

14 July 2023

Dear Shareholder,

Extraordinary General Meeting

I am pleased to invite you to an Extraordinary General Meeting of Althea Group Holdings Limited ACN 626 966 943 (**Althea** or **Company**), which will be held on 17 August 2023, as a virtual meeting starting at 5pm (**EGM**).

Please find enclosed a Notice of Meeting, Explanatory Memorandum and Proxy Form for the EGM. The Notice of Meeting sets out the items of business for the EGM, being the Director's participation in the last capital raise and approval of options, and includes voting procedures, explanatory notes and the Board's voting recommendations. Please take the time to carefully read those documents in their entirety.

The EGM will be fully virtual, which means that Shareholders and visitors will not be able to attend in person.

Shareholders will be able to participate in the EGM online using their computer or mobile device. The EGM will be made accessible to Shareholders via an online platform, which will include a facility to allow Shareholders to vote in real time at the EGM. Further information on how to participate in the EGM is provided in the Notice of Meeting.

If you are unable to attend the EGM online at the scheduled time, you can participate by appointing a proxy to act on your behalf. If you intend to appoint a proxy, the enclosed Proxy Form should be completed and returned to the Company (see Proxy Form for details) as soon as possible and, in any event, no later than 5:00 pm on 15 August 2023. The Board encourages all Shareholders to direct their proxy how to vote on each item of business.

If you have any queries in relation to the EGM, please contact the company secretary, Mr Robert Meissner on +613 9362 5205.

I look forward to your attendance at the EGM.

Yours sincerely,

Andrew Newbold
Chairman

Notice of Meeting

NOTICE OF MEETING

Notice is hereby given that an extraordinary general meeting (**EGM**) of the Shareholders of Althea Group Holdings Limited ACN 626 966 943 (**Althea** or **Company**) will be held at 5pm on 17 August 2023 as a virtual meeting.

Agenda

Resolution 1: Approval of Issue of Fully Paid Ordinary Shares to Mr Joshua Fegan, Director of the Company

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders of the Company approve the issue and allotment of up to 1,194,030 fully paid ordinary shares to Mr Joshua Fegan (or his nominee), and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Note: This resolution is advisory only and does not bind the Company or the Directors.

A voting exclusion applies to this resolution – see Explanatory Statement for details.

Resolution 2: Approval of Issue of Fully Paid Ordinary Shares to Mr Alan Boyd, Director of the Company

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders of the Company approve the issue and allotment of up to 149,254 fully paid ordinary shares to Mr Alan Boyd (or his nominee), and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

A voting exclusion applies to this resolution – see Explanatory Statement for details.

Resolution 3: Approval of Issue of Fully Paid Ordinary Shares to Mr Andrew Newbold, Director of the Company

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders of the Company approve the issue and allotment of up to 746,269 fully paid ordinary shares to Mr Andrew Newbold (or his nominee), and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

A voting exclusion applies to this resolution – see Explanatory Statement for details.

Resolution 4: Ratification of issue of Collateral Shares

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4, and for all other purposes, the Shareholders of the Company approve and ratify the prior issue by the Company of 11,000,000 Shares to Obsidian Global GP, LLC each at an issue price of \$0.067 on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion applies to this resolution – see Explanatory Statement for details.

Resolution 5: Approval of issue of new options to Obsidian Global GP, LLC

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.1, and for all other purposes, approval is given for the Company

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to issue 4,800,000 options to Obsidian Global GP, LLC (and/or its nominees), on the terms and conditions set out in the Explanatory Statement."

A voting exclusion applies to this resolution – see Explanatory Statement for details.

Eligibility to attend and vote

You are eligible to attend and vote at the EGM if you are registered as an Althea shareholder at 7.00pm (AEDT) on 15 August 2023.

Participating in the EGM online

Shareholders can listen to the proceedings, view presentations, and vote in real-time at the EGM via the online platform.

Shareholders participating in the EGM online will be able to vote between the commencement of the EGM and the closure of voting as announced by the Chairman during the EGM.

If you choose to participate in the EGM online, registration will open at 4:45pm on 17 August 2023.

