

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

19 July 2023

EDEN FINALISING CONDITIONAL AGREEMENT TO EXTEND US SECURED DEBT AND FUNDING

Eden Innovations Ltd (Eden) (ASX: EDE) is pleased to announce that both it and its US subsidiary, Eden Innovation LLC (“Eden US”), are in the final stages of negotiating a conditional agreement to extend Eden US’s iBorrow Financing Facility (see Eden’s ASX announcement of 27 May 2022) being:-

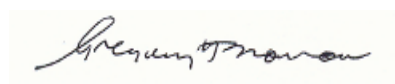
- the existing US\$6.475million debt (the “Current Loan”) secured against Eden US’s three US properties (being two properties in Colorado and one in Georgia) and guaranteed by Eden, which expires on the 7th of August 2023.
- Extension terms are consistent with the terms of the Current Loan as announced on the 27th May 2022, noting:
 - **Principal Sum reduction on renewal** – US\$675,000, reducing the Principal Sum owing under the facility to US\$5.8 million
 - **Interest Rate** – 9.75% per annum on the aggregate amount of the Principal Sum outstanding from time to time, calculated and payable monthly in arrears.
 - **Security** – over the three US freehold properties owned by Eden US, being the two properties in Littleton, Colorado (recently aggregate appraised value of US\$6.15 million), and one property in Augusta, Georgia (recently appraised value of US\$6 million).
 - **Early Repayment** – Eden US has the right to repay all of the Principal Sum at any time without penalty.
 - **Sale of Augusta Property** – Eden US has the right to discharge the Augusta, Georgia property from the security in the event of the Augusta property being sold subject to the greater of 55% of the net sale proceeds or US\$2,500,000 being paid to the Lender in partial repayment of the Principal Sum
 - **Renewal Fee** – payable to Lender- US\$60,750 (1%).
 - **Interest Reserve Replenishment** - payable to Lender- US\$359,032.39
 - **Conditions** – the agreement will include a number of conditions, frequently found in US financing agreements, that are to be satisfied including the following:
 - The extension of all of the existing insurance policies over the three US freehold properties provided as security for the loan;
 - The Lender approving the Eden US budget and Eden as the guarantor
 - Continuation of Eden US’s lease of the Colorado properties that is guaranteed by Eden to protect Lender and provide revenue to service the extended loan in the event of default.

If any of the conditions are not satisfied or waived by iBorrow, the Current Loan will not be extended and will be repayable in full on 8 August 2023.

Eden's largest shareholder, Tasman Resources Ltd (via its 100% owned subsidiary Noble Energy Ltd), has advanced to Eden \$2,300,000 ("Tasman Loan"), to enable Eden US to (amongst other things) reduce the Principal Sum by the amount, and to pay the renewal fee and interest reserve replenishment, referred to above ("iBorrow Payments"), in satisfaction of the extension terms of the Current Loan. The material terms of the Tasman Loan, which is unsecured and repayable on demand are:

- **Principal sum** - A\$2,300,000
- **Interest Rate** – 9.97% per annum (reference rate of National Australia Bank's Business Loan rate as at 17 July 2023), with interest payable in full at the time of repayment of the Principal Sum
- **Use of Funds** – to fund the iBorrow Payments with any surplus being used for general working capital.

Unless repaid earlier, it is anticipated that the Tasman Loan will be repaid, in full or in part, from the proceeds of the settlement of the sale of Eden US's Augusta, Georgia property (which is currently listed for sale).



Gregory H. Solomon
Executive Chairman

This announcement was authorised by the above signatory.
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