



MEDIBIS

Medibis Holdings Pty Ltd

CROWD-SOURCED FUNDING OFFER DOCUMENT

Dated 03.08.2021



**Offer of fully-paid ordinary shares in
Medibis Holdings Pty Ltd at \$0.10 per share
to raise a maximum of \$1,800,000**

This crowd-sourced funding (CSF) offer document relates to the Offer of fully-paid ordinary shares in Medibis Holdings Pty Ltd. This Offer is made under the CSF regime in Part 6D.3A of the Corporations Act 2001 (**Corporations Act**).

ISSUER Medibis Holdings Pty Ltd ACN 634697162

INTERMEDIARY Birchal Financial Services Pty Ltd AFSL 502618

MEDIBIS.COM.AU



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SECTION 1

Risk warning

Crowd-sourced funding is risky. Issuers using this facility include new or rapidly growing ventures. Investment in these types of ventures is speculative and carries high risks.

You may lose your entire investment, and you should be in a position to bear this risk without undue hardship.

Even if the company is successful, the value of your investment and any return on the investment could be reduced if the company issues more shares.

Your investment is unlikely to be liquid. This means you are unlikely to be able to sell your shares quickly or at all if you need the money or decide that this investment is not right for you.

Even though you have remedies for misleading statements in the offer document or misconduct by the company, you may have difficulty recovering your money.

There are rules for handling your money. However, if your money is handled inappropriately or the person operating the platform on which this offer is published becomes insolvent, you may have difficulty recovering your money.

Ask questions, read all information given carefully, and seek independent financial advice before committing yourself to any investment.



SECTION 2

Information about the Company

Letter from the founders

We are excited to be offering you this unique opportunity to become a part of Medibis at the early stage of our journey.

As we move toward educating prescribers and clinicians, patients will have better access not only to the best cannabinoid medicines, but also the best possible treatment solutions. Medibis have taken the time to establish strong partnerships throughout our network enabling us to be competitive whilst growing the business.

Our first task is to make sure that you have access to medicinal cannabis from a confident prescriber who can support your cannabinoid therapy and give you the best quality of life possible. Our second task is to build our high-tech production facility in Qld. The Medibis team have a long history of complex problem solving and critical thinking allowing us to design the perfect growing facility for cannabis. Our team includes horticultural experts, pharmaceutical expertise with the wisdom of the banking sector and large scale project management.

Patient outcomes along with the science that supports those outcomes with the health and wellbeing of patients are at the core of everything that we do. Our go-to-market plan is our range of customised formulations which include raw cannabis flowers and oil extracts along with a unique formulation for Autism Spectrum Disorder (ASD). We are proud to be working with our Israeli partner Breath of Life Pharmaceutical (BOL Pharma) and excited about the opportunities that this brings to our most important people: Australian patients. In BOL we've chosen a well-respected manufacturing partner with a strong history in complex cannabinoid science.

In 2020 we acquired a Cannabis Cultivation License from the Office of Drug Control (ODC) and Major Project Status for our state-of-the-art cultivation facility. Our advanced feasibility concept design for the GMP compliant facility incorporates detailed production modelling, advanced biomanufacturing capability, research laboratory and innovative efficient energy and automated systems. We have established research partnerships with universities and private organisations, preliminary supply agreements and taken the time to understand the market and the right time to launch. Our facility is scheduled for construction at the end of 2022, this is Phase 2.

These critical milestones build the foundation for a long-term sustainable business and help us vigorously chase the next milestone: ensuring that you, our Australian patients have unrestricted access to medicinal cannabis, and ensuring they have the support they need from prescribers. Through targeted educational pathways we can deliver the data to doctors and nurses and build the same support in prescribers that we see in patients.

Join us on our journey to transform the quality of life for Australian patients and be a part of the revolution in medicine. Immediately following this CSF we are ready to place the first order of your products.

We thank you very much for coming this far and welcome you to join us at Medibis.



Angus Chapel
Managing Director



Andrew Calvert
Technical Director



2.1 Company details

This offer of shares is made by
Medibis Holdings Pty Ltd
ACN 634697162 (**Company**).

Company name	Medibis Holdings Pty Ltd
ACN	634697162
Date of incorporation	06.07.2019
Registered office	51 Hill Street Toowoomba City Qld 4350, AUSTRALIA
Place of business	107 Upper Flagstone Creek Rd Upper Flagstone Qld 4344, Australia
Subsidiaries	Medibis Pty Ltd Blue Mountain Global Pty Ltd



Whole Plant



Derivatives



Research

**MEDIBIS
IN THE
MARKET**



Export



**Third-party
manufacturers**



**Analysis and
Reporting**





2.2 Description of the business

2.2.1 About the Company

Medibis is a 100% Australian-owned company that holds the health and wellbeing of patients as its core philosophy, by delivering positive treatment outcomes through high-quality medicinal cannabis solutions.

Over the next 3 to 6 months our focus is bringing products to the market. So far we have secured a 3+2 year supply agreement with BOL Pharma who have an annual capacity of 20T, and been carefully working through logistic and regulatory requirements with the final stages now in progress. We have also secured a national distribution agreement with Anspec thus establishing our go-to-market plans. The next step, immediately following this CSF is to place the first order. We anticipate revenue to be realised within the first 3 months.

We're also improving patient access by embedding research into our business from day one, starting with building data around best practice guidelines for prescribing medicinal cannabis. Our ultimate goal is to provide individualised cannabis formulations and a total medication solution.

The key to our success lies in our understanding of a maturing market, being agile and continuously optimising our strategy to remain ahead of the curve.

