



ASX Announcement | 21 December 2020
Althea Group Holdings (ASX:AGH)

Share Purchase Plan offer document

21 December 2020: Attached is the offer document for the Share Purchase Plan (SPP) for Althea Group Holdings Limited (ASX:AGH).

The offer to participate in the SPP is made to Australian and New Zealand registered shareholders (including Custodians) who held shares at 7pm (AEDT) on 14 December 2020.

The SPP opens on 21 December 2020 and closes at 5:00pm (AEDT) on 15 January 2021.

-ENDS-

Authorised by: Robert Meissner, Company Secretary

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Althea Group Holdings Limited (ASX:AGH)

Althea Group Holdings Ltd (ASX:AGH) is a global pharmaceutical company and supplier of medicinal cannabis. Althea also offers a range of education, access and management services to support eligible patients and healthcare professionals in navigating medicinal cannabis treatment pathways.

Althea currently operates within highly regulated medicinal cannabis markets including Australia, United Kingdom and Germany, with plans to expand the brand into emerging markets across the world.

To learn more, please visit: www.althea.life

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21 December 2020

Dear Shareholder

INVITATION TO PARTICIPATE IN 2020 SHARE PURCHASE PLAN

The Company is pleased to offer Eligible Shareholders the opportunity to participate in the Company's share purchase plan (**Offer**). The Offer will give Eligible Shareholders the opportunity to apply for up to A\$30,000 worth of New Shares at an issue price of A\$0.44 for each New Share (**Issue Price**) without incurring brokerage or other transaction costs.

The Issue Price represents a discount of 10.2% to the closing price of Shares on ASX on 10 December 2020 (being the date on which the Company's shares went into a trading halt) and a discount of 20.2% to the 5-day volume weighted average market price of Shares to that date.

On 15 December 2020, the Company announced the Offer and a placement of new ordinary shares to investors in Australia to raise A\$6 million (**Placement**). The Company intends to use the proceeds of the Placement and Offer to fund a range of core business strategies and directives, including sales and marketing initiatives, increase in inventory, further development of the Althea ConciergeTM platform and the Company's research and development program. Shareholders may wish to refer to the Company's announcement dated 15 December 2020 for further details of the Placement, available from www.asx.com.au or <https://althea.life/investor-centre/asx-announcements>.

The Company intends to raise the full A\$3 million from the Offer. However, the Company reserves absolute discretion regarding the final amount raised under the Offer. The Company reserves the right to close the Offer early and scale back applications in its absolute and sole discretion.

Participation in the Offer is optional. The issue of New Shares is expected to take place on or around 27 January 2021.

Participation and important dates in relation to the Offer

The Offer is offered exclusively to all Eligible Shareholders (including Custodians), being registered holders of Shares as at 7.00pm (AEDT) on 14 December 2020 (**Record Date**) with a registered address in Australia and New Zealand, and not resident or located in the United States or any other jurisdiction in or into which an offer of New Shares would be unlawful, who meet certain other conditions as expressly prescribed in the Terms & Conditions (**Eligible Shareholders**).

The Offer opens on 21 December 2020 and closes at 5:00pm (AEDT) on 15 January 2021.

The Directors reserve their right, subject to the Corporations Act and the ASX Listing Rules, to vary the closing date without prior notice, including closing the Offer early. Accordingly, the Directors encourage any Eligible Shareholders (including Custodians) wishing to participate in the Offer to lodge their Application Forms and/or remit their Application Monies **as soon as possible**. If the closing date is varied, subsequent dates may also be varied accordingly.

Subject to ASX Listing Rule 10.12 (Exception 4) being satisfied at the date of the issue of the New Shares, Directors who are Eligible Shareholders may participate in the Offer (without having to obtain prior Shareholder approval) on the same terms as all other Eligible Shareholders. Directors may apply to subscribe for up to the maximum number of New Shares permitted by the Terms & Conditions.

