

MELODIOL GLOBAL HEALTH LIMITED

ACN 609 406 911

PROSPECTUS

This Prospectus contains the offer of:

- (a) 259,078,614 Quoted Options and 259,078,614 February Options (**February Placement Offer**);
- (b) 9,224,640 March Options (**March Placement Offer**);
- (c) 28,200,000 Quoted Options (**Investor Placement Offer**);
- (d) 2,000,000 Quirin Options and 10,000,000 Lay Options (**Director Options Offer**);
- (e) 7,500,000 Performance Rights (**Performance Rights Offer**);
- (f) 478,125,134 Quoted Options (**Lead Manager Offer**); and
- (g) up to 10,000 Shares at an issue price of \$0.009 per Share to raise up to \$90 (**Cleansing Offer**),

(together these are referred within this document as the **Offers**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Securities offered by this Prospectus should be considered as highly speculative.

IMPORTANT NOTICE

This Prospectus is dated 15 June 2023 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be made by an original Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives,

financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in

any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. In particular this document may not be distributed to any person, and the New Options may not be offered or sold, in any country outside Australia except to the extent permitted in Section 2.16.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Please refer to Section 6.2 for further details.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.cresopharma.com. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an

Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 9389 3180 during office hours or by emailing the Company at erlyn@azc.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic 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.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that 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 Securities 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 CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 8.

All references to time in this Prospectus are references to Australian Western Standard Time.

Privacy statement

If you complete an Application Form, 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 we hold 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 for Securities, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 8 9389 3180.

CORPORATE DIRECTORY

Directors

William Lay
(CEO & Managing Director)

Boaz Wachtel
(Non-Executive Chairman)

Bruce Linton
(Non-Executive Director)

Micheline MacKay
(Executive Director)

Ben Quirin
(Non-Executive Director)

Jodi Scott
(Executive Director)

Peter Hatfull
(Non-Executive Director)

Joint Company Secretaries

Eryn Dawson and Winton Willesee

Registered Office

CPC
Suite 5
145 Stirling Highway
NEDLANDS WA 6009
Telephone: +61 8 9389 3180
Email: info@cresopharma.com
Website: www.cresopharma.com

Auditor*

BDO Audit Pty Ltd
Level 11
1 Margaret Street
SYDNEY NSW 2000

Share Registry*

Automic Registry Services
Level 5
191 St Georges Terrace
PERTH WA 6000

Telephone:
1300 288 664 (within Australia)
+61 02 9698 5414 (International)

Legal Advisers

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Corporate Adviser*

EverBlu Capital Pty Ltd
Level 39
Aurora Place
88 Phillip Street
SYDNEY NSW 2000

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

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1. KEY OFFER INFORMATION

1.1 Timetable

Lodgement of Prospectus with the ASIC and the ASX	Wednesday, 15 June 2023
Opening Date of the Offers	Wednesday, 15 June 2023
Closing Date of the February Placement offer	5 July 2023
Closing Date of the March Placement Offer	15 June 2023
Closing Date of the Investor Placement Offer	5 July 2023
Closing Date of the Director Options Offer	30 June 2023
Closing Date of the Performance Rights Offer	30 June 2023
Closing Date of the Lead Manager Offer	30 June 2023
Issue of the Quoted Options and lodgement of Appendix 2A with ASX	7 July 2023
Issue of the February Options and lodgement of Appendix 3G with ASX	on or around 7 July 2023
Issue of the March Options and lodgement of Appendix 3G with ASX	on or around 15 June 2023
Issue of the Quirin Options and Lay Options, and lodgement of Appendix 3G with ASX	on or around 30 June 2023
Issue of Performance rights and lodgement of Appendix 3G with ASX	on or around 30 June 2023
Closing Date of the Cleansing Offer	5 July 2023
Quotation of Quoted Options**	On or around 11 July 2023

* The Directors reserve the right to extend or reduce the Closing Date of any of the Offers at any time after the Opening Date without notice. The Directors may also allot securities under one or more of the Offers prior to the relevant Closing Date.

** Quotation of the Quoted Options is subject to the Company being able to satisfy ASX of the quotation requirements set out in Chapter 2 of the ASX Listing Rules.

*** These dates are indicative only and are subject to change.

1.2 ASX Announcement

February Placement

On 17 February 2023 and 6 April 2023, the Company announced that it had received firm commitments from new and existing institutional, professional investors and service providers (**February Participants**) for approximately \$2 million (before costs) through the issue of approximately 132,859,356 Shares at an issue price of \$0.01506 per Share (**February Placement**). Subject to receiving Shareholder approval, each February Participant will be issued one free attaching Quoted Option and one free attaching unlisted Option exercisable at \$0.03 on or before 24 August 2024 (**February Option**) for every one Share subscribed for and issued.

The February Placement comprised of, and was satisfied as follows:

- (a) \$1,531,999.98 in subscription for 101,726,426 Shares to unrelated institutional and professional investors under the Company's Listing Rule 7.1A placement capacity on 24 February 2023. The Company received

Shareholder approval on 15 May 2023 to issue 101,726,426 free attaching Quoted Options and 101,726,426 free attaching February Options;

- (b) \$100,000 in subscription for 6,640,106 Shares with 6,640,106 free attaching Quoted Options and 6,640,106 free attaching February Options. These Securities are subject to Shareholder approval and will be issued to Mr William Lay. Shareholder approval will be sought at a future general meeting;
- (c) \$225,000 in subscription for 14,940,239 Shares at a deemed issue price of \$0.01506 per Share to Achievement Nominees Pty Ltd in lieu of payment of invoices for legal services provided by Steinepreis Paganin were issued out the Company's 7.1 placement capacity on 24 February 2023. The Company received Shareholder approval on 15 May 2023 to issue 14,940,239 free attaching Quoted Option and 14,940,239 free attaching February Option;
- (d) \$57,862 in subscription for 3,842,098 Shares at a deemed issue price of \$0.01506 per Share to EAS Advisors in lieu of payment of invoices for advisory services were issued out the Company's 7.1 placement capacity on 24 February 2023. The Company received Shareholder approval on 15 May 2023 to issue 3,842,098 free attaching Quoted Option and 3,842,098 free attaching February Option; and
- (e) \$86,000 in subscription for 5,710,491 Shares at a deemed issue price of \$0.01506 per Share to Six Degrees Holdings Group Pty Ltd in lieu of payment of invoices for investor relations services were issued out the Company's 7.1 placement capacity on 24 February 2023. The Company received Shareholder approval on 15 May 2023 to issue 5,710,491 free attaching Quoted Options and 5,710,491 free attaching February Options.

EverBlu acted as lead manager to the February Placement. The Company agreed to pay EverBlu a 6% cash fee on the gross amount under the February Placement (approximately \$120,000). Subject to Shareholder approval, it was also agreed that EverBlu will be issued 2,000,000 Shares per \$1 million raised (being, 4,000,000 Shares), and the same number of Quoted Options and February Options as issued to February Participants (being, 132,859,360 Quoted Options and 132,859,360 February Options). The Company received Shareholder approval on 31 May 2023 to issue these securities.

March Placement

As announced on 25 February 2022, the Company secured firm commitments from institutional, professional and sophisticated investors to raise \$5 million (before costs) through the issue of approximately 72.4 million Shares at an issue price of \$0.069 per Share with one free attaching Option (exercisable at \$0.14 on or before 12 January 2024) (**March Option**) for every one Share issued (**March Placement**). The March Placement included a commitment for participation for approximately \$318,250 from former Director, Adam Blumenthal, being the subject of Shareholder approval. Mr Blumenthal resigned as Non-Executive Director of the Company on 10 October 2022.

On 2 March 2022, the Company issued 67,851,467 Shares to unrelated participants in the March Placement (**Unrelated March Participants**) at an issue price of \$0.069 per Share to raise approximately \$4,681,751 (**Placement Shares**). On 12 December 2022, the Company issued 53,358,712 March Options to the Unrelated March

Participants under an options prospectus dated 28 November 2022 (**March Prospectus**).

On 15 May 2023, the Company received Shareholder approval to issue the 4,612,320 Shares and 4,612,320 March Options to Mr Blumenthal.

EverBlu was engaged to lead manage the March Placement. In consideration for the provision of these services, the Company agreed to pay EverBlu a capital raising and management fee of 6% of the funds raised under the March Placement; and issue one March Option for every one March Option issued under the Placement on the same terms and conditions as the March Placement. On 27 January 2023, the Company issued 53,358,712 March Options to Everblu under the March Prospectus in consideration for the Placement Shares issued to Unrelated March Participants. On 15 May 2023, the Company received Shareholder approval to issue an additional 4,612,320 March Options upon the issue of the portion of the March Placement subscribed for by Mr Blumenthal.

Investor Placement Offer

As announced on 1 November 2022 and 15 December 2022, the Company secured firm commitments from institutional, professional and sophisticated investors (including former Director, Mr Blumenthal) to raise \$2.8 million (before costs) (**Loan 1**) and on 6 March 2023, the Company and La Plata agreed to roll over an existing loan (and portion of accumulated interest) of \$700,000 with its wholly owned subsidiary Sierra Sage Herbs, LLC into a loan consistent with terms of Loan 1 (**Loan 2**) (together, the **Loans**). For the purpose of this Prospectus, LaPlata, Mr Adam Blumenthal and the institutional, professional and sophisticated investors are referred to as the **Lenders**.