Month 1

Product branding and packaging completed

Compliance and quality assurance processes finalised

First order placed

Month 2

First products arrive in country

Sales force engaged

Prescriber engagement commences

Month 3

First sales revenue

Commencement of secondary research analysis

Additional staff engaged

Months 3-6

Additional oil products added to complete the range






Raw cannabis flower added to available products

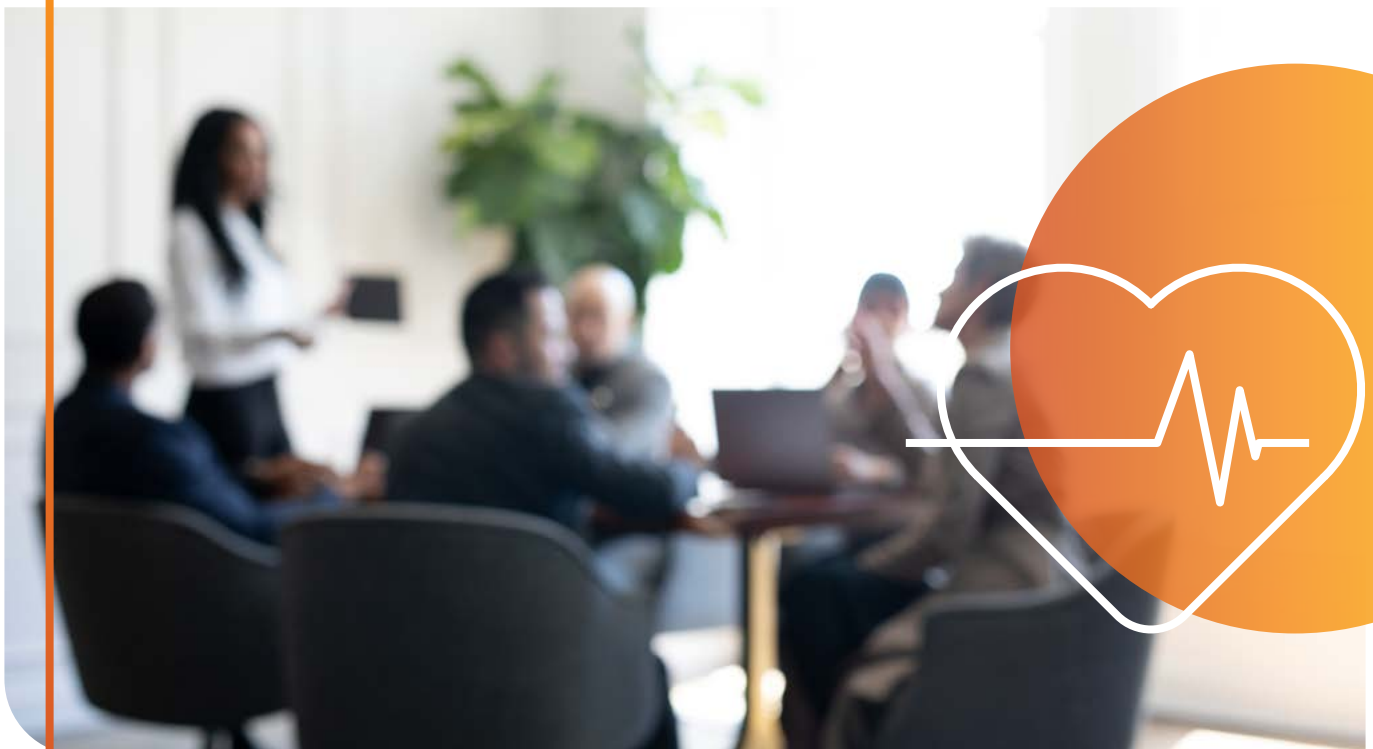
Sales team ramped up to Stage 2



2.2 Description of the business

2.2.2 Key Milestones

 Medibis founded	2018	Medibis Pty Ltd was founded in Brisbane in July 2018 with 4 foundational shareholders
 Major Project Status awarded	2020	Medibis high-tech cultivation facility was granted Major Project Status by the Hon Karen Andrews, Department of Industry, Science, Energy and Resources
 Cannabis Cultivation License awarded	2020	Medibis was granted a license to cultivate cannabis by the Office of Drug Control with all other licenses currently in progress
 Cultivation site selected	2020	Medibis secures conditional land purchase agreement and services agreement with renowned construction company FKG in their innovative circular economy precinct in Toowoomba
 Preliminary offtake agreements secured	2020	Medibis has multiple agreements in place (HOA's) to supply a variety of manufacturers, distributors and retailers throughout the medicinal cannabis industry including exports



2.3 Business and revenue model

PHASE 1

The purpose of Stage 1 is to deliver early cashflow and build market share and brand awareness. This couples with secondary research activities designed to improve patient access.

Medibis branded products will be produced by our esteemed Israeli cultivation and manufacturing partner. These will be the first Israeli sourced cannabinoid formulations on the Australian market. Israel is the global epicenter of medicinal cannabis science. It was here that CBD and THC were first isolated and their molecular structures determined, with a rich history of rigorous cannabinoid research that has been ongoing since the 1960's.*

PRODUCT NAME	CATEGORY	SELL PRICE	Monthly Sales Examples (units sold)		
			SCENARIO A	SCENARIO B	SCENARIO C
Flagstone T10	THC Dominant Oil	\$119 - \$186	124	165	215
Atherton T15	THC Dominant Oil	\$169 - \$264	174	232	301
Highfields T20	THC Dominant Oil	\$212 - \$331	426	568	738
Lockyer C10	CBD Dominant Oil	\$142 - \$223	104	138	180
Oxford C15	CBD Dominant Oil	\$157 - \$245	124	165	215
Daintree C20	CBD Dominant Oil	\$180 - \$281	200	266	346
Evan's Landing E10	Balanced Oil	\$154 - \$241	142	190	247

*See section 2.6.3 Sources of financing, including debt financing and other financing for more detail



Delivery method for educating prescribers and frontline clinicians:

Using conventional pathways and established protocols Medibis aims to actively support educational and continuing professional development (CPD) for prescribers and nurses. This means using leading organisations such as Cochrane (formerly the Cochrane Collaboration and the Cochrane Library, now known as Cochrane) and the Joanna Briggs Institute (JBI) to produce best practice guidelines for medicinal cannabis that are easily accessible and accredited for prescribers around the world. Publications through Cochrane are the gold standard and globally recognised as "the doctor's bible".



2.3 Business and revenue model

Products

Flagstone T10
Atherton T15
Highfields T20
Lockyer C10
Oxford C15
Daintree C20
Evan's Landing E10



Supply

Medibis have secured a long term supply agreement with BOL to ensure continuous supply of high quality to Australian patients with a guaranteed capacity to meet our market demands. BOL Pharma are an IMC-GMP-certified cultivator and manufacturer of cannabinoid-based medicines. Formulations are high concentration based on patient outcomes and will be the first of their kind to the Australian market. These are formulated using whole plant ingredients to ensure the benefits of full spectrum cannabinoids and are blended with olive oil as a carrier which brings the added benefit of oleic acid.

Demand

The TGA lists SAS CAT B prescriptions for medicinal cannabis products in Australia as of June 2021 as 150,000. This number has grown from 91,000 in January 2020 and continues to grow. Globally the medicinal market is expected to reach US\$104B by 2024 with the Australian market expected to reach US\$1.23B by 2024.*

*Source Prohibition Partners The Oceania Report Second Edition.

Sales and Distribution

Medibis have secured a 4PL import, storage and distribution agreement with reputable pharmaceutical distributor Anspec. Anspec has been in the pharmaceutical, medical device and medical supply for 30 years including as Prime Vendor to the ADF (Australian Defence Forces) for 10 of those years. The business has strong Management, Supply Chain, Customer Service, Sales, Quality and Regulatory teams.



2.3 Business and revenue model

PHASE 2

Growing locally comes with specific risks and challenges. Medibis have strategies in place to expand our business into a vertically integrated model.

Option 1

Construction of our bespoke production facility in Toowoomba to deliver vertically integrated model. The facility is conceptually divided into 6 discrete stages for a staggered capital spend that keeps track of demand, with Stage 1 estimated at \$25M. This strategy minimises our up-front capital costs and enables the vertical integration framework that supports our business model. Planned revenue streams from the facility are from bulk raw flower, bulk API's and finished formulations produced and manufactured onsite. This is expected to mark the start of export sales. With our cultivation license in hand, conditional purchase/lease agreement in place for the land along with water and energy supply, development application prepared and ready to submit to council, these plans are well developed. Future funding under a debt/equity ratio is required for this to proceed.

Option 2

Contract growing arrangements are being observed throughout the industry with key members of our network in agreement to share production capacities across multiple sites. These include our Israeli partners BOL Pharma and Australian producers who we can't yet disclose. Contract growing means that cannabis producers can increase their production volumes by utilising spare capacity within existing licensed facilities whilst avoiding capital intensive spending on upgrades or additional growing facilities. In this scenario we have a choice of growing our own strains or purchasing strains currently proving to be strong performers for medicinal applications.

Option 3

Leasing ringfenced portions of an existing facility for the sole purpose of meeting our production demands. Essentially this means sharing capacity for future facilities, also currently under discussion with our partners, allowing us to implement our growing methodologies and genetics whilst minimising capital expenditure and keeping costs down.



2.3 Business and revenue model

The design of the planned Medibis facility is entirely determined by the philosophy of prioritising plant health and process efficiency above all else. Glasshouses make the most of available light for growing, supplemented by LED lighting to maintain the optimum light cycle year round. Automated climate control and fertigation systems work together to provide optimal growing conditions. Biosecurity also plays a major role, with bio-segregated zones and the use of integrated pest management ensuring healthy plants without the use of pesticides and other traditional cultivation aids.

Efficiency of production has two key components. The topology of the facility is based on the need for biosecure zones and the efficient movement of plant material, with main arterial routes connecting the growing zones to other production areas. Ergonomic advantages are also to be had from the selective use of automation and mechanisation, reducing the labour intensity, and providing a safe workplace.

The other key aspect of efficient production is the energy system. This starts with using the available resources directly, such as light and heat. The fully automated control system will optimise operation of the supplemental lighting, shade curtains, HVAC and natural ventilation to maintain an optimal climate in an efficient manner. And the backbone

is planned to be an advanced cogeneration system that integrates electricity, heating, cooling and CO₂ so that waste streams are used internally and the best use is made of every valuable kilojoule.

All of these aspects set the facility up to produce very high-quality products, consistently and repeatably. This is critical for medicinal applications, and it is this consistent high quality that differentiates medicinal cannabis products from black market cannabis. And the planned efficient systems allow this to be done most cost-effective way possible. The detailed process modelling that has been undertaken shows that the production facility is expected to be able to produce high quality products that remain cost competitive.

