



ASX Announcement

3 July 2019

Creso Pharma Repays Debt in Preparation for Acquisition by Canadian-listed Cannabis Company

Investment Highlights

- Reduced secured loans by \$5,150,000 through issue and conversion of convertible notes
- Debt repayment satisfies key condition for Creso Pharma to be acquired by PharmaCielo Limited (TSXV: PCLO)
- PharmaCielo has a market capitalisation of approximately CAD\$675m and is the parent company of Colombia's largest cannabis producer
- The proposed acquisition will create a well-capitalised, publicly-traded company with a strong growth profile and significant strategic advantages

Creso Pharma Limited (ASX:CPH) ('Creso' or 'the Company') is pleased to advise that it has reduced the balance of its secured loans by \$5,150,000 through the issue and subsequent conversion of convertible notes, per the attached Appendix 3B.

The repayment of the Company's secured debt is a key condition precedent to the proposed acquisition via a Scheme of Arrangement by PharmaCielo Limited (TSXV:PCLO) (**'PharmaCielo'**) [ASX Announcement: June 7, 2019].

Issue and conversion of Convertible Notes

- On 11 April 2019, the Company raised \$5,350,000 in secured debt funding from a syndicate of lenders ("Secured Lenders"), which included \$200,000 from PharmaCielo.
- At the Company's Annual General Meeting held on 31 May 2019, shareholders approved the issue of up to 107 Convertible Notes to replace up to \$5,350,000 in Secured Loans.
- The Convertible Notes have a face value of \$50,000, a maturity date of 26 April 2020 and are issued on the terms and conditions set out in the Company's Notice of Annual General Meeting dated 23 April 2019.



- After receiving shareholder approval and following the offer made by the Company, the Secured Lenders (excluding PharmaCielo) elected to:
 - a) convert secured loans totalling \$5,150,000 into 103 Convertible Notes; and
 - b) immediately convert 103 Convertible Notes into 10,300,000 Fully Paid Ordinary Shares and 15,450,000 Listed CPHO Options in accordance with the terms of the Convertible Notes.

Issue of Ordinary Shares and Performance Rights

The Company also advises that it has issued:

- a) 6,900,000 Fully Paid Ordinary Shares in the capital of the Company upon the vesting of 6,900,000 Performance Rights held by directors and related parties of the Company; and
- b) 500,000 Performance Rights to a consultant to the Company.

Further details are set out in the attached Appendix 3B.

Acquisition overview

PharmaCielo is a fully licensed producer of medicinal cannabis oil products in Colombia and the largest cannabis producer there. It currently has a market capitalisation of approximately CAD\$675m.

If the acquisition proceeds, Creso and PharmaCielo expect to benefit from synergies including but not limited to: creating a vertically integrated supply chain, strengthening the merged entities' leadership team, expanding cultivation and processing facilities, and expanding commercial networks and product ranges.

Further details on the acquisition are outlined in Creso's ASX announcement dated June 7, 2019.

Dr Miri Halperin Wernli, Creso CEO and Co-Founder, said: "Paying off this debt is a significant milestone in the proposed acquisition of Creso by PharmaCielo. We look forward to completing the transaction, which will result in a vertically integrated company that will quadruple our global footprint, with a presence in more than a dozen countries across North and Latin America, Switzerland, Europe, the Middle East, Australia and New Zealand."



Secondary Trading Notice Pursuant to Section 708A(5)(e) of the Corporations Act

Creso Pharma Limited (ASX:CPH, the “Company” or “Creso”) gives this notice pursuant to section 708A(5)(e) of the Corporations Act 2001 (Cth) (“Corporations Act”).

The Company advises that it has issued ordinary fully paid shares in the capital of the Company and options to acquire ordinary fully paid shares in the capital of the Company (“Securities”), per the attached Appendix 3B.

The Securities are part of classes of securities quoted on ASX and may be subject to a subsequent offer for sale. The Company advises that the Shares were issued without disclosure to investors under Part 6D.2 of the Act.

The Company, as at the date of this notice, has complied with:

- (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
- (b) section 674 of the Corporations Act.