Offer

The Offer provides Eligible Shareholders with an opportunity to acquire a parcel of New Shares in the Company. Shareholders may apply for New Shares in the following amounts:

Parcel	Subscription Amount (A\$)	Number of Shares	Parcel	Subscription Amount (A\$)	Number of Shares
Parcel A	30,000	68,182	Parcel I	14,000	31,818
Parcel B	28,000	63,636	Parcel J	12,000	27,273
Parcel C	26,000	59,091	Parcel K	10,000	22,727
Parcel D	24,000	54,245	Parcel L	8,000	18,182
Parcel E	22,000	50,000	Parcel M	6,000	13,636
Parcel F	20,000	45,455	Parcel N	4,000	9,091
Parcel G	18,000	40,909	Parcel O	2,000	4,545
Parcel H	16,000	36,364			

The Company will not issue any fraction of New Shares. Eligible Shareholders applying for New Shares must pay all Application Monies in Australian dollars.

In its absolute and sole discretion, the Company reserves the right to issue more New Shares than initially announced (subject to compliance with ASX Listing Rules and the Corporations Act). The Company also reserves its right to issue fewer New Shares than an Eligible Shareholder applies for under the Offer or none at all and its right to scale back applications in such manner as the Directors see fit. Any determination by the Directors in respect of any scaling back or refusal of any application will be final. If a scale back occurs or the Company refuses an application, the Company will refund any excess Application Monies to the relevant Eligible Shareholders in full (in A\$ and without interest).

The Offer is not underwritten.

Pricing

The Issue Price of each New Share is A\$0.44, which is the same price as shares issued pursuant to the Placement.

The market price of the Shares may rise or fall between the date of this document and the date that the Company issues New Shares to you under the Offer. This means that the price at which the Company issues New Shares to you may be greater or less than the prevailing market price of the Shares at the date of this document. Further, the Issue Price may exceed the price at which you would be able to buy Shares on the market at the same time that the Company issues New Shares to you under the Offer. We recommend that you seek financial advice from a suitably qualified adviser before you decide to participate in the Offer.

Shareholder approval

The Company will issue the New Shares pursuant to ASX Listing Rule 7.2 (Exception 5). Accordingly, Shareholder approval is not required for the issue of the New Shares under the Offer.

If required, the Company may scale back applications in such manner as the Directors see fit.

Application procedure

To apply for New Shares under the Offer, Eligible Shareholders may either:

- pay directly via BPAY® on the internet or by phone banking (for Shareholders with an eligible Australian bank account only); or
- complete and return their enclosed Application Form in accordance with the details on the form, together with a cheque, bank draft or money order drawn on an Australian bank in Australian dollars.

The Share Registry must receive your Application Form or the Company must receive your BPAY® payment by no later than 5:00pm (AEDT) on 15 January 2021.

Terms & Conditions

Full details of the Offer are outlined in the attached Terms & Conditions. Before you decide whether to participate in the Offer, please read the Terms & Conditions carefully, as you will be bound by them.

If you have any questions in respect of the Offer, please contact Althea's Share Registry on 1300 850 505 (within Australia) or +61 (03) 9415 4000 (outside Australia) at any time from 8:30am to 5:00pm, Monday to Friday (excluding public holidays) during the Offer period.

On behalf of the board of directors, I would like to thank you for your continued support of the Company.

Yours faithfully

Joshua Fegan
CEO & Managing Director
Althea Group Holdings Limited

SHARE PURCHASE PLAN

IMPORTANT NOTICES

General

This document is dated 21 December 2020.

This document is not a prospectus and has not been lodged with ASIC. Accordingly, this document does not contain all the information that an investor would find in a prospectus or that may be required in order to make an informed investment decision regarding whether or not to invest in the New Shares offered by this document.

This document is important and requires your immediate attention. It should be read in its entirety. If you do not understand or are in doubt about the contents of this document, or the action you should take, you should consult your financial or other professional adviser without delay.

The market price of Shares may rise or fall between the date of this document and the date the Company issues New Shares to you. This means that up to or after the date on which the Company issues New Shares to you, you may be able to buy Shares on the market at a lower price than the Issue Price. The Company and its Directors do not offer any recommendation or advice regarding participation in the Offer.