Under the Loan, the Company has agreed, subject to Shareholder approval, to issue the to the Lenders 1,000,000 Quoted Options per \$100,000 invested. On 15 May 2023, the Company received Shareholder approval to issue up to 35,000,000 Quoted Options (**Investor Options**).

Related Party Placement

As announced on 10 October 2022, the Company appointed Mr Benjamin Quirin as a Director. Pursuant to Mr Quirin's appointment, the Company agreed to issue 2,000,000 Options (exercisable at \$0.04 on or before 10 October 2024) (**Quirin Options**) to Mr Quirin (or his nominee), subject Shareholder approval which was received on 31 May 2023.

As announced on 17 January 2022, the Company entered a consultancy services agreement with Mr William Lay, whereby Mr Lay agreed to act as Chief Executive Officer and Managing Director of the Company. The Company agreed to issue 7,500,000 Performance Rights and 10,000,000 Options (exercisable at \$0.20 on or before 17 January 2024) (**Lay Options**) to Mr Lay (or his nominee) (together, the **Lay Securities**), subject to obtaining Shareholder approval which was received on 31 May 2023.

Lead manager and corporate advisory services

The Company has engaged EverBlu on various occasions to provide lead manager and corporate advisory services. Details of these agreements are set out below:

- (a) As announced on 1 November 2022, the Company secured commitments to raise a total of up to \$7,600,000 through the issue of two

separate convertible notes, comprising of commitments from new and existing professional investors to raise up to \$2,600,000 through the issue of secured convertible notes and commitment of up to \$5,000,000 from Obsidian Global GP, LLC through the issue of convertible notes. In consideration for EverBlu providing lead manager services in securing the commitments, the Company agreed to pay a 6% cash fee (up to \$456,000) and issue EverBlu (or its nominee) up to 304,000,000 Quoted Options, subject to obtaining Shareholder approval which was received on 15 May 2023.

- (b) As announced on 27 January 2023, the Company entered a converting loan deed and loan modification document with La Plata, an existing lender of the Company's subsidiary, Sierra Sage Herbs LLC (**Restructure Transaction**). Under the transaction mandated between EverBlu and the Company, EverBlu provided provide financial advisory services on the Restructure Transaction (**Transaction Mandate**). Pursuant to the Transaction Mandate, the Company has agreed to pay EverBlu a cash fee (which was waived by EverBlu Capital) and to issue EverBlu (or its nominee) 74,125,134 Quoted Options, subject to obtaining Shareholder approval which was received on 31 May 2023.
- (c) As announced on 6 March 2023, the Company secured commitments to raise \$2.5 million through the issuance of secured convertible notes to SBC Global Investment Fund. In consideration for EverBlu providing lead manager services in securing the commitments, the Company agreed to pay EverBlu a cash fee of 6% (up to \$150,000) and issue EverBlu (or its nominee) 100,000,000 Quoted Options (being 100,000,000 Options per \$2,500,000 raised), subject to obtaining Shareholder approval which was received on 31 May 2023.

For the reasons set out above, the Company agrees to issue up to 765,403,748 Quoted Options, 259,078,614 February Options, 9,224,640 March Options, 2,000,000 Quirin Options, 10,000,000 Lay Options and 7,500,000 Performance Rights. These Securities are being offered pursuant to this Prospectus. Further details in respect of the Offers are set out in Section 2.

2. DETAILS OF THE OFFER

2.1 February Placement Offer

This Prospectus includes an offer of up to 259,078,614 Quoted Options and 259,078,614 February Options under the February Placement Offer.

The 259,078,614 Quoted Options and 259,078,614 February Options will be offered for nil monetary consideration to the February Participants and EverBlu (or their respective nominees) for reasons set out in Section 1.2 (**February Applicants**). No funds will be raised from issue of the 259,078,614 Quoted Options and 259,078,614 February Options as these are being issued for nil consideration.

The Quoted Options offered under the February Placement Offer will be issued on the terms and conditions as the Options currently trading on the ASX under the code 'ME1OD'. The February Options issued under the February Placement Offer will not be quoted, however, the Company will apply for quotation of all Shares issued upon exercise of the February Options. The terms and conditions of the Quoted Options and February Options are set out in Section 4.2 of this Prospectus.

The Quoted Options and February Options offered under February Placement Offer will only be issued to the February Applicants. Application Forms in respect of the February Placement Offer will only be provided by the Company to these parties, together with a copy of this Prospectus.

2.2 March Placement Offer

This Prospectus includes an offer of up to 9,224,640 March Options under the March Placement.

The March Options will be offered for nil monetary consideration to Mr Blumenthal and EverBlu (or their respective nominees) for the reasons set out in Section 1.2 (**March Applicants**). No funds will be raised from the issue of the March Options as the March Options are being issued for nil consideration.

The March Options offered under the March Placement Offer will be issued on the terms and conditions set out in Section 4.2 of this Prospectus. The March Options issued under the March Placement Offer will not be quoted, however, the Company will apply for quotation of all Shares issued upon exercise of the March Options.

The March Options offered under this Prospectus will only be issued to the March Applicants. Application Forms in respect of the March Placement Offer will only be provided by the Company to these parties, together with a copy of this Prospectus.

2.3 Investor Placement Offer

This Prospectus includes an offer of up to 28,200,000 Quoted Options under the Investor Placement Offer.

The 28,200,000 Quoted Options will be offered for nil monetary consideration to the Lenders (or their respective nominees) for reasons set out in Section 1.2. No funds will be raised from issue of the 28,200,000 Quoted Options as these are being issued for nil consideration.

The Quoted Options offered under the Investor Placement Offer will be issued on the terms and conditions as the Options currently trading on the ASX under the code 'ME1OD'. The terms and conditions of the Quoted Options are set out in Section 4.2 of this Prospectus.

The Quoted Options offered under Investor Placement Offer will only be issued to the Lenders. Application Forms in respect of the Investor Placement Offer will only be provided by the Company to these parties, together with a copy of this Prospectus.

2.4 Director Options Offer

The Director Options Offer is an offer of 2,000,000 Quirin Options to Mr Quirin and 7,500,000 Lay Options to Mr Lay.

The Quirin Options and Lay Options will be offered for nil monetary consideration for the reasons set out in Section 1.2. No funds will be raised from the issue of the Quirin Options and Lay Options as these Options are being issued for nil consideration.

The Quirin Options and Lay Options offered under the Director Options Offer will be issued on the terms and conditions set out in Section 4.2. The Quirin Options and Lay Options will not be quoted, however, the Company will apply for quotation of all Shares issued upon exercise of the Quirin Options and Lay Options.

The Quirin Options and Lay Options will only be issued to Mr Quirin and Mr Lay (or their respective nominees). A personalised Application Forms in respect of the Director Options Offer will only be provided to Mr Quirin or Mr Lay, together with a copy of this Prospectus.

2.5 The Performance Rights Offer

The Performance Rights Offer is an offer of 7,500,000 Performance Rights to be issued to Mr Lay (or his nominee).

The Performance Rights will be offered for nil monetary consideration pursuant to the agreement summarised in Section 1.2. No funds will be raised from the issue of the Performance Rights as the Performance Rights are being issued for nil consideration.

The Performance Rights offered under the Performance Rights Offer will be issued on the terms and conditions set out in Section 4.3. The Performance Rights issued under the Performance Rights Offer will not be quoted, however, the Company will apply for quotation of all Shares issued upon exercise of the Performance Rights.

Only Mr Lay (or his nominees) may accept the Performance Rights Offer. A personalised Application Form in relation to the Performance Rights will be issued to Mr Lay, together with a copy of this Prospectus.

2.6 Lead Manager Offer

The Lead Manager Offer is an offer of 478,125,134 Quoted Options to be issued to EverBlu (or its nominees).

The 478,125,134 Quoted Options will be offered for nil monetary consideration to EverBlu (or its nominees) for reasons set out in Section 1.2. No funds will be raised from issue of the 478,125,134 Quoted Options as these are being issued for nil consideration.

The Quoted Options offered under the Lead Manager Offer will be issued on the terms and conditions as the Options currently trading on the ASX under the code 'ME1OD'. The terms and conditions of the Quoted Options are set out in Section 4.2 of this Prospectus.

The Quoted Options offered under Lead Manager Offer will only be issued to EverBlu. Application Forms in respect of the Lead Manager Offer will only be provided by the Company to EverBlu, together with a copy of this Prospectus.

2.7 The Cleansing Offer

The Cleansing Offer is an offer of up to 10,000 Shares at an issue price of \$0.009 per Share, to raise up to \$90 (before expenses).

The Cleansing Offer will only be extended to specific parties on invitation from the Directors. Application Forms in respect of the Cleansing Offer will only be provided by the Company to these parties.

The Shares offered under this Prospectus will rank equally with the existing Shares on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 4.1.

2.8 Purpose of the Offers

Purpose of the February Placement Offer, March Placement Offer, Investor Placement Offer, Director Options Offer, Performance Rights Offer and Lead Manager Offer

The February Placement Offer, March Placement Offer, Investor Placement Offer, Director Options Offer, Performance Rights Offer and Lead Manager Offer (**Convertible Securities Offers**) are being made to satisfy the Company's obligations set out in Section 1.2 and such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, if the New Options and Performance Rights (together, the **Convertible Securities**) are issued with disclosure under this Prospectus then the Shares issued upon the exercise of any of the Convertible Securities can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

Subject to the Quoted Options being quoted on ASX, these Convertible Securities Offers will also provide investors who receive the Quoted Options the opportunity to trade those Quoted Options on a listed, public financial market, being the financial market operated by the ASX.