As at the date of this notice, there is no information to be disclosed which is excluded information (as defined in section 708A(7) of the Corporations Act) that is reasonable for investors and their professional advisers to expect to find in a disclosure document.

Ends

About Creso Pharma Ltd

Creso brings the best of cannabis to better the lives of people and animals. It brings pharmaceutical expertise and methodological rigor to the cannabis world and strives for the highest quality in its products. It develops cannabis and hemp derived therapeutic, nutraceutical, and life style products with wide patient and consumer reach for human and animal health. Creso uses GMP development and manufacturing standards for its products as a reference of quality excellence with initial product registrations in Switzerland. It has worldwide rights for a number of unique and proprietary innovative delivery technologies which enhance the bioavailability and absorption of cannabinoids.

To learn more, please visit: www.cresopharma.com



About PharmaCielo

PharmaCielo Ltd. is a global company privately held and headquartered in Canada, with a focus on processing and supplying all natural, medicinal-grade cannabis oil extracts and related products to large channel distributors. PharmaCielo's principal (and wholly owned) subsidiary is PharmaCielo Colombia Holdings S.A.S., headquartered at its nursery and propagation centre located in Rionegro, Colombia.

The boards of directors and executive teams of both PharmaCielo and PharmaCielo Colombia Holdings are comprised of a diversely talented group of international business executives and specialists with relevant and varied expertise. PharmaCielo recognized the significant role that Colombia's ideal location will play in building a sustainable business in the medical cannabis industry, and the company, together with its directors and executives, has built a compelling business plan focused on supplying the international marketplace.

To learn more, please visit: www.pharmacielo.com

Forward Looking statements

This announcement contains forward-looking statements with respect to Creso and its respective operations, strategy, investments, financial performance and condition. These statements generally can be identified by use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of Creso could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition and government regulation. The cautionary statements qualify all forward-looking statements attributable to Creso and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this announcement and Creso has no obligation to update such statements, except to the extent required by applicable laws.

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Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Creso Pharma Limited

ABN

89 609 406 911

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities
issued or to be issued

- 1. Issue of Convertible Notes (to be immediately converted)**
 - (a) Convertible Notes
- 2. Conversion of Convertible Notes**
 - (a) Fully Paid Ordinary Shares
 - (b) Listed CPHO Options (\$0.80, 21/08/2020)
- 3. Vesting of Performance Rights**
 - (a) Fully Paid Ordinary Shares
- 4. Issue under Performance Rights Plan**
 - (a) CPHPERR38 Performance Rights
 - (b) CPHPERR39 Performance Rights
 - (c) CPHPERR40 Performance Rights
 - (d) CPHPERR41 Performance Rights
 - (e) CPHPERR42 Performance Rights

Appendix 3B

New issue announcement

- | | | |
|---|---|--|
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ol style="list-style-type: none">1. Issue of Convertible Notes (to be immediately converted)<ol style="list-style-type: none">(a) 103 Convertible Notes2. Issue of Convertible Notes<ol style="list-style-type: none">(a) 10,300,000 Fully Paid Ordinary Shares(b) 15,450,000 Listed CPHO Options (\$0.80, 21/08/2020)3. Vesting of Performance Rights<ol style="list-style-type: none">(a) 6,900,000 Fully Paid Ordinary Shares4. Issue under Performance Rights Plan<ol style="list-style-type: none">(a) 100,000 CPHPERR38 Performance Rights(b) 100,000 CPHPERR39 Performance Rights(c) 100,000 CPHPERR40 Performance Rights(d) 100,000 CPHPERR41 Performance Rights(e) 100,000 CPHPERR42 Performance Rights |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <ol style="list-style-type: none">1. Issue of Convertible Notes (to be immediately converted)<ol style="list-style-type: none">(a) Each convertible note has a face value of \$50,000 and a maturity date of 26 April 2020. Conversion price per Share is \$0.50, together with three free attaching Listed CPHO Options for every two Shares issued upon conversion. Refer to the Notice of Annual General Meeting dated 23 April 2019 for further details.2. Issue of Convertible Notes<ol style="list-style-type: none">(a) 10,300,000 Fully Paid Ordinary Shares(b) 15,450,000 Listed CPHO Options (\$0.80, 21/08/2020)3. Vesting of Performance Rights<ol style="list-style-type: none">(a) Fully Paid Ordinary Shares4. Issue under Performance Rights Plan<ol style="list-style-type: none">(a) to (e) Each Performance Right will vest and become exercisable into one Fully Paid Ordinary Share, subject to the achievement of performance milestones. Unvested Performance Rights will automatically lapse on 2 July 2024. The Performance Rights are otherwise issued on the terms and conditions set out in the Company's Performance Rights Plan. |

+ See chapter 19 for defined terms.

