

RARE FOODS AUSTRALIA LIMITED
ACN 148 155 042

ENTITLEMENT ISSUE PROSPECTUS

For a pro-rata non-renounceable entitlement issue of one (1) Share for every two (2) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.03 per Share to raise up to \$3,074,240 (based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

This Offer is partially underwritten by Mr Ignazio Ricciardi to the extent of \$1,000,000 (**Underwriter**). Refer to Section 6.4.1 for details regarding the terms of the underwriting.

IMPORTANT NOTICE

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

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

IMPORTANT NOTICE

This Prospectus is dated 5 March 2024 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

Applications for Shares offered pursuant to this Prospectus can only be made by an original Entitlement and Acceptance Form or Shortfall Application Form.

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

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

No Investment Advice

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

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

Forward-looking statements

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

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

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

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

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

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

Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia, New Zealand, China, Hong Kong, Malaysia, Singapore or the United Kingdom.

For further information on overseas Shareholders please refer to Section 2.9.

Continuous disclosure obligations

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

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

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

Please refer to Section 6.2 for further details.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the

Company at www.rarefoodsaustralia.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be a resident of Australia, New Zealand, China, Hong Kong, Malaysia, Singapore or the United Kingdom and must only access this Prospectus from within Australia, New Zealand, China, Hong Kong, Malaysia, Singapore or the United Kingdom.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus, or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 6181 8888 during office hours or by emailing the Company at investors@rarefoods.com.au.

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

Company Website

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

Financial forecasts

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

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

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

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead,

investors will be provided with statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

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

Photographs and Diagrams

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

Definitions and Time

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

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

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at

the relevant contact number set out in this Prospectus.

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

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offer please call the Company Secretary on +61 8 6181 8888.

CORPORATE DIRECTORY

Directors

Peter Harold
Non-Executive Chairman

Bradley Adams
Executive Director

Ignazio Ricciardi
Non-Executive Director

Danielle Lee
Non-Executive Director

Company Secretary

Brent Stockden

Registered Office

Lot 331
Augusta Boat Harbour
Leeuwin Road
AUGUSTA WA 6290

Telephone: +61 8 6181 8888
Facsimile: +61 8 6181 8899

Email: investors@rarefoods.com.au

Website: www.rarefoodsaustralia.com.au

Auditor

BDO Audit (WA) Pty Ltd
Level 9
Mia Yellagonga Tower 2
5 Spring Street
PERTH WA 6000

Share Registry*

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

Telephone (within Australia): 1300 288 664
Telephone (outside Australia): +61 2 9698 5414
Facsimile: +61 8 9321 2337

Legal Advisers

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

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

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1. KEY OFFER INFORMATION

1.1 Timetable

Event	Date
Lodgement of Prospectus with the ASIC	Tuesday, 5 March 2024
Lodgement of Prospectus and Appendix 3B with ASX	Tuesday, 5 March 2024
Ex date	Friday, 8 March 2024
Record Date for determining Entitlements	Monday, 11 March 2024
Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	Thursday, 14 March 2024
Last day to extend the Closing Date	Monday, 25 March 2024
Closing Date as at 5:00pm	Thursday, 28 March 2024
Shares quoted on a deferred settlement basis	Tuesday, 2 April 2024
ASX and Underwriter notified of under subscriptions	Friday, 5 April 2024 (before noon Sydney time)
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Shares	Friday, 5 April 2024 (before noon Sydney time)
Quotation of Shares issued under the Offer	Friday, 5 April 2024 (before noon Sydney time)

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Shares are expected to commence trading on ASX may vary.

1.2 Key statistics of the Offer

Shares

	Minimum Subscription ¹	Maximum Subscription ²
Offer Price per Share	\$0.03	\$0.03
Entitlement Ratio (based on existing Shares)	1:2	1:2
Shares currently on issue	204,949,325	204,949,325
Shares to be issued under the Offer	50,000,000	102,474,663
Gross proceeds of the issue of Shares	\$1,500,000	\$3,074,240
Shares on issue post-Offer²	254,949,325	307,423,988

Notes:

1. Assuming the Minimum Subscription of \$1,500,000 is achieved under the Offer.

2. Assuming the Maximum Subscription of \$3,074,240 is achieved under the Offer.
3. Refer to Section 4.1 for the terms of the Shares.

1.3 Key Risk Factors

Prospective investors should be aware that subscribing for Shares involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of the Shares may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 5.

1.4 Directors' Interests in Securities

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below:

Director	Shares	Options	Performance Rights	Share Entitlement	\$
Peter Harold ¹	479,428	1,000,000	Nil	239,714	\$7,191
Bradley Adams ²	2,161,292	Nil	2,058,558	1,080,646	\$32,419
Ignazio Ricciardi ³	21,122,107	Nil	Nil	10,561,054	\$316,832
Danielle Lee ⁴	172,414	1,000,000	Nil	86,207	\$2,586

Notes:

1. Comprising:
 - (a) 344,428 Shares indirectly held by Winton Vale Pty Ltd <Harold Super Fund A/C> OR Springway Investments Pty Ltd <Allnut Ventures A/C>, an entity controlled by Mr Harold;
 - (b) 135,000 Shares held indirectly by Springway Investments Pty Ltd <Allnut Ventures A/C>, an entity controlled by Mr Harold; and
 - (c) 1,000,000 Options exercisable at \$0.117 on or before 26 November 2024 indirectly held by held by Springway Investments Pty Ltd <Allnut Ventures A/C>, an entity controlled by Mr Harold.
2. Comprising:
 - (a) 283,779 Shares indirectly held by Abracadabra Fishing Company Pty Ltd <Adams Family A/C>, an entity controlled by Mr Adams;
 - (b) 1,375,000 Shares indirectly held by Adams Superannuation Services Pty Ltd <The Adams Super Fund A/C>, an entity controlled by Mr Adams;
 - (c) 502,513 Shares held by Jodee Adams, a nominee and the spouse of Mr Adams; and
 - (d) 887,947 Class G Performance Rights and 887,947 Class H Performance Rights held by Jodee Adams, a nominee and the spouse of Mr Adams.
3. Comprising 21,122,107 Shares indirectly held by Mr Ignazio Peter Ricciardi + Mrs Silvana Ricciardi <IP + S Ricciardi Family A/C>.