Purpose of the Cleansing Offer

The primary purpose of the Cleansing Offer is to remove any trading restrictions that may have attached to Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date of the Cleansing Offer (including prior to the date of this Prospectus). In particular, the Cleansing Offer is intended to remove any on-sale restrictions that may affect the Shares which were issued prior to the date of this Prospectus. Accordingly, the Company is seeking to raise only a nominal amount of \$90 under the Cleansing Offer as the purpose of the Cleansing Offer is not to raise capital.

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

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and

either:

- (b) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
- (c) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (d) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

2.9 Opening and Closing Date of the Offers

The Opening Date of the Offers will be 15 June 2023, the Closing Date for each of the Offers is set out in Section 1.1. The Directors reserve the right to close the Offers early or extend the Closing Date (as the case may be), should it be considered necessary to do so.

2.10 Minimum subscription

There is no minimum subscription.

2.11 Not underwritten

The Offers are not underwritten.

2.12 Lead Manager

There is no lead manager for the Offers under this Prospectus.

2.13 Applications for Securities

Applications under the February Placement Offer

Only February Applicants may accept the February Placement Offer. A personalised Application Form in relation to the February Placement Offer will be issued to the February Applicants together with a copy of this Prospectus.

Applications under the March Placement Offer

Only March Applicants may accept the March Placement Offer. A personalised Application Form in relation to the March Placement Offer will be issued to the March Applicants together with a copy of this Prospectus.

Applications under the Investor Placement Offer

Only Lenders (or their nominees) may accept the Investor Placement Offer. A personalised Application Form in relation to the Investor Placement Offer will be issued to the Lenders together with a copy of this Prospectus.

Applications under the Director Options Offer

Only Mr Quirin and Mr Lay (or their respective nominees) may accept the Director Options Offer. A personalised Application Form in relation to the Director Options Offer will be issued to Mr Quirin and Mr Lay together with a copy of this Prospectus.

Applications under the Performance Rights Offer

Only Mr Lay (or his respective nominees) may accept the Performance Rights Offer. A personalised Application Form in relation to the Performance Rights Offer will be issued to Mr Lay together with a copy of this Prospectus.

Applications under the Lead Manager Offer

Only EverBlu (or its respective nominees) may accept the Lead Manager Offer. A personalised Application Form in relation to the Lead Manager Offer will be issued to EverBlu together with a copy of this Prospectus.

Cleansing Offer

Applications for Shares must be made by investors at the direction of the Company and must be made using the relevant Application Form accompanying this Prospectus. Payment for the Shares subscribed for under the Cleansing Offer must be made in full at the issue price of \$0.009 per Share. The Company does not currently intend to issue any Shares under the Cleansing Offer. Accordingly, an Application Form in respect of the Cleansing Offer should only be submitted if instructed to by the Directors.

By completing an Application Form, you will be taken to have declared that all details and statements made by you are complete and accurate and that you have received personally the relevant Application Form together with a complete and unaltered copy of the Prospectus.

2.14 ASX listing

Application for Official Quotation of the Shares and Quoted Options offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Shares or Quoted Options offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue the Shares or Quoted Options and will repay all Application monies received for any Shares or Quoted Options within the time prescribed under the Corporations Act, without interest. The Quoted Options are being offered for nil monetary consideration and, as such, the Company will not have any Application monies to repay.

The fact that ASX may grant Official Quotation to the Shares or Quoted Options is not to be taken in any way as an indication of the merits of the Company the Shares or the Quoted Options offered under this Prospectus.

The Company will not apply for Official Quotation of the February Options, March Options, Quirin Options, Lay Options and Performance Rights issued pursuant to this Prospectus.

2.15 Issue of Securities

New Options

The New Options issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out in Section 1.1.

Performance Rights

Performance Rights issued pursuant to the Performance Rights Offer will be issued in accordance with the ASX Listing Rules and timetable set out in Section 1.1.

Cleansing Offer

As noted in Section 2.8, the primary purpose of the Cleansing Offer is to remove any trading restrictions that may have been attached to Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date of the Cleansing Offer (including prior to the date of this Prospectus).

If the Directors decide to issue Shares under the Cleansing Offer, the issue of Shares will take place as soon as practicable after the Closing Date. Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. Any interest earned on the application monies will be for the benefit of the Company and will be retained by the Company irrespective of whether any Shares are issued, and each applicant waives the right to claim any interest.

The Directors will determine the recipients of the Shares. The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded (without interest) to the applicant as soon as practicable after the Closing Date of the Cleansing Offer.

Holding Statements

Holding statements for Securities issued under the Offers will be mailed as soon as practicable after the issue of the Securities.

2.16 Overseas shareholders

The Offers does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. In particular, this document may not be distributed to any person, and the Securities may not be offered or sold, in any country outside Australia except to the extent permitted below.

Germany

This Prospectus has not been, and will not be, registered with or approved by any securities regulator in the Germany or elsewhere in the European Union. Accordingly, this document may not be made available, nor may the New Options be offered for sale, in Germany except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Options in Germany is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

Singapore

This Prospectus and any other materials relating to the New Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Options, may not be issued, circulated or distributed, nor may the New Options be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in

Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus may be given to "institutional investors" and "accredited investors" (as such terms are defined in the SFA) as well as less than 50 other persons known to the Company in Singapore. If you are not an investor falling within one of these categories, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the New Options being subsequently offered for sale to any other party in Singapore. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Options and the underlying ordinary shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

In connection with Section 309B of the SFA, the Company has determined that the New Options and underlying shares are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose and Effect of the Offers

The primary purposes of the Offers are summarised in Section 2.8.

The principal effect of the Offers, assuming all Securities offered under this Prospectus are issued and no other Securities are issued, exercised or converted, will be to:

- (a) increase the number of Options on issue from 1,057,138,003 Options as at the date of this Prospectus to 2,102,845,005 Options following completion of the Offers;
- (b) increase the number of Performance Rights on issue from 14,016,000 Performance Rights at the date of this Prospectus to 21,516,000 Performance following completion of the Offers;
- (c) remove any trading restrictions that may have attached to Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date of the Cleansing Offer (including prior to the date of this Prospectus);
- (d) to remove any trading restrictions attaching to Shares issued on exercise of the Convertible Securities issued under this Prospectus; and
- (e) subject to ASX granting quotation of the Quoted Options, to remove any trading restrictions attaching to the Quoted Options so the investors who receive the Quoted Options will be enabled to trade those Options on a listed, public financial market, being the financial market operated by the ASX.

3.2 Effect on capital structure

The effect of the Offers on the capital structure of the Company, is set out below.

Shares

	Number
Shares currently on issue ¹	2,717,316,050
Shares offered pursuant to the Offers ²	Nil
Total Shares on issue after completion of the Offers	2,717,316,050

Notes:

1. Includes:
 - (a) 134,105,315 Shares which are subject to voluntary escrow until 26 August 2023 and 15,000,000 Shares which are subject to escrow until 10 January 2024;
 - (b) 4,612,320 Shares to Mr Blumenthal for his participation in the March Placement. The Company will issue these Shares before the Closing Date of the Cleansing Offer. Further details are set out in Section 1.2;
 - (c) 4,000,000 Shares to EverBlu as consideration for services provided as lead manager to the February Placement. The Company will issue these Shares before the Closing Date of the Cleansing Offer. Further details are set out in Section 1.2;
 - (d) 8,333,333 Shares to existing debtors for certain current liabilities. Further details are set out in the ASX announcement dated 14 June 2023. The Company will issue these Shares before the Closing Date of the Cleansing Offer;

- (e) 18,981,000 Shares to La Plata to settle interest due and payable. Further details are set out in the ASX announcement dated 14 June 2023. The Company will issue these Shares before the Closing Date of the Cleansing Offer;
 - (f) 28,762,295 Shares to institutional, professional and sophisticated investors who participated in the placement. The placement comprised of a total of 204,918,033 Shares and the Company has issued 102,385,246 of these Shares on 24 May 2023. Further details are set out in ASX announcement dated 19 May 2023 and 24 May 2023. The Company will issue the 28,762,295 Shares before the Closing Date of the Cleansing Offer; and
 - (g) issue up to 17,777,778 Shares at a deemed issue price of \$0.009 in lieu of cash payment for \$160,000 worth of investor marketing services to Advisir trading as Report Card Pty Ltd (ACN 092 598 859) (or its nominee). The Company will issue these Shares before the Closing Date of the Cleansing Offer. Further details are set out in the ASX announcement dated 21 November 2022.
2. Assumes no Shares are issued under the Cleansing Offer.
 3. Subject to certain milestones being met, up to 1,061,420,889 Shares (noting that the first milestone was not achieved) will be issued to the vendors of Sierra Sage Herbs LLC as deferred consideration for the acquisition of 100% of the issued capital of Sierra Sage Herbs, LLC. Further details are set out in Resolution 10 of the notice of general meeting dated 11 July 2022.
 4. On 31 May 2023, the Company received Shareholder approval to issue 4,000,000 Shares to Chief Financial Officer, Mr Chris Grundy, as an equity incentive to his remuneration package. The Company anticipates that it will issue these Shares after the end of the Company's financial year.
 5. Under existing loan between the Company and La Plata, it was agreed that the Company may make interest payments in Shares, based on a value of Shares equal to 1.5 times the interest due and payable. Further details are set out in the ASX announcement dated 14 June 2023.
 6. Subject to receiving Shareholder approval, the Company will issue:
 - (a) Mr Lay 6,640,106 Shares for his participation in the February Placement;
 - (b) Adam Blumenthal 73,770,492 Shares for is participation in a placement and 14,344,262 Shares as consideration for extending the maturity date and repayment date of the secured notes. Further details are set out in ASX announcement dated 19 May 2023;
 - (c) EverBlu 24,847,217 Shares as consideration for corporate advisor and lead manager services. Further details are set out in ASX announcement dated 19 May 2023;
 - (d) Bruce Linton 2,732,213 Shares. Further details are set out in ASX announcement dated 19 May 2023;
 - (e) up to 50,838,402 Shares at a deemed issue price of \$0.011 to existing debtors for certain liabilities. Further details are set out in ASX announcement dated 14 June 2023.
 - (f) Micheline MacKay 3,119,667 Shares valued at CAD\$25,000.
 7. The Company is considering the issue of Shares to key management personnel and Directors as incentive to align their interests with Shareholders. The number and recipients are to be determined.

