global (18,680,555 Shares). This number and percentage also include Shares held by Tigris Corporation Limited (4,444,444 Shares), an entity controlled by Kenneth Hancock.

[2] RLF Australia holds 51,378,260 Shares in the Company directly. RLF Australia also holds 60% of RLF Global and consequently controls RLF Global. Accordingly, it has a relevant interest in the shares held by RLF Global (18,680,555 Shares).

[3] Entities associated with Alan Hancock (Kenneth Hancock's father) hold 25% of Benson Chase and accordingly, Alan Hancock has a deemed relevant interest in the Shares in the Company held by RLF Australia (51,378,260 Shares) and RLF Global (18,680,555 Shares).

[4] Entities associated with Peter Wood hold 50% of Benson Chase and accordingly, Peter Wood has a deemed relevant interest in the shares in the Company held by RLF Australia (51,378,260 Shares) and RLF Global (18,680,555 Shares).

[5] Held through entities controlled by Gavin Ball, Capital Corporation (Holdings) Pty Ltd (347,222 Shares) and Omnius Pty Ltd (6,400,703 Shares). An entity controlled by Gavin Ball, International Fertilisers Pty Ltd, holds 40% of RLF Global. As a result, Gavin Ball also has a deemed relevant interest in the Shares held by RLF Global (18,680,555 Shares).

The Company will announce to the ASX details of its top 20 Shareholders (following completion of the Offers) prior to the Shares commencing trading on the ASX.

14.2 FEES AND BENEFITS

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

- the formation or promotion of the Company,
- any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the Offers under this Prospectus, or
- the Offers under this Prospectus,
- and no amounts have been paid or agreed to be paid, and no benefits have been given or agreed to be given, to any of those persons for services rendered in connection with the formation or promotion of the Company or the Offers of Shares under this Prospectus.

Discovery Capital Partners has acted as Lead Manager of the Offer. In respect of this work, Discovery Capital Partners will be paid such amounts under the Lead Manager Mandate as detailed in Section 10.5. During the 24 months preceding lodgement of this Prospectus, Discovery Capital Partners has been paid or is entitled to be paid fees from the Company as detailed in Sections 3.15 and 3.16 in addition to the amount payable under the Lead Manager Mandate.

Hall Chadwick (WA) is the auditor of the Company and audited the Company's financial accounts for the financial years 2020 and 2021. During the 24 months preceding lodgement of this Prospectus with the ASIC, Hall Chadwick (WA) has been paid or is entitled to be paid $76,193 (exclusive of GST) in fees from the Company.

Pitcher Partners was the previous auditor of the Company and audited the Company's financial accounts for the financial years 2019. During the 24 months preceding lodgement of this Prospectus with the ASIC, Pitcher Partners has been paid or is entitled to be paid $1,500 (exclusive of GST) in fees from the Company.

Registry Direct Limited has been appointed to conduct the Company's Share Registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions. During the 24 months preceding lodgement of this Prospectus with the ASIC, Registry Direct Limited has not received any fees from the Company.

GTP Legal has acted as the Australian lawyers to the Company in relation to the Offer and has been involved in due diligence enquiries on legal matters. The Company estimates it will pay GTP Legal approximately $115,000 (plus GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, GTP Legal has been paid, or is entitled to be paid, approximately $243,866 (exclusive of GST) in fees from the Company for other services.

Grandall Law Firm has acted as the Chinese lawyers to the Company in relation to the Offer and has been involved in due diligence enquiries on legal matters in China. The Company estimates it will pay Grandall Law Firm approximately RMB 150,000 (approximately $31,500) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Grandall Law Firm has been paid or is entitled to be paid approximately RMB 150,000 (approximately $31,500) in fees from the Company.

Moore Australia has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which has been included in Section 8 of this Prospectus. The Company estimates it will pay Moore Australia a total of $35,000 (plus GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Moore Australia has been paid $30,000 (plus GST) in fees from the Company including for the preparation of an earlier Investigating Accountant's Report for the Company.

Moore Australia has acted as Independent Expert and has prepared the Independent Expert's Report which has been included in Section 8 of this Prospectus. The Company estimates it will pay Moore Australia a total of $18,000 (plus GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Moore Australia has been paid or is entitled to be paid $54,768 (plus GST) in fees from the Company including for the preparation of an earlier Independent Expert's Report for the Company.

14.3 CONSENTS

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Shares), the Directors, persons named in this Prospectus with their consent having made a statement in this Prospectus and persons involved in a contravention in relation to this Prospectus, with regard to misleading and deceptive statements made in this Prospectus. Although the Company bears primary responsibility for this Prospectus, the other parties involved in the preparation of this Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- does not make, or purport to make, any statement in this Prospectus, or any statement on which a statement in this Prospectus is based, other than those referred to in this Section,
- has not authorised or caused the issue of this Prospectus or the making of the Offers, and
- makes no representations regarding, and to the maximum extent permitted by law, expressly disclaims, and takes no responsibility for any statements in, or omissions from any part of this Prospectus other than a reference to its name and a statement and/or a report (if any) included in this Prospectus with the consent of that party as specified in this Section.

Discovery Capital Partners has given its written consent to being named as the Lead Manager to the Public Offer in this Prospectus and has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Registry Direct Limited has given its written consent to being named the Company's Share Registry in this Prospectus and has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

Hall Chadwick (WA) has given its written consent to being named in this Prospectus as the auditor to the Company in the relevant periods and to the inclusion of the audited accounts for the Company for the full financial years ended 30 June 2020 and 30 June 2021. Hall Chadwick (WA) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Pitcher Partners has given its written consent to being named in this Prospectus as the auditor to the Company in the relevant periods and to the inclusion of the audited accounts for the Company for the full financial year ended 30 June 2019. Pitcher Partners has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

GTP Legal has given its written consent to being named as the Australian lawyers to the Company in this Prospectus. GTP Legal has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Grandall Law Firm has given its written consent to being named as the Chinese lawyers to the Company in this Prospectus. Grandall Law Firm has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Moore Australia has given its written consent to being named as the Investigating Accountant and to the inclusion of the Investigating Accountant's Report in Section 8 in the form and context in which the report is included. Moore Australia has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

Moore Australia has given its written consent to being named as the Independent Expert and to the inclusion of the Independent Expert's Report in Annexure A in the form and context in which the report is included. Moore Australia has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

The industry section of this Prospectus includes references to statements in certain publications identified in Section 2 and Section 5. The inclusion of statements made by, attributed to or based on statements made by the authors of such publications has not been consented to by the relevant authors for the purpose of section 716 of the Corporations Act and have been included in this Prospectus based on the relief in ASIC Corporations (Consent to Statements) Instrument 2016/72 for statements already published in books, journals or comparable publications.

14.4 LITIGATION

To the knowledge of the Directors, as at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

14.5 TAXATION

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

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

14.6 INDEPENDENT EXPERT'S REPORT ON PERFORMANCE RIGHTS

The Performance Securities (would, if the applicable milestones are achieved, result in the issue of a total of 30,375,000 Shares, being approximately 15.8% at the Maximum Subscription and approximately 17.2% at the Minimum Subscription of the number of Shares that the Company proposes to have on issue on the date of its intended admission to ASX. Therefore, in accordance with section 13 of ASX Guidance Note 19 *Performance Securities*, the Company has engaged Moore Australia (**Independent Expert**) to prepare a report (**Independent Expert's Report**) to opine on whether issue of the Performance Securities are fair and reasonable to non-participating security holders. The Independent Expert's Report is set out in Annexure A. The Independent Expert has concluded that the issue of the Performance Securities is fair and reasonable to non-participating security holders.

14.7 ESTIMATED COSTS OF OFFERS

The estimated cash expenses of the Offers are as follows:

Item of Expenditure	Minimum Subscription	Maximum Subscription
ASIC and ASX fees	150,000	150,000
Legal fees	200,000	200,000
Investigating Accountant's Report	35,000	35,000
Independent Expert's Report	18,000	18,000
Lead Manager fee[1]	420,000	600,000
Share registry, type-setting, printing and other expenses	77,000	77,000
Total	**900,000**	**1,080,000**

[1] Refer to Section 10.5 for further details in respect to fees payable to the Lead Manager. The Lead Manager (or its nominee) is also entitled to be issued 7,000,000 Adviser Options on completion of the Public Offer, each exercisable at $0.30 on or before 3 years from the Company's admission to the Official List and otherwise with the terms and conditions in Section 13.6.

SECTION 15

DIRECTOR'S AUTHORISATION

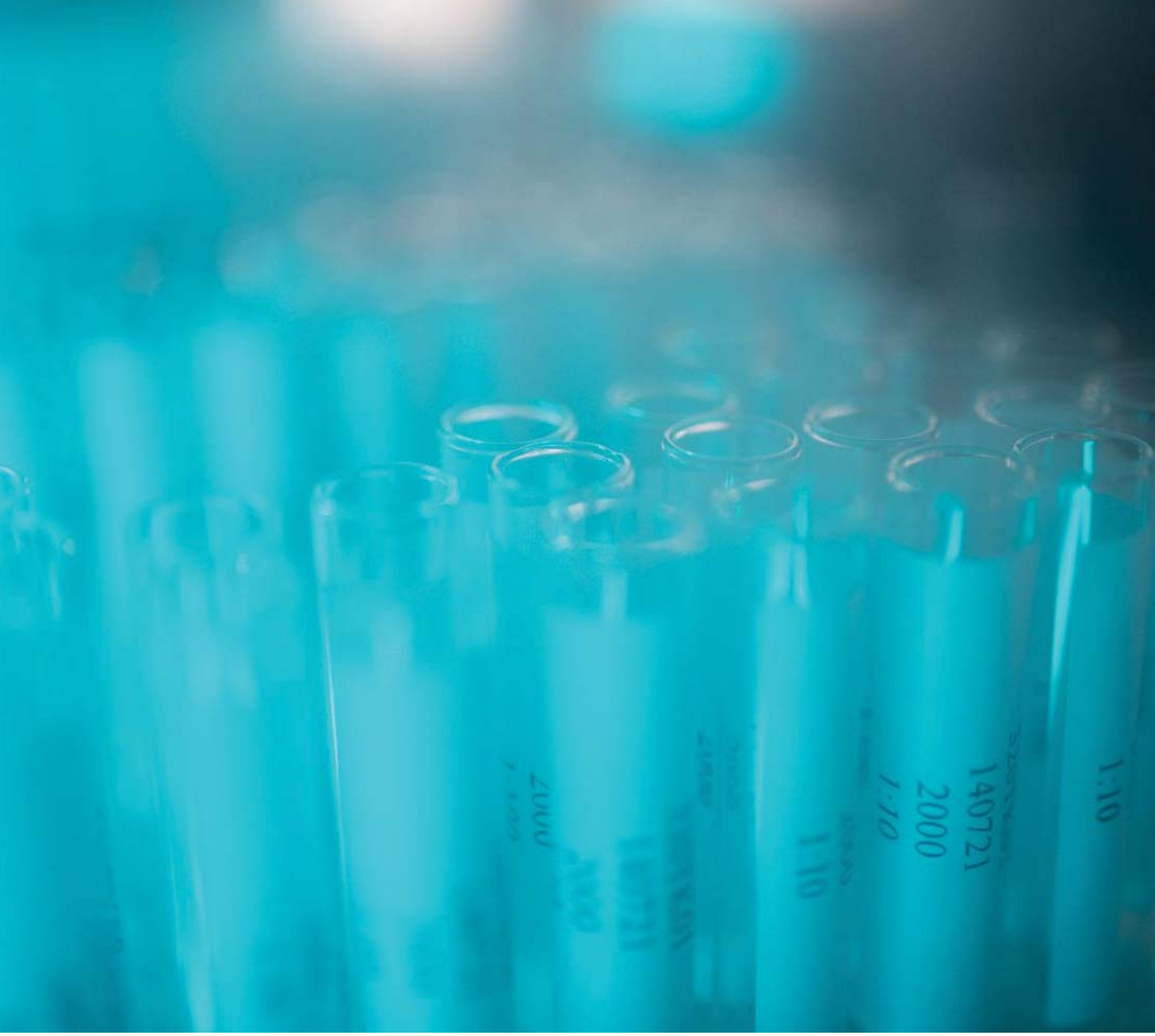
This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

Kenneth Hancock
Managing Director
for and on behalf of
RLF AgTech Ltd

24 February 2022

Kenneth Hancock



SECTION 16

GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

A

ACCU means Australian Carbon Credit Units.

Advisor Options means an unlisted Option exercisable at $0.30 on or before the date that is 3 years from the date of Official Quotation of Shares on the ASX and otherwise on the terms and conditions set out in Section 13.6.

AEST means Australian Eastern Standard Time.

Allocation Policy means allocations in respect of the Offer determined by the Company in consultation with the Lead Manager in accordance with the Allocation Policy detailed in Section 3.13.

Applicant means a person who submits an Application Form.

Application means a valid application for Shares pursuant to an Application Form.