4. Comprising:
 - (a) 172,414 Shares indirectly held by Lamps (WA) Pty Ltd <DM McGrath Family A/C>, an entity controlled by Ms Lee; and
 - (b) 1,000,000 Options exercisable at \$0.117 on or before 26 November 2024 indirectly held by Lamps (WA) Pty Ltd <DM McGrath Family A/C>, an entity controlled by Ms Lee.

As outlined in Section 1.6 below, Mr Ignazio Ricciardi has agreed to partially underwrite the Offer up to \$1,000,000 (33,333,333 Shares). Upon completion of the Offer (assuming he does not take up his Entitlement) and the satisfaction of his obligations under the Underwriting Agreement, Mr Ricciardi could obtain a maximum Shareholding of 21.36%. Mr Ignazio Ricciardi has undertaken that he will only take up his Entitlement to the extent that his shareholding in the Company would be less than 20% upon completion of the Offer. Refer to Section 6.4.1 for details regarding the terms of the Underwriting Agreement. Otherwise, Mr Ricciardi has agreed to subscribe for his Entitlement in full.

The Board recommends all Shareholders take up their Entitlements. The Directors (with the exception of Mr Ricciardi for the reason set out above) reserve the right to take up their respective Entitlement in whole or in part at their discretion.

1.5 Details of Substantial Holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Mr Ignazio Peter Ricciardi & Mrs Silvana Ricciardi	21,122,107	10.31%
UBS Nominees Pty Ltd	20,963,379	10.23%
NE & HJ Soulos Pty Ltd	10,313,422	5.03%

UBS Nominees Pty Ltd (**UBS Nominees**) has agreed to take up its full Entitlement, being 10,481,690 Shares (\$314,451) and subscribe for up to 6,184,977 Shares (\$185,549) under the Shortfall Offer. Assuming the Offer is partially underwritten by Mr Ignazio Ricciardi for the Underwritten Amount and UBS Nominees receives the total amount of Shares subscribed for under the Offer and Shortfall Offer, UBS Nominees will have a maximum potential shareholding of 14.76% upon completion of the Offer.

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

1.6 Underwriting

The Offer is partially underwritten up to the value of \$1,000,000 by Director, Mr Ignazio Ricciardi (**Underwriter**). Refer to Section 6.4 for details of the terms of the underwriting.

1.7 Effect on Control

Mr Ignazio Ricciardi is presently the Company's largest substantial holder and is a related party of the Company by virtue of being a Director. The issue of Shares under this Prospectus to Mr Ricciardi may increase Mr Ricciardi's interest in the

Company and dilute the Shareholding of other Shareholders to the extent they elect not to participate in the Offer or are ineligible to participate in the Offer.

As at the date of this Prospectus, Mr Ricciardi has a voting power of 10.31% (21,122,107 Shares).

Assuming the Company raises the Minimum Subscription and Mr Ricciardi underwrites the full Underwritten Amount (being 33,333,333 Shares), Mr Ricciardi may be issued a total of 33,333,333 Shares under the Offer equating to a maximum aggregate holding by Mr Ricciardi of 54,455,440 Shares which would result in a maximum potential shareholding of 21.36% upon completion of the Offer.

If following the underwriting, Mr Ricciardi's interest in the Company is less than 20% as a result of Eligible Shareholder participation in the Offer, Mr Ricciardi has agreed to subscribe for his Entitlement to the extent that his shareholding in the Company would be less than 20% upon completion of the Offer.

In the event that the voting power of Mr Ricciardi increases above 20% as a result of the underwriting, no breach of section 606 of the Corporations Act will occur as such subscription and issue of Shares will fall within the exception to section 606 of the Corporations Act under Item 10 of section 611 of the Corporations Act.

Mr Ricciardi's present relevant interest and maximum voting power under several scenarios are set out in the table below:

Event	Shares issued based on Event ¹	Maximum Shares to be issued under Mr Ricciardi's Entitlement	Maximum Shares to be issued pursuant to the Underwritten Amount	Total Shares held by Mr Ricciardi	Undiluted voting power of Mr Ricciardi
Prospectus Date	-	-	-	21,122,107	10.31%
100% subscribed	91,913,609	10,561,054	-	31,683,161	10.31%
75% subscribed	76,855,997	-	25,618,666	46,740,773	15.20%
50% subscribed	51,237,332	4,273,973	33,333,333	58,729,413	19.99%
25% subscribed	25,618,666	-	33,333,333	54,455,440	20.63%
Minimum Subscription	16,666,667	-	33,333,333	54,455,440	21.36%

Notes:

1. Assuming that Mr Ricciardi has not subscribed for this Entitlement under the Offer.
2. This table does not show Shares which may be allocated to Eligible Shareholders or third parties under any Shortfall. The allocation by the Board of any Shortfall Shares will be made in accordance with the Shortfall allocation policy set out at Section 2.6. To the extent that any Shortfall Shares are allocated in priority to Eligible Shareholders and other third-parties identified by the Board, the maximum voting power of Mr Ricciardi following the Offer will be reduced accordingly.

The underwriting allocation and therefore the maximum voting power of Mr Ricciardi will reduce by a corresponding number of Entitlements accepted under the Offer by Eligible Shareholders.

Refer to Section 2.6 for further details of the allocation under the Shortfall Offer.

1.8 Potential dilution on non-participating Shareholders

In addition to potential control impacts set out in Section 1.7, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 33.33% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	4.88%	5,000,000	10,000,000	3.25%
Shareholder 2	5,000,000	2.44%	2,500,000	5,000,000	1.63%
Shareholder 3	1,500,000	0.73%	750,000	1,500,000	0.49%
Shareholder 4	400,000	0.20%	200,000	400,000	0.13%
Shareholder 5	50,000	0.02%	25,000	50,000	0.02%

Notes:

1. This is based on a share capital of 204,949,325 Shares as at the date of the Prospectus and assumes no Options currently on issue or other Securities are issued including Options or Performance Rights are exercised.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

2. DETAILS OF THE OFFER

2.1 The Offer

The Offer is being made as a pro-rata non-renounceable entitlement issue of one (1) Share for every two (2) Shares held by Shareholders registered at the Record Date at an issue price of \$0.03 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming no Shares are issued prior to the Record Date including on exercise or conversion of securities on issue) approximately 102,474,663 Shares may be issued under the Offer to raise up to \$3,074,240.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offer and the intended use of funds raised are set out in Section 3.