Options

	Number
Listed Options currently on issue	
ME1O (exercisable at \$0.25 on or before 2 November 2024)	444,941,563
ME1OD (exercisable at \$0.08 on or before 31 January 2027)	369,739,798
Unlisted Options currently on issue	

	Number
ME1OPT26 (exercisable at \$0.1386 on or before 25 June 2023)	5,752,688
ME1OPT32 (exercisable at \$0.20 on or before 23 December 2023)	833,333
ME1OPT33 (exercisable at \$0.039 on or before 23 December 2025)	30,000,000
ME1OPT38 (exercisable at \$0.38 on or before 14 July 2024)	12,000,000
ME1OPT39 (exercisable at \$0.15 on or before 1 August 2024)	12,000,000
ME1OPT40 (exercisable at \$0.18 on or before 1 August 2024)	12,000,000
ME1OPT42 (exercisable at \$0.25 on or before 6 September 2024)	10,000,000
ME1OPT41 (exercisable at \$0.18 on or before 6 September 2024)	10,000,000
ME1OPT43 (exercisable at \$0.1375 on or before 25 October 2024) ¹	1,000,000
ME1OPT45 (exercisable at \$0.14 on or before 12 June 2024)	106,717,424
ME1OPT46 (exercisable at \$0.09 on or before 17 January 2024)	10,000,000
ME1OPT48 (exercisable at \$0.40 on or before 28 June 2024)	626,250
ME1OPT49 (exercisable at \$1.34 on or before 28 June 2024)	626,250
ME1OPT50 (exercisable at \$2.00 on or before 28 June 2024)	626,250
ME1OPT51 (exercisable at \$2.65 on or before 28 June 2024)	626,250
ME1OPT52 (exercisable at \$0.02 on or before 28 June 2025)	1,648,263
ME1OPT53 (exercisable at \$0.38 on or before 8 June 2024)	27,999,934
Total Options on issue as at the date of this Prospectus	1,057,138,003
New Options to be issued pursuant to the Offers ²	1,045,707,002
Total Options on issue after completion of the Offers	2,102,845,005

Notes:

1. 666,666 ME1OPT43 are subject to retention conditions and will vest in equal parts over 25 October 2023 and 25 October 2024.
2. The terms and conditions of the New Options are set out in Section 4.2. The Company is seeking quotation of the Quoted Options only.
3. On 15 May 2023, the Company received Shareholder approval to issue 7,000,000 Quoted Options to La Plata (further details are set out in resolution 7 of the notice of meeting announced 14 April 2023).
4. On 31 May 2023, the Company received Shareholder approval to issue 26,407,381 Quoted Options to La Plata (further details are set out in resolution 9 of the notice of annual general meeting announced 1 May 2023 (**Annual Notice**)).
5. The Company will seek Shareholder approval to issue:
 - (a) 6,640,106 free attaching Quoted Options and 6,640,106 free attaching February Options to Mr Lay for his participation in the February Placement;
 - (b) 131,147,541 Quoted Options to the participants of the placement and 73,770,492 Quoted Options to Mr Blumenthal as announced on 19 May 2023;
 - (c) 36,748,607 Quoted Options pursuant to agreements with debtors to convert liabilities into new equity. Further details are set out in the ASX announcement dated 19 May 2023;
 - (d) 2,732,213 Quoted Options to Bruce Linton in lieu of director fees. Further details are set out in the ASX announcement dated 19 May 2023;

- (e) 66,557,377 Quoted Options to the secured note holders and 14,344,262 Quoted Options to Mr Blumenthal. Further details are set out in ASX announcement dated 19 May 2023;
 - (f) 13,333,320 Quoted options to La Plata. Further details are set out in ASX Announcement dated 14 June 2023; and
 - (g) 10,654,045 Options (exercisable at \$0.022 on or before that date that is four years from the date of issue) to existing debtors for certain liabilities.
6. The Company is considering the issue of convertible securities to key management personnel and Directors as incentive to align their interests with Shareholders. The number, terms and recipients are to be determined.

Performance Rights

	Number
Performance Rights currently on issue ^{1, 2, 3, 4}	14,016,000
Performance Rights offered pursuant to the Offers ⁵	7,500,000
Total Performance Rights on issue after completion of the Offers	21,516,000

Notes:

1. Which are subject to the following vesting conditions:
 - (a) 5,000,000 Performance Rights will vest on 17 September 2023, subject to Mr Lay being engaged by the Company; and
 - (b) 5,000,000 Performance Rights will vest upon the earlier to occur: (a) the Company has recorded a revenue of \$5,000,000 between 17 September 2021 (**Effective Date**) and the date that is 24 months after the Effective Date (**Relevant Period**), which revenue is earned through supply agreements entered into with parties introduced by Mr Lay; and (b) the Company recording a revenue of \$10,000,000 during the Relevant Period, which revenue is earned through acquisitions which are introduced by Mr Lay.
2. 2,000,000 Performance Rights are subject to the following vesting conditions:
 - (a) 500,000 Performance Rights, subject to vesting upon the achievement of at least \$5 million in audited gross sales revenue in ImpACTIVE based on the US GAAP definition of gross sales on or before 14 July 2025;
 - (b) 500,000 Performance Rights, subject to vesting upon the achievement of at least \$10 million in audited gross sales revenue in ImpACTIVE based on the US GAAP definition of gross sales, on or before 14 July 2026; and
 - (c) 1,000,000 Performance Rights, subject to vesting upon the achievement of at least \$20 million in audited gross sales revenue in ImpACTIVE based on the US GAAP definition of gross sales on or before 14 July 2027.
3. 2,000,000 Performance Rights are subject to the following vesting conditions:
 - (a) 500,000 Performance Rights, subject to vesting upon the achievement of at least \$5 million in audited gross sales revenue in ImpACTIVE based on the US GAAP definition of gross sales on or before 27 July 2025;
 - (b) 500,000 Performance Rights, subject to vesting upon the achievement of at least \$10 million in audited gross sales revenue in ImpACTIVE based on the US GAAP definition of gross sales, on or before 27 July 2026; and
 - (c) 1,000,000 Performance Rights, subject to vesting upon the achievement of at least \$20 million in audited gross sales revenue in ImpACTIVE based on the US GAAP definition of gross sales on or before 27 July 2027.
4. 16,000 Performance Rights have vested.
5. The terms and conditions of the Performance Rights offered under the Performance Rights Offer is set out in Section 4.3.

Performance Shares¹

	Number
Performance Shares currently on issue	6,000,000
Performance Shares offered pursuant to the Offers	Nil
Total Performance Shares on issue after completion of the Offers	6,000,000

Notes:

- Which will vest upon achievement of the following milestones:
 - 3,000,000 Performance Shares upon Creso ImpACTIVE reaching CAD\$20,000,000 in audited gross sales based on US GAAP definition gross sales (**First Milestone**) at or prior to 25 October 2024; and
 - 3,000,000 Performance Shares upon Creso ImpACTIVE achieving the First Milestone and upon Creso ImpACTIVE reaching an additional CAD\$20,000,000 in audited gross sales (being an aggregate amount of CAD\$40,000,000 in audited gross sales between 25 October 2021 and 25 October 2026) based on the US GAAP definition of gross sales at or prior to 25 October 2026.

Convertible Notes

	Number
Convertible Notes currently on issue ¹	1,374,989
Convertible Notes to be offered pursuant to the Offers	Nil
Total Convertible Notes on issue after completion of the Offers	1,374,989

Notes:

- Comprising of:
 - 574,989 convertible notes with the terms and conditions set out in ASX announcement dated 13 March 2023. Further details are also set out in the ASX announcement dated 14 June 2023.
 - 800,000 convertible notes with the terms and conditions set out in ASX announcement dated 2 June 2023.
- The Company has agreed to acquire La Plata's interest in a secured loan to Abby and Finn LLC and extended the maturity date to existing debt. Subject to Shareholder approval, the Company will issue 360 convertible notes to La Plata. Refer to ASX announcement dated 14 June 2023.

3.3 Details of Substantial Holders

As far as the Company is aware at the date of this Prospectus, those person which (together with their associates) have a relevant interest in 5% or more of the Shares on issue is set out below:

Shareholder	Shares	%
Jodi Scott	209,364,678	7.95%

3.4 Pro-forma balance sheet

There unaudited balance sheet as at 31ST March 2023 and the unaudited pro-forma balance sheet as at that date shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been on the basis that no convertible securities are exercised and include expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma 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 annual financial statements.