Medibis plans to produce and supply cannabis-based medicines for local and export markets. Local sales are of product in the final dosage form, via our pharmaceutical wholesale partner and pharmacies across the country. Retail sales are exclusively to patients via prescription. Significant export markets are being explored for bulk cannabis flower, bulk extract and finished products. Strong relationships are continuing to develop with potential export clients, with a portion of locally produced product expected to be exported once local patient demand has been met.





2.4 Business and revenue model

2.4.1 Export Strategies

Medibis has identified potential export markets with preliminary agreements in place. Europe is key amongst these, with a strong demand for high quality products experienced in many countries. The recent growth in demand has been fueled in part by events in the turbulent Canadian market. With prominent LP's growing to scale too quickly and suffering from issues with quality and consistency of products, the door is open for producers from other countries.

The stringent Australian regulatory framework gives export customers a high degree of confidence in product quality. Our growing conditions are also very favourable. Medibis is well positioned to capitalize on this situation, with our planned high-tech facility designed to consistently produce high-quality products.

Export sales are expected to drive expansion, with the resulting economies of scale bringing down the cost of production, based on preliminary agreements with our German partner Auxilto.

*In 2028, it is estimated that France will have a medicinal cannabis market worth approximately 9.5 billion euros, this would make it the largest medical cannabis market in Europe. The United

Kingdom and Germany are predicted in this year to have markets worth 8.8 and 7.7 billion euros respectively. As of 2018, only a few countries in Europe have legalized medical cannabis products, but in the coming years it is expected that many more countries will follow in legalizing cannabis for medicinal purposes.

*However, with over 300,000 statutory health insurance (SHI) prescriptions in 2020 and more than 120,000 patients treated with medical cannabis, Germany appears to be the largest medicinal cannabis market in Europe. In 2017, we recorded 27,000 prescriptions – so within three years the numbers have increased tenfold.

*Source – The Prohibition Partners European Cannabis Report 2021

2.4.2 Research Development

Medibis understands the value of rigorous medical research. Despite a growing base of doctors that are becoming confident in prescribing medicines with anecdotally and informally demonstrated efficacy, clinical trials remain the gold standard of wide acceptance by the medical profession. Medibis plans to launch proof-of-concept trials as soon as possible, with plans to run full double-blind placebo-controlled trials in the first three years.



2.5 Description of the business

2.5.1 Products / Services

Our planned products include raw cannabis flowers, whole-plant extracts and blended extracts. These are typically used for chronic pain, Tourette syndrome, palliative care, HIV/AIDS and appetite stimulation, CINV, epilepsy (children, young adults and adults), fibromyalgia, Autism Spectrum Disorder (ASD) and more.*

In the first phase of business development we're using our GMP-accredited manufacturing partner, who is contracted to produce Medibis products to our specification. **This allows us to bring a range of medicinal cannabis products to market early, establishing the Medibis brand, generating revenue and supporting patients.**

Once import and local sales are established, we plan to initiate a contract-grow solution with our licensed cultivation partners. This will allow us to grow our strains using our unique growing methodology to bring Medibis raw cannabis to the market. Once this process is validated and key milestones are achieved we intend to proceed to Phase 2 with growing options currently under review. Educational material is an additional product, primarily best practice prescribing guidelines for cannabinoid therapies.

*MGC Whitepaper – A White Paper Developed by The University of Sydney Community Placement Program in Partnership with MGC Pharmaceuticals.



2.5 Description of the business

2.5.3 Marketing & distribution

Cold storage and distribution to pharmacies are via our 4PL partner Anspec. Anspec are an established and well-respected operator in the supply and distribution of pharmaceuticals and this partnership facilitates our immediate go-to-market strategy.

2.5.4 Market & competitors

COMPANY	Established	Distribution	Cultivation	Strategy
Cannatrek	2017	✓	✓	Vertical integration
Little Green Pharma	2016	✓	✓	Vertical integration
Medibis	2018	✓	Future	Vertical integration

2.5.5 Key differentiators

Our Israeli cannabinoid medicines are considerably higher in concentration than those currently available on the Australian market. These will be the first high quality Israeli formulations on the Australian market.

Our patient-centric model drives all of our activities. Medibis is dedicated to sourcing and breeding only the best genetics, driving the research to deeply understand ECS interaction for various conditions, and closing the loop with efficacy data to ensure that we are doing everything we can to continuously improve these metrics.

Our facility design is energy efficient, meaning we can produce our high-quality medicines at the most affordable price for patients in a fully controlled environment.

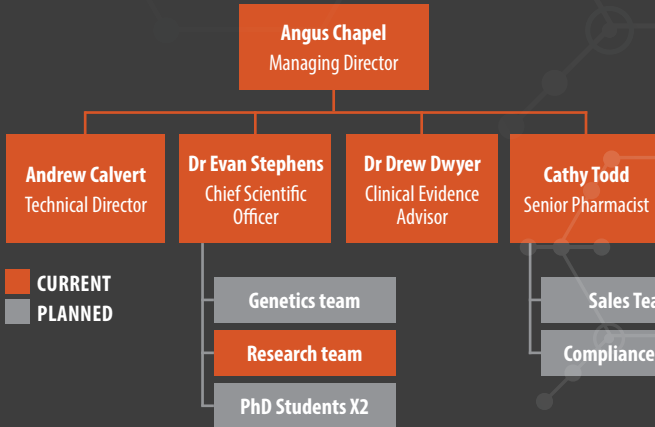
Our business plan is vertically integrated, ensuring we are delivering the best access to medicinal cannabis for our patients with full control of all value-adding parts of the supply chain.



2.6 Organisational structure

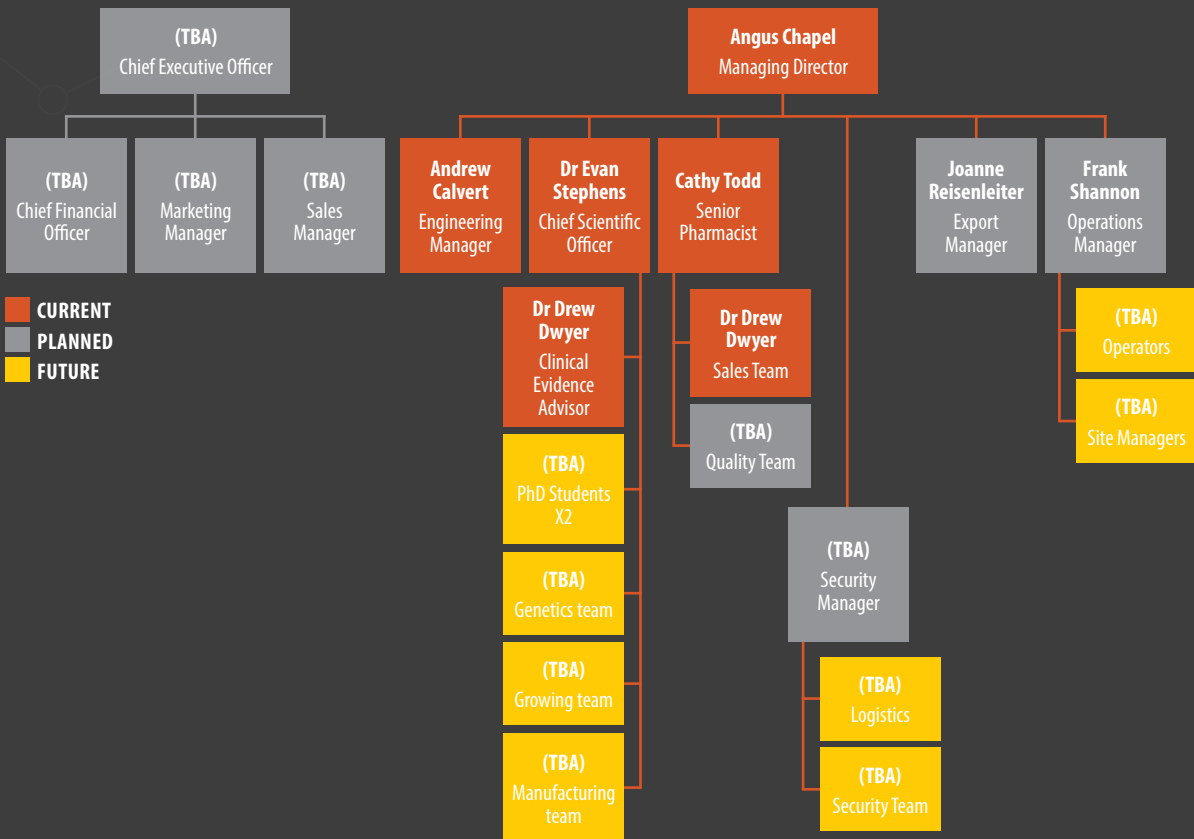
PHASE 1

Early revenue – products to patients



PHASE 2

Facility construction and ramp up to operations





2.6 Organisational structure

2.6.1 Our directors and management

Angus Chapel

Role

Managing Director

Description of duties

Plan and execute business development, build and maintain partnerships, deliver results for stakeholders.