To participate in the EGM online, you can log in from your computer or mobile device, by entering the following URL in the browser:
<https://us06web.zoom.us/j/89398489932>

Live Online Voting

Shareholders and proxyholders will be able to vote at the meeting online by:

- visiting <https://meetnow.global/MPFQ6W9>

Online voting registration will commence 30 minutes prior to the start of the meeting.

For full details on how to log on and vote online, please refer to the user guide at
www.computershare.com.au/onlinevotingguide

Appointing a proxy

You can appoint a proxy to attend and vote on your behalf prior to the EGM.

To appoint a proxy, complete the Proxy Form. You can direct your proxy how to vote on Resolutions 1 to 5 by marking "For", "Against" or "Abstain".

A proxy does not need to be a Shareholder. A proxy may be an individual or a company. You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Forms and specify the percentage or number of votes each proxy is appointed to exercise. If you do not specify a percentage or number in both forms, each proxy may exercise half of the votes. You must return both Proxy Forms together.

If you require an additional Proxy Form, please contact Computershare Investor Services on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

If you sign the enclosed Proxy Form and no direction is given, the Chairman will be appointed as your proxy. If you appoint the Chairman as your proxy and do not direct him how to vote, you are authorising the Chairman to cast your undirected vote on all proposed resolutions.

If you appoint a proxy, you may still attend the EGM. However, your proxy's rights to speak and vote will be suspended while you are present.

Chairman's voting intentions

Unless otherwise specified, or a voting exclusion applies, the Chairman intends to vote undirected proxies on, and in favour of, all the proposed resolutions. If there is a change to how the Chairman intends to vote undirected proxies, Althea will make an announcement to the market. The Chairman's decision on the validity of a vote cast by a proxy or vote cast in person is conclusive.

Submitting your Proxy Form

Your completed Proxy Form must be received by no later than 5:00pm on 15 August 2023. An original or a certified copy of any power of attorney under which the form was signed must also be received by this time

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unless previously provided to Computershare Investor Services.

You can lodge your vote:

- online at www.investorvote.com.au by following the instructions. You will need your Security holder Reference Number (SRN) or Holder Identification Number (HIN), which is set out on the enclosed Proxy Form;
- online at <http://www.intermediaryonline.com> (for intermediary online users online); or
- by completing the enclosed Proxy Form and:
 - posting it to Computershare Investor Services using the reply-paid envelope or to Computershare Limited, GPO Box 242, Melbourne VIC 3001
 - faxing it to +61 3 9473 2500
 - using a mobile device to scan the QR code on the Proxy Form. To scan the QR code you will need a QR code reader application that can be downloaded for free on your mobile device. You will also need your SRN or HIN and postcode for your shareholding.

Questions and comments

A reasonable opportunity will be given to Shareholders as a whole at the EGM to ask questions about, or make comments on the management or performance of the Company.

Glossary

A glossary of terms used in this Notice of Meeting is contained in the Explanatory Statement. Terms defined in the glossary also apply to the accompanying Proxy Form, unless the context requires otherwise.

By order of the Board

Mr Robert Meissner
Company Secretary
10 July 2023

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EXPLANATORY STATEMENT

This Explanatory Statement forms part of this Notice of Meeting and should be read in conjunction with it. The purpose of this Explanatory Statement is to provide Shareholders with an explanation of the items of business and the Resolutions to be proposed and considered at the EGM.

Resolution 1 - Approval of Issue of Fully Paid Ordinary Shares to Mr Joshua Fegan, Director of the Company

Background

On 3 November 2022, the Company announced a capital raising comprised of a placement and share purchase plan, pursuant to which shares were offered at a price of \$0.067 per ordinary share.

The Company received commitments from Mr Joshua Fegan, Director of the Company to subscribe for up to 1,194,030 Shares on the same term as the Placement (**Mr Fegan Placement Shares**), raising up to \$80,000.

As Mr Fegan is a Director of the Company, the issue of the Mr Fegan Placement Shares is subject to the Company obtaining Shareholder approval. This Resolution seeks Shareholder approval to issue the Mr Fegan Placement Shares to Mr Fegan (or his nominee).