2.2 What Eligible Shareholders may do

The number of Shares to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form which can be accessed at <https://investor.automic.com.au/#/home>. Eligible Shareholders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
Take up all of your Entitlement	<ul style="list-style-type: none">Should you wish to accept all of your Entitlement, then your application for Shares under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which can be accessed at https://investor.automic.com.au/#/home. Please read the instructions carefully.Payment can be made by the methods set out in Section 2.3. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.	Section 2.3 and Section 2.4.
Take up all of your Entitlement and also apply for Shortfall Shares	<ul style="list-style-type: none">Should you wish to accept all of your Entitlement and apply for Shortfall Shares, then your application for your Entitlement and additional Shortfall Shares under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which can be accessed at https://investor.automic.com.au/#/home. Please read the instructions carefully.Payment can be made by the methods set out in Section 2.3. Payment should be	Sections 2.3, 2.4 and 2.6.

Option	Key Considerations	For more information
	<p>made for your Entitlement and the amount of the Shortfall for which you are applying.</p> <ul style="list-style-type: none"> <li data-bbox="517 367 1203 674">• If you apply for Shortfall Shares beyond your Entitlement, you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Shares is at the Company's absolute discretion as per the allocation policy set out in Section 2.6. Accordingly, your application for additional Shortfall Shares may be scaled-back. <li data-bbox="517 689 1203 790">• The Company's decision on the number of Shortfall Shares to be allocated to you will be final. 	
Take up a proportion of your Entitlement and allow the balance to lapse	<ul style="list-style-type: none"> <li data-bbox="517 815 1203 1256">• If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which can be accessed at https://investor.automic.com.au/#/home for the number of Shares you wish to take up and making payment using the methods set out in Section 2.3 below. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form. 	Section 2.3 and Section 2.4
Allow all or part of your Entitlement to lapse	<ul style="list-style-type: none"> <li data-bbox="517 1281 1203 1447">• If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Offer to you will lapse. 	N/A

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

2.3 Payment options

(a) **By BPAY®**

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Shares (if any) under the Shortfall Offer, to the extent of the excess.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 28 March 2024 (WST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

Guidance where you have more than one CRN (Shareholding of Shares)

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. **Do not use the same CRN for more than one of your Shareholdings.** This can result in your Application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any Application in respect of your remaining Shareholdings will not be valid).

(b) **By Electronic Funds Transfer (overseas applicants)**

For payment by Electronic Funds Transfer (**EFT**) for overseas Eligible Shareholders, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;

- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Shares (if any) under the Shortfall Offer, to the extent of the excess.

(c) **By Cheque**

Payment by cheque or cash will not be accepted.

2.4 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® or EFT will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® or EFT payment instruction is given in relation to any Application monies, the application may not be varied or withdrawn except as required by law.

If an Entitlement and Acceptance Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Entitlement and Acceptance Form to be valid. The Company's decision to treat an application as valid or invalid, or how to construe, amend or complete it, will be final.

2.5 Minimum subscription

The minimum subscription in respect of the Offer is \$1,500,000.

No Shares will be issued until the minimum subscription has been received. If the minimum subscription is not achieved within 4 months after the date of issue of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their Application monies.

2.6 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer. (**Shortfall Shares**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date, at the Directors' discretion. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.03, being the price at which Shares have been offered under the Offer. If you do not wish to take up any part of your Entitlement, you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Offer and potentially be allocated to other Eligible Shareholders or other third parties as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of Shares proposed to be issued under the Offer.

Eligible Shareholders who wish to subscribe for Shares above their Entitlement are invited to apply for Shortfall Shares under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Shares in accordance with Section 2.3

Allocation of the Shortfall Shares will be at the discretion of the Board. The Board will exercise its discretion with a view to minimising the control effect of the Offer by first allocating any Shortfall Shares to Eligible Shareholders applying above their Entitlement and unrelated third parties, ahead of allocating Shares to any related parties, including the Underwriter.

If the Offer is oversubscribed (by take up of Entitlements and applications for Shortfall Shares by Eligible Shareholders), scale back will be applied to applications under the Shortfall Offer on a pro-rata basis to the respective shareholdings of Eligible Shareholders. There is no guarantee that Eligible Shareholders will receive Shares applied for under the Shortfall Offer.

The Company notes that no Shares will be issued to an applicant under this Prospectus or via the Shortfall Offer if the issue of Securities would contravene the takeover prohibition in section 606 of the Corporations Act. Similarly, no Shares will be issued via the Shortfall Offer to any related parties of the Company.

2.7 ASX listing

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

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

2.8 Issue of Shares

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.

Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made surplus Application monies will be refunded via EFT only, without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all Application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Shares issued under the Offer will be mailed as soon as practicable after the issue of Shares and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

2.9 Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia, New Zealand, China, Hong Kong, Malaysia, Singapore or the United Kingdom.

New Zealand

The Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

China

The information in this document does not constitute a public offer of the Shares, whether by way of sale or subscription, in the People's Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). The Shares may not be offered or sold directly or indirectly in the PRC to legal or natural persons other than directly to "qualified domestic institutional investors".

Hong Kong

WARNING: The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Malaysia

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to the offer of Shares. The Shares under the Offer may not be offered, sold or issued in Malaysia except to existing shareholders of the Company. Any Shares not taken up under the Offer may not be offered, sold or issued in Malaysia except pursuant to, and to persons prescribed under, pursuant to Part I of Schedule 6 and Schedule 7 of the Malaysian Capital Markets and Services Act.

Singapore

This document and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document relating to the Shares may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's shares. If you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

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

United Kingdom

Neither this document nor any other document relating to the Offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the Shares.

The Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to fewer than 150 persons who are existing shareholders of the Company. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

Nominees and custodians

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia and New without the prior

consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose of the offer

The purpose of the Offer is to raise up to \$3,074,240 before costs.