Application Form means a Public Offer Application Form or a Convertible Note Share Offer Application Form (as applicable).

Application Monies means application monies for Shares received and banked by the Company.

Argus Corporate Partners means Argus Corporate Partners Pty Ltd ACN 646 797 793, a company registered in the Commonwealth of Australia.

ASIC means the Australian Securities & Investments Commission.

Associated Body Corporate has the meaning given to that term in ASIC Class Order [14/1000].

ASX means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange operated by ASX Limited (as the context requires), a company registered in the Commonwealth of Australia.

Australian Distribution Agreement has the meaning given to it in Section 10.1.

Australian Government Clean Energy Regulator means the independent statutory authority operating as part of the Australian Government Industry portfolio as authorised by the Clean Energy Regulator Act 2011.

AUD, A$** or **$ means an Australian dollar.

AWST means Australian Western Standard Time.

B

Benson Chase means Benson Chase Pty Ltd ACN 093 030 052, a company registered in the Commonwealth of Australia.

Bentleys means Bentleys Audit & Corporate (WA) Pty Ltd ACN 121 222 802 a company registered in the Commonwealth of Australia.

Board means the Board of Directors as constituted from time to time.

Business Day means a week day when trading banks are ordinarily open for business in Perth, Western Australia.

C

Carbon Sales has the meaning given to it at Section 10.1 (c).

CHESS means ASX's Clearing House Electronic Sub-register System.

China means the People's Republic of China.

Chinese Subsidiaries means RLF Hong Kong, RLF Kaifeng and RLF Shanghai.

Class A Performance Right means the contractual right to a Share on the achievement of the vesting conditions and on the terms and conditions detailed in Section 13.3.

Class B Performance Right means the contractual right to a Share on the achievement of the vesting conditions and on the terms and conditions detailed in Section 13.3.

Closing Date means the date on which the Offer closes as set out in the indicative timetable in Key Dates Indicative Timetable on page 3 of this Prospectus.

C (cont.)

Commonwealth Bank means Commonwealth Bank of Australia Limited ACN 123 123 124 a company registered in the Commonwealth of Australia.

Company or RLF AgTech means RLF AgTech Ltd ACN 622 055 216, a company registered in the Commonwealth of Australia and its wholly owned subsidiaries as outlined in Section 4.4.

Conditions of the Offer mean the conditions of the Offer outlined in Section 3.3.

Conflict Management Committee has the meaning given to it in Section 9.3.

Conflicts and Related Party Transactions Policy has the meaning given to it in Section 9.3.

Constitution means the constitution of the Company.

Convertible Notes means the convertible notes issued by the Company to the Noteholders with an aggregate face value of $3 million.

Convertible Note Share Offer has the meaning in Section 3.2.

Convertible Note Offer Application Form means an application form for Shares under the Convertible Note Share Offer which the Company will provide directly to the Noteholders.

Corporations Act means the Corporations Act 2001 (Cth).

CPI means the Consumer Price Index published annually by the Australian Bureau of Statistics.

D

Discovery Capital Partners means Discovery Capital Partners Pty Ltd ACN 615 635 982 a company registered in the Commonwealth of Australia.

Deferred Consideration Shares has the meaning given to it in Section 4.3.

E

Eligible Participant has the meaning given to it in Section 13.5(a).

Emissions Reduction Project means a projects registered under the Emissions Reduction Fund with the Australian Government Clean Energy Regulator under Section 167 of the Carbon Farming Initiative Act 2011. For a project to be registered it must meet all eligibility criteria, of Section 27 of the Act, and involve activities that achieve emissions reductions consistent with an approved method.

Employee Securities Incentive Plan means the Company's Employee Incentive Securities Plan summarised in Section 13.5.

Exposure Period means the period of 7 days after the date of lodgement of the Original Prospectus, which was extended by ASIC for a further 7 days pursuant to section 727(3) of the Corporations Act.

G

Grandall Law Firm means the Company's Chinese legal advisors, Grandall Law Firm, a company registered in the People's Republic of China.

GST has the same meaning as in A New Tax System (Goods & Services Tax) Act 1999 (Cth).

GTP Legal means the Company's Australian legal advisors, GTP Legal Pty Ltd ABN 88 152 484 270, a company registered in the Commonwealth of Australia.

H

Hall Chadwick means the Company's Auditor Hall Chadwick WA Audit Pty Ltd ABN 33 121 222 802, a company registered in the Commonwealth of Australia.

I

IAI means International Agri Investments Pty Ltd ACN 122 946 285, a company registered in the Commonwealth of Australia.

I (cont.)

Incentive Options means an unlisted Option exercisable at $0.54 on or before the date that is five years from the date of Official Quotation of Shares on the ASX and otherwise on the terms and conditions set out in Section 13.2.

Independent Assurance Report means the Independent Assurance Report in Section 8.

Independent Expert has the meaning given to it in Section 14.6.

Independent Expert's Report has the meaning given to it in Section 14.6.

Initial Consideration Shares has the meaning in Section 4.3.

IPO means Initial Public Offering.

L

Lead Manager means Discovery Capital Partners.

Lead Manager Mandate has the meaning given to it in Section 10.5.

Letter of Intent has the meaning given to it in Section 10.6.

Listing Rules means the official listing rules of ASX.

M

Maximum Subscription has the meaning given to it in Section 3.1.

Minimum Subscription has the meaning given to it in Section 3.1.

Moore Australia means the Company's Investigating Accountant and Independent Expert, Moore Australia Corporate Finance (WA) Pty Ltd ACN 058 626 403, a company registered in the Commonwealth of Australia.

N

Noteholder means a holder of Convertible Notes.

NPC means National People's Congress of China.

O

OEM means original equipment manufacturer.

Offers means the Public Offer and the Convertible Note Share Offer.

Office Services Agreement has the meaning given to it in Section 10.3.

Official List means the official list of ASX.

Official Quotation means official quotation of the Shares by ASX in accordance with the Listing Rules.

Option means an option to acquire a Share.

Original Prospectus means the original prospectus that was prepared by the Company and lodged with ASIC on 10 February 2022.

P

Participant means an Eligible Participant or its nominated party who has been granted Convertible Securities under the Employee Securities Incentive Plan.

Performance Right means a contractual right to a Share.

Performance Rights means the Class A Performance Rights and Class B Performance Rights.

Performance Securities means the Deferred Consideration Shares and the Performance Rights.

Public Offer has the meaning in Section 3.1.

Public Offer Application Form means the application form for Shares accompanying or attached to this Prospectus (including the electronic form provided by an online application facility) relating to the Public Offer.

Pitcher Partners means Pitcher Partners SA Partnership ABN 63 157 542 737.

PPDT means the Company's proprietary Plant Proton Delivery Technology.

Prospectus or **Replacement Prospectus** means this replacement prospectus dated 24 February 2022 which replaces the Original Prospectus.

R

Registry Direct means Registry Direct Limited ACN 160 181 840, a company registered in the Commonwealth of Australia.

Report 521 means the report published by ASIC entitled 'Report 521 - Further review of emerging market issuers'.

Restructure has the meaning given to it at Section 6.6.

RLF means the RLF AgTech brand.

RLF means RLF AgTech Ltd ACN 622 055 216, a company registered in the Commonwealth of Australia.

RLF Australia means Rural Liquid Fertilisers Pty Ltd ACN 056 257 777, a company registered in the Commonwealth of Australia.

RLF Distribution Co means RLF Distribution Co Pty Ltd ACN 653 181 634 a company registered in the Commonwealth of Australia.

RLF Global means RLF Global Pty Limited ACN 164 009 330, a company registered in the Commonwealth of Australia.

RLF IP Co means RLF IP Co Pty Ltd ACN 653 181 821 a company registered in the Commonwealth of Australia.

RLF Intellectual Property means all intellectual property rights in relation to the RLF Plant Nutrition Products.

RLF Hong Kong means RLF China (HK) Limited, a company registered in the Hong Kong Special Administrative Region of the Peoples Republic of China.

RLF Kaifeng means Rural Liquid Fertilisers China (Kaifeng) Co. Limited, a wholly owned foreign enterprise company registered in the Peoples Republic of China.

RLF Plant Nutrition Products means the range of plant nutrition products including specialty liquid fertilisers owned and developed by the Company that it manufactures, packages and distributes.

RLF Shanghai means RLF Chemical Fertilisers (Shanghai) Co. Limited, a wholly owned foreign enterprise company registered in the Peoples Republic of China.

RLF Thailand means Rural Liquid Fertilisers (Thailand) Co. Limited, a company registered in the Kingdom of Thailand.

RMB means Renminbi, the official currency in China (also abbreviated as CNY). This basic unit is the yuan.

Royalty Fee has the meaning given to it in Section 10.1.

S

SCNPC means the Standing Committee of the National People's Congress of China.

Section means a section of this Prospectus.

Securities means Shares, Options and Performance Rights or any combination of these as the context provides.

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

Share Registry means Registry Direct.

Shareholder means a holder of Shares.

Sourcefit Philippines means Sourcefit Philippines Inc. a company based in Manila, Philippines, that provides contracted personnel to the Company.

T

Toll Manufacturing Agreement has the meaning given to it in Section 10.2.

U

UAV means Unmanned Aerial Vehicle.

UNSDG means United Nations Sustainable Development Goals.

W

WFOE means Wholly Foreign Owned Entity, a limited liability company which is wholly owned by foreign investors.

ANNEXURE

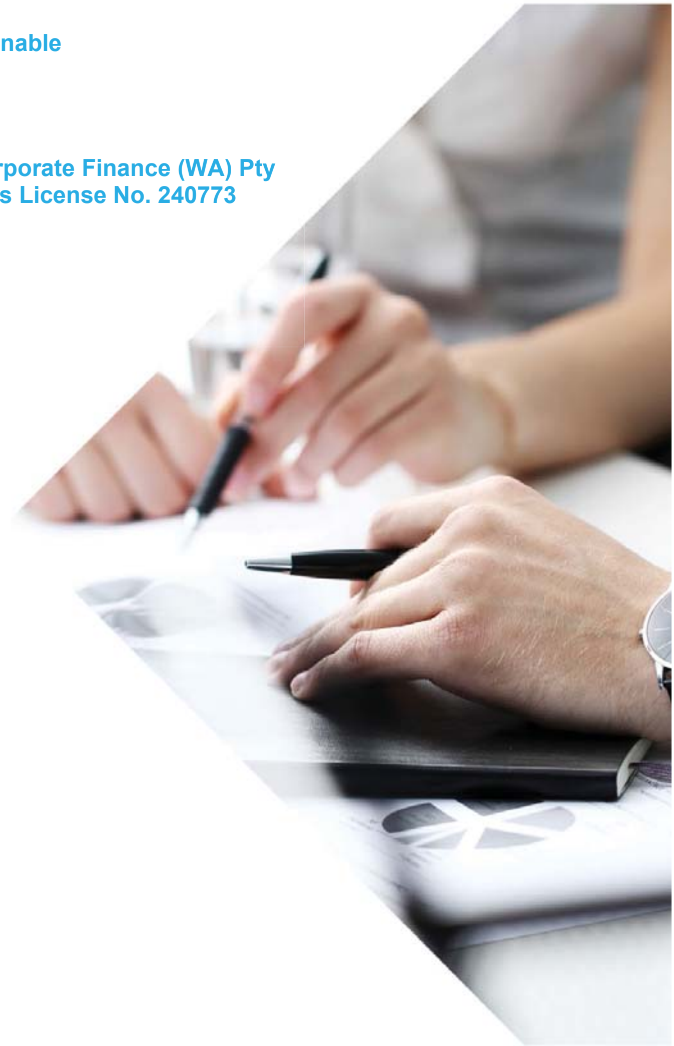
RLF AgTech Limited

(formerly Rural Liquid Fertilisers Asia Limited)

Independent Expert's Report
and Financial Services Guide

2 February 2022

The Conversion is fair and reasonable



Prepared by Moore Australia Corporate Finance (WA) Pty Ltd. Australian Financial Services License No. 240773

www.moore-australia.com.au

MOORE

MOORE AUSTRALIA CORPORATE FINANCE (WA) PTY LTD

Australian Financial Services Licence No. 240773

FINANCIAL SERVICES GUIDE

This Financial Services Guide is issued in relation to our Independent Expert's Report on the proposed issue of 24,375,000 Performance Shares ("Deferred Consideration Shares") to RLF Australia Pty Ltd ("RLF Australia") and RLF Global Pty Ltd ("RLF Global") and 6,000,000 Performance Rights on similar terms (the "Conversion"). Our report has been prepared at the request of the Directors of RLF AgTech for inclusion in the Prospectus to be dated on or about 9 February 2022.

Moore Australia Corporate Finance (WA) Pty Ltd

Moore Australia Corporate Finance (WA) Pty Ltd ("MACF") has been engaged by the directors of RLF AgTech to prepare an independent expert's report expressing our opinion as to whether or not the Conversion is "fair and reasonable" to the shareholders of RLF AgTech other than those associated with the Conversion.