4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

1. Issue of Convertible Notes

- (a) No – Convertible Notes issued form a new class of securities. Shares and Listed CPHO Options issued upon conversion of the Convertible Notes will rank equally with existing Fully Paid Ordinary Shares and Listed CPHO Options, respectively.

2. Conversion of Convertible Notes

- (a) Yes
(b) Yes

3. Vesting of Performance Rights

- (a) Yes

4. Issue under Performance Rights Plan

- (a) to (e) No. Each class of Performance Rights represents a new class of unlisted securities. Shares issued upon the exercise or conversion of these securities, however, will rank equally with existing quoted Fully Paid Ordinary Shares.

5 Issue price or consideration

1. Issue of Convertible Notes

- (a) 103 Convertible Notes were issued in replacement of secured loans totalling \$5,150,000. Refer to Notice of Meeting dated 23 April 2019 for further information.

2. Conversion of Convertible Notes

- (a) Each Share was issued upon the conversion of Convertible Notes at the conversion price of \$0.50.
(b) Listed CPHO Options were issued for nil consideration upon the conversion of the Convertible Notes on the basis of three Listed CPHO Options for every two Shares issued upon conversion.

3. Vesting of Performance Rights

- (a) Nil cash consideration.

4. Issue under Performance Rights Plan

- (a) to (e) Nil cash consideration.

Appendix 3B
New issue announcement

<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>1. Issue of Convertible Notes (a) 103 Convertible Notes were issued in replacement of secured loans totalling \$5,150,000. Refer to Notice of Meeting dated 23 April 2019 for further information.</p> <p>2. Conversion of Convertible Notes (a) & (b) Issued upon conversion of 103 Convertible Notes.</p> <p>3. Vesting of Performance Rights (a) The Fully Paid Ordinary Shares were issued upon the vesting of 6,900,000 Performance Rights, as follows:</p> <ul style="list-style-type: none"> • 4,250,000 CPHPERR4 Performance Rights; • 1,250,000 CPHPERR8 Performance Rights; • 1,250,000 CPHPERR9 Performance Rights; and • 150,000 CPHPERR14 Performance Rights. <p>4. Issue under Performance Rights Plan (a) to (e) Performance Rights were issued under the Company’s Performance Rights plan as part of the remuneration package of a permanent consultant.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>31 May 2019</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>N/A</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>N/A</p>

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	<p>1. Issue of Convertible Notes</p> <p>(a) 103 Convertible Notes</p> <p>Approved by shareholders at the AGM held on 31 May 2019</p>
6f	Number of +securities issued under an exception in rule 7.2	<p>2. Conversion of Convertible Notes</p> <p>(a) 10,300,000 Fully Paid Ordinary Shares</p> <p>(b) 15,450,000 Listed CPHO Options</p> <p>3. Vesting of Performance Rights</p> <p>(a) 6,900,000 Fully Paid Ordinary Shares</p> <p>4. Issue under Performance Rights Plan</p> <p>(a) 100,000 CPHPERR38 Performance Rights</p> <p>(b) 100,000 CPHPERR39 Performance Rights</p> <p>(c) 100,000 CPHPERR40 Performance Rights</p> <p>(d) 100,000 CPHPERR41 Performance Rights</p> <p>(e) 100,000 CPHPERR42 Performance Rights</p>
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	<p>7.1 – 21,266,760</p> <p>7.1A – 15,074,877</p>