The funds raised from the Offer are intended to be applied in accordance with the table set out below:

Item	Proceeds of the Offer	Minimum Subscription (\$)	Maximum Subscription (\$)	%
1.	Repayment of debt	\$701,020	\$1,455,000	47.33%
2.	Developing live abalone product delivery	\$72,270	\$150,000	4.88%
3.	Branding and marketing the Winereef trial	\$216,810	\$450,000	14.64%
4.	Increasing Ocean Signature production	\$216,810	\$450,000	14.64%
5.	Working capital	\$252,526	\$524,130	17.05%
6.	Expenses of the Offer ¹	\$40,564	\$45,110	1.47%
	Total	\$1,500,000	\$3,074,240	100%

Notes:

1. Refer to Section 6.8 for further details relating to the estimated expenses of the Offer.

If less than the Maximum Subscription is raised, the Company will first reduce corporate costs and working capital before scaling back the funds allocated to items 1 to 4 on a pro rata basis.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives. In the event the Offer is not fully subscribed, operational objectives are likely to be modified, which may result in delay or substantial changes to the Company's future plans.

In addition, it should be noted that the Company's budgets and forecasts will be subject to modification on an ongoing basis depending on the results achieved from its business activities and operations.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

3.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted, and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, will be to:

- (a) increase the cash reserves by \$3,029,130 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer; and
- (b) increase the number of Shares on issue from 204,949,325 as at the date of this Prospectus to 307,423,988 Shares.

3.3 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted, and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, is set out below.

Shares

	Number
Shares currently on issue	204,949,325
Shares offered pursuant to the Offer	102,474,663
Total Shares on issue after completion of the Offer¹	307,423,988

Notes:

1. Refer to Section 4.1 for the terms of the Shares.

Options

	Number
Options currently on issue ¹	2,000,000
Total Options on issue as at the date of this Prospectus	2,000,000
Options to be issued pursuant to the Offer	Nil
Total Options on issue after completion of the Offer	2,000,000

Notes:

1. Unquoted Options exercisable at \$0.117 on or before 26 November 2024.

Performance Rights

	Number
Performance Rights currently on issue	8,089,019
Performance Rights offered pursuant to the Offer	Nil
Total Performance Rights on issue after completion of the Offer	8,089,019

The capital structure on a fully diluted basis as at the date of this Prospectus would be 215,038,344 Shares and on completion of the Offer (assuming all Entitlements are accepted, and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date) would be 317,513,007 Shares.

No Shares, Options or Performance Rights on issue are subject to escrow restrictions, either voluntary or ASX imposed.

3.4 Pro-forma balance sheet

The auditor reviewed balance sheet as at 31 December 2023 shown below has been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Options or convertible securities are exercised prior to the Record Date and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Auditor Reviewed 31 Dec 2023 \$	Proforma Minimum Raise \$	Proforma Maximum Raise \$
Current assets			
Cash	572,854	2,072,854 ¹	3,647,094 ²
Trade Receivables	935,963	935,963	935,963
Biological Asset	3,890,400	3,890,400	3,890,400
Inventory	961,091	961,091	961,091
Other current assets	218,660	218,660	218,660
Total current assets	6,578,968	8,078,968	9,653,208
Non-current assets			
Plant and equipment	4,030,474	4,030,474	4,030,474
Biological Asset	3,159,198	3,159,198	3,159,198
Other non-current assets	717,919	717,919	717,919
Total non-current assets	7,907,591	7,907,591	7,907,591
Total assets	14,486,559	15,986,559	17,560,799
Liabilities			
Trade payables	679,016	719,580 ³	724,126 ⁴
Interest bearing liabilities	2,031,089	2,031,089	2,031,089
Other liabilities	700,522	700,522	700,522
Deferred tax liabilities	1,910,779	1,910,779	1,910,779
Total liabilities	5,321,406	5,361,970	5,366,516
Net assets (liabilities)	9,165,153	10,624,589	12,194,283
Equity			

	Auditor Reviewed 31 Dec 2023 \$	Proforma Minimum Raise \$	Proforma Maximum Raise \$
Share capital	27,326,866	28,826,866	30,401,106
Options Reserve	1,167,679	1,167,679	1,167,679
Retained loss	(19,314,293)	(19,354,857)	(19,359,403)
Non-controlling interest	(15,099)	(15,099)	(15,099)
Total equity	9,165,153	10,624,589	12,194,283

Notes:

1. Cash increase of \$1,500,000 based on the Minimum Subscription being raised, being 50,000,000 Shares at the Offer price of \$0.03 per Share.
2. Cash increase of \$3,074,240 assuming Maximum Subscription of 102,474,663 Shares at the Offer price of \$0.03 per Share.
3. Trade payables contemplates an increase of \$40,564 under the Minimum Subscription per Section 6.8.
4. Trade payables contemplates an increase of \$45,110 under the Maximum Subscription per Section 6.8.

4. RIGHTS AND LIABILITIES ATTACHING TO SHARES

4.1 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

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

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. The Company's constitution permits the use of technology at general meetings of shareholders, to the extent permitted under the Corporations Act, Listing Rules and applicable law.

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

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. Subject to the Corporations Act and the Listing Rules, the Directors may establish a dividend selection plan or bonus share plan on such terms as the Directors resolve, under which participants may elect in respect of all or part of their Shares:

- (A) to receive a Dividend from the Company paid in whole or in part out of a particular fund or reserve or out of profits derived from a particular source; or
 - (B) to forego a Dividend from the Company and receive some other form of distribution or entitlement (including securities) from the Company or another body corporate or a trust;
- (iv) the Directors may establish a dividend reinvestment plan on such terms as the Directors resolve, under which participants may elect in respect of all or part of their Shares to apply the whole or any part of a Dividend from the Company in subscribing for securities of the Company or a Related Corporation; and
- (v) the Directors may implement, amend, suspend or terminate any plan established under the Constitution.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