Voting exclusion

The Company will disregard any votes cast:

- in favour of this resolution by or on behalf of Mr Joshua Fegan, and any of his associates, regardless of the capacity in which the vote is cast; and
- a person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) and any of their associates,

unless the vote is cast as proxy for a person entitled to vote on this resolution:

- in accordance with a direction on the proxy form; or
- by the Chairman pursuant to an express authorisation to exercise the proxy as the Chairman thinks fit; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - ii) the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either: (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Mr Fegan Placement Shares (which is a type of equity security, for the purposes of

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the Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit. A “related party” for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of “related party” also includes a person whom there is reasonable grounds to believe will become a “related party” of a public company.

The non-conflicted Directors of the Company (being Andrew Newbold, Alan Boyd, and Penny Dobson) considered the proposed issue of these Mr Fegan Placement Shares to Mr Fegan and formed the view that the giving of this financial benefit to Mr Fegan is on arm’s length terms, as the securities are proposed to be issue on the same terms as offered to non-related parties of the Company at the time of the Capital Raising. Accordingly, the non-conflicted Directors of the Company believe that the proposed issue of these Mr Fegan Placement Shares to Mr Fegan fall within the “arm’s length terms” exception as set out in section 210 of the Corporations Act, and the Company and relies on this exception from the requirement to obtain Shareholder approval under Chapter 2E of the Corporations Act for the issue of the Mr Fegan Placement Shares.

Information required by ASX Listing Rule 10.13

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue equity securities to

- a) a related party;
- b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- d) an associate of a person referred to in (a) to (c) above; or
- e) a person whose relationship with the company or a person referred to in (a) to (d) above is such that, in ASX’s opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Mr Fegan Placement Shares falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11. Accordingly, this Resolution 1 seeks Shareholder approval for the issue of the Mr Fegan Placement Shares for ASX Listing Rule 10.11.

The following information in relation to the issue of the Mr Fegan Placement Shares to Joshua Fegan is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- a) The allottee is Mr Joshua Fegan, a Director of the Company (or his nominee).
- b) If Mr Fegan elects to have the Mr Fegan Placement Shares issued to him personally, Listing Rule 10.11.1 applies. If Mr Fegan elects to have the Mr Fegan Placement Shares issued to his nominee, Listing Rule 10.11.4 applies.
- c) The maximum number of Mr Fegan Placement Shares to be issued is 1,194,030 Shares.
- d) The Mr Fegan Placement Shares will be fully paid on issue and rank equally in all aspects with all existing

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fully paid ordinary shares previously issued by the Company.

- e) The Mr Fegan Placement Shares will be issued within one month of Shareholder approval being obtained by the Company (or such later date as permitted by any ASX waiver or modification of the Listing Rules).
- f) The Mr Fegan Placement Shares will be issued at a price of \$0.067 per Mr Fegan Placement Share, raising up to \$80,000 (before costs).
- g) Funds raised from the issue of the Mr Fegan Placement Shares will be used by the Company to undertake platform development, funding ongoing operations, working capital and offer costs.
- h) The issue of the Mr Fegan Placement Shares are not intended to be remuneration or an incentive for Mr Fegan.
- i) The Mr Fegan Placement Shares are not being issued under an agreement.
- j) A voting exclusion statement is set out in the Notice of Meeting above.

If this Resolution is passed, the Company will be able to proceed with the proposed issue of the Mr Fegan Placement Shares and will receive up to \$80,000 in funds (before costs), as detailed within this Resolution. If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of the Mr Fegan Placement Shares and the Company will not receive up to \$80,000 in funds (before costs) in relation to the issue of the Mr Fegan Placement Shares.

Board recommendation

The Board (excluding Mr Fegan) unanimously recommends that Shareholders VOTE IN FAVOUR of Resolution 1.

Resolution 2 - Approval of Issue of Fully Paid Ordinary Shares to Mr Alan Boyd, Director of the Company

Background

On 3 November 2022, the Company announced a capital raising comprised of a placement and share purchase plan, pursuant to which shares were offered at a price of \$0.067 per ordinary share.

The Company received commitments from Mr Alan Boyd, Director of the Company to subscribe for up to 149,254 Shares on the same term as the Placement (**Mr Boyd Placement Shares**), raising up to \$10,000.