Skills and experience

Diploma in Business Management.

25 years' experience in the energy and resource sector as an electrician and commissioning specialist on multi billion-dollar industrial projects around the world.

Experienced in managing large teams of technicians and contractors, including specialist vendors, through to commissioning complex production facilities which adhere to strict codes of compliance across multiple regulatory bodies.

Experienced in client-side representation to bring greenfield facilities and brownfield expansions up to nameplate capacity and implementing optimization strategies.

Brings a proven ability to materialise detailed concepts and continuous improve operations, equipment and processes.

Andrew Calvert

Role

Technical Director

Description of duties

Ensure all technical aspects of business are robust and compliant with regulatory framework, along with implementing the best and most efficient engineering solutions.

Skills and experience

Bachelor of Electrical Engineering.

Diverse range of experience across a variety of industries, including electronic security, power generation, oil refining, minerals processing and electrical design and manufacturing.

Experienced in leading multi-disciplined engineering teams.

A practical approach, effective communication skills and proven technical leadership ability.

Operates with a unique attention to detail that surpasses electrical science alone.



2.6 Organisational structure

2.6.2 Key Consultants

Over the past 3 years Medibis have sought to build a strong network with key personnel to support our strategy to become a leader in the industry.

Dr Evan Stephens

Chief Scientific Officer

Dr Evan Stephens holds a PhD in Biotechnology and Technology Commercialisation.

Dr Stephens has over 25 years' experience in horticulture, including agronomy and plant nutrition, soil science, protected cropping, plant tissue culture, microbiome technology, integrated pest management, economic modelling and agribusiness value chains.

Dr Stephens brings 15 years of research experience at the Institute for Molecular Bioscience (University of Queensland), including multiple Fellowships and awards, and remains an Adjunct Senior Fellow.

He has a strong track record of engagement across multiple disciplines and an extensive network of research and industry partners.

Evan has an extraordinarily broad knowledge base and congruence of ideas.

Dr Drew Dwyer

Clinical Evidence Advisor

Dr Drew Dwyer has earned a reputation for being one of the most dynamic and passionate consultants in learning & development for the aged & community care sectors and the area of clinical leadership. He has over 35 years of experience as a professional nurse, nurse leader and educator, and is educated in evidence based healthcare and science implementation.

Cathy Todd

Senior Pharmacist

Cathy is an experienced Accredited Clinical Pharmacist with over twenty-five years in the pharmaceutical industry as a proprietor in rural pharmacy, and in the public and private sector in regional and metropolitan areas.

Cathy has a Bachelor of Pharmacy (MPS); and accreditation with the Australian Association of Consultant Pharmacy; Graduate Certificate Diabetes Educator; Credentialed Australian Diabetes Educators Association; and Graduate Certificate in Business Administration (Global).

Cathy has undertaken advanced training in pharmaceuticals in France, Italy and Switzerland.

As a Pharmaceutical Consultant with demonstrated skills in governance, advocacy, negotiation, market planning, with a strong professional focus on improving the quality use of medicine with a focus on professional service development and optimal prescribing.

She is committed to evolving pharmaceuticals, Cathy is a sessional lecturer at James Cook University and previously at Queensland University of Technology.



2.6 Organisational structure

2.6.3 Key Advisors

Matt Bell

Director –
Murdoch Lawyers

Matt is passionate about helping business.

Matt loves the positive contribution businesses make each day to so many people by giving people the social interactions and other benefits of a job, providing incomes to families, sponsoring our sporting and cultural activities, assisting charities and providing essential goods and services.

Matt can help businesses across a range of industries including: agriculture, horticulture, transport and logistics, not-for-profit, medical, education, building and construction, manufacturing and retail. Matt can help businesses at all stages, whether that is with a purchase or sale, contracting, securing assets, employing people, managing employee misconduct or under performance, defending claims or helping business owners separate when things don't work out between them.

When it comes to claim risks, Matt prefers to take a preventative approach with his experience confirming time and time again that it is far more effective to be pro-active to prevent a claim from arising or intervening early to minimize the exposure of a claim.

Matt was admitted as a Lawyer in 2004 and is a Queensland Law Society accredited specialist in Business Law. Prior to joining Murdoch Lawyers, Matt spent five years working for a top tier international law firm in Brisbane .The experience enabled him to work on very large transactions for some of Australia's biggest companies, mainly working for companies in the mining, gas, petroleum, banking and property industries, but also acting for a number of Commonwealth Government Departments and agencies.

Steffen Retzlaff

European
Pharmacy Advisor

Steffen was instrumental in building the Stada Pharmaceutical brand as Senior Vice President and it's subsidiaries Hemopharm GmbH and Stadavita GmbH to one of the top 5 pharmaceutical companies in Europe. He brings a vast network of European specialists and pharmacy distribution capability.

Steffen manages Medibis European marketing, brand development, distribution partnerships and research activities.



2.6 Organisational structure

Glen Pearce

Co-Founder –
Pharma Agile

A former Global Biotech executive who is a change agent for continual improvement. Glen explores innovative ways to embrace cutting edge Leadership, Communication and Agile techniques into his coaching and facilitation practice. He is passionate about developing the next generation of Pharma leaders and supporting them by applying Agile Leadership principles to Product Launches and Medical Excellence projects.

Glen has acquired over 25 years of experience within the life sciences, encompassing – Global P & L and brand leadership in addition to local and regional P & L and team leadership responsibilities. He has worked in Senior Commercial roles and has a track record of successfully building and reigniting business growth through the implementation of new commercial models and by the creating and fostering of strong commercial partnerships. Glen has also successfully launched over 15 products and services during his Pharma career and has held responsibility for Medical Affairs for region Europe and has also established the operations for a multi-regional organisation.

Michael Harries

Co-founder –
Pharma Agile

A passion and dedication to Launch Excellence in Pharmaceuticals led Michael to become Agile qualified to keep pace with rapidly changing pharma world. Michael has over 20 years' experience internally within large pharmaceutical and biotech companies such as AstraZeneca, Novartis and Roche living and working in Switzerland, China, Indonesia and Australia. In this time Michael has developed a wealth of launch experience with over 35 launches in the industry and importantly the last 10 launches have adopted an Agile mindset and values. During this time period Michael was part of a small team setting up the Global Launch framework for Roche Pharmaceuticals.

The majority of Michael's launch experience is within Oncology however this now includes Respiratory, Neuroscience, Cardiology, Arthritic medications, Covid molecules and many more areas of medicine. Michael has had global, regional and local country launch experience and now runs consulting companies targeted purely at Launch Excellence in Pharmaceutical and Biotech. Having teaching, science and business tertiary qualifications has allowed a rapid adoption of Agile techniques which requires a hybrid Agile methodology in Pharma as a unique proposition.



2.6 Organisational structure

2.6.4 Key Partnerships

Breath of Life Pharmaceuticals (BOL Pharma) Supplier	BOL Pharma are the leading cannabinoid producer in Israel and have a 5 year supply agreement in place with Medibis.
Anspec Distributor	Anspec are Australia's leading pharmaceutical distributor and provide secure storage and distribution along with analytic and pharmacovigilance services under contract with Medibis.
MCIA (Medicinal Cannabis Industry Association) Industry Partner	Medibis are a member of MCIA giving us industry insights and lobbying pathways for regulatory reform.
MCRA (Medical Cannabis Research Association) Research Partner	Medibis are a member of MCRA giving us industry research insights and pathways for conducting research activities.
Pharmout Pharmaceutical compliance partner and medicinal cannabis specialist	As leading GMP consultants Pharmout offer a broad range of services, from GMP compliance, qualification & validation, TGA regulatory, engineering and architectural consulting services to the following industries medicinal cannabis, pharmaceutical, blood & tissue, pesticides, veterinary and medical device manufacturers, as well as related hospital and pharmacy operations.
University of Queensland (UQ) Research partner	Medibis has secured a research partnership with 2 of the leading schools in UQ to conduct research activities using cannabinoid therapies and cannabis cultivation acceleration and optimisation techniques.
Auxilto Export and distribution partner	Auxilto are a prominent German pharmaceutical company with a strong focus on cannabinoid treatment, prescribing and research networks with European distribution capability.