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

(e) **Shareholder liability**

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

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations

Act the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

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

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

(i) **Alteration of constitution**

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

5. RISK FACTORS

5.1 Introduction

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

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

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

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

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

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

5.2 Company specific

Risk Category	Risk
Potential for dilution	<p>In addition to potential control impacts set out in Section 1.8, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 33.33% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).</p> <p>It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.</p> <p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.045 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.</p>

Risk Category	Risk
Control risk	<p>Mr Ignazio Ricciardi is currently the largest Shareholder of the Company and has a relevant interest in approximately 10.31% of the Shares in the Company. Assuming Mr Ignazio Ricciardi underwrites the full Underwritten Amount and no other Shareholders accept their Entitlements, Mr Ricciardi's voting power in the Company could be as high as 21.36%.</p> <p>Mr Ricciardi's significant interest in the capital of the Company means that he is in a position to potentially influence the financial decisions of the Company, and its interests may not align with those of all other Shareholders.</p>
Additional requirements for capital	<p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its announced objectives as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
Going Concern	<p>The Company's 31 December 2023 Half Year Report (Financial Report) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>During the year the Company recorded net loss of \$2.67m and had negative operating cash flows of \$254,768.</p> <p>The Company's ability to continue as a going concern is dependent upon meeting future revenue and harvesting targets, its ability to generate cash flow through its business operations and the ability to raise additional finance from debt or equity if and when required, to contribute to the Company's working capital position. The Directors continue to be focused on meeting the Company's business objectives and are mindful of the funding requirements to meet these objectives.</p> <p>The Directors have reasonable grounds to believe that the Company will continue as a going concern, dependent on the following:</p> <ul style="list-style-type: none"> (a) the international market for abalone maintaining existing demand levels resulting in the achievement of future sales targets; (b) receipting the annual Ausindustry research and development refund included within the receivables balance of the Financial Report as at 31 December 2023;

Risk Category	Risk
	<p>(c) scaling back certain activities that are non-essential so as to conserve cash; and</p> <p>(d) the Company's ability to raise additional finance from debt or equity if and when required, to contribute to the Company's working capital position.</p> <p>Should the Company not be able to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the Financial Report.</p>
<p>Supply of juvenile abalone risk</p>	<p>The Company's success is reliant on the juvenile abalone supply agreement pursuant to which the Company purchases hatchery reared greenlip juvenile abalone under an exclusive supply agreement with 888 Abalone Pty Ltd, a land-based abalone hatchery and grow-out facility in Bremer Bay, Western Australia (888 Supply Agreement).</p> <p>The 888 Supply Agreement is due to expire on 30 June 2024. The Company is currently in negotiations with 888 Abalone Pty Ltd to either extend the term of the 888 Supply Agreement or to enter into a new juvenile abalone supply agreement altogether.</p> <p>There is a risk that the Company will be unable to renegotiate to renew the 888 Supply Agreement and the Company will lose access to its supply of juvenile abalone and will be forced to mitigate the loss of supply by building its own hatchery to produce juvenile abalone at great expense to the Company.</p>
<p>Government approval risk</p>	<p>The abalone industry is subject to a number of government approvals in the form of aquaculture licences, chemical handling permits, regulated farm practice approvals, food safety licences and crown leases. In order to meet the Company's business objectives, the Company will require the control of the aquaculture licences, chemical handling permits, regulated farm practice approvals, liquor licences, food safety licences and crown leases. A failure to obtain and or maintain such approvals, or significant delays in obtaining new approvals, may limit the Company's ability to meet its business and production goals.</p>

Risk Category	Risk
Abalone Production	<p>The Company's abalone production is primarily reliant on the output of its ocean ranches known as 'Abitats', along with its supply of wild caught roei abalone from local divers. The production of abalone is extremely challenging, and as an industry, harvests can be lost due to a range of factors, such as disease, ocean temperatures and natural predators. If the Company's 'Abitats' or wild capture divers are unable to successfully produce the requisite quantity of supply, the Company may not be able to achieve its growth plan or sell its supply to third parties.</p> <p>The Company notes that during COVID, the Company reduced its deployment numbers of juveniles onto to its reefs and as such anticipates a reduction in its production capacity for juvenile abalone in FY24.</p>
Wine Production	<p>The Company is trialling the production of wine-based products to diversify its product offering. Winemaking is subject to a variety of agricultural factors beyond the Company's control, such as disease, pests, rainfall and extreme weather conditions. To the extent that any of the foregoing impacts the quality and quantity of grapes available to the Company for production of its wines, the results of its operations could be adversely affected.</p>
Ocean cellaring trials	<p>The Company is trialling "ocean cellaring", being the storage of wine that is undergoing maturation in vats or tanks on the seabed, through its 'Winereef' and 'Ocean Signature' projects in order to diversify its product offering. There is no guarantee that these endeavours will be successful or that the Company will be able to recoup any of the costs incurred during the research and development phase and undertaking the relevant trials.</p>
Damage to ocean cellaring tanks	<p>The Company's trials of "ocean cellaring" involve wine that is undergoing maturation being stored in vats or tanks on the seabed. Damage to or destruction of these facilities could result in the loss of production capability or the loss of significant volumes of wine, impacting the quantity of wine available for particular brands and vintages and hence adversely impacting the Company's financial results. It cannot be certain that the financial impact of any such event would be mitigated, fully or partially, by insurance</p>
Access to Labour and Labour Rates	<p>The Company's operations are principally located in regional WA. Such areas have experienced and continue to experience smaller pools of available labour. In the event that the Company is unable to recruit, train and retain its labour force its operations will be negatively impacted. Further the cost of such labour may continue to increase at a rate which the Company is unable to pass on such cost increases, resulting in loss of operating margin and profitability.</p>