MACF holds an Australian Financial Services Licence – Licence No 240773.

Financial Services Guide

As a result of our report being provided to you we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). The FSG includes information on the use of general financial product advice and is issued so as to comply with our obligations as holder of an Australian Financial Services Licence.

Financial Services we are licensed to provide

We hold an Australian Financial Services Licence which authorises us to provide reports for the purposes of acting for and on behalf of clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate restructures or share issues, and to carry on a financial services business to provide general financial product advice for securities to retail and wholesale clients.

We provide financial product advice by virtue of an engagement to issue a report in connection with the issue of securities of a company or other entities.

Our report includes a description of the circumstances of our engagement and identifies the party who has engaged us. You have not engaged us directly but will be provided with a copy of our report as a retail client because of your connection with the matters on which our report has been issued. We do not accept instructions from retail clients and do not receive remuneration from retail clients for financial services.

Our report is provided on our own behalf as an Australian Financial Services Licensee authorised to provide the financial product advice contained in this report.

General Financial Product Advice

Our report provides general financial product advice only, and does not provide personal financial product advice, because it has been prepared without taking into account your particular personal circumstances or objectives either financial or otherwise, your financial position or your needs.

Some individuals may place a different emphasis on various aspects of potential investments.

An individual's decision in relation to the Conversion may be influenced by their particular circumstances and, therefore, individuals should seek independent advice.

Benefits that we may receive

We will charge fees for providing our report. The basis on which our fees will be determined has been agreed with, and will be paid by, the person who engaged us to provide the report. Our fees have been agreed on either a fixed fee or time cost basis. We estimate that our fees for the preparation of this report will be approximately $15,000 plus GST.

Remuneration or other benefits received by our employees

All our employees receive a salary. Employees may be eligible for bonuses based on overall productivity and contribution to the operation of MSPCS or related entities but any bonuses are not directly in connection with any assignment and in particular are not directly related to the engagement for which our report was provided.

Referrals

We do not pay commissions or provide any other benefits to any parties or person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

MACF is the licensed corporate advisory arm of Moore Australia Perth, Chartered Accountants. The directors of MACF may also be partners in Moore Australia Perth Chartered, Accountants.

Moore Australia, Chartered Accountants is comprised of a number of related entities that provide audit, accounting, tax, and financial advisory services to a wide range of clients.

MACF's contact details are set out on our letterhead.

MACF has previously been engaged to prepare the Independent Experts Report in relation to the acquisition of RLF IP Co Pty Ltd and RLF Distribution Co Ltd for RLF AgTech, and in the preparation of the Investigating Accountants Report for RLF Australia.

Complaints resolution

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to The Complaints Officer, Moore Australia Corporate Finance (WA) Pty Ltd, PO Box 5785, St George's Terrace, Perth WA 6831.

On receipt of a written complaint we will record the complaint, acknowledge receipt of the complaint and seek to resolve the complaint as soon as practical.

If we cannot reach a satisfactory resolution, you can raise your concerns with the Australian Financial Complaints Authority Limited ("AFCA"). AFCA is an independent body established to provide advice and assistance in helping resolve complaints relating to the financial services industry. MACF is a member of AFCA. AFCA may be contacted directly via the details set out below.

Australian Financial Complaints Authority Limited

GPO Box 3
Melbourne VIC 3001
Toll free: 1800 931 678
Facsimile: 03 9613 6399 Email: info@afca.org.au

Contents

MOORE

Moore Australia

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PO Box 5785, St Georges Terrace, WA 6831

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F +61 8 9225 6181

www.moore-australia.com.au

2 February 2022

The Directors
RLF Agtech Limited
PO Box 387
WELSHPOOL WA 6986

Dear Directors

Independent Expert's Report

1. INTRODUCTION

1.1 This Independent Expert's Report ("IER") has been prepared to accompany a prospectus ("Prospectus") to be provided to potential investors in RLF AgTech Limited ("RLF AgTech", "the Company"), formerly Rural Liquid Fertilisers Asia Limited.

1.2 On 1 November 2021, RLF AgTech shareholders approved the acquisition of 100% of the issued share capital of RLF IP Co from RLF Australia Pty Ltd ("RLF Australia") and 100% of the issued capital of RLF Distribution Co from RLF Global Pty Ltd ("RLF Global"), (the "Acquisitions"). As part of the Acquisitions, RLF AgTech issued RLF Australia and RLF Global the following Deferred Consideration Shares:

- 10,000,000 Class A Deferred Consideration Shares to RLF Australia once RLF AgTech achieves the earlier of annual revenue of $25m or annual EBITDA of $5m within 5 years after the Completion Date of the Acquisitions;
- 10,000,000 Class B Deferred Consideration Shares to RLF Australia once RLF AgTech achieves the earlier of annual revenue of $50m or annual EBITDA of $10m within 5 years after the Completion Date of the Acquisitions;
- 2,187,500 Class A Deferred Consideration Shares to RLF Global once RLF AgTech achieves the earlier of annual revenue of $25m or annual EBITDA of $5m within 5 years after the Completion Date of the Acquisitions; and
- 2,187,500 Class B Deferred Consideration Shares to RLF Global once RLF AgTech achieves the earlier of annual revenue of $50m or annual EBITDA of $10m within 5 years after the Completion Date of the Acquisitions.

1.3 RLF AgTech has also issued 6,000,000 Performance Rights to executive management on the same terms as the Deferred Consideration Shares as follows:

- 3,000,000 Class A Performance Rights to the Directors of the Company once RLF AgTech achieves the earlier of annual revenue of $25m or annual EBITDA of $5m within 5 years after the Completion Date of the Acquisitions; and
- 3,000,000 Class B Performance Rights to the Directors of the Company once RLF AgTech achieves the earlier of annual revenue of $50m or annual EBITDA of $10m within 5 years after the Completion Date of the Acquisitions.

1.4 The combined Deferred Consideration Shares and Performance Rights together represent approximately 17.1% of the ordinary issued share capital of RLF AgTech, assuming the successful completion of the IPO and the Minimum Capital Raising of 35,000,000 shares at $0.20 per share, and 15.8% of the ordinary issued share capital of RLF AgTech after successful completion of the IPO and the Maximum Capital Raising of 50,000,000 shares at $0.20 per share. For details of how the share capital post IPO has been calculated refer to Section 3 of this report.

MOORE

1.5 The Directors of RLF AgTech have engaged Moore Australia Corporate Finance (WA) Pty Ltd ("MACF") to prepare an Independent Expert's Report, being independent and qualified for purpose, to express an opinion as to whether or not the conversion of the Class A and Class B Deferred Consideration Shares and the Performance Rights into ordinary shares ("the Conversion") is fair and reasonable to the Non-Participating Shareholders or RLF AgTech.

1.6 Our assessment of the Conversion relies on financial information provided by the Company and the Directors. We have not completed an audit or due diligence of the information which has been provided or of the entities which have been valued. We have however, performed a critical analysis of the information provided to us by querying any abnormal or unusual movements, as required by RG 111: Content of Experts Reports.

1.7 This report does not contain any accounting or taxation advice. Further details of the Conversion are set out in Section 3 of our report.

2. SUMMARY AND OPINION

Purpose of the Report

2.1 We have had regard to ASX's updated Guidance Note 19 "Performance Securities" ("GN19") which requires that a listed entity must obtain an independent experts report in a situation where a proposed issue of performance securities will convert into greater than 10% of the issued capital of the company if applicable milestones are achieved.

2.2 The Directors of RLF AgTech have engaged Moore Australia Corporate Finance (WA) Pty Ltd ("MACF") being independent and qualified for the purpose, to prepare an Independent Expert's Report ("IER" or the "Report") to express an opinion as to whether the issue of shares in RLF AgTech upon Conversion is fair and reasonable to the Non-Participating Shareholders of RLF AgTech.

2.3 Our report has been prepared having regard to Australian Securities & Investments Commission ("ASIC") Regulatory Guide 111 Content of Expert's Reports ("RG 111") and Regulatory Guide 112 Independence of Expert's ("RG 112").

2.4 We have not been engaged to form an opinion on the acquisition of RLF IP Co or RLF Distribution Co. As such, we have not analysed, nor provided an opinion on the acquisition of RLF IP Co or RLF Distribution Co. Our report relates solely to the potential Conversion of the Deferred Consideration Shares and Performance Rights.

Approach

2.5 Our report has been prepared having regard to ASIC RG 111, RG 112 and ASX GN19.

2.6 In arriving at our opinion, we have assessed the terms of the Conversion, as outlined in the body of our report, by considering the following:

- A comparison of the value of an RLF AgTech share assuming the relevant performance milestones attached to the Deferred Consideration Shares and the Performance Rights are not met, to the value of an RLF AgTech share assuming that the relevant performance milestones of the Deferred Consideration Shares and Performance Rights have been met;
- Advantages and disadvantages of the Deferred Consideration Shares and Performance Rights; and
- Other factors which we consider to be relevant to the shareholders of RLF AgTech.

2.7 Further information on the approach we have employed in assessing whether the Conversion is "fair and reasonable" is set out at Section 4 of this Report.

MOORE

Opinion

2.8 We have considered the terms of the Conversion as outlined in the body of our report and have concluded that the Conversion is fair and reasonable to the Shareholders of RLF AgTech, as set out in Sections 9 and 10 of this Report.

Fairness

2.9 In Section 9 we determined the value of RLF AgTech's shares before the Conversion and the value of RLF AgTech's shares following the Conversion, as detailed below:

		Section	LOW (Minimum Capital Raising) $	HIGH (Maximum Capital Raising) $
Pre Conversion	Assessed Fair Value of an RLF AgTech share prior to the Conversion on a minority basis	7.31	0.058	0.116
Post Conversion	Assessed Fair Value of an RLF AgTech share post the Conversion on a minority basis	8.6	0.100	0.389

Source: Moore Australia Analysis

2.10 The above assessment indicates that, in the absence of any other relevant information, the Conversion is fair to the Non – Participating Shareholders of RLF AgTech because the value of an RLF AgTech share following the Conversion is within or greater than the range of values of RLF AgTech share prior to the Conversion.

Conversion Reasonableness

2.11 RG 111 establishes that an offer is reasonable if it is fair. It may also be reasonable if, despite not being fair, there are sufficient other reasons to justify an offer. We have considered the analysis in Section 10 of this report, in terms of both;

- Advantages and disadvantages of the Conversion; and
- Other considerations impacting RLF AgTech Shareholders.

2.12 In our opinion, if the Conversion is successful, the position of the Non-Participating Shareholders of RLF AgTech is more advantageous than their position if the Conversion was not successful. Accordingly, we believe that the Conversion is reasonable.

2.13 The advantages and disadvantages considered are summarised below:

Advantages

Section Ref	Advantage	Section Ref	Disadvantages
10.3	The Conversion is fair.	10.3	No guarantee of profits.
10.3	Consideration will be deferred and contingent on achieving results.	10.3	The revenue hurdles could be easier to achieve and does not necessarily translate to profitability.

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3. SUMMARY OF THE CONVERSION

Overview

3.1 On 1 November 2021, RLF AgTech shareholders approved the acquisition of 100% of the issued share capital of RLF IP Co from RLF Australia and 100% of the issued capital of RLF Distribution Co from RLF Global (the "Acquisitions"). The key terms of the Acquisitions are as follows:

- RLF AgTech issued 30,000,000 fully paid RLF AgTech Ordinary Shares and $2m cash consideration to RLF Australia on completion of the Acquisitions;
- RLF AgTech issued 20,000,000 Deferred Consideration Shares in RLF AgTech to RLF Australia. Class A Deferred Consideration Shares convert to ordinary shares once RLF AgTech achieves the earlier of annual revenue of $25m or annual EBITDA of $5m within 5 years after the Completion Date of the Acquisitions and Class B Deferred Consideration Shares convert to ordinary shares once RLF AgTech achieves the earlier of annual revenue of $50m or annual EBITDA of $10m within 5 years after the Completion Date of the Acquisitions;
- RLF AgTech issued 13,125,000 fully paid Ordinary Shares in RLF AgTech to RLF Global on completion of the Acquisitions; and
- RLF AgTech issued 4,375,000 Deferred Consideration Shares in RLF AgTech to RLF Global. Class A Deferred Consideration Shares convert to ordinary shares once RLF AgTech achieves the earlier of annual revenue of $25m or annual EBITDA of $5m within 5 years after the Completion Date of the Acquisitions and Class B Deferred Consideration Shares convert to ordinary shares once RLF AgTech achieves the earlier of annual revenue of $50m or annual EBITDA of $10m within 5 years after the Completion Date of the Acquisition.

3.2 In addition, RLF AgTech has issued 6,000,000 Performance Rights to executive management on the same terms as the Deferred Consideration Shares, as follows:

- 3,000,000 Class A Performance Rights to the Directors of the Company once RLF AgTech achieves the earlier of annual revenue of $25m or annual EBITDA of $5m within 5 years after the Completion Date of the Acquisitions; and
- 3,000,000 Class B Performance Rights to the Directors of the Company once RLF AgTech achieves the earlier of annual revenue of $50m or annual EBITDA of $10m within 5 years after the Completion Date of the Acquisitions.