2.7 Capital structure

2.7.1 Issued capital (before and after the Offer)

As at the date of this Offer Document, the Company has 81,116,000 ordinary shares and 1,176,000 ordinary share options on issue. The options listed expire on 15 August 2021 and the board does not expect that they will be exercised. The majority of shares are held by the Company's founders. Table 1 below sets out the issued capital of the Company before the Offer.

Table 1: Issued capital of the Company before the Offer








 SHAREHOLDERS	Founders	First Round	Second Round	Options	TOTAL
 SHARES ISSUED	66,500,000	9,912,000	4,704,000	1,176,000	82,292,000

Table 2 sets out the issued capital of the Company following the Offer on a fully diluted basis (i.e. presuming all options are exercised).

Table 2: Issued capital of the Company following the Offer

SHAREHOLDERS	Minimum Subscription SHARES ISSUED	Maximum Subscription SHARES ISSUED
 Founders	66,500,000	66,500,000
 1 ST First Round	9,912,000	9,912,000
 2 ND Second Round	4,704,000	4,704,000
 Offers Shares	7,000,000	18,000,000
 Options	1,176,000	1,176,000
TOTAL	89,292,000	100,292,000

It is expected that a major investor will require approximately a 50% equity stake to fund construction of Stage 1 of the production facility should this growing option proceed.



2.7 Capital structure

2.7.2 Rights and liabilities associated with securities

At the date of this Offer, only ordinary shares and ordinary share options are on issue. There are no shareholder agreements between the existing shareholders. The rights and liabilities associated with the shares are entirely as set out in the Company's constitution.

Under the Constitution, the Board has the discretion to approve a transfer of shares to a third party. A more detailed description of the rights and liabilities associated with the shares is set out in Section 3. A copy of the Company's Constitution is available on the Intermediary's platform.

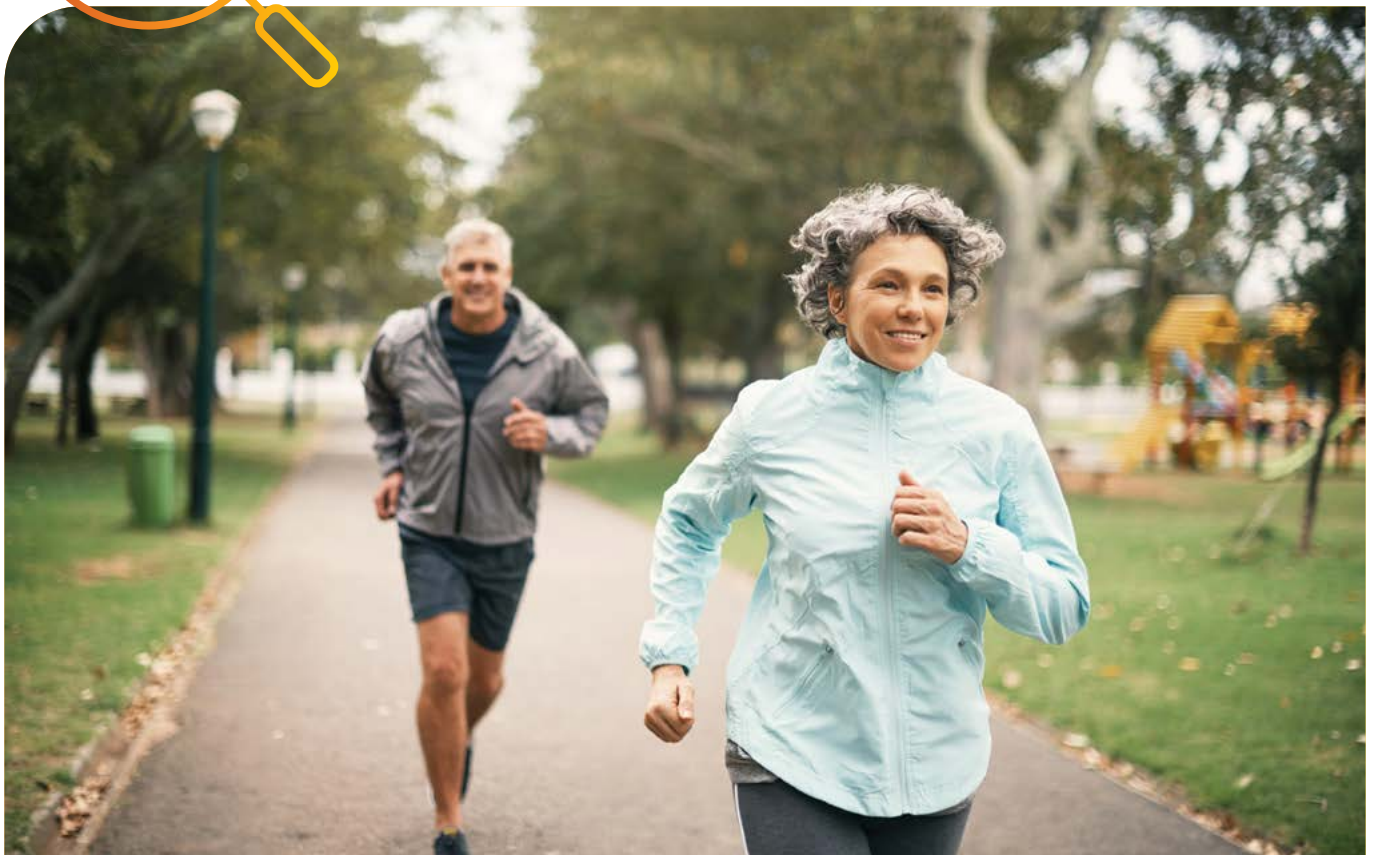
2.7.3 Sources of financing, including debt financing and other financing

To date, Medibis has raised \$740,000 in capital from the founding shareholders and supportive, passionate people in our close network.

The CSF campaign is intended to provide sufficient funds for the Company to securely establish Phase 1 of its business plan, which is the import of manufactured products and sales/distribution within Australia and research initiation.

Phase 2 may include development of the local cultivation and manufacturing facility, which is expected to require approximately \$25M of capital expenditure.

The directors expect to fund this from debt, retained earnings from Phase 1 and further equity funding.





2.7 Capital structure

2.7.3 Group structure

There are currently 3 companies in the Medibis group.

Medibis Holdings Pty Ltd ACN 634 697 162

This is the parent company in the group which individual shareholders have invested and the company in which this current investment offer is being made.

Medibis Holdings Pty Ltd wholly owns two subsidiary companies

Blue Mountain Global ACN 650 901 616

This is a wholly owned subsidiary of Medibis Holdings Pty Ltd.

Blue Mountain Global is the sales and distribution part of the group, responsible initially for importing finished products and distributing throughout Australia. Once the Medibis production facility is online, Blue Mountain Global will also handle domestic sales and distribution of Medibis-produced products.

Medibis Pty Ltd ACN 626 863 410

This is a wholly owned subsidiary of Medibis Holdings Pty Ltd.

Medibis Pty Ltd will develop and operate the planned cannabis production facility. It holds the Cannabis Cultivation License issued by the Australian Department of Health, and will also hold manufacturing, research and export licenses.

There is the possibility of further companies being added as the group evolves. These may include a research-focused company and/or medical practice company. These would be wholly owned subsidiaries of Medibis Holdings Pty Ltd.



2.8 Risks facing the business

An investment in Medibis Holdings Pty Ltd should be seen as high-risk and speculative. A description of the main risks that may impact the Company's business is below. Investors should read this section carefully before deciding to apply for shares under the Offer. There are also other, more general risks associated with the Company (for example, risks relating to general economic conditions or the inability to quickly or easily sell your shares).