Risk Category	Risk
Biosecurity risk	<p>There is a risk that the Company could suffer a disease outbreak that adversely impacts the health and wellbeing of its abalone stock. Should the Company's abalone stock become impacted by disease this will negatively impact abalone stock levels the Company holds.</p> <p>Further, the Company cannot predict if disease will affect the remaining abalone growing areas in which the Company operates.</p>
Export Certificates	<p>The Company's ability to export its products is dependent on its ability to obtain new and maintain existing licences relating to the export of abalone and wine to interstate and international markets. There is no guarantee that new licences will be granted, or existing licences extended on satisfactory terms, which may have a negative effect on the Company's operations.</p>
Repayment of debt obligations	<p>The Company has a loan facility with the National Australia Bank which could limit its future financial flexibility. If the Company's operating results deteriorate, including incurring significant losses, the Company may be unable to repay its debts, which may require the Company to seek alternative borrowing arrangements, or to reduce debt or by raising additional equity. If a default on the loan facility were to occur, there is no assurance that the financier would consent to an amendment or waiver, or that the financier would not exercise their enforcement rights requiring immediate repayment and cancellation. Such events could limit the Company's flexibility in planning for, or reacting to, downturns in its business or otherwise materially adversely affect the Company's business, operating and financial performance, and require new funding to be raised or a potential need to raise equity.</p> <p>There is a risk that due to an event of default or a review event, the Company's debt provider may either demand repayment of or cancel the NAB loan facility provided by it, fail to renew its NAB loan facility following its maturity, or renew the NAB loan facility only in part or on less favourable terms. As a result, the Company is subject to a risk that it may be unable to refinance its NAB loan facility upon acceleration or maturity or may be unable to do so on as favourable terms, and consequently may face greater funding costs or be unable to obtain sufficient facilities to fund its growth activities.</p>

5.3 Industry specific

Risk Category	Risk
Abalone Prices	<p>The Company's revenue is largely dependent upon the sale of greenlip and roei abalone produced from its operations. The Company's earnings are therefore closely related to the sale price of greenlip and roei abalone. The sales or market prices of greenlip or roei abalone fluctuate</p>

Risk Category	Risk
	and are affected by supply and demand factors beyond the control of the Company.
Consumer demand	<p>Wine sales are affected by consumer preferences, which are in turn driven by industry trends and market perceptions of different types of wines (including different varieties and the geographic region they are sourced from). Certain types of wines are at times more popular than others and, accordingly, the future portfolio of wine products sold by the Company may not be aligned with consumer preferences.</p> <p>A decline in consumption of the Company products attributable to this or any other reason may also result in the Company being unable to viably continue its production of wine products.</p>
Operating risks	<p>The current and future operations of the Company, including development, sales and production activities may be affected by a range of factors, including:</p> <ul style="list-style-type: none"> (a) risk of disease and infection, particularly in aquatic environments; (b) risk of food safety and quality issues arising from processing, packaging, freight or handling processes; (c) reliance on service providers and prospective customers to follow the complex operating systems and properly handle the Company's products; (d) risks associated with transporting abalone and other products long distances within Australia and overseas; (e) ensuring product consistency; (f) difficulties in commissioning and operating plant and equipment; (g) mechanical failure of operating plant and equipment; (h) industrial and environmental accidents, industrial disputes and other force majeure events; (i) unexpected shortages or increases in the costs of labour, spare parts, plant and equipment; and (j) inability to obtain or maintain any necessary consents or approvals.
Exchange rate risk	<p>Adverse movements in exchange rates may impact sales proceeds received, product costs and price competitiveness and may impact the operations and financial performance of the Company. Also, adverse fluctuations in interest rates, to the extent that they are not hedged, may impact the Company's financial performance.</p>

Risk Category	Risk
International demand for abalone	A segment of the Company's financial performance is dependent on its export growth strategy and the level of demand for abalone in international markets. In particular, the economic performance of, and demand generated within, several international jurisdictions including but not limited to China (including Hong Kong), Macao, Singapore, Thailand, Vietnam, Japan and the United Kingdom will be an important driver of the performance of the Company. If demand for abalone in any one or more of these jurisdictions does not materialise as expected or is not supplemented with other international markets, it will materially and adversely affect the Company's financial performance and growth prospects. The Board will regularly assess any such risks and ensure that it has contingency plans in place to protect the Company from any adverse effect.
Legislative changes and government policy risk	Changes in government legislation, regulations and policies may adversely affect the financial performance of the Company. The Company's capacity to develop its projects, or limit its potential marketing and customers, which are beyond the control of the Company.
Marketing	The Company is required to meet technical specifications on the quality of its products and variations from these specifications may result in financial penalties being imposed by customers. Customer demands may change over time and no assurance can be given that the product will always meet specifications, or that future customer demand will grow or be able to be met.
Compliance with Work Health and Safety	The Company's operations involve a significant amount of manual labour and operations both on water and underwater. Such working environments present an inherent risk of WHS issues. If the Company's policies, procedures and mitigating strategies do not adequately address the residual risk, there may be a WHS claim against the Company.
Bushfire	<p>The Company's facilities are located in high bushfire risk areas. Recent fire events in the region have resulted in substantial losses for businesses and the communities in which they have affected.</p> <p>The Company has developed a bushfire management plan for its Augusta facility which is actively managed and updated.</p> <p>Despite the Company's best efforts to mitigate the effects of bushfires at its Augusta facility. There is a risk that future bushfire events may impact on the Company's operations or damage the Company's facilities causing a loss of production capability and therefore a loss of revenue.</p>
Environmental risks and licensing	The high intensity farming products and activities of the Company and the water licences required to be held by the Company are subject to State, Federal and International laws and regulations concerning the

Risk Category	Risk
	<p>environment. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws and industry standards. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of or non-compliance with environmental laws or regulations or the conditions of its water licences. Failure to meet the conditions of its water licences could lead to forfeiture of these licences.</p> <p>There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive. There are also significant environmental risks affecting aquaculture that could impact abalone growth and mortality levels, for example, unusually lower water temperatures during summer could slow abalone growth.</p>
Water	<p>The Company's activities require it to have sufficient access to water sources. The Company currently has secure access to adequate sources of water for its production facilities in Augusta. No assurance can be given that sufficient water will be available for future projects, or that such access will be uninterrupted in all circumstances.</p>
Electricity	<p>The Company's activities require it to have access to an uninterrupted electrical supply with sufficient capacity. The supply of electricity to the Company's Augusta processing facility has adequate transformer capacity backup generators that provide electricity in the event of an outage. The remote location of these sites increases the need for this.</p> <p>The failure of electricity supply to the Company's processing facility during a harvesting season could result in a significant loss of product. The failure of electricity supply at the processing plant could result in inability to process and loss of inventory.</p>
Diving risk	<p>The Company employs commercial divers at its projects. Diving in the ocean by its nature involves risk which the Company aims to manage by adherence to commercial diving standards developed for the Australian Diver Accreditation Scheme together with regular drills and training.</p>
Research and Development	<p>The Company's business activities and operations include research and development for its products. There is a risk that the anticipated progress and business improvement arising from these activities may not eventuate, which would impact the financial performance and activities of the Company.</p>
Abalone health and mortalities	<p>As with any aquaculture activity, there is a risk that the abalone stocks required for the Company's products can be impacted by disease and environmental issues. In some instances, but not in all, these may be controllable.</p>