	Unaudited 31-Mar-23 \$000s	Unaudited Pro Forma Adjustment \$000s	Unaudited Pro Forma 31-Mar-23 \$000s
Assets			
Current assets			
Cash and Cash Equivalents	1,089	2,036	3,125
Trade and Other Receivables	2,492	0	2,492
Inventory	5,277	0	5,277
Biological Assets	156	0	156
Other Assets	3,499	0	3,499
Total Current Assets	12,513	2,036	14,549
Non-Current Assets			
Property, plant and equipment	9,986	0	9,986
Intangible assets	16,020	0	16,020
Other assets	279	0	279
Intangible asset created on acquisition	0	0	0
Net investment in associate	0	0	0
Total Non-Current Assets	26,285	0	26,285
Total Assets	38,798	2,036	40,834
Liabilities			
Current Liabilities			
Trade and Other Payables	8,054	(165)	7,889
Provisions	408	0	408
Borrowings	8,528	(659)	7,869
Total Current Liabilities	16,990	(824)	16,166
Non-Current Liabilities			
Borrowings	157	0	157
Provisions	0	0	0
Total Non-Current Liabilities	157	0	157
Total Liabilities	17,147	(824)	16,323

	Unaudited 31-Mar-23 \$000s	Unaudited Pro Forma Adjustment \$000s	Unaudited Pro Forma 31-Mar-23 \$000s
Net Assets	21,651	2,860	24,511
Equity			
Issued Capital	132,574	5,199	137,773
Reserves	20,851	0	20,851
Accumulated losses	(131,774)	(2,339)	(134,113)
Total Equity	21,651	2,860	24,511

	Unaudited 31-Mar-23 \$000s	Unaudited Pro Forma Adjustment \$000s	Unaudited Pro Forma 31-Mar-23 \$000s
Assets			
Current Assets			
Cash And Cash Equivalents	1,089	2,036	3,125
Trade And Other Receivables	2,492	0	2,492
Inventory	5,277	0	5,277
Biological Assets	156	0	156
Other Assets	3,499	0	3,499
Total Current Assets	12,513	2,036	14,549
Non-Current Assets			
Property, Plant And Equipment	9,986	0	9,986
Intangible Assets	16,020	0	16,020
Other Assets	279	0	279
Intangible Asset Created On Acquisition	0	0	0
Net Investment In Associate	0	0	0
Total Non-Current Assets	26,285	0	26,285
Total Assets	38,798	2,036	40,834
Liabilities			
Current liabilities			
Trade and Other Payables	8,054	(165)	7,889
Provisions	408	0	408
Borrowings	8,528	(659)	7,869
Total current liabilities	16,990	(824)	16,166
Non-current liabilities			

	Unaudited 31-Mar-23 \$000s	Unaudited Pro Forma Adjustment \$000s	Unaudited Pro Forma 31-Mar-23 \$000s
Borrowings	157	0	157
Provisions	0	0	0
Total non-current liabilities	157	0	157
Total liabilities	17,147	(824)	16,323
Net assets	21,651	2,860	24,511
Equity			
Issued capital	132,574	5,199	137,773
Reserves	20,851	0	20,851
Accumulated losses	(131,774)	(2,339)	(134,113)
Total equity	21,651	2,860	24,511

Notes:

The Pro-forma Accounts show the impact that the issue of the tranche 2 convertible notes issued on 2 June 2023 and associated securities would have had on the Company's financial position as at 31 March 2023, if these securities were issued on that date, taking into account the following transactions:

1. The Obsidian Convertible Notes were settled in full – for details refer ASX announcement dated 19 May 2023. The carrying value as at 31 March 2023 is based upon management's calculations and has not been subject to formal valuation.
2. 66,557,377 shares (valued at \$812,000 equivalent to 35% of debt) were issued to holders of the Secured Notes (as announced on 1 November 2022) as a loan extension payment. For further details refer to the ASX announcement dated 19 May 2023.
3. Certain debt with unrelated parties converted to equity. For further details refer to the ASX announcement dated 19 May 2023.
4. 675,007 tranche 1 convertible notes held by SBC were redeemed, following the issue of shares valued at \$810,000. With respect to tranche 2 convertible notes held by SBC, the face value of the notes (\$888,880) is included as a liability in the Pro-forma Accounts. As announced on 24 May 2023, the second tranche purchase of \$800,000 will be offset against balances owing by the Company in relation to not issuing SBC the commitment options in accordance with the convertible securities agreement (\$194,580.20) and fees payable for the Company not receiving shareholder approvals for the purchases by the date specified in the convertible securities agreement (\$205,419.80). As such, \$400,000 of cash is included as an asset in the pro-forma accounts.
5. Placement funds, net of fees, amounting to \$1,161,000 received under the May 2023 placement. For further details refer to ASX announcement dated 19 May 2023. The Company expects to imminently receive an additional \$350,000 from an investor via manual settlement.
6. \$375,000 was received on 7th June 2023 from former director, Adam Blumenthal, as a short-term interest-free unsecured loan. Subject to shareholder approval, shares will be issued in settlement of the loan.
7. The acquisition of Health House International Limited (**HHI**), which concluded on 16 May 2023, has not been included. Settlement shares were issued but acquisition accounts are not yet available. Loans to HHI as at 31 March 2023 have been included as loans to third parties. Further details of HHI's latest financial accounts are set out in the Scheme Booklet dated 23 March 2023 and Appendix 4C dated 28 April 2023. The Company confirms that there have been no material financial changes to HHI since its annual report for the year ended 30 June 2022.
8. The securities being offered under the Offers are being offered for nil consideration. Accordingly, no funds will be raised under the Offers. Until such time as the Options may be exercised, they have no financial effect upon the Company's balance sheet.
9. The expenses of the Offers is approximately \$80,000. Refer to Section 6.7 for further details.

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares offer under the Cleansing Offer, and being the underlying securities of the New Options and Performance Rights. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(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 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 a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a 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 for each Share held, 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) Dividend rights

Subject to the rights of any preference Shareholders 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 which 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.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as

against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

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

(f) **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 and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

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

4.2 Terms and conditions of the New Options

The terms and conditions of the New Options are as follows:

(a) **Entitlement**

Each New Option entitles the holder to subscribe for one (1) Share upon exercise of the New Option.

(b) **Exercise Price**

Subject to paragraph (k), the amount payable upon exercise of each New Option is:

(i) **Quoted Options:** \$0.08;

(ii) **February Option:** \$0.03;

(iii) **March Option:** \$0.14;

(iv) **Quirin Option:** \$0.04; or

(v) **Lay Option:** \$0.20,

(together, the **Exercise Price**).

(c) **Vesting Conditions**

(i) The Quirin Options will vest and become exercisable as follows:

(A) 1/3 of the Quirin Options will vest on 10 April 2023;

(B) 1/3 of the Quirin Options will vest on 10 October 2023;
and

(C) 1/3 of the Quirin Options will vest on 10 April 2024.

(ii) The Lay Options will vest and become exercisable on the first anniversary of Mr Lay's appointment.

(together, the **Vesting Conditions**).

(d) **Automatic lapse**

- (i) If Mr Quirin ceases to be a Director prior to the achievement of the Vesting Conditions, all unvested Quirin Options will immediately lapse.
- (ii) If Mr Lay ceases to be a Director prior to the of the Vesting Conditions and exercise of the Lay Options, all unvested and/or unexercised Lay Options will immediately lapse.

(e) **Expiry Date**

Each New Option will expire at 5:00 pm (WST) on:

- (i) **Quoted Options:** on or before 31 January 2027;
- (ii) **February Option:** on or before 24 August 2024;
- (iii) **March Option:** on or before 12 June 2024;
- (iv) **Quirin Option:** on or before 10 October 2024; or
- (v) **Lay Option:** on or before 17 January 2024,

(together, the **Expiry Date**).

A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(f) **Exercise Period**

- (i) The New Options (except for the Quirin Options and Lay Options) are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (ii) The Quirin Options and Lay Options are exercisable at any time on and from the achievement of the respective Vesting Conditions until the Expiry Date.

(g) **Notice of Exercise**

The New Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the New Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(h) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

(i) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (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 New Options.

If a notice delivered under (i)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, 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.

(j) **Shares issued on exercise**

Shares issued on exercise of the New Options will rank equally with the then issued shares of the Company.

(k) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(l) **Quotation of Options**

The Company will seek quotation of the Quoted Options in accordance with the Listing Rules and Corporation Act, subject to satisfaction of the quotation conditions of the ASX Listing Rules.

(m) **Participation in new issues**

There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.

(n) **Change in exercise price**

A New Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Option can be exercised.

(o) **Transferability**

The New Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws and any further direction by the Board.

4.3 Terms and conditions of the Performance Rights

A summary of the terms and conditions of the Performance Rights is set out below:

- (a) **(Milestone)** Subject to paragraph (e), the Performance Rights will vest upon the Company achieving \$30,000,000 in annual group revenue.
- (b) **(Expiry Date)** Each of the Performance Rights shall lapse at 5:00 pm (EST) on 17 January 2024.
- (c) **(Notification to holder)** The Company shall notify the holder in writing when the relevant Milestone has been satisfied **(Notification)**.
- (d) **(Conversion)** Subject to paragraph (o), upon confirmation of vesting, each Performance Right will automatically convert into one Share.
- (e) **(Lapse of a Performance Right):** If a Milestone attached to the relevant Performance Right has not been satisfied within the relevant time period set out in paragraph (b), the relevant Performance Rights will automatically lapse.
- (f) **(Consideration)** The Performance Rights will be issued for nil consideration and no consideration will be payable upon the conversion of the Performance Rights into Shares.
- (g) **(Share ranking)** All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- (h) **(Application to ASX)** The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.
- (i) **(Issue of Shares on Conversion)** Within 5 Business Days after the date that the Performance Shares are converted, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
 - (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 conversion of the Performance Rights.