Appendix 3B New issue announcement

7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	2 July 2019
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	Number	+Class						
8	<p>Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)</p>	<table border="1" style="width: 100%;"> <tr> <td style="width: 15%; text-align: center;">150,944,332</td> <td>Ordinary Fully Paid Shares (CPH) *</td> </tr> <tr> <td style="text-align: center;">72,796,411</td> <td>Listed CPHO Options (\$0.80, 21/08/2020)</td> </tr> <tr> <td colspan="2"> <p>*Includes the following securities which are subject to voluntary escrow restrictions; 2,053,027 FPO Shares (escrowed to 20/09/19) 2,053,043 FPO Shares (escrowed to 20/12/19)</p> </td> </tr> </table>	150,944,332	Ordinary Fully Paid Shares (CPH) *	72,796,411	Listed CPHO Options (\$0.80, 21/08/2020)	<p>*Includes the following securities which are subject to voluntary escrow restrictions; 2,053,027 FPO Shares (escrowed to 20/09/19) 2,053,043 FPO Shares (escrowed to 20/12/19)</p>	
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	Number	+Class																																																
9	<p>Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)</p>	<table border="1" style="width: 100%;"> <tr> <td colspan="2">Options</td> </tr> <tr> <td style="text-align: center;">400,000</td> <td>CPHOPT2 Options (\$0.40, 27/06/2020)*</td> </tr> <tr> <td style="text-align: center;">2,886,250</td> <td>CPHOPT3 Options (\$0.20, 13/10/2020)*</td> </tr> <tr> <td style="text-align: center;">2,500,000</td> <td>CPHOPT4 Options (\$0.20, 13/10/2019)</td> </tr> <tr> <td style="text-align: center;">300,000</td> <td>CPHOPT5 Options (\$0.50, 23/01/2021)*</td> </tr> <tr> <td style="text-align: center;">250,000</td> <td>CPHOPT11 Options (\$0.30, 27/07/2019)*</td> </tr> <tr> <td style="text-align: center;">100,000</td> <td>CPHOPT12 Options (\$0.60, 27/07/2020)</td> </tr> <tr> <td style="text-align: center;">150,000</td> <td>CPHOPT14 Options (\$0.80, 13/07/2021)*</td> </tr> <tr> <td style="text-align: center;">200,000</td> <td>CPHOPT16 Options (\$0.535, 27/07/2021)</td> </tr> <tr> <td style="text-align: center;">200,000</td> <td>CPHOPT17 Options (\$0.80, 27/07/2022)</td> </tr> <tr> <td style="text-align: center;">200,000</td> <td>CPHOPT18 Options (\$0.55, 21/08/2021)</td> </tr> <tr> <td style="text-align: center;">400,000</td> <td>CPHOPT19 Options (\$0.80, 15/09/2022)</td> </tr> <tr> <td colspan="2">Performance Shares</td> </tr> <tr> <td style="text-align: center;">1,000,000</td> <td>CPHPERSA Performance Shares*</td> </tr> <tr> <td style="text-align: center;">303,027</td> <td>CPHPERSB Performance Shares*</td> </tr> <tr> <td style="text-align: center;">303,027</td> <td>CPHPERSC Performance Shares*</td> </tr> <tr> <td style="text-align: center;">303,027</td> <td>CPHPERSD Performance Shares (esc to 20/09/19)*</td> </tr> <tr> <td style="text-align: center;">303,039</td> <td>CPHPERSE Performance Shares (esc to 20/12/19)*</td> </tr> <tr> <td colspan="2">Performance Rights</td> </tr> <tr> <td style="text-align: center;">800,000</td> <td>CPHPERR6 Performance Rights (T1)*</td> </tr> <tr> <td style="text-align: center;">800,000</td> <td>CPHPERR7 Performance Rights (T2)*</td> </tr> <tr> <td style="text-align: center;">100,000</td> <td>CPHPERR13 Performance Rights (T8)*</td> </tr> <tr> <td style="text-align: center;">100,000</td> <td>CPHPERR15 Performance Rights (T16)*</td> </tr> <tr> <td style="text-align: center;">100,000</td> <td>CPHPERR16 Performance Rights (T17)*</td> </tr> </table>	Options		400,000	CPHOPT2 Options (\$0.40, 27/06/2020)*	2,886,250	CPHOPT3 Options (\$0.20, 13/10/2020)*	2,500,000	CPHOPT4 Options (\$0.20, 13/10/2019)	300,000	CPHOPT5 Options (\$0.50, 23/01/2021)*	250,000	CPHOPT11 Options (\$0.30, 27/07/2019)*	100,000	CPHOPT12 Options (\$0.60, 27/07/2020)	150,000	CPHOPT14 Options (\$0.80, 13/07/2021)*	200,000	CPHOPT16 Options (\$0.535, 27/07/2021)	200,000	CPHOPT17 Options (\$0.80, 27/07/2022)	200,000	CPHOPT18 Options (\$0.55, 21/08/2021)	400,000	CPHOPT19 Options (\$0.80, 15/09/2022)	Performance Shares		1,000,000	CPHPERSA Performance Shares*	303,027	CPHPERSB Performance Shares*	303,027	CPHPERSC Performance Shares*	303,027	CPHPERSD Performance Shares (esc to 20/09/19)*	303,039	CPHPERSE Performance Shares (esc to 20/12/19)*	Performance Rights		800,000	CPHPERR6 Performance Rights (T1)*	800,000	CPHPERR7 Performance Rights (T2)*	100,000	CPHPERR13 Performance Rights (T8)*	100,000	CPHPERR15 Performance Rights (T16)*	100,000	CPHPERR16 Performance Rights (T17)*
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+ See chapter 19 for defined terms.