Deferred Consideration Shares and Performance Rights

3.3 The details of the Deferred Consideration Shares and Performance Rights are set out below.

	RLF Australia	RLF Global	Ken Hancock	Gavin Ball	Lu Shen
Class A Deferred Consideration Shares	10,000,000	2,187,500	-	-	-
Class B Deferred Consideration Shares	10,000,000	2,187,500	-	-	-
Class A Performance Rights	-	-	1,000,000	1,000,000	1,000,000
Class B Performance Rights	-	-	1,000,000	1,000,000	1,000,000

3.4 The terms of the Deferred Consideration Shares and Performance Rights are set out below.

	Revenue Hurdle	EBITDA Hurdle	Period
Class A Deferred Consideration Shares	$25,000,000	$5,000,000	5 years
Class B Deferred Consideration Shares	$50,000,000	$10,000,000	5 years
Class A Performance Rights	$25,000,000	$5,000,000	5 years
Class B Performance Rights	$50,000,000	$10,000,000	5 years

3.5 The Deferred Consideration Shares and Performance Rights do not have rights to any of the following:

- Voting rights in RLF AgTech;
- Dividend rights in RLF AgTech;
- No rights to surplus profits or assets in RLF AgTech;
- No right to a return of capital;
- The Deferred Consideration Shares and Performance Rights are non-transferrable; and
- No right to participate in entitlements and bonus issues.

Rationale for the Conversion

3.6 The Conversion means that the potential dilution to RLF AgTech shareholders is linked to the performance of RLF AgTech. This is preferrable to an upfront issue of fully paid ordinary shares in RLF AgTech which would not require any financial performance hurdles to be met.

3.7 Refer also to our analysis of advantages of the Conversion set out in Section 10.

Impact of Conversion on RLF AgTech Capital Structure

3.8 The table below sets out a summary of the capital structure and aggregated percentage shareholdings of the Shareholders in voting shares in the capital of RLF AgTech, both prior to and post completion of the Conversion. All shareholdings noted in this report relate to direct holdings in RLF AgTech only.

	Prior to Conversion and subsequent to IPO				Post Conversion			
	Number of Shares	% Holding	Number of Shares	% Holding	Number of Shares	% Holding	Number of Shares	% Holding
	MINIMUM CAPITAL RAISING		MAXIMUM CAPITAL RAISING		MINIMUM CAPITAL RAISING		MAXIMUM CAPITAL RAISING	
Ordinary Shares on issue:								
Unrelated Existing Shareholders	33,937,228	19.1	33,937,228	17.7	33,937,228	16.3	33,937,228	15.2
Shares Issued Under the Prospectus	35,000,000	19.7	50,000,000	26.0	35,000,000	16.9	50,000,000	22.5
Convertible Notes	22,232,879	12.5	22,232,879	11.6	22,232,879	10.7	22,232,879	10.0
Gavin Ball[2]	6,747,925	3.8	6,747,925	3.5	8,747,925	4.2	8,747,925	3.9
Ken Hancock[1]	4,444,444	2.5	4,444,444	2.3	6,444,444	3.1	6,444,444	2.9
Lu Shen	4,861,111	2.7	4,861,111	2.5	6,861,111	3.3	6,861,111	3.1
RLF Australia	51,378,260	29.0	51,378,260	26.7	71,378,260	34.4	71,378,260	32.1
RLF Global	18,680,555	10.5	18,680,555	9.7	23,055,555	11.1	23,055,555	10.4
Total Shares on issue	**177,282,402**	**100.0**	**192,282,402**	**100.0**	**207,657,402**	**100.0**	**222,657,402**	**100.0**

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[1] 58.14% of RLF Australia is held by Benson Chase Pty Ltd ("Benson Chase") an entity which is owned 25% by entities associated with Ken Hancock and 25% by entities associated with Ken Hancock's father. 60% of RLF Global is owned by RLF Australia. As a result, Ken Hancock has a deemed relevant interest in the shares in the Company held by RLF Australia (51,378,260 Shares) and RLF Global (18,680,555 Shares).

[2] An entity controlled by Gavin Ball, International Fertilisers Pty Ltd, holds 40% of RLF Global. As a result, Gavin Ball also has a deemed relevant interest in the Shares held by RLF Global (18,680,555 Shares).

3.9 The above analysis is based on the following assumptions:

i. We have assumed that RLF AgTech raises the funds proposed under the Prospectus and, as such, the convertible notes automatically convert into issued shares.

ii. The Participating Shareholders do not acquire any additional Ordinary Shares not contemplated, and do not participate in the issue of the Convertible Notes.

4. SCOPE OF THE REPORT

ASX Listing Rules

4.1 Pursuant to ASX GN19, a company that issues performance securities that could, in aggregate, convert into more than 10% of the number of ordinary shares in the company proposed to be on issue as at the date of the issue of the performance securities, requires an independent expert report to be presented to Non-Participating Shareholders.

4.2 For the purposes of our report, we have assumed that the relevant number of shares required to be compared pre and post the Conversion is the assumed issued capital following the successful completion of the IPO. As such the total number of shares proposed to be on issue as at the date of the issue of the Deferred Consideration Shares and the Performance Rights is 177,282,402 under the Minimum Capital Raising and 192,282,402 under the Maximum Capital Raising, which is the current number of shares on issue in RLF AgTech plus the issue of ordinary shares under the Prospectus (being 35,000,000 shares under the Minimum Capital Raising and 50,000,000 under the Maximum Capital Raising) and conversion of Convertible Notes on issue into 22,232,879 ordinary shares.

4.3 The aggregated Deferred Consideration Shares to be converted to ordinary issued capital as a result of the Conversion is 24,375,000 and the aggregate Performance Rights to be converted to ordinary issued capital as a result of the Conversion is 6,000,000. Although there are different classes of Deferred Consideration Shares and Performance Rights, GN19 requires all classes to be included when considering the potential dilution impact on the ordinary shares.

4.4 Based on the details above, the Deferred Consideration Shares and Performance Rights could convert into 17.1% of the issued capital of RLF AgTech on successful IPO and completion of the Minimum Capital Raising and 15.8% of the issued capital of RLF AgTech on successful IPO and completion of the Maximum Capital Raising. This forms the basis of our Report.

Conversion Regulatory guidance

4.5 GN19 states than an independent expert report complies with the requirements of ASIC Regulatory Guide 111 Content of expert reports (RG 111).

4.6 In determining whether the Conversion is fair and reasonable, we have had regard to the views expressed by ASIC in RG 111. This regulatory guide provides guidance as to what matters an independent expert should consider to assist securityholders to make informed decisions about transactions.

Conversion Adopted basis of evaluation

4.7 GN 19 states that the ASX expects an independent expert to assume that the relevant performance milestones have been met, assess the impact that would have on the value of the entity compared to the situation if the relevant performance milestones were not met, and then

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determine whether the resulting number of ordinary shares to be issued by the entity to the holder of the performance shares is fair and reasonable in the circumstances.

4.8 RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for Non-Participating Shareholders.

4.9 Having regard to the above, MACF has completed this comparison in two parts:

- A comparison between the value of an RLF AgTech share prior to the Conversion to the value of an RLF AgTech share following the Conversion (fairness – see Section 9 – Assessment of Fairness); and
- An investigation into other significant factors to which Non-Participating Shareholders might give consideration, after reference to the value derived above (reasonableness – see Section 10 - Assessment of Reasonableness).

4.10 Our assessment of the Conversion is based on economic, market and other conditions prevailing at the date of this Report.

5. PROFILE OF RLF AGTECH LIMITED

Background

5.1 Shareholders are directed to the Prospectus to obtain information on the background of RLF AgTech.

Historical Financial Information

Financial Position

5.2 The information below provides a summary of the consolidated financial position of RLF AgTech as at 30 June 2019, 2020, 2021 and the unaudited pro forma financial position as at 30 June 2021.

5.3 The audited financial information has been derived from the audited financial statements of RLF AgTech for the year ended 30 June 2019, 30 June 2020 and 30 June 2021. The pro forma historical consolidated statement of financial position of the Company as at 30 June 2021 reflects the Directors' pro forma adjustments which includes the pro forma transactions, subsequent events and the Minimum and Maximum Capital Raising.

	Audited 30-Jun-19 $	Audited 30-Jun-20 $	Audited 30-Jun-21 $	Pro Forma 30-Jun-21 MINIMUM CAPITAL RAISING $	Pro Forma 30-Jun-21 MAXIMUM CAPITAL RAISING $
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	1,253,480	1,052,771	2,075,038	8,995,238	11,815,238
Trade and other receivables	433,144	469,315	979,587	979,587	979,587
Related party receivables	943,298	419,495	310,596	310,596	310,596
Inventories	2,209,472	2,369,022	2,506,704	2,506,704	2,506,704
Prepayments	158,578	168,526	43,340	43,340	43,340
TOTAL CURRENT ASSETS	**4,997,972**	**4,479,129**	**5,915,265**	**12,835,465**	**15,655,465**

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	Audited 30-Jun-19 $	Audited 30-Jun-20 $	Audited 30-Jun-21 $	Pro Forma 30-Jun-21 MINIMUM CAPITAL RAISING $	Pro Forma 30-Jun-21 MAXIMUM CAPITAL RAISING $
NON-CURRENT ASSETS					
Intangible assets	8,842	6,630	4,943	5,774,996	5,774,996
Property, plant and equipment	893,888	722,948	566,580	566,580	566,580
Right of use asset	-	834,973	662,661	662,661	662,661
Investment in associate	54,810	37,819	-	-	-
TOTAL NON-CURRENT ASSETS	**957,540**	**1,602,370**	**1,234,184**	**7,004,237**	**7,004,237**
TOTAL ASSETS	**5,955,512**	**6,081,499**	**7,149,449**	**19,839,702**	**22,659,702**
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	1,463,918	2,505,660	2,971,420	2,046,508	2,046,508
Related party payables (trading)	3,045,168	-	-	-	-
Loan	-	400,000	400,000	400,000	400,000
Customer deposits and revenue received in advance	286,463	268,615	215,701	215,701	215,701
Lease liabilities	-	843,707	559,358	559,358	559,358
Income tax provision	62,275	-	9,448	9,448	9,448
TOTAL CURRENT LIABILITIES	**4,857,824**	**4,017,982**	**4,155,927**	**3,231,015**	**3,231,015**
NON-CURRENT LIABILITIES					
Trade and other payables	-	2,577,750	2,577,750	3,504,126	3,504,126
TOTAL NON-CURRENT LIABILITIES	**-**	**2,577,750**	**2,577,750**	**3,504,126**	**3,504,126**
TOTAL LIABILITIES	**4,857,824**	**6,595,732**	**6,733,677**	**6,735,141**	**6,735,141**
NET ASSETS	**1,097,688**	**(514,233)**	**415,772**	**13,104,561**	**15,924,561**
EQUITY					
Issued capital	1,555,216	1,605,216	2,559,429	17,776,076	20,596,076
Accumulated losses	(6,661,691)	(7,694,618)	(7,275,644)	(10,292,826)	(10,292,826)
Forex reserve	(21,131)	(580,958)	(1,024,140)	(1,024,140)	(1,024,140)
Group reorganisation reserve	4,968,765	4,968,765	4,968,765	4,968,765	4,968,765
Share based payment reserve	1,256,529	1,187,362	1,187,362	1,676,686	1,676,686
TOTAL EQUITY	**1,097,688**	**(514,233)**	**415,772**	**13,104,561**	**15,924,561**

5.4 The Company's auditor issued an unmodified opinion on the Group financial report for the year ended 30 June 2020 and 30 June 2021. The audit report for the year ended 30 June 2019 was qualified on the basis that the auditors were appointed subsequent to 30 June 2018 and as such they were not able to verify the opening inventories balance at that date. The audit report for all of the years presented included an Emphasis of Matter paragraph regarding a material uncertainty related to going concern due to the net loss and the net operating cash outflows for the years presented.

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Financial Performance

5.5 The table below sets out a summary of the consolidated financial performance of RLF AgTech for the years ended 30 June 2018, 2019, 2020 and 2021. The financial information has been extracted from the audited financial statements of the group for the year ended 30 June 2019, 30 June 2020 and 30 June 2021.