This document does not, and is not intended to, constitute an Offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an Offer or to issue this document. No action has been taken to permit the Offer in any jurisdiction other than Australia and New Zealand to the extent set out in this document.

The distribution of this document in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons who come into possession of this document should observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any other jurisdiction.

In particular, this document may not be distributed in the United States. The New Shares have not been, and will not be, registered under the US Securities Act 1933 (the **US Securities Act**) or the securities laws of any state or other jurisdiction of the United States. The New Shares may not be offered, sold or otherwise transferred in the United States except in a transaction exempt from, or not subject to, the registration of the US Securities Act and the applicable laws of any state or other jurisdiction in the United States. The New Shares will not be offered to sold, directly or indirectly, to any person in the United States.

Application will be made for the New Shares to be quoted on ASX. The New Shares have not been and will not be registered under any other applicable securities laws and they may not, subject to certain exceptions, be offered or sold directly or indirectly in any jurisdiction outside Australia and New Zealand and as provided below.

No Recommendation

The information in this document is not a recommendation to accept the Offer and does not constitute financial advice. Eligible Shareholders should therefore conduct their own investigations, assessment and analysis of the Company and its operations and prospects and must base their investment decision solely on those investigations and that assessment and analysis.

If, after reading this document, Eligible Shareholders have any questions regarding the Offer, they should contact their financial or other professional adviser before deciding whether to accept the Offer.

Capitalised terms in this document are defined in the Glossary.

KEY DATES*

Details	Date
Record Date The date on which the Company determines Eligible Shareholders	7:00pm (AEDT) on 14 December 2020
Dispatch Date The date on which this document and the Application Forms are dispatched to Eligible Shareholders	21 December 2020
Opening Date The date on which the Offer opens	21 December 2020
Closing Date The date on which the Offer closes Applications and payments must be received by this date	5:00pm (AEDT) on 15 January 2021
Announcement of SPP results	20 January 2021
Issue Date The date New Shares are intended to be issued	27 January 2021
Quotation of New Shares on ASX	1 February 2021

*The above dates are indicative only and, subject to compliance with applicable law, may be changed at the Company's discretion. Any changes will be advised to shareholders.

TERMS & CONDITIONS

The following are the terms and conditions of the Offer. By accepting the Offer, you agree to be bound by these Terms & Conditions and the constitution of the Company.

1. ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547

The Offer is offered in compliance with *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (ASIC Instrument 2019/547)*. ASIC Instrument 2019/547 provides relief from the requirement for the Company to provide a prospectus when offering shares to existing shareholders of a company pursuant to a share purchase plan.

2. Opening Date and Closing Date of the Offer

The Offer opens on 21 December 2020 (**Opening Date**).

The Offer closes at 5:00pm (AEDT) on 15 January 2021 (**Closing Date**).

The Directors reserve their right, subject to the Corporations Act and the ASX Listing Rules, to vary the Closing Date without prior notice including closing the Offer early. Accordingly, the Directors encourage any Eligible Shareholders (including Custodians) wishing to participate in the Offer to lodge their Application Forms and/or remit their Application Monies as soon as possible. If the Closing Date is varied, subsequent dates may also be varied accordingly.

3. Who is eligible to participate in the Offer?

You are eligible to apply for New Shares under the Offer if you were registered as a holder of Shares as at the Record Date on the Register and if your registered address, as recorded in the Register, is in Australia or New Zealand and you are not resident or located in the United States or any other jurisdiction in or into which an offer of New Shares would be unlawful.

The Offer to each Eligible Shareholder is made on the same terms and conditions.

Your rights under the Offer are personal to you and the Offer is non-renounceable (i.e. you may not transfer your right to subscribe for New Shares to anyone else).

4. Shareholder approval

The Company will issue the New Shares under ASX Listing Rule 7.2 (Exception 5). Accordingly, Shareholder approval is not required for the issue of the New Shares pursuant to the Offer.

If required, the Company will scale back applications in such manner as the Directors see fit.