- (j) **(Transfer of Performance Rights)** The Performance Rights are not transferrable.
- (k) **(Participation in new issues)** A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (l) **(Reorganisation of capital)** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.
- (m) **(Dividend and voting rights)** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (n) **(Change in control)** Subject to paragraph (o), upon:
 - (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for not less than 50.1% of the Company's Shares on issue; and
 - (B) having been declared unconditional by the bidder; or
 - (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

the Performance Rights will automatically convert into Shares on a one-for-one basis.

- (o) **(Deferral of conversion if resulting in a prohibited acquisition of Shares)** If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) **(General Prohibition)** then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:
 - (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and
 - (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (o)(i) within seven (7) days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of

such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

- (p) **(No rights to return of capital)** A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (q) **(Rights on winding up)** A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- (r) **(No other rights)** A Performance Right gives the holder no 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.
- (s) **(ASX Listing Rule Compliance)** The Board reserves the right to amend any term of the Performance Rights to ensure compliance with the ASX Listing Rules.
- (t) **(Tax)** Subdivision 83A-C of the Income Tax Assessment Act 1997, which enables tax deferral on performance rights, will apply (subject to the conditions in that Act), to the Performance Rights.

5. RISK FACTORS

5.1 Introduction

The Securities offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

5.2 Company specific

Risk Category	Risk
Potential for dilution	<p>The Company currently has 2,717,316,050 Shares on issue (based on the Shares on issue under Section 3.2). As set out in this Prospectus, the company is intending to issue up to 1,045,707,002 New Options and 7,500,000 Performance Rights. No immediate dilution will occur as a result of the issue of New Options and Performance Rights under this Prospectus. However subsequent exercise of any or all of the New Options and Performance Rights will result in dilution. Assuming all New Options and Performance Rights offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Offers, are likely to be diluted by an aggregate of approximately 27.93% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).</p> <p>It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offers being implemented and the Directors do not make any representation as to such matters.</p> <p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.008 is not a reliable indicator as to the</p>

Risk Category	Risk
	potential trading price of Shares after implementation of the Offers.
Additional requirements for capital	<p>The Company's ability to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities and to meet any unanticipated liabilities or expenses which the Company may incur may depend in part on its ability to raise additional funds.</p> <p>Depending on the Company's ability to generate income and revenue from its operations, the Company may require further financing in the future.</p> <p>The Board believes the Company will have sufficient working capital to adequately meet the Company's short-term creditor commitments as a result of the funds raised and funds generated through the Company's revenue streams.</p> <p>The Company is confident that it will be able to generate further funding as and when available. Additionally, the Company continuously explores merger and acquisition opportunities with a view to strengthening its existing businesses and/or divesting operations. Further, the Company continuously explores further product offerings and available market opportunities in line with its business strategies and objectives which may enable the Company access additional funding.</p> <p>Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its development and research programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p> <p>Further, the Company, in the ordinary course of its operations and developments, is required to issue financial assurances, particularly insurances and bond/bank guarantee instruments to secure statutory and environmental performance undertakings and commercial arrangements. The Company's ability to provide such assurances is subject to external financial and credit market assessments, and its own financial position.</p> <p>Additionally, the loan agreements and other financing rearrangements such as debt facilities and convertible note issue (and any related guarantee and security) that the Company is a party to (or may become a party to) contain covenants, undertakings and other provisions which, if breached, entitle the lenders to accelerate repayment of loans. The Company expects to be able to meet the repayments from the proceeds of future debt or equity raisings, cash flows from operations or proceeds from the sale of assets. However, there is a risk that the Company may be unable to procure or raise sufficient cash resources from its operations, future debt or equity raisings.</p> <p>Should the Company default on its obligations under the loan agreements and financing arrangements an event of default may occur. In these circumstances, if the Company is unable to raise sufficient funds or otherwise cure the default, the</p>

Risk Category	Risk
	lenders may be able to seek immediate repayment of the debts or enforce the security granted.
Going Concern	<p>The Company's financial report for the financial year ended 31 December 2022 (Financial Report) included a statement that there was material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern.</p> <p>As disclosed in the Financial Report, the Company group incurred a loss of \$32,782,000 (2021: \$30,031,000) and had net cash outflows from operating activities of \$17,306,000 (2021: \$22,378,000) for the year ended 31 December 2022. The Company group had a deficiency between current assets and current liabilities of \$5,964,000 (2021: \$8,586,000 surplus) as at 31 December 2022.</p> <p>As a result of these matters, there is a material uncertainty related to events or conditions that may cast significant doubt on whether the company will continue as a going concern and, therefore, whether it will realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. The continuing viability of the Company and its ability to continue as a going concern and meet its debts and commitments as they fall due are dependent upon the Company being successful with the following factors:</p> <ul style="list-style-type: none"> (a) the ability of the Company to raise additional funds from shareholders, new investors and debt markets. The Company has successfully conducted a number of capital raisings in both the current and recent years. When taking these into account, there is a reasonable expectation that alternative sources of funding can be sourced, as and when required. Further, the Company understands it will require further funding to continue to execute on its growth strategy as planned and is in negotiations with various parties to secure these funds and it is the Directors view that one or more of these funding arrangements will be successful; (b) the ongoing ability of the Company group to manage working capital through re-negotiation and extension of payment terms with key suppliers; (c) increased revenue from opportunities with existing and new customers and sales arrangements as they are realised into sales revenue in the Company's North American and European operations, or should this fail the closure of underperforming business units; and (d) effective monitoring and, reduction of the Company's overhead expenditures, including the continued realisation of head office cost reductions. <p>In the event that the Company is unable to achieve the matters detailed above, it may not be able to continue as a going concern and therefore the Company may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial statements.</p>
Potential acquisition risk	As part of its business strategy, the Company continues to engage in the assessment and evaluation of new business and asset acquisition opportunities within the global cannabis

Risk Category	Risk
	<p>sector and other similar sectors, such as psychedelics, as an organic extension of the Company's operations with a view to increasing the overall value of the Company. The Company may make acquisitions of, or significant investments in businesses and assets that are complementary to the Company's business. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of businesses and assets, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving the sales and margins anticipated and retaining key staff and customer and supplier relationships.</p> <p>If the Company proceeds with such an acquisition, it will also be subject to risks associated with the business or asset being acquired, including, but not limited to legal risks, the risks associated that the negative aspects of the reputation of a business or asset which has been acquired will be applied to or associated with the relevant business of the Company and the regulatory risks associated with the business.</p> <p>To proceed with a future acquisition, the Company may be required to raise additional funds. There is no guarantee that at that time that the Company will be able to raise those funds on terms that are favourable to the Company, if at all. Alternatively, the Company may be required to issue securities in consideration for the acquisition, which may have a dilutive effect upon existing shareholders.</p>
Intellectual property rights	<p>The Company may be forced to litigate, to enforce or defend its intellectual property rights against infringement and unauthorised use by competitors, and to protect our trade secrets. In so doing, the Company's intellectual property may be put at risk of being invalidated, unenforceable, or limited or narrowed in scope. Further, an adverse result in any litigation or defence proceedings may place pending applications at risk of non-issuance. In addition, if any licensor fails to enforce or defend their intellectual property rights, this may adversely affect the Company's ability to develop and commercialise the Company's current and future products (Products) and prevent competitors from making, using, and selling competing products. Any such litigation could be very costly and could distract management from focusing on operating the Company's business. Further, because the content of much of the Company's intellectual property concerns cannabis and other activities that are not legal in some state jurisdictions, we may face additional difficulties in defending our intellectual property rights.</p>
Protection of proprietary technology	<p>The Company's success will depend, in part, on the Company's ability to obtain patents, protect trade secrets and operate without infringing on the proprietary rights of others. If the Company fails to adequately protect its intellectual property, it may face competition from companies who attempt to create a generic product to compete with the Products. The Company may also face competition from companies who develop a substantially similar product to one of the Products that is not covered by any protection.</p> <p>Many companies have encountered significant problems in protecting and enforcing intellectual property rights in foreign jurisdictions. Proceedings to enforce the Company's patent rights in foreign jurisdictions could result in substantial cost and</p>

Risk Category	Risk
	divert our efforts and attention from other aspects of its business.
Competition	The cannabis and nutraceutical industries are highly competitive and subject to rapid change. The industries continue to expand and evolve as an increasing number of competitors and potential competitors enter the market. Many of these competitors and potential competitors have substantially greater financial, technological, managerial and research and development resources and experience than the Company. Some of these competitors and potential competitors have similar or more experience than the Company in the development of pharmaceutical products, including validation procedures and regulatory matters. In addition, the Products compete with, product offerings from large and well-established companies that have greater marketing and sales experience and capabilities than we or our future collaboration partners may have. If the Company is unable to compete successfully, it may be unable to generate, grow and sustain its revenue.
Joint venture, partnerships or other strategic alliances	The Company may enter into strategic partnerships or alliances with third parties in order to enhance its business. Additionally, the Company continuously explores merger and acquisition opportunities with a view to strengthening its existing business and/or divesting non-core business operations. Any entry into, or commitment to, such relationship or opportunity will bring additional risks specifically contractual risks. The Company would also be likely to incur transactional costs in evaluating and negotiating such relationships which will need to be incurred regardless of whether the proposed transactions complete or bring benefit to the Company.