	Employee Performance Rights (Under Plan)
132,000	CPHPERR22 Employee Performance Rights*
132,000	CPHPERR23 Employee Performance Rights*
132,000	CPHPERR24 Employee Performance Rights*
200,000	CPHPERR27 Employee Performance Rights*
100,000	CPHPERR28 Employee Performance Rights*
300,000	CPHPERR29 Employee Performance Rights*
300,000	CPHPERR30 Employee Performance Rights*
300,000	CPHPERR31 Employee Performance Rights*
100,000	CPHPERR32 Employee Performance Rights*
150,000	CPHPERR33 Employee Performance Rights*
150,000	CPHPERR34 Employee Performance Rights*
500,000	CPHPERR35 Employee Performance Rights*
400,000	CPHPERR36 Employee Performance Rights*
400,000	CPHPERR37 Employee Performance Rights*
100,000	CPHPERR38 Employee Performance Rights*
100,000	CPHPERR39 Employee Performance Rights*
100,000	CPHPERR40 Employee Performance Rights*
100,000	CPHPERR41 Employee Performance Rights*
100,000	CPHPERR42 Employee Performance Rights*
	<i>*Subject to performance milestones and/or vesting conditions.</i>

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

N/A

Part 2 - Pro rata issue

11 Is security holder approval required?

N/A

12 Is the issue renounceable or non-renounceable?

N/A

13 Ratio in which the +securities will be offered

N/A

14 +Class of +securities to which the offer relates

N/A

15 +Record date to determine entitlements

N/A

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?

N/A

Appendix 3B

New issue announcement

17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A

+ See chapter 19 for defined terms.

- 31 How do security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities (tick one)
- (a) ⁺Securities described in Part 1 - **Shares and CPHO Options Only**
- (b) All other ⁺securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

- 38 Number of ⁺securities for which ⁺quotation is sought

Appendix 3B
New issue announcement

39 +Class of +securities for which quotation is sought

N/A

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

 If the additional +securities do not rank equally, please state:
 (a) the date from which they do
 (b) the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 (c) the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

N/A

41 Reason for request for quotation now

 Example: In the case of restricted securities, end of restriction period

 (if issued upon conversion of another +security, clearly identify that other +security)