RISK	DESCRIPTION
Cash flow risk	The Company's operating activities involve a series of cash inflows and outflows. Although the Company seeks to manage its cash flow efficiently, there is a risk that due to unforeseen circumstances the Company may not have sufficient cash or working capital, at times, to fund both its operations and its expansion plans. This could affect the Company's profitability, future prospects, and its ability to meet its business objectives.
Funding risk	<p>The Company is in the process of raising funds to achieve its strategic business objectives and to cover its projected operating expenses. The Company may not raise all of the required funding and therefore not achieve all of its business objectives.</p> <p>The Company may also need to raise additional funds in the future from investors or third parties. There is no assurance that the Company will be able to obtain additional rounds of funding on the same terms as outlined in this Offer Document or at all. The Company's value may be materially affected if the required additional funding is not available.</p>
Competition risk	The Company operates in an increasingly competitive market, with several known local competitors. If the Company is unable to successfully compete with existing and/or new competitors, this may have a negative impact on the revenue, profitability and future prospects of the business.
Insolvency risk	Given the startup nature of the business, the Company is not yet profitable. The company is seeking to obtain further funding to achieve its objectives. There is no guarantee that funding will be available on favourable terms or that the Company will receive any level of funding at all.
Key person risk	As an early-stage business, the Company is susceptible to the loss of key team members as they are considered critical to the continued success of the Company. If a key team member was lost, due to illness for example, this could significantly affect the Company's ability to continue its operations or achieve its business objectives as the case may be.
Startup risk	As an early-stage business, the Company is subject to all of the risks associated with early-stage companies, including uncertainty around the volume and origin of revenue streams, size and existence of repeat customers, and risks associated with evolving technology and execution risk.
Brand risk	If the company does not maintain consistent levels of quality and service in its offering, the Company's brand and reputation could be damaged. Damage to a company's brand and reputation can be difficult to repair.
Business model risk	The Company is at the proof-of-concept stage of the business cycle. As such, it carries the risks of a start-up business. Given the limited trading history of the company, no assurance can be given that the Company will achieve commercial viability through the implementation of its business plan.
Regulatory risk	Regulatory burden has been considered in all Company modelling outcomes, however changes to regulations are outside of the company's control and may impact operational metrics.
Intellectual property risk	The protection of the Company's intellectual property is critical to our business and commercial success. If we are unable to enforce the Company's intellectual property rights, there is a risk that other companies will copy our product and technology.
Supply chain risk	With a sales and distribution model, maintaining continuous supply can pose a significant risk to product availability.



2.9 Financial information

Below are the financial statements of the Companies, Medibis Holdings Pty Ltd, Medibis Pty Ltd and Blue Mountain Global Pty Ltd for the financial year ended 30 June 2021, which have been prepared in accordance with the Accounting Standards. Medibis Pty Ltd is a wholly-owned subsidiary of the Company and will develop and operate the planned cannabis production facility and holds various licenses. Blue Mountain Global Pty Ltd is a wholly-owned subsidiary of the Company and is the trading entity for the group.

2.9.1 Balance sheets

Medibis Holdings Pty Ltd As at 30 June 2021

	30 JUN 2021	30 JUN 2020
ASSETS		
CURRENT ASSETS		
Trade and Other Receivables	393.88	–
Total Current Assets	393.88	–
NON-CURRENT ASSETS		
Trade and Other Receivables	362,565.62	194,471.50
Financial Assets	325,000.00	325,000.00
Total Non-Current Assets	687,565.62	519,471.50
Total Assets	687,959.50	519,471.50
LIABILITIES		
CURRENT LIABILITIES		
Trade and Other Payables	484.00	–
Total Current Liabilities	484.00	–
Total Liabilities	484.00	–
Net Assets	687,475.50	519,471.50
EQUITY		
Issued Capital	709,836.50	524,999.40
Retained Earnings	(22,361.00)	(5,527.90)
Total Equity	687,475.50	519,471.50

Notes removed, full financials available upon request



2.9.1 Balance sheets

Medibis Pty Ltd
As at 30 June 2021

	30 JUN 2021	30 JUN 2020
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	172,156.90	113,634.59
Trade and Other Receivables	-	52,277.17
Total Current Assets	172,156.90	165,911.76
NON-CURRENT ASSETS		
Capital Works in Progress	13,552.75	12,353.05
Property, Plant and Equipment	133.82	-
Total Non-Current Assets	13,686.57	12,353.05
Total Assets	185,843.47	178,264.81
LIABILITIES		
CURRENT LIABILITIES		
Trade and Other Payables	68,531.47	97,598.80
Borrowings	85,000.00	85,000.00
Provisions	12,648.16	-
Tax Liabilities	3,942.51	-
Total Current Liabilities	170,122.14	182,598.80
NON-CURRENT LIABILITIES		
Borrowings	362,565.62	194,471.50
Total Non-Current Liabilities	362,565.62	194,471.50
Total Liabilities	532,687.76	377,070.30
Net Assets	(346,844.29)	(198,805.49)
EQUITY		
Issued Capital	325,000.00	325,000.00
Retained Earnings	(671,844.29)	(523,805.49)
Total Equity	(346,844.29)	(198,805.49)



2.9.1 Balance sheets

Blue Mountain Global Pty Ltd
As at 30 June 2021

30 JUN 2021

ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	120.00
Total Current Assets	120.00
Total Assets	120.00
Net Assets	120.00
EQUITY	
Issued Shares	120.00
Total Equity	120.00



2.9.2 Profit and loss statement

Medibis Holdings Pty Ltd
For the year ended 30 June 2021

	2021	2020
Total Income	–	–
EXPENSES		
Accountancy Fees	8,453.50	4,070.00
Legal Costs	6,746.60	–
Licences, Fees & Permits	1,633.00	1,457.90
Total Expenses	16,833.10	5,527.90
Profit/(Loss) Before Income Tax	(16,833.10)	(5,527.90)
Net Profit/(Loss)	(16,833.10)	(5,527.90)



2.9.2 Profit and loss statement

Medibis Pty Ltd

For the year ended 30 June 2021

	2021	2020
INCOME		
Government Grant Income	156,525.62	4,070.00
Interest Income	26.86	728.84
Total Income	156,552.48	728.84
EXPENSES		
Accountancy Fees	40,617.00	4,108.00
Advertising	2,143.18	2,318.55
Bank Fees	120.00	120.00
Computer Expenses	2,223.64	1,492.84
CONSULTING FEES		
Related Parties	33,600.00	37,095.45
Unrelated Parties	20,266.82	22,865.00
Total Expenses	53,866.82	59,960.45
Depreciation	905.42	-
Donations	2,500.00	-
Entertainment	-	811.66
Interest Expense	1,188.34	-
Legal Expenses	-	7,029.59
Licences, Fees & Permits	11,757.00	263.00
Light, Power, Heating	398.62	1,743.49
Movement in Employee Entitlements	12,648.16	-
Office Expenses	170.86	801.17
Printings Stationery	-	553.13
Rent	10,400.00	11,764.94
Subscriptions	7,420.92	2,162.59
Superannuation	13,534.46	13,188.35
Telephone & Internet	1,352.08	1,917.85
Travel – International	-	5,507.35
Travel – National	258.16	3,247.09
Wages and Salaries	142,468.35	138,825.24
Workcover Insurance	618.27	(43.33)
Total Expenses	304,591.28	255,771.96
Profit/(Loss) Before Income Tax	(148,038.80)	(255,043.12)
Net Profit/(Loss)	(148,038.80)	(255,043.12)



2.9.2 Profit and loss statement

Blue Mountain Global Pty Ltd
For the year ended 30 June 2021

	2021
Total Income	-
Profit/(Loss) Before Income Tax	-
Net Profit/(Loss)	-



2.9.3 Cash flow statement

Medibis Holdings Pty Ltd
For the year ended 30 June 2021

	2021	2020
OPERATING ACTIVITIES		
Payments to suppliers and employees	(16,349.10)	(5,527.90)
Net Cash Flows from Operating Activities	(16,349.10)	(5,527.90)
INVESTING ACTIVITIES		
Payment for investments	-	(325,000.00)
Loans to related parties	(168,488.00)	(194,471.50)
Net Cash Flows from Operating Activities	(168,488.00)	(519,471.50)
FINANCING ACTIVITIES		
Payments to suppliers and employees	184,837.10	524,999.40
Net Cash Flows from Operating Activities	184,837.10	524,999.40
Net Cash Flows	-	-
CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at beginning of period	-	-
Cash and cash equivalents at end of period	-	-