As Mr Boyd is a Director of the Company, the issue of the Mr Boyd Placement Shares is subject to the Company obtaining Shareholder approval. This Resolution seeks Shareholder approval to issue the Mr Boyd Placement Shares to Mr Boyd (or his nominee).

Voting exclusion

The Company will disregard any votes cast:

- in favour of this resolution by or on behalf of Mr Alan Boyd, and any of his associates, regardless of the capacity in which the vote is cast; and
- a person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely

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by reason of being a holder of ordinary securities in the Company) and any of their associates, unless the vote is cast as proxy for a person entitled to vote on this resolution:

- in accordance with a direction on the proxy form; or
- by the Chairman pursuant to an express authorisation to exercise the proxy as the Chairman thinks fit; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - iii) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - iv) the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either: (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Mr Boyd Placement Shares (which is a type of equity security, for the purposes of the Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

A “related party” for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of “related party” also includes a person whom there is reasonable grounds to believe will become a “related party” of a public company.

The non-conflicted Directors of the Company (being Joshua Fegan, Andrew Newbold and Penelope Dobson) considered the proposed issue of these Mr Boyd Placement Shares to Mr Boyd and formed the view that the giving of this financial benefit to Mr Boyd is on arm’s length terms, as the securities are proposed to be issue on the same terms as offered to non-related parties of the Company at the time of the Capital Raising. Accordingly, the non-conflicted Directors of the Company believe that the proposed issue of these Mr Boyd Placement Shares to Mr Boyd fall within the “arm’s length terms” exception as set out in section 210 of the Corporations Act, and the Company and relies on this exception from the requirement to obtain Shareholder approval under Chapter 2E of the Corporations Act for the issue of the Mr Boyd Placement Shares.

Information required by ASX Listing Rule 10.13

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue equity securities to

- a) a related party;
- b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

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- d) an associate of a person referred to in (a) to (c) above; or
- e) a person whose relationship with the company or a person referred to in (a) to (d) above is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Mr Boyd Placement Shares falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11. Accordingly, this Resolution 1 seeks Shareholder approval for the issue of the Mr Boyd Placement Shares for ASX Listing Rule 10.11.

The following information in relation to the issue of the Mr Boyd Placement Shares to Alan Boyd is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- a) The allottee is Mr Alan Boyd, a Director of the Company (or his nominee).
- b) If Mr Boyd elects to have the Mr Boyd Placement Shares issued to him personally, Listing Rule 10.11.1 applies. If Mr Boyd elects to have the Mr Boyd Placement Shares issued to his nominee, Listing Rule 10.11.4 applies.
- c) The maximum number of Mr Boyd Placement Shares to be issued is 149,254 Shares.
- d) The Mr Boyd Placement Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- e) The Mr Boyd Placement Shares will be issued within one month of Shareholder approval being obtained by the Company (or such later date as permitted by any ASX waiver or modification of the Listing Rules).
- f) The Mr Boyd Placement Shares will be issued at a price of \$0.067 per Mr Boyd Placement Share, raising up to \$10,000 (before costs).
- g) Funds raised from the issue of the Mr Boyd Placement Shares will be used by the Company to undertake platform development, funding ongoing operations, working capital and offer costs.
- h) The issue of the Mr Boyd Placement Shares are not intended to be remuneration or an incentive for Mr Boyd.
- i) The Mr Boyd Placement Shares are not being issued under an agreement.
- j) A voting exclusion statement is set out in the Notice of Meeting above.

If this Resolution is passed, the Company will be able to proceed with the proposed issue of the Mr Boyd Placement Shares and will receive up to \$10,000 in funds (before costs), as detailed within this Resolution. If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of the Mr Boyd Placement Shares and the Company will not receive up to \$10,000 in funds (before costs) in relation to the issue of the Mr Boyd Placement Shares.

Board recommendation

The Board (excluding Mr Boyd) unanimously recommends that Shareholders VOTE IN FAVOUR of Resolution 2.

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Resolution 3 - Approval of Issue of Fully Paid Ordinary Shares to Mr Andrew Newbold, Director of the Company

Background

On 3 November 2022, the Company announced a capital raising comprised of a placement and share purchase plan, pursuant to which shares were offered at a price of \$0.067 per ordinary share.