	Ref	Audited FY2018 $	Audited FY2019 $	Audited FY2020 $	Audited FY2021 $
Revenue	ii	9,821,089	10,390,966	9,528,676	8,518,510
Cost of sales	iii	(4,886,344)	(4,819,177)	(4,543,250)	(3,455,748)
Gross profit		4,934,745	5,571,789	4,985,426	5,062,762
		50%	54%	52%	59%
Expenses					
Employee benefits		(1,128,182)	(1,644,979)	(1,403,291)	(1,288,391)
Advertising, promotion, exhibitions and marketing	xii	(603,971)	(1,030,657)	(1,222,133)	(429,343)
Communications		(25,705)	(37,665)	(21,777)	-
Transportation		(506,413)	(511,785)	(544,211)	(455,559)
Travelling		(826,295)	(1,083,675)	(1,096,982)	(653,447)
Consulting	iv	(23,510)	(1,005)	(401,064)	(366,939)
Hospitality		(33,893)	(20,675)	-	-
Motor vehicles		(24,874)	(35,645)	(28,660)	(21,459)
Office expenses		(47,972)	(61,790)	(104,947)	(93,261)
Professional services		(89,296)	(451,659)	(454,119)	(178,213)
Rental expense		(40,179)	(62,716)	(55,239)	(51,835)
Royalty/distribution fee	v	(308,240)	(379,619)	(295,523)	(311,004)
R&D expense	vi	-	-	(282,337)	(375,153)
Other operating expense		(178,030)	(98,768)	(67,087)	(44,273)
Other administration expense		(75,954)	(98,621)	(1,198)	(114,412)
Bank charges		-	(4,121)	(4,013)	(3,865)
Forex		-	(56,662)	(10,562)	27,499
Share based payments	vii	-	(1,256,529)	69,167	-
Other revenue		91,160	3,238	13,990	14,864
EBITDA		1,113,391	(1,261,544)	(924,560)	717,972
Amortisation expense	viii	(330)	(2,105)	(2,212)	(2,112)
Depreciation expense	ix	(41,711)	(14,835)	(68,100)	(176,944)
Impairment of investment in Associate		-	-	-	(37,819)
Finance cost for right of useasset	x	-	-	(12,897)	(41,923)
Interest income		1,636	2,752	1,821	1,248
Finance expense	xi	28,956	(298)	(26,959)	(32,000)
Profit/(loss) before tax		1,101,942	(1,276,030)	(1,032,907)	428,422
Income tax expense		(74,715)	(61,701)	-	(9,448)
Profit/(loss) after tax		1,027,227	(1,337,731)	(1,032,907)	418,974

5.6 The Company's auditor issued an unmodified opinion on the Group financial report for the year ended 30 June 2020 and 30 June 2021. The audit report for the year ended 30 June 2019 was qualified on the basis that the auditors were appointed subsequent to 30 June 2018 and as such they were not able to verify the opening inventories balance at that date. The audit report for all of the years presented included an Emphasis of Matter paragraph regarding a material

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uncertainty related to going concern due to the net loss and the net operating cash outflows for the years presented.

5.7 We note the following in relation to RLF AgTech's financial performance:

i. The Groups performance was adversely affected by COVID19 as all operations in China were suspended for 4 weeks, followed by partial closures for further periods. Industry trade shows, exhibitions and meetings with distributors and farmers were also delayed for several months as travel has been significantly restricted. As a result of these volatile operating conditions, the management of RLF AgTech pursued a cost cutting exercise which helped to increase profitability in FY21.

ii. The Royalty/Distribution fee relates to fees payable under the Distribution Agreement for distribution rights in the Asian Territories.

iii. The R&D expense relates to fees payable to RLF Australia under the Operating Agreement for contribution to R&D costs for product development.

iv. The share based payment expense relates to the accounting adjustment for the value of Performance Rights issued to management and corporate advisors.

v. The finance expense increased in FY20 and FY21 due to the interest charge on the working capital loan during the financial years.

vi. During FY19 and FY20 the company launched 2 new flagship products into the market and as a result incurred significant expenditure in relation to samples, marketing materials and costs to educate distributors and end consumers on the products and brand.

6. VALUATION APPROACH

Definition of Value

6.1 RG 111 states that a transaction is fair if the value of the consideration is greater than the value of the securities being acquired. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. We have prepared our valuations on this basis.

Valuation Approach Adopted

6.2 There are a number of methodologies which can be used to value a company. The principal methodologies which can be used are as follows:

- Capitalisation of maintainable earnings ('CME');
- Discounted cash flow ('DCF');
- Quoted market price basis ('QMP');
- Net asset value ('NAV'); and
- Market approach method ('Comparable market Transaction').

6.3 A summary of each of these methodologies is outlined in Appendix B.

Value of an RLF AgTech Share prior to the Conversion

6.4 In assessing the value of an RLF AgTech share prior to the Conversion, we have utilised the CME as our primary methodology, relying on both revenue and EBITDA as maintainable earnings measures. We have considered all other valuation methodologies and their applicability to the business of RLF AgTech and the Conversion but, in our opinion, no other methodology is appropriate. We set out our reasoning below:

- RLF AgTech has a history of revenue generation;

- RLF AgTech has profitable normalised earnings, with EBITDA being the most up to date financial performance indicator available to us, with audited EBITDA calculations available up to 30 June 2021 therefore providing a level of certainty as to recent earnings;
- There are an adequate number of publicly listed companies with a history of reported earnings and operations sufficiently similar to RLF AgTech to provide meaningful analysis;
- Maintainable earnings are a reasonable proxy for operating cash flows;
- We do not consider that the DCF basis of valuation (which would require a forecast cash flow for a period of up to five years) is appropriate as, in our opinion, the Directors of RLF AgTech are not able to reliably and accurately forecast future cash flows beyond the next 12 months due to significant uncertainty in terms of value and timing. We note that RLF AgTech has not prepared any detailed forecast financial information. These uncertainties impact on the ability to reliably predict a number of significant assumptions in the calculation of a DCF and as such we do not consider this method to be appropriate for RLF AgTech; and
- The NAV methodology is not appropriate for a manufacturing and distribution business, such as RLF AgTech, as the value of the business is not derived solely from the value of its tangible assets.

6.5 Our valuation of RLF AgTech prior to the Conversion has been performed on a minority basis.

Value of an RLF AgTech Share following the Conversion

6.6 In assessing the value of an RLF AgTech share following the Conversion we have also utilised the CME as our primary methodology for the reasons set out in paragraph 6.4 above. Our valuation post Conversion will assume that the relevant milestones attached to the Deferred Consideration Shares and Performance Rights are met.

6.7 Our valuation of RLF AgTech post the Conversion has been performed on a minority basis.

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7. VALUATION OF A RLF AGTECH SHARE PRIOR TO THE CONVERSION

7.1 As stated in Section 6.4, we have assessed the value of an RLF AgTech share prior to the Conversion based on the basis of a multiple of revenue and on a multiple of EBITDA.

Multiple of Revenue Valuation

7.2 Our assessed value is summarised in the table below.

	Ref	LOW (Minimum Capital Raising) $	HIGH (Maximum Capital Raising) $
Total Revenue	*7.3*	8,519,000	8,519,000
Assessed Revenue multiples	*7.12*	0.7	1.4
Enterprise value on a control basis		**5,570,643**	**12,217,444**
Add surplus assets	*7.20*	-	-
Add net cash/(debt)	*7.21*	8,595,238	11,415,238
Equity Value of RLF AgTech on a control basis		**14,165,881**	**23,632,682**
Less minority discount[1]		23%	17%
Equity Value of RLF AgTech on a minority basis		**10,907,728**	**19,615,126**
Less Value of Deferred Consideration shares	*7.22*	(566,926)	(682,380)
Less value of Performance Rights	*7.23*	(139,551)	(167,970)
Equity Value of RLF AgTech attributable to shareholders on a minority basis		**10,201,252**	**18,764,776**
No of shares on issue in RLF AgTech prior to the Conversion	*3.8*	177,282,402	192,282,402
Value of an RLF AgTech share prior to the Conversion on a minority basis		**0.058**	**0.098**

Source: Moore Australia Analysis

[1]Being the inverse of the premium of control

7.3 Revenue has been determined based on the most recent reported 12-month information for RLF AgTech, being the 12 months ending 30 June 2021 as per section 5.5 of this report.

7.4 We have used Revenue as it allows RLF AgTech to be compared to other companies as:

- other companies may have different levels of profits but similar revenue characteristics;
- the revenue multiple is simple to determine and is not impacted by operational decisions;
- minimal adjustments (if any) are required to be made to normalise a company's revenue;
- revenue is considered a good indicator of a company's industry market share.

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Multiple of EBITDA Valuation

7.5 Our assessed value is summarised in the table below.

	Ref	LOW (Minimum Capital Raising) $	HIGH (Maximum Capital Raising) $
Assessed EBITDA	7.11	1,800,000	1,800,000
Assessed EBITDA multiples	7.12	4.8	9.3
Enterprise value on a control basis		**8,666,456**	**16,732,632**
Add surplus assets	7.20	-	-
Add net cash/(debt)	7.21	8,595,238	11,415,238
Equity Value of RLF AgTech on a control basis		**17,261,694**	**28,147,870**
Less minority discount[1]		23%	17%
Equity Value of RLF AgTech on a minority basis		**13,291,504**	**23,362,732**
Less Value of Deferred Consideration shares	7.22	(588,188)	(794,093)
Less value of Performance Rights	7.23	(144,785)	(195,469)
Equity Value of RLF AgTech attributable to shareholders on a minority basis		**12,558,532**	**22,373,170**
No of shares on issue in RLF AgTech prior to the Conversion	3.8	177,282,402	192,282,402
Value of an RLF AgTech share prior to the Conversion on a minority basis		**0.071**	**0.116**

Source: Moore Australia Analysis

[1]Being the inverse of the premium of control

7.6 The capitalisation of earnings methodology estimates the value of the equity of a company by capitalising the maintainable earnings of the underlying business at an appropriate multiple, which reflects the underlying risk profile and growth prospects of the business applying a premium for control where necessary, adding the value of any surplus or non-operating assets (or deducting any excess or non-operating liabilities) and deducting net debt (or adding net cash).

7.7 Our calculation of maintainable earnings is based on RLF AgTech's earnings before interest, tax, depreciation and amortisation (EBITDA). We have used maintainable EBITDA as it allows RLF AgTech's earnings, and therefore appropriate capitalisation rates, to be compared to other companies as:

- the EBITDA calculation is unaffected by capital structure (level of gearing);
- the EBITDA calculation is not impacted by tax structure or different income tax rates; and
- EBITDA is often a fair representation of the actual cash that flows through the company.

7.8 In assessing maintainable earnings, we have had regard to the following financial results:

- Audited financial statements for RLF AgTech for the four years ended 30 June 2021.

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7.9 We have made the following normalisation adjustments to EBITDA:

	Ref	Actual FY 2018 $	Actual FY 2019 $	Actual FY 2020 $	Actual FY 2021 $
Unadjusted EBITDA	5.5	1,113,391	(1,261,544)	(924,560)	717,972
Adjustments:					
Add back costs associated with proposed IPO	*i*	-	604,593	154,549	105,343
Add back costs associated with Promotionfees in China	*ii*	-	242,383	791,315	93,270
Add back share-based payment expense	*iii*	-	1,256,529	(69,167)	-
Adoption of AASB 16 Leases	*iv*	44,716	62,716	-	-
Notional salary for Ken Hancock	*v*	(125,000)	(125,000)	(125,000)	(125,000)
Normalise audit fee	*vi*	(45,000)	109,700	-	(6,872)
Changes to P&L expected as a result of restructuring	*vii*	777,690	922,917	823,347	960,817
Adjusted EBITDA		**1,765,797**	**1,812,294**	**650,484**	**1,745,530**
Say			**1,800,000**		

Commentary on Earnings Adjustments

i. We have adjusted for one off legal and professional fees relating to the proposed listing of the Company. These costs include travel and accommodation expenses and marketing costs related to a proposed IPO.

ii. We have added back one-off promotional expenses incurred in China for the launch of new flagship products to the Chinese market. The majority of this cost includes the cost of providing free samples to various distributors and customers in order to trial the products on their crops. The Company launched the products in early 2019 on a small roll out to a few states and gradually increased the geographical area and crop type covered by the promotion. As these costs are considered to be one off in nature, related specifically to the product launch, we have added these costs back as an adjustment to maintainable earnings.

iii. We have adjusted for the share based payment expense associated with the issue of one off performance shares and options to key management and corporate advisors.

iv. We have made an adjustment to the EBITDA of FY18 and FY19 to include an AASB 16 Leases adjustment for comparison purposes. We have adjusted the FY19 EBITDA to assume that AASB 16 had been adopted prior to FY18 to allow consistency between the financial year's earnings being reviewed. In order to do this, we have added back an estimate of the costs of the operating leases for the right of use assets that was expensed in FY18 and FY19. Subsequent to FY19 these costs were capitalised in the balance sheet as right of use assets and the cost amortised over the asset lease term. This amortisation is below the EBITDA line in FY20 and FY21 and as such, no adjustment is required in these periods. The published EBITDA data for the comparable companies noted below has been prepared post AASB 16 adoption and therefore the adjustment ensures that the EBITDA information for RLF AgTech is prepared on a consistent basis to the comparable companies used in our analysis.

v. We have included a notional salary for the Director, Mr Ken Hancock. Mr Hancock has not drawn a salary from RLF AgTech in any of the financial years noted above, however we note that Mr Hancock has worked in the business during the periods reviewed and as such we have included a notional salary to recognise this. The notional salary has been

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calculated as Mr Hancock's contracted salary with RLF AgTech, of $250,000, pro-rated for his time spent on the business which has been estimated as 50% of full time.

vi. We have included a normalisation adjustment for audit fees as many of the costs associated with FY18-FY20 were incurred during FY20. We have assumed a normalised annual fee for the audit of the financial statements to be $45,000 per annum.

vii. We have included the expected impact of recent changes to the corporate structure of RLF AgTech on its EBITDA. This adjustment includes the cessation of related party fees payable under the Operating and Distribution Agreements, including manufacturing fees, R&D fees and Distribution fees. The adjustment also factors in the additional staff costs that will be incurred by RLF AgTech for employees that are to be transferred from RLF Australia to RLF AgTech as part of the restructuring and some revenue for the sale of RLF Products outside of the previous distribution area that will be captured in RLF AgTech post restructuring.