2.9.3 Cash flow statement

Medibis Pty Ltd
For the year ended 30 June 2021

	2021	2020
OPERATING ACTIVITIES		
Receipts from government rebates	156,525.62	–
Payments to suppliers and employees	(298,305.85)	(219,955.61)
Interest received	26.86	728.84
Finance costs	(1,308.34)	(120.00)
Net Cash Flows from Operating Activities	(143,061.71)	(219,346.77)
INVESTING ACTIVITIES		
Payment for property, plant and equipment	(2,238.94)	(1,554.30)
Loans to related parties	35,728.84	9,271.16
Net Cash Flows from Investing Activities	33,489.90	7,716.86
FINANCING ACTIVITIES		
Proceeds from borrowings	–	10,000.00
Loans from related parties	168,094.12	269,471.50
Net Cash Flows from Financing Activities	168,094.12	279,471.50
Net Cash Flows	58,522.31	67,841.59
CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at beginning of period	113,634.59	45,793.00
Net change in cash for period	58,522.31	67,841.59
Cash and cash equivalents at end of period	172,156.90	113,634.59

Note: Blue Mountain Global Pty Ltd has no cashflow activities to date

2.9.4 Statement of changes in equity

EQUITY		
Issued Capital	709,836.50	524,999.40
Retained Earnings	(22,361.00)	(5,527.90)
Total Equity	687,475.00	519,471.50

Management Commentary

During our startup phase Medibis have invested in developing strategies that are sound and robust to support entry into a new global market. This includes leading consultant advice on key production metrics, license acquisition, feasibility studies and forming strong partnerships. Following this CSF we expect revenue to be realised within 3 months of launching our products bringing the business into the next phase of growth.

2.10 Legal or disciplinary actions against the Company

The company has not been subject to any legal or disciplinary actions.



SECTION 3

Information about the Offer

3.1 Terms of the Offer

Medibis Holdings Pty Ltd is offering up to 18,000,000 shares at an issue price of \$0.10 per share to raise up to \$1.8M. The key terms and conditions of the Offer are set out below.

TERM	DETAILS
Shares	Fully-paid ordinary shares
Price	\$0.10 per share
Minimum Subscription	\$700,000
Maximum Subscription	\$1,800,000
Minimum parcel size	\$250
Opening date	03/08/2021
Closing date	26/08/2021

A description of the rights associated with the shares is set out in Section 3.

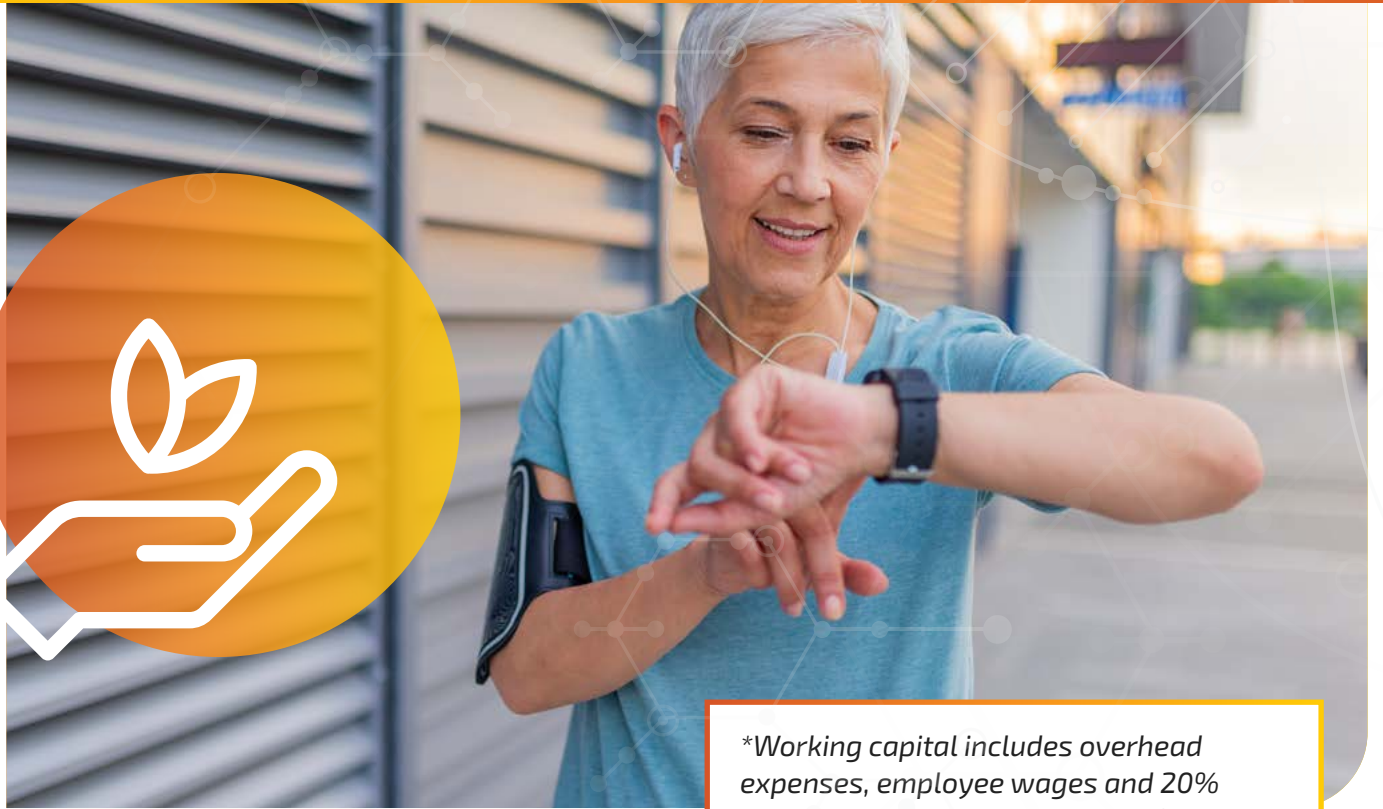
To participate in the Offer, you must submit a completed application form together with the application money via the Intermediary's platform. The Intermediary's website provides instructions on how to apply for shares under the Offer at www.birchal.com.

The Intermediary must close the Offer early in certain circumstances. For example, if the Maximum Subscription is reached, the Offer must be closed. If the Minimum Subscription is not reached or the Offer is closed but not completed, you will be refunded your application money.

Investors may withdraw their application during the Cooling-off Period. Further information on investor cooling-off rights can be found in Section 4 of this CSF offer document.

The Offer is not underwritten and there is no guarantee that these funds will be raised.





3.2 Use of funds

The table below sets out the intended use of funds raised under this Offer based on the minimum and maximum subscription amounts.

CATEGORY	MINIMUM SUBSCRIPTION	MAXIMUM SUBSCRIPTION
Products to Market	\$400,000	\$700,000
Contract Grow Establishment	\$0	\$210,000
Research	\$50,000	\$140,000
Working Capital	\$205,200	\$639,200
Offer Costs	44,800	110,800
Total Funds Required	\$700,000	\$1,800,000

The Offer costs includes the Intermediary's fees under the hosting agreement between the Company and the Intermediary. These fees are up to 6% of all funds raised by the Company through Birchal Financial Services Pty Ltd (Intermediary), plus \$2,800 for administration and setup costs.

**Working capital includes overhead expenses, employee wages and 20% director remuneration. Details of payments to be made to directors and senior managers are as follows:*

*Directors' remuneration
\$122,500 (X 2) (Minimum Subscription) /
\$142,500 (X2) (Maximum Subscription)*

Other than as specified above, no other payments from the funds raised will be paid (directly or indirectly) to related parties, controlling shareholders, or any other persons involved in promoting or marketing the Offer.

We expect that the Maximum Subscription amount will be sufficient to meet the Company's short-term objectives over the next 12-18 months.

If only the Minimum Subscription amount is raised, the Company may require further funding to be able to carry out our intended Phase 1 activities over the next 12-18 months. In such circumstances, the Company may consider undertaking a further CSF offer under the CSF regime. Until additional funding is obtained, we will scale back research activities and continue to focus our cash resources on revenue.