The Company received commitments from Mr Andrew Newbold, Director of the Company to subscribe for up to 746,269 Shares on the same term as the Placement (**Mr Newbold Placement Shares**), raising up to \$50,000.

As Mr Newbold is a Director of the Company, the issue of the Mr Newbold Placement Shares is subject to the Company obtaining Shareholder approval. This Resolution seeks Shareholder approval to issue the Mr Newbold Placement Shares to Mr Newbold (or his nominee).

Voting exclusion

The Company will disregard any votes cast:

- in favour of this resolution by or on behalf of Mr Andrew Newbold, and any of his associates, regardless of the capacity in which the vote is cast; and
- a person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) and any of their associates,

unless the vote is cast as proxy for a person entitled to vote on this resolution:

- in accordance with a direction on the proxy form; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - ii) the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either: (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Mr Newbold Placement Shares (which is a type of equity security, for the purposes of the Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

A “related party” for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of “related party” also includes a person whom there is reasonable grounds to believe will become a “related party” of a public company.

The non-conflicted Directors of the Company (being Joshua Fegan, Andrew Boyd and Penelope Dobson)

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considered the proposed issue of these Mr Newbold Placement Shares to Mr Newbold and formed the view that the giving of this financial benefit to Mr Newbold is on arm's length terms, as the securities are proposed to be issue on the same terms as offered to non-related parties of the Company at the time of the Capital Raising. Accordingly, the non-conflicted Directors of the Company believe that the proposed issue of these Mr Newbold Placement Shares to Mr Newbold fall within the "arm's length terms" exception as set out in section 210 of the Corporations Act, and the Company and relies on this exception from the requirement to obtain Shareholder approval under Chapter 2E of the Corporations Act for the issue of the Mr Newbold Placement Shares.

Information required by ASX Listing Rule 10.13

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue equity securities to

- a) a related party;
- b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- d) an associate of a person referred to in (a) to (c) above; or
- e) a person whose relationship with the company or a person referred to in (a) to (d) above is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Mr Newbold Placement Shares falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11. Accordingly, this Resolution 1 seeks Shareholder approval for the issue of the Mr Newbold Placement Shares for ASX Listing Rule 10.11.

The following information in relation to the issue of the Mr Newbold Placement Shares to Andrew Newbold is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- a) The allottee is Mr Andrew Newbold, a Director of the Company (or his nominee).
- b) If Mr Newbold elects to have the Mr Newbold Placement Shares issued to him personally, Listing Rule 10.11.1 applies. If Mr Newbold elects to have the Mr Newbold Placement Shares issued to his nominee, Listing Rule 10.11.4 applies.
- c) The maximum number of Mr Newbold Placement Shares to be issued is 746,269 Shares.
- d) The Mr Newbold Placement Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- e) The Mr Newbold Placement Shares will be issued within one month of Shareholder approval being obtained by the Company (or such later date as permitted by any ASX waiver or modification of the Listing Rules).

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- f) The Mr Newbold Placement Shares will be issued at a price of \$0.067 per Mr Newbold Placement Share, raising up to \$50,000 (before costs).
- g) Funds raised from the issue of the Mr Newbold Placement Shares will be used by the Company to undertake platform development, funding ongoing operations, working capital and offer costs.
- h) The issue of the Mr Newbold Placement Shares are not intended to be remuneration or an incentive for Mr Newbold.
- i) The Mr Newbold Placement Shares are not being issued under an agreement.
- j) A voting exclusion statement is set out in the Notice of Meeting above.

If this Resolution is passed, the Company will be able to proceed with the proposed issue of the Mr Newbold Placement Shares and will receive up to \$50,000 in funds (before costs), as detailed within this Resolution. If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of the Mr Newbold Placement Shares and the Company will not receive up to \$50,000 in funds (before costs) in relation to the issue of the Mr Newbold Placement Shares.

Board recommendation

The Board (excluding Mr Newbold) unanimously recommends that Shareholders VOTE IN FAVOUR of Resolution 3.

Resolution 4 - Ratification of issue of Collateral Shares

Background

As announced to the market on 3 February 2023, the Company recently raised \$2.2 million (before costs) through the issue of convertible notes. As part of the same arrangement, the Company issued 11,000,000 collateral Shares. The Company issued the Shares on 3 February 2023. The raise was within the Company's capacity under ASX Listing Rules 7.1.