5. Voluntary participation

The Offer is entirely voluntary and is subject to the Terms & Conditions. You are not obliged to participate in the Offer.

6. Issue Price

The Issue Price of each New Share will be A\$0.44, which is the same price as shares issued pursuant to the Placement. The Issue Price represents a discount of 10.2% to the closing price of Shares on ASX immediately prior to 11 December 2020 (being the date on which the Company's shares went into a trading halt).

7. Important information on price risk to consider

Before deciding whether to accept the Offer, you should refer to the current market price of the Shares, which can be obtained from the financial pages of most major daily newspapers, your stockbroker, your financial adviser, or ASX.

Subscription for New Shares is a speculative investment and the market price may change between the date you apply for New Shares and the issue of New Shares to you. Accordingly, the value of New Shares applied for is likely to rise or fall. Importantly, there is a risk that during the period between when the Issue Price is determined and when the New Shares are issued to you, the price at which Shares are traded on ASX may be less than the Issue Price. You must rely on your own knowledge of the Company and previous disclosures made by the Company to ASX (including disclosure regarding risks of making an investment in the Company). ***In determining whether you wish to participate in the Offer and the extent to which you participate, you should seek your own personal financial and/or taxation advice referable to your personal circumstances.***

8. How much can you invest in the Offer?

Subject to paragraph 11, if you are an Eligible Shareholder, you may subscribe for a maximum of \$30,000 worth of New Shares.

There is a minimum amount for which you may subscribe under the Offer which is \$2,000 worth of New Shares.

The following parcels of New Shares are available under the Offer:

Parcel	Subscription Amount (A\$)	Number of Shares	Parcel	Subscription Amount (A\$)	Number of Shares
Parcel A	30,000	68,182	Parcel I	14,000	31,818
Parcel B	28,000	63,636	Parcel J	12,000	27,273
Parcel C	26,000	59,091	Parcel K	10,000	22,727
Parcel D	24,000	54,245	Parcel L	8,000	18,182
Parcel E	22,000	50,000	Parcel M	6,000	13,636
Parcel F	20,000	45,455	Parcel N	4,000	9,091
Parcel G	18,000	40,909	Parcel O	2,000	4,545
Parcel H	16,000	36,364			

The maximum limit of \$30,000 worth of New Shares applies to you even if you receive more than one Offer. For example, if as at the Record Date, you are both a sole and a joint Shareholder, you can only apply for New Shares once, either in your capacity as sole Shareholder or joint Shareholder, not both.

The Company will not issue any fraction of New Shares. Eligible Shareholders applying for New Shares must pay all Application Monies in Australian dollars.

No brokerage, stamp duty or other costs are payable by applicants in respect of an application for New Shares.

9. Offer discretion

The Company intends to raise up to \$3 million by the issue of New Shares. However, if total demand for the offer exceeds \$3 million, the Directors may in their absolute discretion, increase the Offer, or undertake a scale back to the extent and in the manner they see fit.

If there is a scale back, you may not receive all the New Shares for which you have applied. If a scale back produces a fractional number when applied to the number of New Shares for which you have applied, the number of New Shares issued to you will be rounded down to the nearest whole number of New Shares.

If there is a scale back, the difference between the Application Monies received from you, and the number of New Shares issued to you multiplied by the Issue Price, will be refunded to you in full (in A\$ and without interest and at your sole risk).

The Directors reserve their right (in their absolute discretion) to refuse an Application Form (in whole or in part) if they consider that:

- (a) it is reasonable and prudent to do so;
- (b) the applicant is not an Eligible Shareholder;
- (c) the issue of those New Shares may contravene any applicable law, rule or regulation in any jurisdiction (including without limitation the Corporations Act or the ASX Listing Rules) or the requirements of any regulatory or governmental body or may require further action to be taken by the Company including, without limitation, registration of Shares or the preparation of a prospectus in any jurisdiction; or
- (d) the applicant has not otherwise complied with the Terms & Conditions.

If an Application Form is refused in whole or in part, the Application Monies will be returned to the applicant in full (without interest and at the applicant's sole risk).