5.3 Risks relating to Products

Risk Category	Risk
Risk of generating public controversy	Some of the Products contain controlled substances and their regulatory approval may generate public controversy. Political and social pressures and adverse publicity could lead to delays in approval of, and increased expenses for the Products. These pressures could also limit or restrict the introduction and marketing of the Products. Adverse publicity from cannabis misuse or adverse side effects from cannabis or other cannabinoid products may adversely affect the commercial success or market penetration achievable by the Products and the operations of the Company. The nature of the Company's business attracts a high level of public and media interest, and in the event of any resultant adverse publicity, our reputation may be harmed.
Legal and Regulatory changes	Achievement of the Company's business objectives is also contingent, in part, upon compliance with other regulatory requirements enacted by governmental authorities and obtaining required regulatory approvals all over the world. The regulatory regimes applicable to the cannabis business in the US, Canada, Australia, Colombia, Brazil, and the European Union are currently undergoing significant changes and the Company cannot predict the impact of the changes on its operations once the regulatory regimes are finalized.

Risk Category	Risk
	<p>Any delays in obtaining, or failing to obtain, required regulatory approvals may significantly delay or impact the development of markets, products and sales initiatives and could have a material adverse effect on the business, results of operations and financial condition of the Company. The Company will incur ongoing costs and obligations related to regulatory compliance. Failure to comply with regulations may result in additional costs for corrective measures, penalties or restrictions on the Company's operations.</p> <p>In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company.</p>
<p>Controlled substance legislation may restrict or limit ability to develop and commercialise the Products</p>	<p>Most countries are parties to the Single Convention on Narcotic Drugs 1961, which governs international trade and domestic control of narcotic substances, including cannabis extracts. Countries may interpret and implement their treaty obligations in a way that creates a legal obstacle to our obtaining marketing approval for the Products in those countries. These countries may not be willing or able to amend or otherwise modify their laws and regulations to permit the Products to be marketed or achieving such amendments to the laws and regulations may take a prolonged period of time.</p>
<p>Product liability and uninsured risks</p>	<p>Through its intended business, the Company is exposed to potential product liability risks which are inherent in the research and development, manufacturing, marketing and use of its products or products developed with future co-development alliance partners. The Company may not be able to maintain insurance for product or service liability on reasonable terms in the future and, in addition, the Company's insurance may not be sufficient to cover large claims, or the insurer could disclaim coverage on claims.</p> <p>Although the Company endeavors to work to rigorous standards there is still the potential for the products to contain defects or fail to meet customer's agreed specification. These defects or problems could result in the loss of or delay in generating revenue, requirements to repay prepaid revenue, loss of market share, failure to achieve market acceptance, diversion of development resources, and damage to the Company's reputation or increased insurance costs.</p> <p>If the Company fails to meet its clients' expectations, the Company's reputation could suffer, and it could be liable for damages.</p> <p>Further, the Company is exposed to the risk of catastrophic loss to necessary laboratory equipment, computer equipment or other facilities which would have a serious impact on the Company's operations. The Company gives no assurance that all such risks will be adequately managed through its insurance policies to ensure that catastrophic loss does not have an adverse effect on its performance.</p>
<p>Customer and Contractual Risks</p>	<p>Partnering or distribution agreement are subject to the risk that the parties to these agreements will not adequately or fully comply with their respective contractual rights and obligations including the obligations to order minimum quantities or that these contractual relationships may be terminated. Any failure</p>

Risk Category	Risk
	to meet these obligations or termination of contractual relationships may result in the need to replace products, loss of revenue or termination of existing agreements which may have a material adverse effect on the Company and its operations.
Access to active ingredients	<p>Some of the Products will/do contain active cannabis or hemp derived ingredients from full plant extracts. The Company needs access to these materials. An inability to access these raw materials with the required specifications or quality could mean that some of the Products are compromised or delayed.</p> <p>The Company may, from time to time, enter into agreements with other suppliers of active cannabis or hemp derived ingredients. There is a risk that the Company may have protracted negotiations on commercial terms and this may result in delays in the development of the Company's products and/or increase in the Company's costs of development and production.</p>
Cultivation Risks	<p>Part of the Company's business involves the cultivation and growing of cannabis and/or hemp, which are agricultural products. As such the business may be subject to the risks inherent in the agricultural industry, such as insects, plant diseases, invasive plant species, storm, fire, frost, flood, drought, water availability, water salinity, pests, bird damage and force majeure events. In addition, significant interruptions or negative changes in the availability of economics of the supply chain for the raw material and supplies related to growing operations as well as electricity, water and other local utilities inputs could materially impact the business, financial condition and operating results of the Company.</p> <p>The Company's cultivation operations are subject to the licenses required and other applicable legislation and regulations enforced in those countries. Accordingly, the amount of cannabis and hemp the Company is able to produce may be capped and ultimately this will restrict the amount that the Company can sell, at least whilst no further legislation is in operation.</p>
Climate Change	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <p>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and</p> <p>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased</p>

Risk Category	Risk
	<p>severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. These physical risks may have financial implications for the Company, such as indirect impacts from supply chain disruption and industry demand.</p> <p>All these risks associated with climate change may significantly change the industry in which the Company operates.</p>

5.4 General risks

Risk Category	Risk
Economic	General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's research and development programmes, as well as on its ability to fund those programmes.
Market conditions	<p>Share market conditions may affect the value of the Company's Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and cannabis stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.
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 such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.
Dependence on outside parties	The Company may pursue a strategy that forms strategic business relationships with the other organisations for the manufacture and distribution of products and services. The manufacture and global distribution of products and services is important to the overall success of the Company. There can be no assurance that the Company will be able to attract such

Risk Category	Risk
	prospective organisations and to negotiate appropriate terms and conditions with these organisations.
Contractual risk	The Company's ability to efficiently conduct its operations in a number of respects depends upon a number of contracts. As in any contractual relationship, the ability for the Company to ultimately receive the benefit of the contract is dependent upon the relevant third party complying with its contractual obligations. To the extent that such third parties default in their obligations, it may be necessary for the Company to enforce its rights under any of the contracts and pursue legal action. Such legal action may be costly and no guarantee can be given by the Company that a legal remedy will ultimately be granted on appropriate terms.
Economic conditions and other global or national issues	<p>General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p> <p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p>

5.5 Speculative investment

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Securities offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Securities.

Before deciding whether to subscribe for the Securities under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

6.1 Litigation

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.

6.2 Continuous disclosure obligations

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
14 June 2023	Appendix 3B
14 June 2023	Appendix 2A
14 June 2023	Debt Conversions and Extensions
13 June 2023	Change of Company Name and ASX Code

Date	Description of Announcement
9 June 2023	Notification regarding unquoted securities - CPH
9 June 2023	LOI to Import MDMA & Psilocybin Treatments to Australia
8 June 2023	Application for quotation of securities - CPH
6 June 2023	Notification of cessation of securities - CPH
5 June 2023	Mernova Appoints CannDelta to Map EU GMP Export Process
2 June 2023	Notification regarding unquoted securities - CPH
2 June 2023	Cleansing Notice - Convertible Notes
31 May 2023	Results of Meeting
24 May 2023	SBC Facility - Second Purchase & Amortisation Payments
24 May 2023	Application for quotation of securities - CPH
24 May 2023	Proposed issue of securities - CPH
24 May 2023	Application for quotation of securities - CPH
24 May 2023	Cleansing Notice
24 May 2023	Application for quotation of securities - CPH
24 May 2023	Notification of cessation of securities - CPH
24 May 2023	Application for quotation of securities - CPH
24 May 2023	Application for quotation of securities - CPH
22 May 2023	Mernova Q2 Sales Update
19 May 2023	Proposed issue of securities - CPH
19 May 2023	Proposed issue of securities - CPH
19 May 2023	Proposed issue of securities - CPH
19 May 2023	Capital Raising & Debt Repayment
17 May 2023	Trading Halt opens
16 May 2023	Completion of Health House International Acquisition
16 May 2023	Notification regarding unquoted securities
16 May 2023	Response to Financial Condition Query
16 May 2023	Application for quotation of securities - CPH
15 May 2023	Results of Meeting
15 May 2023	Creso Pharma Expands Asia Market Footprint
10 May 2023	Response to ASX Price Query
10 May 2023	Sierra Sage Herbs LLC Update
8 May 2023	Health House International Transactional and Operational Update
5 May 2023	Court approves Scheme and Scheme becomes effective
5 May 2023	Halucenex Phase II Clinical Trial Update
4 May 2023	Second Court hearing Update
2 May 2023	Application for quotation of securities – CPH

Date	Description of Announcement
2 May 2023	Results of Scheme Meeting
2 May 2023	HHI: Scheme consideration update
1 May 2023	Notice of Annual General Meeting / Proxy Form
1 May 2023	Mernova – Eighth Province Entry & \$553k in New Pos
28 April 2023	Quarterly Activities / Appendix 4C Cash Flow Report
28 April 2023	Scheme consideration update
21 April 2023	Meeting address and Scheme consideration update
19 April 2023	Mernova – Q1 Cashflow Positive with Record Revenues
14 April 2023	ASX Listing Rule 3.13.1 Notice Regrading AGM
14 April 2023	Notice of General Meeting / Proxy Form
14 April 2023	Scheme consideration update
6 April 2023	February Placement Update & Additional Information
6 April 2023	Correction to ASX Announcement – Scheme consideration update
6 April 2023	Scheme consideration update
31 March 2023	Appendix 4G and Corporate Governance Statement
31 March 2023	Annual Report to Shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.cresopharma.com.