7.10 The substantial decrease in EBITDA during FY20 is attributable to operational disruptions experienced in China with periods of complete closure of the production facilities for 4 weeks followed by a further 4 weeks of limited operations due to restrictions. This was further exacerbated by a limitation on working capital due to uncertainties in the economy caused by the covid pandemic, which meant that the business had to reduce operations to accommodate this. A number of marketing methods, including face to face distributor meetings, trade shows and exhibitions were delayed or cancelled due to travel and other restrictions across Asia. Whilst restrictions eased during FY21, there continue to be some disruptions to operations which led to a further decline in revenue in FY21. Despite this, demand started increasing in the second half of FY21. RLF AgTech implemented a cost cutting strategy during FY21 which has helped to improve profitability.

7.11 Based on the above analysis, we conclude it appropriate to adopt a maintainable earnings level of $1,800,000 for the purposes of our valuation.

Assessment of Capitalisation Multiple

7.12 Based on our analysis of comparable company multiples, we consider an appropriate Revenue multiple for RLF AgTech to be in the range of 0.7 to 1.4 times and an EBITDA multiple to be in the range of 4.8 to 9.3 times.

		Multiple Range	
Revenue	***Ref***	**Low**	**High**
Revenue multiple for comparable listed companies	*7.16*	1.0	1.8
Less: business specific discount (20% - 35%)	*7.14*	(0.4)	(0.4)
RLF AgTech Revenue multiple (on a control basis)		**0.7**	**1.4**

		Multiple Range	
EBITDA	***Ref***	**Low**	**High**
EBITDA multiple for comparable listed companies	*7.16*	7.4	11.6
Less: business specific discount (20% - 35%)	*7.14*	(2.6)	(2.3)
RLF AgTech EBITDA multiple (on a control basis)		**4.8**	**9.3**

7.13 In selecting an appropriate capitalisation multiple to value RLF AgTech we have considered the trading multiples of equities of listed companies based on the following criteria:

- Exposure to the manufacture and distribution of chemicals to the agricultural sector;
- EBITDA greater than $nil;

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- Revenue greater than $5 million; and
- Companies with a primary or secondary listing on the ASX.

7.14 Business specific risk is a subjective adjustment made to comparable trading multiples in order to allow for the differences between the comparable companies used to arrive at a comparable multiple and the specific multiple applied to the target business being valued. When assessing any business specific risk adjustment, we have considered the following:

- RLF AgTech revenue is lower than all of the comparable companies;
- RLF AgTech EBITDA is substantially lower than all of the comparable companies;
- RLF AgTech appears to have a less diversified product range / services offered compared to the comparable companies; and
- RLF AgTech is also more dependent on relations with the Asian Territories than the comparable companies, in particular, RLF AgTech is heavily dependent on relations with China. In recent years there has been increasing political tension between Australia and China and as such RLF AgTech is at a greater risk to its operations of any political unrest, including the ability to repatriate funds from China to Australia.

7.15 Based on our analysis of business specific risk, we are of the opinion that the RLF AgTech business carries more risk than the comparable companies used in our analysis. We have arrived at this conclusion on the basis that, on balance, RLF AgTech is less diversified, has a lower product range and has a shorter track record than the comparable companies.

Comparable trading company multiples

7.16 The table below sets out a summary of the historic and forecast Revenue and EBITDA multiples of entities listed on the ASX whose operations and activities are comparable to those of RLF AgTech. A brief description of each of the comparable companies is set out at Appendix D.

Summary of comparable company trading multiples

Ticker code	Company name	Enterprise value (controlling) $m	EV/FY19 EBITDA (x)	EV/FY20 EBITDA (x)	EV/LTM EBITDA (x)	EV/ FY19 REVENUE (x)	EV/FY20 REVENUE (x)	EV/FY21 REVENUE (x)
ASX:IPL	Incitec PivotLimited	9,826.3	17.8	15.9	12.0	2.5	2.5	2.3
ASX:ELD	Elders Limited	2,564.2	35.4	21.0	15.4	1.6	1.2	1.0
ASX:NUF	Nufarm Limited	2,700.7	11.9	9.7	7.4	1.0	1.7	0.8
	Average	**5,030.4**	**21.7**	**15.5**	**11.5**	**1.7**	**1.8**	**1.4**
	Median	**2,700.7**	**17.8**	**15.9**	**12.0**	**1.6**	**1.7**	**1.0**

Source: S&P CapIQ, MACF analysis

7.17 A total of 3 publicly listed companies were identified as comparable based on the search criteria. A summary of the businesses descriptions and relevant financial data is set out in Appendix D.

7.18 A review of control premiums paid by acquirers of companies listed on the ASX in recent years indicates a range of premiums between 20% and 30% is reasonable. We believe a controlling premium of 25% to the enterprise value of each comparable company to an appropriate rate if control premia to be applied in our valuation of RLF AgTech.

7.19 Our review of the companies above identified Nufarm Limited as directly comparable to RLF AgTech due to its focus on the agricultural sector and specifically agricultural chemicals. Both Incitec Pivot Limited and Elders Limited have more diversified products and services with target customers in other sectors as well as agriculture. We note that all three companies distribute their products internationally.

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Surplus assets/(liabilities)

7.20 Surplus assets and liabilities are those assets and liabilities not required to sustain the adopted level of earnings. We do not consider RLF AgTech to have any surplus assets or liabilities.

Net (Debt)/Cash

7.21 We have assessed the net (debt)/cash in RLF AgTech as follows from review of the 30 June 2021 pro forma statement of financial position of RLF AgTech:

	Ref	LOW (Minimum Capital Raising) $	HIGH (Maximum Capital Raising) $
Pro Forma Cash balance as at 30 June 2021	*5.2*	8,995,238	11,815,238
Pro Forma Loan balance as at 30 June 2021	*5.2*	(400,000)	(400,000)
Pro Forma net cash/(debt)		**8,595,238**	**11,415,238**

7.22 The value of the Deferred Consideration Shares has been determined to be a range of approximately $566,926 to $794,093.

7.23 The recognition of 6,000,000 Performance Rights to be issued to Directors of the Company on Completion of the Public Offer, at a fair value of between $139,551 and $195,469.

Deferred Consideration Shares and Performance Rights

7.24 In order to factor in the potential impact of the Deferred Consideration Shares and Performance Rights, we have deducted the value of the Deferred Consideration Shares and Performance Rights from the total equity value of RLF AgTech. We have used the Binomial option valuation methodology as our primary valuation method.

7.25 We have included below a summary of our inputs into the Binomial methodology when considering the EV/EBITDA methodology:

	Ref	Class A LOW (Minimum Capital Raising) $	Class A HIGH (Maximum Capital Raising) $	Class B LOW (Minimum Capital Raising) $	Class B HIGH (Maximum Capital Raising) $
Term (years)	*3.1*	5	5	5	5
Share price (before options)		0.075	0.122	0.075	0.122
Exercise price (on a minority basis)		Nil	Nil	Nil	Nil
Current EBITDA (normalised)	*7.11*	1,800,000	1,800,000	1,800,000	1,800,000
EBITDA hurdle	*3.1*	5,000,000	5,000,000	10,000,000	10,000,000
Implied share price hurdle		0.142	0.250	0.246	0.451
Risk free rate	*7.28*	1.28%	1.28%	1.28%	1.28%
Estimated volatility	*7.29*	30%	30%	30%	30%
Indicative value of a Deferred Consideration Share and Performance Right		**0.037**	**0.052**	**0.011**	**0.013**
Number granted	*3.1*	15,187,500	15,187,500	15,187,500	15,187,500
Total value of Deferred Consideration Shares and Performance Rights		**558,921**	**786,793**	**174,051**	**202,769**

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7.26 We have included below a summary of our inputs into the Binomial methodology when considering the EV/Revenue methodology:

	Ref	Class A LOW (Minimum Capital Raising) $	Class A HIGH (Maximum Capital Raising) $	Class B LOW (Minimum Capital Raising) $	Class B HIGH (Maximum Capital Raising) $
Term (years)	*3.1*	5	5	5	5
Share price (before options)		0.062	0.102	0.062	0.102
Exercise price (on a minority basis)		Nil	Nil	Nil	Nil
Current EBITDA (normalised)	*7.11*	1,800,000	1,800,000	1,800,000	1,800,000
EBITDA hurdle	*3.1*	5,000,000	5,000,000	10,000,000	10,000,000
Implied share price hurdle		0.108	0.204	0.179	0.389
Risk free rate	*7.28*	1.28%	1.28%	1.28%	1.28%
Estimated volatility	*7.29*	30%	30%	30%	30%
Indicative value of a Deferred Consideration Share and Performance Right		**0.034**	**0.046**	**0.013**	**0.010**
Number granted	*3.1*	15,187,500	15,187,500	15,187,500	15,187,500
Total value of Deferred Consideration Shares and Performance Rights		**513,329**	**693,488**	**193,150**	**156,862**

7.27 Being the value of an RLF AgTech share before Conversion and factoring the Deferred Consideration Shares and Performance Rights, under each valuation methodology and performance criteria.

7.28 The risk free rate has been determined on review of the yields on commonwealth government bonds with a maturity period of 5 years.

7.29 The volatility rate has been determined using the average 5 year share price volatility of the comparable companies identified at 7.16.

7.30 We have applied a share price hurdle in our Binomial valuation which has been calculated based on the required EBITDA or revenue hurdle to be achieved by RLF AgTech. We have assumed that achieving the EBITDA or revenue hurdle will have a direct impact on the per share valuation of RLF AgTech assuming all otherfactors remain the same. As such, when determining the share price hurdle, we have assumed that RLF AgTech achieves the required EBITDA or revenue, the EBITDA or revenue multiple applied at Section 7.12 remain the same and its net debt and surplus assets remain the same, as per the low and high valuations at 7.21 and 7.22. This results in the implied per share values as disclosed in the table above.

Valuation summary and conclusion

7.31 A summary of our assessed values of an RLF AgTech share, pre the Conversion, derived under the two methodologies, is set out in the table below.

	Ref	LOW (Minimum Capital Raising) $	HIGH (Maximum Capital Raising) $
Revenue multiple valuation	7.2	0.058	0.098
EBITDA multiple valuation	7.5	0.071	0.116
Preferred value		**0.058**	**0.116**

7.32 In our opinion, the Fair value of an RLF AgTech share prior to the Conversion is between $0.058 and $0.116.

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8. VALUATION OF A RLF AGTECH SHARE FOLLOWING THE CONVERSION

8.1 In order to assess the impact on the value of an RLF AgTech share if the Deferred Consideration Shares and Performance Rights are converted to ordinary shares in RLF AgTech, we have factored in the required increase in revenue and the increase in EBITDA for each class of Performance Share. We have then applied this to our previously estimated CME multiple to derive a value of an RLF AgTech share following the Conversion. This is summarised in the table below:

Assessed value of an RLF AgTech share on a minority basis – Revenue hurdle achieved

		Revenue Hurdle			
	Ref	Class A LOW (Minimum Capital Raising) $	Class A HIGH (Maximum Capital Raising) $	Class B LOW (Minimum Capital Raising) $	Class B HIGH (Maximum Capital Raising) $
Post Conversion Hurdle	*3.4*	**25,000,000**	**25,000,000**	**50,000,000**	**50,000,000**
Assessed multiple	*8.3*	0.7	1.4	0.7	1.4
Enterprise value on a control basis		**16,347,701**	**35,853,516**	**32,695,403**	**71,707,032**
Add surplus assets	*8.4*	-	-	-	-
Add net cash/(debt)	*8.4*	8,595,238	11,415,238	8,595,238	11,415,238
Equity value on a control basis		**24,942,939**	**47,268,754**	**41,290,641**	**83,122,270**
Less minority discount[1]		23%	17%	23%	17%
Equity value on a minority basis		**19,206,063**	**39,233,066**	**31,793,794**	**68,991,484**
Shares on issue post IPO	*3.8*	177,282,402	192,282,402	177,282,402	192,282,402
Shares issued on conversion of Deferred Consideration Shares	*8.5*	12,187,500	12,187,500	24,375,000	24,375,000
Performance rights issued on Completion of the Public Offer	*8.5*	3,000,000	3,000,000	6,000,000	6,000,000
Post Conversion shares on issue		**192,469,902**	**207,469,902**	**207,657,402**	**222,657,402**
Value of an RLF AgTech Post Conversion		**0.100**	**0.189**	**0.153**	**0.310**