All Directors' decisions in connection with a scale back or refusal of an application are final.

10. Shortfall

The Offer is not underwritten.

Subject to the ASX Listing Rules, the Directors reserve their right to place any shortfall under the Offer at their absolute discretion at a price not less than the Issue Price.

11. Custodian certification

If on the Record Date you are a Custodian and hold Shares on behalf of one or more persons each of whom is an Eligible Shareholder in Australia or New Zealand (each, a **Participating Beneficiary**), the Offer is made to you and you have the discretion whether to extend the Offer to the Participating Beneficiaries. You may apply up to a maximum of \$30,000 worth of New Shares for each Participating Beneficiary.

The Company can only issue to a Custodian Shares up to the value of \$30,000 in a 12-month period unless the Custodian certifies in writing (**Custodian Certificate**):

- (a) either or both of the following:
 - (i) that the Custodian holds Shares on behalf of one or more Participating Beneficiaries that are not Custodians; and
 - (ii) that another Custodian (**Downstream Custodian**) holds beneficial interests in Shares on behalf of one or more Participating Beneficiaries, and the Custodian holds the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian,

on the Record Date and that each Participating Beneficiary has subsequently instructed the following persons:

- (iii) where paragraph 11(a)(i) applies – the Custodian; and
- (iv) where paragraph 11(a)(ii) applies – the Downstream Custodian,
to apply for New Shares on their behalf under the Offer;
- (b) the number of Participating Beneficiaries;
- (c) the name and address of each Participating Beneficiary;
- (d) in respect of each Participating Beneficiary:
 - (i) where paragraph 11(a)(i) applies, the number of Shares that the Custodian holds on their behalf; and
 - (ii) where paragraph 11(a)(ii) applies, the number of Shares to which the beneficial interests relate;
- (e) in respect of each Participating Beneficiary:
 - (i) where paragraph 11(a)(i) applies, the number or the dollar amount of New Shares they instructed the Custodian to apply for on their behalf; and
 - (ii) where paragraph 11(a)(ii) applies, the number or the dollar amount of New Shares they instructed the Downstream Custodian to apply for on their behalf;
- (f) there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds \$30,000:
 - (i) the New Shares applied for by the Custodian on their behalf under the Offer in accordance with the instructions in paragraph 11(e); and
 - (ii) any other Shares issued to the Custodian in the 12 months before the application under the Offer as a result of an instruction given by them to the Custodian or Downstream Custodian to apply for Shares on their behalf under an arrangement similar to the Offer;
- (g) that a copy of this document was given to each Participating Beneficiary; and
- (h) where paragraph 11(a)(ii) applies, the name and address of each Custodian who holds beneficial interests in the Shares held by the Custodian in relation to each Participating Beneficiary.

In providing a Custodian Certificate under this paragraph 11, the Custodian may rely on information provided to it by the Participating Beneficiary and any Custodian who holds beneficial interests in the Shares held by the Custodian.

If the Company is not satisfied with the Custodian Certificate (for whatever reason), the Company will not issue any New Shares to the Custodian on behalf of the relevant Participating Beneficiaries.

If you require a Custodian Certificate or require further information about the Custodian application process, you should contact the Share Registry.

If you hold Shares as a trustee or nominee for another person, but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings set out in paragraph 8 apply.

12. Effect of making an application and Shareholder certification

Subject to paragraph 11 above, if you submit a BPAY® payment (such payment to be made by using the specific Biller Code and unique Customer Reference Number (**CRN**) shown on your Application Form) or complete and return an Application Form together with a cheque, bank draft or money order (as applicable), you:

- (a) will be deemed to have warranted and represented that you are an Eligible Shareholder and are eligible to participate in the Offer;
- (b) irrevocably and unconditionally agree to the Terms & Conditions and the terms of the Application Form;
- (c) acknowledge that your application will be irrevocable and unconditional;
- (d) certify and represent to the Company that you have not applied for more than \$30,000 worth of New Shares;
- (e) certify that the total of the application price for the following does not exceed \$30,000 (irrespective of whether you may have received more than one Offer or received Offers in more than one capacity):
 - (i) the New Shares the subject of your application under the Offer;
 - (ii) any other New Shares issued to you under the Offer or any other Shares issued to you under any similar arrangement in the 12 months before the application under the Offer (excluding Shares applied for but not issued);
 - (iii) any other New Shares which you have instructed a Custodian to acquire on your behalf under the Offer; and
 - (iv) any other Shares issued to a Custodian under an arrangement similar to the Offer in the 12 months before the application under the Offer as a result of an instruction you have given to a Custodian;
- (f) agree to be bound by the Company's constitution; and
- (g) will be deemed to have made the following declarations and representations:
 - (i) you acknowledge that the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions of the United States, or in any other jurisdiction outside Australia and New Zealand and, accordingly the New Shares may not be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction in the United States;
 - (ii) you are purchasing New Shares outside the United States in an "offshore transaction" (as defined in Rule 902(h) under the US Securities Act);
 - (iii) you represent and warrant that you are not in the United States and are not acting for the account or benefit of a person in the United States;
 - (iv) you agree not to send this document, the Application Form or any other material relating to the Offer to any person in the United States;
 - (v) you agree that if in the future you decide to sell or otherwise transfer the New Shares you will only do so in "regular way" transactions on ASX where neither you nor any

person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, in the United States; and

- (vi) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Application Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent and will not send, this document, the Application Form or any information related to the Offer to any such person.

13. Transaction costs

The only cost associated with the Offer is the Issue Price for the number of New Shares for which you wish to subscribe. You do not have to pay for brokerage, commission or other transaction costs which would normally apply when you acquire Shares on market.

14. Issue of New Shares and variation on number of New Shares issued

The New Shares will be issued on the Issue Date.

The Share Registry will send to you a holding statement in due course following the Issue Date.

If an Application Form is refused in whole or in part, the Application Monies will be returned to the applicant in full without interest and the applicant's sole risk.

15. What rights will the New Shares carry?

Once the New Shares are issued, they will rank equally with existing Shares and will carry the same voting rights, dividend rights and other entitlements.

16. Can the Company change, suspend or terminate the Offer?

The Company may at any time change, suspend or terminate the Offer. If the Company changes, suspends or terminates the Offer it will advise shareholders. The accidental omission to give notice of changes to or suspension or termination of the Offer or the non-receipt of any such notice will not invalidate the change, suspension or termination.

17. Directors' participation

Subject to ASX Listing Rule 10.12 (Exception 4) being satisfied at the date of the issue of the New Shares, Directors who are Eligible Shareholders may (without having to obtain prior Shareholder approval), participate in the Offer, on the same terms as all other Eligible Shareholders.

18. How do you pay for the New Shares?

All amounts in the Offer are expressed in Australian dollars. You must pay for the New Shares either by:

- (a) BPAY^{®1} payment via internet or phone banking. Payment must be made using the specific Biller Code and unique Customer Reference Number (**CRN**) shown on your Application Form. If you use this method, you should be aware of your financial institution's cut-off time for electronic payments. It is your responsibility to ensure funds are submitted correctly by the Closing Date; or
- (b) cheque, bank draft or money order in Australian dollars. Please make your cheque, bank draft or money order payable to "**Althea Group Holdings Limited**" and ensure that cheques are crossed "**Not Negotiable**".

¹Registered to BPAY Pty Limited ABN 69 079 137 518.

19. Please provide a cheque, bank draft or money order for the exact amount

If you have not elected to pay by BPAY® and you do not provide the exact amount, the Company reserves its right to return your Application Form and cheque, bank draft or money order. If the Company returns your Application Form and cheque, bank draft or money order, no New Shares will be issued to you.

If you make a BPAY® payment and do not provide the exact amount, you will, subject to the Terms & Conditions, be deemed to have applied for such New Shares for which you have paid.

20. Dispute resolution

The Company may settle any dispute in connection with the Offer in any manner it thinks fit, whether generally or in relation to any participant, application or Share. The Company's decision will be final and binding.