N/A

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	N/A	

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 2 July 2019

Eryn Dale
Joint Company Secretary

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital																																		
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated																																		
Insert number of fully paid ⁺ ordinary securities on issue 12 months before the ⁺ issue date or date of agreement to issue	109,505,544																																	
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid ⁺ordinary securities issued in that 12 month period under an exception in rule 7.2 <table border="0" style="margin-left: 20px;"> <tr> <td style="width: 150px;"></td> <td style="width: 100px;">23/07/2018</td> <td style="width: 100px;">70,000 shares</td> </tr> <tr> <td></td> <td>23/07/2018</td> <td>3,500,000 shares</td> </tr> </table> • Number of fully paid ⁺ordinary securities issued in that 12 month period with shareholder approval <table border="0" style="margin-left: 20px;"> <tr> <td style="width: 150px;"></td> <td style="width: 100px;">25/07/2018</td> <td style="width: 100px;">2,000,000 shares</td> </tr> <tr> <td></td> <td>27/07/2018</td> <td>650,000 shares</td> </tr> </table> • Number of partly paid ⁺ordinary securities that became fully paid in that 12 month period <table border="0" style="margin-left: 20px;"> <tr> <td style="width: 150px;"></td> <td style="width: 100px;">18/10/2018</td> <td style="width: 100px;">250,000 shares</td> </tr> <tr> <td></td> <td>19/12/2018</td> <td>8,212,121 shares</td> </tr> <tr> <td></td> <td>30/01/2019</td> <td>6,055,556 shares</td> </tr> <tr> <td></td> <td>30/01/2019</td> <td>2,000,000 shares</td> </tr> <tr> <td></td> <td>30/01/2019</td> <td>750,000 shares</td> </tr> <tr> <td></td> <td>01/02/2019</td> <td>555,555 shares</td> </tr> <tr> <td></td> <td>1/07/2019</td> <td>17,200,000 shares</td> </tr> </table> <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 		23/07/2018	70,000 shares		23/07/2018	3,500,000 shares		25/07/2018	2,000,000 shares		27/07/2018	650,000 shares		18/10/2018	250,000 shares		19/12/2018	8,212,121 shares		30/01/2019	6,055,556 shares		30/01/2019	2,000,000 shares		30/01/2019	750,000 shares		01/02/2019	555,555 shares		1/07/2019	17,200,000 shares	
	23/07/2018	70,000 shares																																
	23/07/2018	3,500,000 shares																																
	25/07/2018	2,000,000 shares																																
	27/07/2018	650,000 shares																																
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	30/01/2019	2,000,000 shares																																
	30/01/2019	750,000 shares																																
	01/02/2019	555,555 shares																																
	1/07/2019	17,200,000 shares																																
Subtract the number of fully paid ⁺ ordinary securities cancelled during that 12 month period	Nil																																	
“A”	150,748,776																																	

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of "A"	
"B"	0.15 <i>[Note: this value cannot be changed]</i>
Multiply "A" by 0.15	22,612,316

Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used																	
<p>Insert number of ⁺equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 25%; text-align: center;">16/07/2018</td> <td style="width: 25%; text-align: right;">150,000 options</td> </tr> <tr> <td></td> <td style="text-align: center;">27/07/2018</td> <td style="text-align: right;">400,000 options</td> </tr> <tr> <td></td> <td style="text-align: center;">21/08/2018</td> <td style="text-align: right;">200,000 options</td> </tr> <tr> <td></td> <td style="text-align: center;">11/09/2018</td> <td style="text-align: right;">400,000 options</td> </tr> <tr> <td></td> <td style="text-align: center;">30/01/2019</td> <td style="text-align: right;">195,556 shares</td> </tr> </table>		16/07/2018	150,000 options		27/07/2018	400,000 options		21/08/2018	200,000 options		11/09/2018	400,000 options		30/01/2019	195,556 shares	
	16/07/2018	150,000 options															
	27/07/2018	400,000 options															
	21/08/2018	200,000 options															
	11/09/2018	400,000 options															
	30/01/2019	195,556 shares															
"C"		1,345,556															

Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 <i>Note: number must be same as shown in Step 2</i>	22,612,316
Subtract "C" <i>Note: number must be same as shown in Step 3</i>	1,345,556
Total ["A" x 0.15] – "C"	21,266,760 <i>this is the remaining placement capacity under rule 7.1</i>

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	150,748,776
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	15,074,877
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of ⁺ equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	
“E”	N/A
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	15,074,877
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	N/A
Total [“A” x 0.10] – “E”	15,074,877 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.