ECSbotanics

Statement of commitment of funds from Prospectus based on actual amount raised, being $6,500,000

Use of Funds	Maximum Subscription ($) ($6.5m)
Expenses of the Offers[1]	262,633
Capital Raising and Joint Lead Manager Fees[2]	570,000
Purchase hemp from farmers[3]	1,050,000
Processing and manufacturing[4]	925,000
Business development and marketing	250,000
Farming costs, leasing and commercial farming trials	210,000
Seeds – general planting stock	120,000
Infrastructure and storage investment (including purchase of leased property in the event of Maximum Subscription) [5]	1,500,000
Medicinal cannabis (feasibility study & consulting)[6]	100,000
Administration Costs[7]	1,450,000
Working capital	62,367
Total	**6,500,000**

Notes

1. Refer to Section 8.6 of the Prospectus for further details of the Expenses of the Offer.

2. Refer to Section **Error! Reference source not found.** 7.9 of the Prospectus for details of the fees payable to the Joint Lead Managers, and the material terms of the Joint Lead Manager Mandate.

3. Includes estimated payments to third party farms for ECS' next crop, anticipated to be planted in the final quarter of 2019, and harvested in the first quarter of 2020.

4. Processing and manufacturing costs for next crop (anticipated to be harvested first quarter of 2020).

5. Refer to Section 7.10.2 Prospectus for the terms and conditions of ECS' Tasmanian Farm Lease and Call Option to purchase.

6. Costs related to a feasibility study and consulting fees in the event ECS' medicinal cannabis licences are granted. If the licence applications are granted, ECS intends to undertake a feasibility study to assess if the licences will form a non-core complementary facet to ECS' industrial hemp business.

7. Administration costs include ongoing costs such as executive and non-executive director salaries, staff salaries, accounting and audit costs, share registry fees,

company secretarial and public company compliance costs, insurances and general administrative costs.