The Company reserves its right to waive strict compliance with any provision of the Terms & Conditions.

21. Quotation and registration of your Shares

The Company will apply for the New Shares issued to you to be quoted on ASX within the relevant period required by the ASX Listing Rules.

If you hold shares via the ASX, the Company participates in CHESS. Under CHESS, you will not receive a share certificate but will receive a statement of your holding of Shares. The CHESS statement will prescribe the number of New Shares issued pursuant to the Offer, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the New Shares.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

If you are registered on the Issuer Sponsored Subregister, the Share Registry will dispatch your statement, which will contain the number of New Shares issued to you under the Offer and your security holder reference number.

22. Privacy

By receiving completed Application Forms, the Company collects personal information about Shareholders. The Company will use this information for the purposes of processing the Application Form and updating the records of the Company. To the extent restricted by law, the Company will not disclose personal information about a Shareholder to a third party. To the extent permitted by law, Shareholders are able to access, upon request, personal information about them by the Company.

23. Governing law and jurisdiction

These Terms & Conditions are governed by the laws in force in Victoria, Australia. Any dispute arising out of or in connection with these Terms & Conditions, or the offer of New Shares, will be determined by the courts of Victoria, Australia. By accepting this offer, you agree to submit to the non-exclusive jurisdiction of the courts in Victoria, Australia.

GLOSSARY

A\$ or \$ means Australian dollars.

Application Form means the application form accompanying this document.

Application Monies means monies paid by Eligible Shareholders in respect of New Shares the subject of an application pursuant to the Offer.

ASIC means the Australian Securities and Investments Commission.

ASIC Instrument 2019/547 means *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* issued by ASIC (as amended from time to time).

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the official listing rules of ASX (as amended from time to time).

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Closing Date has the meaning given in paragraph 2 of the Terms & Conditions.

Company means Althea Group Holdings Limited ACN 626 966 943.

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

Custodian has the meaning given in the ASIC Instrument 2019/547, being a person that provides a custodial or depository service in relation to shares of a body or interests in a registered scheme and who:

- (a) holds an Australian financial services licence covering the provision of a custodial or depository service;
- (b) is exempt from the requirement to hold an Australian financial services licence covering the provision of a custodial or depository service;
- (c) holds an Australian financial services licence covering the operation of an IDPS or is a responsible entity of an IDPS-like scheme;
- (d) is a trustee of a self-managed superannuation fund or a superannuation master trust; or
- (e) is a registered holder of shares or interests in the class and is noted on the register of members of the body or scheme as holding the shares or interests on account of another person.

Custodian Certificate has the meaning given to that term in paragraph 11 of the Terms & Conditions.

Directors means the directors of the Company from time to time.

Downstream Custodian has the meaning given to that term in paragraph 11 of the Terms & Conditions.

Eligible Shareholder has the meaning given in the Letter.

Issue Date means the date on which New Shares will be issued, which as at the date of this document is expected to be 27 January 2021.

Issue Price has the meaning given in the Letter.

Issuer Sponsored Subregister means that part of the register for a class of the Company's securities for which CHESS approval has been given in accordance with the operating rules of ASX Settlement that is administered by the Company (and not by ASX Settlement) and that records uncertificated holdings of securities.

Letter means the letter addressed to Shareholders from the Company, dated 21 December 2020, which forms part of this document.

New Shares means the Shares to be issued to Eligible Shareholders who accept the Offer.

Offer has the meaning given in the Letter.

Opening Date has the meaning given in paragraph 2 of the Terms & Conditions.

Participating Beneficiary has the meaning given to that term in paragraph 11 of the Terms & Conditions.

Placement has the meaning given in the Letter.

Record Date has the meaning given in the Letter.

Register means the share register maintained by or on behalf of the Company.

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

Share Registry means Computershare Investor Services Pty Ltd.

Shareholder means a registered holder of Shares.

Terms & Conditions means the terms and conditions of the Offer as expressly prescribed in this document.

US Securities Act has the meaning given in the 'Important Notices' section of this document.