Risk Category	Risk
	Where they are not controllable, significant mortalities may occur or there may be a significant negative effect on growth and feed conversion rates.
Food and beverage safety	As a provider of food and beverage products, the Company is subject to a range of food and beverage production safety standards. The Company has rigorous procedures and quality control practices in place to ensure its compliance with such food safety standards and must have food and beverage safety licences in place. However, if the Company's procedures are not complied with, whether intentionally or by omission, or there is a malicious contamination event in the handling process either by a competitor or employee, the Company's brand and reputation could be damaged. In addition to brand and reputational damage, the Company could become subject to criminal or civil action as a result of any non-compliance with the food safety standards. Any such events could result in an adverse impact to the Company's financial performance and position.
Competition	<p>The Company's current and future potential competitors include companies with resources to develop similar and competing products. There is no assurance that competitors will not succeed in developing products that have higher customer appeal.</p> <p>There can be no guarantee that the increased commercialisation of the Company's products will occur, revenue growth will be stimulated or that the Company will operate profitably in the short term or at all.</p>
Excessive weather and environmental events	The Company's ability to produce high quality abalone may be impacted by excessive weather, tidal and environmental changes. These include prolonged periods of rainfall, or lack of rainfall, prolonged changes to tidal patterns which replenish salt and organic food growth in the areas in which the Company operates, and changes to tide and water levels.

5.4 General risks

Risk Category	Risk
Economic	General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's abalone harvesting and production, as well as on its ability to fund those activities.
Market conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation;

Risk Category	Risk
	<p>(c) interest rates and inflation rates;</p> <p>(d) changes in investor sentiment toward particular market sectors;</p> <p>(e) the demand for, and supply of, capital; and</p> <p>(f) terrorism or other hostilities.</p> <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Litigation risks	<p>The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.</p>
Dividends	<p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.</p>
Taxation	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p>
Reliance on key personnel	<p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p>
Economic conditions and other global or national issues	<p>General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars,</p>

Risk Category	Risk
	<p>terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p> <p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p>

5.5 Speculative investment

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

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

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

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

6. ADDITIONAL INFORMATION

6.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

6.2 Continuous disclosure obligations

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

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

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

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

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

Date	Description of Announcement
5 March 2024	Funding Our Growth
4 March 2024	Trading Halt
29 February 2024	Appendix 4D and 2024 Half Year Report
16 February 2024	Notification regarding unquoted securities - RFA

Date	Description of Announcement
5 February 2024	Quarterly Update Webinar Link
2 February 2024	Quarterly Update Presentation
31 January 2024	Application for quotation of securities - RFA
30 January 2024	Quarterly Update & Appendix 4C
29 January 2024	Notification of cessation of securities - RFA
18 January 2024	Change of Directors Interest Notice
28 December 2023	Notification regarding unquoted securities - RFA
28 December 2023	Notice of Substantial Holder
27 December 2023	Application for quotation of securities - RFA
27 December 2023	Notification of cessation of securities - RFA
22 December 2023	Change of Directors Interest Notice
21 December 2023	Cleansing Notice
21 December 2023	Application for quotation of securities - RFA
19 December 2023	Proposed issue of securities - RFA
19 December 2023	Change of Directors Interest Notice
30 November 2023	AGM Results
30 November 2023	AGM Presentation
30 November 2023	CEO Address to Shareholders
28 November 2023	Lapse of Unlisted Options & Appendix 3H
25 October 2023	Notice of Annual General Meeting
23 October 2023	Quarterly Update Webinar Link
19 October 2023	Quarterly Update Presentation
18 October 2023	Quarterly Update & Appendix 4C
10 October 2023	Expansion of Ocean Cellared Wine Production
31 August 2023	Appendix 4G and Corporate Governance Statement

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

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

6.3 Market price of Shares

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

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

	(\$)	Date
Highest	\$0.054	8, 9 January 2024
Lowest	\$0.04	1, 2, 7, 8, 9 February 2024
Last	\$0.04	1 March 2024

6.4 Underwriting Agreement

The Company has entered into an underwriting agreement (**Underwriting Agreement**) with Director, Mr Ignazio Ricciardi (**Underwriter**), pursuant to which Mr Ricciardi has agreed to partially underwrite the Offer up to a value of \$1,000,000 (the **Underwritten Amount**) (being 32.53% of the funds to be raised under the Offer (and equal to 33,333,333 Shares).

The number of Shares that Mr Ricciardi shall be entitled to underwrite will be equal to the difference between:

- (a) the total number of Shares under the Offer; and
- (b) the number of Shares under the Offer for which the Company has received valid applications by the Closing Date of the Offer (including Shortfall),

subject to a final determination by the Company, in its absolute discretion.