Source: Moore Australia Analysis

[1]Being the inverse of the premium of control

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Assessed value of an RLF AgTech share on a minority basis – EBITDA hurdle achieved

		EBITDA Hurdle			
	Ref	Class A LOW (Minimum Capital Raising) $	Class A HIGH (Maximum Capital Raising) $	Class B LOW (Minimum Capital Raising) $	Class B HIGH (Maximum Capital Raising) $
Post Conversion Hurdle	*3.4*	**5,000,000**	**5,000,000**	**10,000,000**	**10,000,000**
Assessed multiple	*8.3*	4.8	9.3	4.8	9.3
Enterprise value on a control basis		**24,073,488**	**46,479,533**	**48,146,976**	**92,959,066**
Add surplus assets	*8.4*	-	-	-	-
Add net cash/(debt)	*8.4*	8,595,238	11,415,238	8,595,238	11,415,238
Equity value on a control basis		**32,668,726**	**57,894,771**	**56,742,214**	**104,374,304**
Less minority discount[1]		23%	17%	23%	17%
Equity value on a minority basis		**25,154,919**	**48,052,660**	**43,691,505**	**86,630,672**
Shares on issue post IPO	*3.8*	177,282,402	192,282,402	177,282,402	192,282,402
Shares issued on conversion of Deferred Consideration Shares	*8.5*	12,187,500	12,187,500	24,375,000	24,375,000
Performance rights issued on Completion of the Public Offer	*8.5*	3,000,000	3,000,000	6,000,000	6,000,000
Post Conversion shares on issue		**192,469,902**	**207,469,902**	**207,657,402**	**222,657,402**
Value of an RLF AgTech Post Conversion		**0.131**	**0.232**	**0.210**	**0.389**

Source: Moore Australia Analysis

[1]Being the inverse of the premium of control

8.2 The hurdle Revenue and EBITDA are per the terms of the Conversion.

8.3 The multiple was derived in section 7. We do not consider it necessary to adjust the multiple in the case of the increased revenue or EBITDA because it is still comparable to the companies used to derive our preferred multiple range.

8.4 Surplus assets and Net debt are assumed to be the same as the valuation prior to the conversion of the Deferred Consideration Shares. We note that this is a key assumption in our analysis because it is likely that net debt will change before the various hurdles are achieved.

8.5 The number of shares issued as a result of the conversion of the Deferred Consideration Shares is 12,187,500 for each class that convert, as per the terms of the Deferred Consideration Shares. The number of shares issued as a result of the conversion of the Performance Rights is 3,000,000 for each class that convert, as per the terms of the Performance Rights.

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8.6 A summary of our assessed values of an RLF AgTech share, post the Conversion, derived under the two methodologies, is set out in the table below.

	Ref	Class A LOW (Minimum Capital Raising) $	Class A HIGH (Maximum Capital Raising) $	Class B LOW (Minimum Capital Raising) $	Class B HIGH (Maximum Capital Raising) $
Revenue Hurdle multiple valuation	8.1	0.100	0.189	0.153	0.310
EBITDA Hurdle multiple valuation	8.1	0.131	0.232	0.210	0.389

9. IS THE CONVERSION FAIR TO RLF AGTECH SHAREHOLDERS?

9.1 In assessing whether we consider the Conversion to be fair to the Non-Participating Shareholders, we have valued a RLF AgTech Share prior to the Conversion and compared it io the value of an RLF AgTech Share after the Conversion.

9.2 Our assessed values of RLF AgTech are summarised in the table and figure below.

Assessed values of RLF AgTech

		Section	LOW (Minimum Capital Raising) $	HIGH (Maximum Capital Raising) $
Pre Conversion	Assessed Fair Value of a RLF AgTech share prior to the Conversion on a minority basis	7.31	0.058	0.116
Post Conversion	Assessed Fair Value of a RLF AgTech share post the Conversion on a minority basis	8.6	0.100	0.389

Source: Moore Australia Analysis

9.3 In accordance with the guidance set out in ASIC RG 111, and in the absence of any other relevant information, for the purposes of GN19, we consider the Conversion to be fair to the Non-Participating Shareholders of RLF AgTech as the value of an RLF AgTech share is higher following the Conversion than prior to the Conversion.

10. IS THE CONVERSION REASONABLE?

10.1 RG111 establishes that a Conversion is reasonable if it is fair. If a Conversion is not fair it may still be reasonable after considering the specific circumstances applicable to it.

Future prospects of RLF AgTech if the Conversion does not occur

10.2 If the Conversion does not occur then RLF AgTech will not have achieved the targeted revenue or EBITDA.

Advantages and disadvantages

10.3 In assessing whether the Non-Participating Shareholders are likely to be better off if the Conversion proceeds, than if it does not, we have also considered various advantages and disadvantages that are likely to accrue to the Non-Participating Shareholders.

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Advantages of approving the Conversion

Advantages	Description
The Conversion is fair	RG111 states that a transaction is reasonable if it is fair. We have found the Conversion to be fair for each class of Deferred Consideration Shares.
Consideration is deferred and contingent on achieving results	The Deferred Consideration Shares are issued only on the achievement of revenue or EBITDA milestones within 5 years of completion of the Acquisitions. If RLF AgTech does not meet these performance milestones in the specified time constraints, then the Deferred Consideration Shares will not be issued.

Disadvantages of approving the Conversion

Disadvantages	Description
No guarantee of profits	The EBITDA performance hurdles associated with the Deferred Consideration Shares are no guarantee that the Company will meet these targets on completion of the Conversion.
The revenue hurdles could be easier to achieve and does not necessarily translate to profitability	The revenue hurdles will result in the same dilution as the EBITDA hurdles but will not necessarily result in an increase in profitability. This means that the Conversion could occur as long as the revenue hurdles are met but the company could be making losses. In our opinion, EBITDA is a better measure of value and as such, an increase in revenue without a corresponding increase in EBITDA may not result in a similar increase in value as if the EBITDA hurdle was met.

Conclusion on Reasonableness

10.4 In our opinion, the position of the Non-Participating Shareholders if the Conversion is approved is more advantageous than the position if it is not approved. Therefore, in the absence of any other relevant information and/or superior proposed transaction, we consider that the Conversion is reasonable for the Non- Participating Shareholders of RLF AgTech.

11. INDEPENDENCE

Moore Australia Corporate Finance (WA) Pty Ltd is entitled to receive a fee of approximately $15,000, excluding GST and reimbursement of out of pocket expenses. Except for this fee Moore Australia Corporate Finance (WA) Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

Moore Australia Corporate Finance (WA) Pty Ltd has previously prepared an Independent Expert Report in relation to the Acquisitions of RLF IP Co and RLF Distribution Co and is in the process of preparing an Investigating Accountants Report for the RLF AgTech IPO.

Prior to accepting this engagement Moore Australia Corporate Finance (WA) Pty Ltd has considered its independence with respect to RLF AgTech and any of their respective associates with reference to RG 112, Independence of Expert's Reports. It is the opinion of Moore Australia Corporate Finance (WA) Pty Ltd that it is independent of RLF AgTech and their respective associates.

Moore Australia Corporate Finance (WA) Pty Ltd and Moore Australia have not had at the date of this report any relationship which may impair their independence.

We have held discussions with management of RLF AgTech regarding the information contained in this report. We did not change the methodology used in our assessment as a result of discussions and our independence has not been impaired in any way.

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12. QUALIFICATIONS

Moore Australia Corporate Finance (WA) Pty Ltd is a professional practice company, wholly owned by the Perth practice of Moore Australia, Chartered Accountants. The firm is part of the National and International network of Moore Global Network Limited independent firms and provides a wide range of professional accounting and business advisory services.

Moore Australia Corporate Finance (WA) Pty Ltd holds an Australian Financial Services License to provide financial product advice on securities to retail clients (by way of experts reports pursuant to the listing rules of the ASX and the Corporations Act) and its principals and owners are suitably professionally qualified, with substantial experience in professional practice.

The director responsible for the preparation and signing of this report is Mr Peter Gray who is a director of Moore Australia Corporate Finance (WA) Pty Ltd. Mr Gray is a Chartered Accountant and is RG146 compliant. Mr Gray has approximately 15 years' experience in capital markets and corporate finance and has significant experience in the preparation of independent expert's reports, valuations, valuation methodology and related advice.

At the date of this report neither Mr Gray, nor any member or Director of Moore Australia Corporate Finance (WA) Pty Ltd, has any interest in the outcome of the Offer.

13. DISCLAIMERS AND CONSENTS

Moore Australia Corporate Finance (WA) Pty Ltd has been requested to prepare this report, to be included in the Notice of Meeting which will be sent to RLF AgTech's shareholders.

Moore Australia Corporate Finance (WA) Pty Ltd consents to this report being included in the Notice of Meeting to be sent to shareholders of RLF AgTech. This report or any reference thereto is not to be included in, or attached to any other document, statement or letter without prior consent from Moore Australia Corporate Finance (WA) Pty Ltd.

Moore Australia Corporate Finance (WA) Pty Ltd has not conducted any form of audit, or any verification of information provided to us, and which we have relied upon in regard to RLF AgTech, however we have no reason to believe that any of the information provided, is false or materially incorrect.

The statements and opinions provided in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

Neither Moore Australia Corporate Finance (WA) Pty Ltd nor Mr Gray take any responsibility for, nor have they authorised or caused the issue of, any part of this report for any third-party other than the shareholders of RLF AgTech in the context of the scope and purpose defined in section 4 of this report.

With respect to taxation implications, it is recommended that individual shareholders obtain their own taxation advice, in respect of the Conversion, tailored to their own specific circumstances. The advice provided in this report does not constitute legal or taxation advice to shareholders of RLF AgTech or any other party.

The statements and opinions expressed in this report are given in good faith and with reliance upon information generated both independently and internally and with regard to all of the circumstances pertaining to the Conversion.

In regard to any projected financial information noted in this report, no member or director of Moore Australia Corporate Finance (WA) Pty Ltd has had any involvement in the preparation of the projected financial information.

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Furthermore, we do not provide any opinion whatsoever as to any projected financial or other results prepared for RLF AgTech, and in particular do not provide any opinion as to whether or not any projected financial results referred to in the report will or will not be achieved.

Yours faithfully

Peter Gray
Director
Moore Australia Corporate Finance (WA) Pty Ltd

APPENDIX A – SOURCE OF INFORMATION

In preparing this report we have had access to the following principal sources of information:

- Draft prospectus for RLF AgTech;
- Audited consolidated financial Statements of RLF AgTech for the years ended 30 June 2018 (restated), 2019, 2020 and 2021;
- Operating Agreement between Rural Liquid Fertilisers Pty Ltd, Rural Liquid Fertilisers Asia Pty Ltd and Rural Liquid Fertilisers China (Kaifeng) Co. Ltd;
- Distribution Agreement between Rural Liquid Fertilisers Pty Ltd, RLF Global Pty Ltd, Rural Liquid Fertilisers Asia Pty Ltd and Rural Liquid Fertilisers China (Kaifeng) Co. Ltd;
- Publicly available information in relation to RLF AgTech;
- Information in the public domain;
- S&P Capital IQ database; and
- Discussions with directors, management of RLF AgTech.

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APPENDIX B – VALUATION METHODOLOGIES

- We have considered which valuation methodology is the most appropriate in light of all the circumstances and information available. We have considered the following valuation methodologies and approaches:
- Discounted cash flow methodology ('DCF');
- Capitalisation of maintainable earnings methodology ('CME');
- Net assets value method ('NAV');
- Quoted market price methodology ('QMP'); and
- Market approach method (Comparable market Transaction)

Valuation Methodologies and Approaches

Discounted Cash Flow Method

Discounted cash flow methods estimate fair market value by discounting a company's future cash flows to their net present value. These methods are appropriate where a forecast of future cash flows can be made with a reasonable degree of confidence. Discounted cash flow methods are commonly used to value early stage companies or projects with a finite life.

Capitalisation of Maintainable Earnings Method

The capitalisation of maintainable earnings method estimates "fair market value" or "enterprise value", by estimating a company's future maintainable earnings and dividing this by a market capitalisation rate. The capitalisation rate represents the return an investor would expect to earn from investing in the company which is commensurate with the individual risks associated with the business.

It is appropriate to apply the capitalisation of maintainable earnings method where there is an established and relatively stable level of earnings which is likely to be sustained into the foreseeable future.

The measure of earnings will need to be assessed and can include, net profit after taxes (NPAT), earnings before interest and taxes (EBIT) and earnings before interest, taxes, depreciation and amortisation (EBITDA).