6.3 Market price of Shares and

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares and Quoted Options are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	(\$)	Date
Highest	\$0.022	10 May 2023
Lowest	\$0.008	25 May 2023, 14 June 2023
Last	\$0.008	14 June 2023

The highest, lowest and last market sale prices of the Options (ASX:CPHO and CPHOD previously, ASX: ME1O and ME1OD) on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	Quoted Option	(\$)	Date
Highest	Option (ASX: ME1O)	\$0.003	8 June 2023, 25 May 2023, 23 May 2023, 12 May 2023, 11 May 2023, 10 May 2023, 9 May 2023
	Option (ASX: ME1OD)	\$0.005	10 May 2023
Lowest	Option (ASX: ME1O)	\$0.001	5 June 2023, 8 May 2023, 5 May 2023, 4 May 2023, 19 April 2023, 18 April 2023, 17 April 2023, 14 April 2023, 13 April 2023, 12 April 2023, 6 April 2023, 4 April 2023, 3 April 2023, 30 March 2023, 29 March 2023
	Option (ASX: ME1OD)	\$0.001	14 June 2023, 9 June 2023, 5 June 2023, 1 June 2023, 31 May 2023, 30 May 2023, 29 May 2023, 25 May 2023, 24 May 2023, 23 May 2023, 22 May 2023, 19 May 2023
Last	Option (ASX: ME1O)	\$0.001	14 June 2023
	Option (ASX: ME1OD)	\$0.001	14 June 2023

6.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with the 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:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offers.

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, is set out in the table below:

Director	Shares	Options	Performance Rights
William Lay	12,500,000	34,166,667 ¹	17,500,000 ²
Bruce Linton	10,411,884 ³	45,000,000 ⁴	Nil
Boaz Wachtel ⁵	10,800,000	2,933,334 ⁶	Nil
Micheline MacKay	Nil	Nil	Nil
Ben Quirin ⁷	Nil	2,000,000	Nil
Jodi Scott ⁸	209,364,678	Nil	Nil
Peter Hatfull	Nil	Nil	Nil

Notes:

1. Comprising 1,666,667 quoted Options exercisable at \$0.25 on or before 2 November 2024, 2,500,000 quoted Options exercisable at \$0.08 on or before 31 January 2027, 10,000,000 unquoted Options exercisable at \$0.18 on or before 6 September 2024 and 10,000,000 unquoted Options exercisable at \$0.25 on or before 6 September 2024.
Assumes that Mr Lay has been issued the Lay Options under the Director Options Offer.
2. Which are subject to the following vesting conditions:
 - (a) 5,000,000 will vest on 17 September 2023, subject to Mr Lay being engaged by the Company; and
 - (b) 5,000,000 will vest upon the earlier of: (a) the Company has recorded a revenue of \$5,000,000 between 17 September 2021 (**Effective Date**) and the date that is 24 months after the Effective Date (**Relevant Period**), which revenue is earned through supply agreements entered into with parties introduced by Mr Lay; and (b) the Company recording a revenue of \$10,000,000 during the Relevant Period, which revenue is earned through acquisitions which are introduced by Mr Lay.
Assumes that Mr Lay has been issued the Performance Rights under the Performance Rights Offer. The terms and conditions are set out in Section 4.3.
3. Subject to certain milestones being met, up to 25,165,052 Shares (noting that the first milestone was not achieved) will issued to Bruce Linton as deferred consideration for 100% of Sierra Sage Herbs, LLC. Please refer to Resolution 10 of the Notice of Meeting dated 11 July 2022 for further details.
4. Comprising of 30,000,000 Options exercisable at \$0.039 on or before 23 December 2025, 10,000,000 Options exercisable at \$0.09 on or before 17 January 2024 and 5,000,000 quoted Options exercisable at \$0.08 on or before 31 January 2027.
5. 2,000,000 Shares held directly and 8,800,000 Shares and 2,933,334 Options held indirectly through International Water and Energy Savers Ltd (an entity controlled by Mr Wachtel).
6. Options exercisable at \$0.25 on or before 2 November 2024.
7. Assumes that Mr Quirin has been issued the Quirin Options under the Directors Options Offer. The terms and conditions are set out in Section 4.2.
8. Subject to certain milestones being met, up to 973,538 Shares (noting that the first milestone was not achieved) will issued to Jodi Scott as deferred consideration for 100% of Sierra Sage Herbs, LLC. Please refer to Resolution 10 of the Notice of Meeting dated 11 July 2022 for further details.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the

Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$500,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors.

Director	Proposed FY ending 31 December 2023 ¹	FY ending 31 December 2022	FY ending 31 December 2021
William Lay ²	CAD\$386,000	\$389,043	Nil
Bruce Linton ²	\$80,000	\$93,504 ⁵	Nil
Boaz Wachtel	\$80,000	\$120,000 ⁶	\$167,143 ¹¹
Micheline MacKay ²	CAD\$150,000	\$185,135 ⁷	Nil
Ben Quirin ³	\$80,000	\$18,413 ⁸	Nil
Jodi Scott ³	USD\$250,000	USD\$88,188 ⁹	Nil
Peter Hatfull ⁴	\$80,000	\$6,969 ¹⁰	Nil

Notes:

1. Amounts are only cashed based, securities yet to be issued have not been included.
2. Appointed on 17 January 2022.
3. Appointed on 10 October 2022.
4. Appointed on 30 November 2022.
5. Comprising a cash payment of \$76,825 and an issue of \$16,679 worth of Share based payments issued after 31 December 2022.
6. Comprising a cash payment of \$80,000 and \$40,0000 worth of Shares based payments.
7. Comprising a cash payment \$157,434 and \$27,701 worth of bonus.
8. Cash payment only.
9. Comprising a cash payment of \$87,723 and \$456 worth of other bonus.
10. Comprising a cash payment of \$6,307 and \$662 in superannuation and insurance.
11. Comprising a cash payment of \$72,143, a bonus payment of \$25,000 and an issue of \$70,000 worth of Shares (500,000 Shares) granted on 14 July as a bonus payment for out-of-scope services over the past two years.

6.5 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) 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;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (f) the Offers,

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 these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. Steinepreis Paganin has been issued 14,940,239 Shares at a deemed issue price of \$0.01506 and will apply for 14,940,239 Quoted Options and 14,940,239 February Options under the Offers. Further details are set out in Section 1.2.

6.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus.

6.7 Expenses of the offer

The total expenses of the Offers are estimated to be approximately \$80,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	58,799
Legal fees	15,000
Distributions and miscellaneous items	2,995
Total	80,000

7. DIRECTORS' 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.

8. GLOSSARY

\$ or **A\$** means the lawful currency of the Commonwealth of Australia.

Application Form means an application form in respect of the Offers either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

CAD\$ means the lawful currency of Canada.

Cleansing Offer means the offer of up to 10,000 Shares at an issue price of \$0.009 per Share to raise up to \$90.

Closing Date means the date specified in the timetable set out at Section 1 (unless extended).

Company means Melodiol Global Health Limited (ACN 609 406 911) (formerly, Creso Pharma Limited).

Constitution means the constitution of the Company as at the date of this Prospectus.

Convertible Securities has the meaning given in Section 2.8.

Convertible Securities Offers has the meaning given in Section 2.8.

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

Directors means the directors of the Company as at the date of this Prospectus.

EverBlu or **EverBlu Capital** means EverBlu Capital Pty Ltd (ACN 612 793 683).

February Option means the Options exercisable at \$0.03 on or before 24 August 2024).

February Participants has the meaning provided in Section 1.2.

February Placement has the meaning provided in Section 1.2.

February Placement Offer means the offer of 259,078,614 Quoted Options and 259,078,614 February Options.

Investor Options has the meaning provided in Section 1.2.

Investor Placement Offer means the offer of 28,200,000 Quoted Options.

La Plata means La Plata Capital, LLC.

Lay Options has the meaning provided in Section 1.2.

Lay Securities has the meaning provided in Section 1.2.

Lenders has the meaning provided in Section 1.2.

Loans has the meaning provided in Section 1.2.

Loan 1 has the meaning provided in Section 1.2.

Loan 2 has the meaning provided in Section 1.2.

March Option means the Options exercisable at \$0.14 on or before 12 June 2024.

March Placement Offer means the offer of 9,224,640 March Options.

March Prospectus has the meaning provided in Section 1.2.

New Option means the Quoted Options, February Options, March Options, Quirin Options and Lay Options issued on the terms set out in Section 4.2.

Offers means the February Placement Offer, March Placement Offer, Investor Placement Offer, Director Options Offer, Performance Rights Offer and Cleansing Offer.

Official Quotation means official quotation on ASX.

Opening Date means the date specified in the timetable set out at Section 1.1.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Rights means performance rights that can convert into Shares subject to satisfaction of vesting conditions.

Performance Rights Offer means the offer of Performance Rights to Mr Lay.

Placement Shares has the meaning provided in Section 1.2.

Prospectus means this prospectus.

Quirin Option has the meaning provided in Section 1.2.

Quoted Options means the Options exercisable at \$0.08 each on or before 31 January 2027 on the same terms and conditions as the Options currently trading on the ASX under the code 'MEIOD'.

Section means a section of this Prospectus.

Securities means Shares, Performance Rights and/or Options as the context requires.

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

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

Unrelated March Participants has the meaning provided in Section 1.2.

USD\$ means the lawful currency of the United States of America.