The obligation of Mr Ricciardi to underwrite the Offer is subject to certain events of termination. Mr Ricciardi may terminate his obligations under the Underwriting Agreement if:

- (a) **Prospectus:** any of the following occurs in relation to the Prospectus:
 - (i) it is not lodged with the ASIC by the Lodgement Date (or such later date agreed in writing by the Underwriter); or
 - (ii) the ASIC makes an order under section 739 of the Corporations Act and such order is not lifted within 30 days;
- (b) **ASX listing:** ASX does not give approval for the Shares to be listed for official quotation, or if approval is granted, the approval is subsequently withdrawn, qualified or withheld;
- (c) **Index changes:** the All Ordinaries Index or the S&P/ASX Small Ordinaries Index as published by ASX is at any time after the date of the Underwriting Agreement is 20% or more below its respective level on any three (3) consecutive trading days prior to the date of the Underwriting Agreement;

- (d) **Return of capital or financial assistance:** the Company or a Related Body Corporate takes any steps to undertake a proposal contemplated under section 257A of the Corporations Act or passes or takes any steps to pass a resolution under section 260B of the Corporations Act, without the prior written consent of the Underwriter;
- (e) **Alteration of capital structure or Constitution:** except as described in the Prospectus, the Company alters its capital structure or its Constitution without the prior written consent of the Underwriter such consent not to be unreasonably withheld;
- (f) **Default:** the Company is in material default of any of the terms and conditions of the Underwriting Agreement or breaches any warranty or covenant given or made by it under the Underwriting Agreement (in any material respect);
- (g) **Event of Insolvency:** an Event of Insolvency (as defined in the Underwriting Agreement) occurs in respect of it or a Related Body Corporate;
- (h) **Prescribed Occurrence:** a Prescribed Occurrence (as defined in the Underwriting Agreement) occurs, other than as disclosed in the Prospectus;
- (i) **Suspension of debt payments:** the Company suspends payment of its debts generally; or
- (j) **Change in shareholdings:** a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company and is recommended for approval by a majority of independent directors of the Company.
- (k) **due diligence:** there is a material omission from the results of the due diligence investigation performed in respect of the Offer or the results of the investigation or the verification material are false or misleading;
- (l) **adverse change:** any adverse change occurs which materially impacts or is likely to impact the assets, operational or financial position of the Company or a Related Body Corporate (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a Related Body Corporate);
- (m) **investigation:** any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a Related Body Corporate;
- (n) **hostilities:** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, Philippines, Indonesia, Japan, Russia, the United Kingdom, the United States of America, or the Peoples Republic of China, other than hostilities involving Israel or Gaza, or any country bordering Israel or Gaza;
- (o) **extended Force Majeure:** a Force Majeure which prevents or delays an obligation under the Underwriting Agreement, lasting in excess of 2 weeks occurs;

- (p) **indictable offence:** a director of the Company or any Related Body Corporate is charged with an indictable offence;
- (q) **banking facilities:** the Company's bankers terminating or issuing any demand or penalty notice or amending the terms of any existing facility or claiming repayment or accelerated repayment of any facility or requiring additional security for any existing facility; or
- (r) **Supplementary Prospectus:** the Underwriter reasonably form the view that a supplementary or replacement document (as appropriate) must be lodged with ASIC under section 719 or section 724 of the Corporations Act and the Company does not lodge a supplementary or replacement document (as the case may be) in the form and content and within the time reasonably required by the Underwriter.

The Underwriting Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

6.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

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

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

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set in Section 1.4.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and

the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

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

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's FY2023 Annual Report.

Director	FY ended 2023	FY ending 2024
Peter Harold	\$54,493 ¹	54,740 ²
Bradley Adams	\$319,390 ³	271,950 ⁴
Ignazio Ricciardi	\$45,411 ⁵	45,617 ⁶
Danielle Lee	\$45,411 ⁷	45,617 ⁸

Notes:

1. Comprising, directors' salary of \$49,315 and superannuation payments of \$5,178.
2. Comprising, directors' salary of \$49,315, superannuation payments of \$5,425 and share based payments of \$0.
3. Comprising, directors' salary of \$245,003, superannuation payments of \$27,704, long service leave payments of \$18,849 and share based payments of \$27,834.
4. Comprising, directors' salary of \$245,000, superannuation payments of \$26,950 and share based payments of \$0.
5. Comprising, directors' salary of \$41,096 and superannuation payments of \$4,315.
6. Comprising, directors' salary of \$41,096, superannuation payments of \$4,521 and share based payments of \$0.
7. Comprising, directors' salary of \$41,096 and superannuation payments of \$4,315.
8. Comprising, directors' salary of \$41,096, superannuation payments of \$4,521 and share based payments of \$0.

6.6 Interests of experts and advisers

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

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

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

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$181,573.50 (excluding GST and disbursements) for legal services provided to the Company.

BDO Audit (WA) Pty Ltd has been paid \$3,129 for reviewing the Company's 31 December 2023 balance sheet. During the 24 months preceding lodgement of this Prospectus with the ASIC, BDO Audit (WA) Pty Ltd has received \$143,903 (excluding GST) in fees from the Company.

6.7 Consents

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

Each of the parties referred to in this Section:

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

Mr Ignazio Ricciardi has given his written consent to being named as the underwriter to the Offer in this Prospectus.

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

BDO Audit (WA) Pty Ltd given its written consent to being named as auditor to the Company in this Prospectus and the inclusion of the 31 December 2023 auditor reviewed balance sheet of the Company in Section 3.4. BDO Audit (WA) Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

6.8 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$45,110 (excluding GST) and are expected to be applied towards the items set out in the table below:

	Minimum Subscription (\$)	Maximum Subscription (\$)
ASIC fees	3,206	3,206
ASX fees	7,431	11,977
Legal fees	15,000	15,000
Share Registry fees	14,927	14,927
Total	40,564	45,110

7. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

8. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

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

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

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

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

Company means Rare Foods Australia Limited (ACN 148 155 042).

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

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

CRN means Customer Reference Number in relation to BPAY®.

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

Eligible Shareholder means a Shareholder as at the Record Date who is eligible to participate in the Offer.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Maximum Subscription means \$3,074,240, being 102,474,663 Shares.

Minimum Subscription means \$1,500,000, being 50,000,000 Shares.

Offer means the non-renounceable entitlement issue the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at Section 1.

Section means a section of this Prospectus.

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

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

Shareholder means a holder of a Share.

Shortfall means the Securities not applied for under the Offer (if any).

Shortfall Application Form means the Shortfall Offer application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall Shares on the terms and conditions set out in Section 2.6.

Shortfall Shares means those Shares not applied for under the Offer (if any) and offered pursuant to the Shortfall Offer.

UBS Nominees means UBS Nominees Pty Ltd.

Underwriter means Mr Ignazio Ricciardi, a Director.

Underwriting Agreement has the meaning given to it in Section 6.4.

Underwritten Amount means \$1,000,000 (being, 33,333,333 Shares).

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