The capitalisation of maintainable earnings method can also be considered a market based methodology as the appropriate capitalisation rate or 'earnings multiple' is based on evidence of market Transaction involving comparable companies.

An extension of the capitalisation of maintainable earnings method involves the calculation of share value of an entity. This process involves the calculation of the enterprise value, which is then adjusted for the net tangible assets of the entity.

Net Assets Value Method (Orderly Realisation of Assets)

The net assets value method (assuming an orderly realisation of assets) estimates fair market value by determining the amount that would be distributed to shareholders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner.

Liquidation of assets

The Liquidation method is similar to the orderly realisation of asset method except the liquidation method assumes the assets are sold in a shorter time frame.

Net assets

The net assets method is based on the value of the assets of a business less certain liabilities at book values, adjusted to a market value.

The asset based approach, as a general rule, ignores the possibility that a company's value could exceed the realisable value of its assets as they ignore the value of intangible assets such as customer lists, management, supply arrangements, and goodwill.

The asset based approach is most appropriate when companies are not profitable, a significant proportion of assets are liquid, or for asset holding companies.

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Valuation Methodologies and Approaches

Cost Based Approach

The cost based approach involves determining the fair market value of an asset by deducting the accumulated depreciation from the asset's replacement cost at current prices.

Like the asset based approach, the cost based approach has a number of disadvantages, primarily that the cost of an asset does not necessarily reflect the assets ability to generate income. Accordingly, this approach is only useful in limited circumstances, usually associated with intangible asset valuation.

Quoted Market Price Methodology

The method relies on the pricing benchmarks set by sale and purchase Transaction in a fully informed market the ASX which is subject to continuous disclosure rules aimed at providing that market with the necessary information to make informed decisions to buy or to sell.

Consequently, this approach provides a "fair price", independently determined by a real market. However, the question of a fair price for a particular transaction requires an assessment in the context of that transaction taken as a whole.

In taking a quoted market price based assessment of the consideration to both parties to the Conversion, the overall reasonableness and benefits to the non-participating shareholders must be carefully evaluated.

Market Approach Method

The market based approach estimates a company's fair market value by considering the market prices of Transaction in its shares or the market value of comparable assets.

This includes, consideration of any recent genuine offers received by the target for an entire entity's business, or any business units or asset as a basis for the valuation of those business units or assets, or prices for recent sales of similar assets

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APPENDIX C – GLOSSARY

In this report, unless the context requires otherwise:

Term	Meaning
$	Australian Dollar
Act	Corporations Act 2001
Asian Territories	China, Indonesia, Pakistan, Thailand, Vietnam, Malaysia, Bangladesh,Japan, South Korea, Philippines, Iraq, Sri Lanka, Myanmar, Nepal, Cambodia, Afghanistan, Mongolia, Hong Kong, Singapore and Laos.
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange or ASX Limited ACN 008 624 691
AUD	Australian Dollar
Board	The Board of Directors of RLF AgTech
Business Day	Has the meaning given in the Listing Rules
CME	Maintainable Earnings
Company	RLF AgTech Limited (formerly Rural Liquid Fertilisers Asia Limited)
Control basis	Assuming the shareholder/s have control of the entity in which equity is held
Deferred Consideration Shares	Shares in RLF AgTech to be issued to RLF Australia and RLF Global on the achievement of target revenue or EBITDA performance milestones in specified time constraints as detailed in section 3 of this report
Directors	The Directors of RLF AgTech
Distribution Agreement	Distribution agreement between Rural Liquid Fertilisers Pty Ltd, RLF Global Pty Ltd, Rural Liquid Fertilisers Asia Pty Ltd and Rural Liquid Fertilisers China (Kaifeng) Co. Ltd
Explanatory Statement	The explanatory statement accompanying the Notice
FY	Financial Year
GN19	ASX Guidance Note 19 Performance Securities
IER	This Independent Experts Report
Income Tax Assessment Act	the Income Tax Assessment Act 1936 and the Income Tax Assessment Act 1997
LTM	Last 12 months
Maximum Capital Raising	A Capital Raising pursuant to the Prospectus of 50,000,000 shares at $0.20 per share to raise $10m before costs
Minimum Capital Raising	A Capital Raising pursuant to the Prospectus of 35,000,000 shares at $0.20 per share to raise $7m before costs
Moore Australia or MACF	Moore Australia Corporate Finance (WA) Pty Ltd
NDS	Nutrient Delivery System
Non-Participating Shareholders	Shareholders in RLF AgTech who are not a party to the Conversion
Notice	The notice of meeting in relation to the Acquisitions
NTM	Next 12 months
Operating Agreement	Operating Agreement between Rural Liquid Fertilisers Pty Ltd, Rural Liquid Fertilisers Asia Pty Ltd and Rural Liquid Fertilisers China (Kaifeng) Co. Ltd

Term	Meaning
Option	Means an option to acquire shares
Participating Shareholders	Shareholders in RLF AgTech who are a party to the Conversion
Resolutions	Means the resolutions set out in the notice, or any one of them, as the context requires
RG111	ASIC Regulatory Guide 111 *Content of Experts Reports*
RLF AgTech	RLF AgTech Limited (formerly Rural Liquid Fertilisers Asia Limited)
RLF Australia	Rural Liquid Fertilisers Pty Ltd
RLF Global	RLF Global Pty Ltd
RLF Products	Fertiliser products owned and developed by RLF Australia
Section	Means a section of the IER
Share	Means a fully paid ordinary share in the capital of the Company
S&P Capital IQ	Third party provider of company and other financial information
USD	American dollar

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APPENDIX D – COMPARABLE COMPANIES

Company Name	Ticker	Market Cap ($)	Cash ($)	Debt($)	Enterprise Value * ($)	Enterprise Value (controlling)* ($)	FY19 EBITDA ($)	FY20 EBITDA ($)	LTM EBITDA ($)	FY19 EBITDA Multiple (x)	FY20 EBITDA Multiple (x)	LTM EBITDA Multiple (x)	Business Description
Incitec Pivot Limited	ASX:IPL	6,370.5	48.1	1,911.3	8,233.7	9,826.3	553.0	617.2	818.5	17.8	15.9	12.0	Incitec Pivot Limited manufactures and distributes industrial explosives, industrial chemicals, and fertilisers in Australia, the United States, Canada, Turkey, and internationally. The company manufactures and distributes fertilizers, including di/mono- ammonium phosphate, ammonia, granulated ammonium sulphate, urea, and single superphosphate, as well as imports and sells fertilisers; and manufactures and sells industrial explosives, and related products and services to the mining, quarrying, and construction industries. It also manufactures and sells industrial chemicals to the agriculture and specialist industries. The company was founded in 1831 and is headquartered in Southbank, Australia.
Elders Limited	ASX: ELD	1,841.7	2.8	264.9	2,103.8	2,564.2	72.5	122.0	166.0	35.4	21.0	15.4	Elders Limited provides livestock, real estate, and wool agency services to rural and regional customers primarily in Australia. It operates through Branch Network, Wholesale Products, Feed and Processing Services, and Corporate Services and Other Costssegments. The company offers rural farm inputs, such as seeds, fertilizers, agricultural chemicals, animal health products, and general rural merchandise, as well as professional production and cropping advisory services; and provides retail services through corporate owned stores and through the Tucker Pet and Produce brand to independently owned member stores. It also provides on-farm sales to third parties, regular physical, and online public livestock auctions, as well as directly sells through its owned and third-party feedlots and livestock exporters; agency services for the sale of greasy wool; brokering services for wool growers; and grain marketing services. In addition, the company offers farms, stations, and lifestyle estates marketing; residential real estate agency and property management; and water and home loan broking services. Further, it provides a range of banking, insurance, and financial planning products and services. Additionally, the company operates a beef cattle feedlot; and imports, processes, and distributes Australianmeat in China. It is involved in the investment activities. The company was founded in 1839 and is headquartered in Adelaide, Australia.
Nufarm Limited	ASX: NUF	1,907.1	724.2	1,041.0	1,041.0	2,700.7	226.3	279.4	364.6	11.9	9.7	7.4	Nufarm Limited, together with its subsidiaries, develops, manufactures, and sells crop protection solutions and seed technologies in Australia, New Zealand, Asia, Europe, and North America. The company's protection solutions include herbicides, insecticides, andfungicides that help growers protect crops against weeds, pests, and disease. It also provides seed treatment products for the protection and treatment of damage caused byinsects, fungus, and disease; and distributes sunflower, sorghum, and canola seeds. Nufarm Limited was founded in 1916 and is headquartered in Laverton North, Australia.

CONTACT US

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HELPING YOU THRIVE IN A CHANGING WORLD

Guide to the Application Form

YOU SHOULD READ THE REPLACEMENT PROSPECTUS CAREFULLY BEFORE COMPLETING THE APPLICATION FORM. Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

Instructions

1. If applying for Securities insert the number of Shares for which you wish to subscribe at Item A (not less than 10,000 shares and then in multiples of 2,500 shares).

2. Multiply by $0.20 AUD to calculate the total for Shares and enter the $ amount.

3. Write your full name. Initials are not acceptable for first names.

4. Enter your postal address for postal correspondence. All postal correspondence to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

5. If you are sponsored in CHESS by a stockbroker or other CHESS participant, you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. NB: your registration details provided must match your CHESS account exactly.

6. Enter your Australian tax file number ("TFN") or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN/ ABN of each joint Applicant. Collection of TFNs is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form.

7. Complete payment details as requested. Applicants may lodge their Application Form and pay their Application Monies to their broker in accordance with the relevant broker's directions. Please contact your broker for further instructions.

8. Enter your telephone number so we may contact you regarding your Application Form or Application Monies.

9. Enter your email address. This field is not compulsory. If you provide an email address, you declare that you wish to have corporate communications emailed rather than posted.

Correct Forms of Registrable Title

Note that ONLY legal entities can hold the Securities. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person.

Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABR P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Lodgement

Mail your completed Application Form to the following address **by no later than 5:00pm AWST on 10 March 2022** (date subject to change):

Mailing address:
Registry Direct Limited
PO Box 18366
Collins Street East VIC 8003

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions regarding the Application Form, please contact Registry Direct on 1300 55 66 35 or email registry@registrydirect.com.au.

RLF AgTech | **Application Form**

Fill out this Application Form if you wish to apply for Securities on the terms set out in the replacement prospectus dated 24 February 2022 (**Replacement Prospectus**) issued by RLF AgTech Ltd ACN 622 055 216 (**Company**). This Application Form and your Application Amount must be received by **5.00pm (AWST Time) on 10 March 2022** (unless the Offer is closed earlier at the Company's discretion). This Application Form must not be distributed to another person unless accompanied by the Replacement Prospectus. The Replacement Prospectus will expire 13 months after the date of the Replacement Prospectus. Upon request, the Share Registry will send you a free paper copy of the Replacement Prospectus before the Replacement Prospectus expires. By submitting this Application Form, you declare that this Application is completed and lodged according to the Replacement Prospectus, you were given access to the Replacement Prospectus together with the Application Form and that all details and statements made by you are complete and accurate. You also agree to be bound by the constitution of the Company and you represent and warrant to the Company that your application for Securities will not cause the Company to violate the laws of Australia or any other jurisdiction.

To apply online with BPAY go to:

www.registrydirect.com.au/offer/rlf-ipo

Broker Reference - Stamp Only

Broker Code | Adviser Code

1 Number of Shares you are applying for:

x $0.20 per share =

2 Total amount payable

3 Write the name(s) you wish to register the Securities in (see reverse for instructions)

Applicant 1

Name of Applicant 2 or <Account Designation>

Name of Applicant 3 or <Account Designation>

4 Write your postal address here

Number/Street

Suburb/Town

State

Postcode

Please complete information on the next page →

5 **CHESS participant - Holder Identification Number (HIN) (not compulsory)**

X										

Important please note: *if the name & address details above in sections 3 & 4 do not match exactly with your registration details held at CHESS, any Shares issued as a result of your application will be held on the Issuer Sponsored subregister.*

6 **Enter your tax file number(s), ABN, or exemption category**

Applicant 1

Applicant 2

Applicant 3

7 **Payment details:**

BY CHEQUE: Please make your cheque payable to Registry Direct Limited – RLF AgTech Ltd.

Drawer	Cheque No.	BSB No.	Account Number	Amount of Payment

8 **Contact telephone number (mobile)**

9 **Email address (not compulsory)**

By providing your email address, you declare you wish to receive corporate communications via email.

Privacy Statement:

The Share Registry's Privacy Policy (**Privacy Policy**) also sets out important information relating to the collection, use and disclosure of all personal information that you provide to the Share Registry. Please ensure that you and all relevant individuals have read the Privacy Policy carefully before submitting the Application Form. The Privacy Policy can be found on the website www.registrydirect.com.au/privacy-policy/.

Registry Direct Limited advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting Registry Direct at the address or telephone number shown on the Application Form.