3.3 Rights associated with the shares

Immediately after issue, the shares will be fully paid shares. There will be no liability on the part of shareholders and the shares will rank equally with the shares currently on issue.

The rights associated with the shares are set out in the Company's constitution. These rights are described below. A copy of the constitution is available on the Intermediary's platform.

3.3.1 Voting rights

Each shareholder has one vote on a show of hands and, on a poll, one vote for each share held.

3.3.2 Dividends

All shareholders have a right to receive any dividends declared and paid by the Company. The directors have a discretion and may resolve to pay dividends, subject to their obligations under the Corporations Act (for example, they cannot pay dividends unless the Company's assets are sufficiently in excess of its liabilities immediately before the dividend is declared and where it may materially prejudice the Company's ability to pay its creditors).

3.3.3 General meetings and notices

Directors have the power to call meetings of all shareholders or meetings of only those shareholders who hold a particular class of shares. Except as provided by the Law, no member or members are entitled to convene a general meeting.

3.3.4 Election and removal of directors

Shareholders may vote to elect and remove directors at a general meeting by way of ordinary resolution (50%).

3.3.5 Winding-up

If the Company is wound up and there are any assets left over after all the Company's debts have been paid, the surplus is distributed to shareholders after secured and unsecured creditors of the Company.

3.3.6 Restrictions on sale and transfer

Transfer (refer sections 90 – 92 of the constitution)

Subject to the company constitution and the Law, a member's shares may be transferred by instrument in writing in the usual or common form or in any other form the Directors approve. The Directors may decline to register any transfer of shares in the Company for any reason, and the Company must give written notice of the refusal, within seven days after the transfer was lodged with the Company, to the person lodging the transfer.

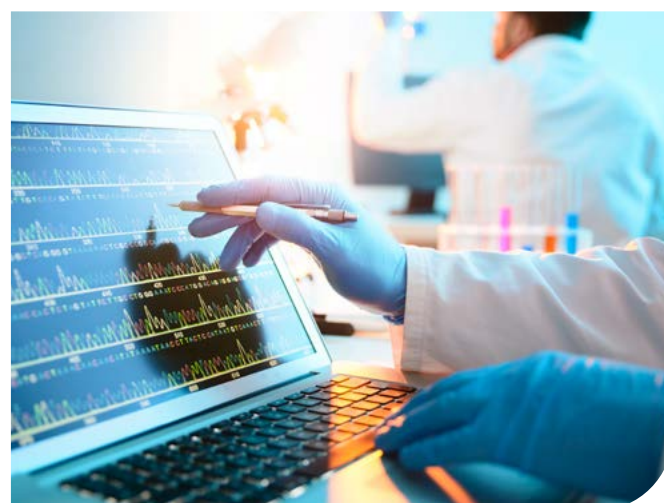
Pre-emptive transfer rights (refer section 93 of the constitution).

The Company must offer the shares to all members (except the proposing transferor) as nearly as possible in proportion to the shares the already hold in the same class.

3.3.7 Pre-emptive rights on issue of shares

Refer to section 63 of the constitution.

Before issuing shares or options in respect of shares, the Directors must offer the shares or options to be issued to the existing holders of the shares of that same class and if there are no existing shares of that class on issue, to all members. The number of shares or options to be offered in each case must be in proportion to the number of shares held by the existing holder or member as a proportion of the total number of shares already on issue in that class (if applicable) or in the Company.





3.4 What can I do with my shares?

Shares in the Company are considered illiquid as they cannot easily be transferred or sold. However, there are numerous possible circumstances that may create an opportunity for shareholders to exit their investment in the Company. These include, but are not limited to:

- A trade purchase of the Company
- A listing on a registered stock exchange (eg the ASX)
- A private equity investment in the Company
- A share buy-back by the Company

There is no guarantee that any of the exit options will eventuate.

3.5 Details of previous CSF offers

The Company has not previously made a CSF offer.



SECTION 4

Information about investor rights

4.1 Cooling-off rights

If you are a retail investor, you have the right to withdraw your application under this Offer and to be repaid your application money. If you wish to withdraw your application for any reason (including if you change your mind about investing in the Company), you must do so within five business days of making your application (**Cooling-off Period**).

You must withdraw your application via the Intermediary's platform. You will be able to withdraw your application within the Cooling-off Period by following the link and the instructions within your portfolio on the Intermediary's platform.

After your withdrawal has been processed, the Intermediary will refund the application money to your nominated account as soon as practicable.

4.2 Communication facility for the Offer

You can ask questions about the Offer on the communication facility available on the Intermediary's platform. You can also use the communication facility to communicate with other investors, with the Company and with the Intermediary about this Offer.

You will be able to post comments and questions about the Offer and see the posts of other investors on the communication facility. The Company and/or the Intermediary will also be able to respond to questions and comments posted by investors.

Officers, employees or agents of the Company, and related parties or associates of the Company or the Intermediary, may participate in the facility and must clearly disclose their relationship to the Company and/or Intermediary when making posts on the facility.

Any comments made in good faith on the communication facility are not subject to the advertising restrictions in the Corporations Act.





4.3 Proprietary company corporate governance obligations

4.3.1 Annual report

While the Company is currently a small proprietary company that is not required to prepare annual financial reports and directors' reports, if we successfully complete this Offer, then we will be required to prepare and lodge these annual reports with ASIC (within four months of the financial year end). The Company has a 30 June year end and its financial reports must be lodged by 31 October each year.

Our financial reports are currently not required to be audited as we are a small proprietary company. This means that the Company's financial reports will not be subject to auditor oversight and, therefore, there will be no independent assurance of the Company's financial statements. However,

the directors are still required to ensure that the financial statements give a true and fair view of the Company's financial position and performance and that the financial statements comply with the accounting standards.

We may be required to have our financial reports audited in the future if we raise more than \$3 million from CSF offers (including this current offer and any future offers) or otherwise become a large proprietary company.

4.3.2 Distribution of annual report

The Company is not required to notify shareholders in writing of the options to receive or access the annual report. Shareholders will not be able to elect to receive a copy of the annual report by way of email or post. However, shareholders can access the annual report on the Company's website at www.medibis.com.au (free of charge) or can purchase the report from ASIC.



4.3 Proprietary company corporate governance obligations

4.3.3 Related party transactions

If we successfully complete this Offer, the rules on related party transactions in Chapter 2E of the Corporations Act will apply to the Company (for so long as we continue to have CSF shareholders). This means that the Company is required to obtain shareholder approval before giving financial benefits to related parties of the company (e.g. directors and their spouses, children or parents), subject to certain exceptions (such as reasonable remuneration provided to directors).



4.3.4 Takeovers

If we successfully complete this Offer and have more than 50 shareholders, the takeover rules in the Corporations Act will only apply to the Company in a very limited way. If someone wants to buy more than 20% of the voting shares in the Company, they will be able to do so without complying with the takeover rules. This means a person may be able to get control of the Company without making a formal takeover bid to all shareholders or without seeking shareholder approval.

Shareholders will not have the benefit of the full protections under the takeover rules, which means you may not have the right to vote on or participate in a change of control of the company. However, the general principles of ensuring shareholders have sufficient information and time to consider a change of control, and all have a reasonable and equal opportunity to participate in any benefits, will apply to the Company. In addition, the Takeovers Panel has jurisdiction to hear disputes relating to control of the Company.

4.4 Company updates

The Company will provide regular updates to investors on the Company's website at www.medibis.com.au.



Glossary

Company means Medibis Holdings Pty Ltd ACN 634697162.

Cooling-off Period means the period ending five business days after an application is made under this Offer, during which an investor has a right to withdraw their application and be repaid their application money.

CSF means crowd-sourced funding under Part 6D.3A of the Corporations Act.

Intermediary means Birchal Financial Services Pty Ltd AFSL 502618.

Maximum Subscription means the amount specified in this CSF offer document as the maximum amount sought to be raised by the Offer.

Minimum Subscription means the amount specified in this CSF offer document as the minimum amount sought to be raised by the Offer.

Offer means an offer of fully-paid ordinary shares by the Company under this CSF offer document.

Retail investor has the meaning given to the term "retail client" under the Corporations Act.