The Company is seeking Shareholder approval to ratify the prior issue of 11,000,000 Shares to Obsidian Global GP, LLC in relation to the collateral shares in accordance with Listing Rule 7.4.

Voting exclusion

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of any person who participated in the issue the subject of this Resolution; or an associate of that person (or those persons).

However, the Company need not disregard any vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides;
- (c) It is cast by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from

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- voting, and is not an associate of a person excluded from voting, on the resolution; and
- (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Listing Rule 7.4

Listing Rule 7.1 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company during the previous 12 months (without approval and which were not subject to an exception), exceed 15% of the number of shares on issue at the commencement of that 12 month period.

Listing Rule 7.1A provides that eligible entities may, subject to shareholder approval by special resolution, issue equity securities up to 10% of its issued capital over a period of 12 months after the annual general meeting. Shareholder approval was obtained pursuant to Listing Rule 7.1A on 29 November 2022.

Listing Rule 7.4 sets out the procedure and effect of Shareholder approval of a prior issue of securities and provides that where shareholders in general meeting ratify a previous issue of securities made without approval under Listing Rule 7.1, provided that the previous issue of securities did not breach ASX Listing Rule 7.1, those securities shall be deemed to have been made with shareholder approval for the purposes of Listing Rule 7.1.

By ratifying the collateral Shares, the Company will retain the flexibility to issue equity securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval. In addition, approval of Resolution 4 will refresh the additional 10% placement capacity provided under Listing Rule 7.1A which was used in undertaking the raise.

If Resolution 4 is not passed, the collateral Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1 and the Company's 10% limit in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the date the collateral Shares were issued.

Listing Rule 7.5 requires that the following information be provided to the Shareholders in relation to obtaining approval of Resolution 4 for the purposes of Listing Rule 7.4:

a) Number of securities issued

11,000,000 (on a pre-consolidation basis).

b) Price at which the securities were issued

\$0.1148 per Share.

c) Terms of the securities

The Shares issued as collateral shares rank equally in all respects with existing Shares on issue.

d) Name of the persons to whom the entity will issue the securities or the basis on which those persons were determined

The Shares were issued to Obsidian Global GP, LLC under the relevant convertible note agreement.

Notice of Meeting

e) Intended use of the funds raised

Funds raised were raised to support the launch of new SKUs to continue growing the Company's existing product range and to provide general working capital.

Board recommendation

The Board unanimously recommends that Shareholders VOTE IN FAVOUR of Resolution 4.

Resolution 5 - Approval of issue of new options to Obsidian Global GP, LLC

Background

As announced to the market on 3 February 2023, the Company recently raised \$2.2 million (before costs) through the issue of 4,800,000 convertible notes at an issue price of \$0.1148. As part of the same arrangement, the Company will issue 4,800,000 options with an exercise price equal to 200% of the 5 actual trading days immediately prior to the mutual execution of the convertible securities agreement. The raise was within the Company's capacity under ASX Listing Rules 7.1.

The Company is seeking Shareholder approval under Listing Rule 7.1 for the issue of up to 4,800,000 new options which will have an exercise price of \$0.1148.

Voting exclusion

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder); or any associate of that person (or those persons).

However, the Company need not disregard any vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides;
- (c) It is cast by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Listing Rule 7.1

Listing Rule 7.1 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company without approval and which were not subject to an exception during the previous 12 months, exceed 15% of the number of

Notice of Meeting

shares on issue at the commencement of that 12 month period.

Listing Rule 7.1 provides that where a company approves an issue of securities, the company's 15% capacity will be replenished and the company will be able to issue further securities up to that limit.

Resolution 5 seeks approval for the issue of up to 4,800,000 new options for the purpose of satisfying the requirements of Listing Rule 7.1. If Resolution 5 is approved, the Shares issued will not affect the capacity of the Company to issue securities in the next 12 months under Listing Rule 7.1 as those securities, once issued, will be excluded from the calculations under Listing Rule 7.1.

If Resolution 5 is not passed, the issue of the 4,800,000 new options can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without shareholder approval under Listing Rule 7.1 for 12 months following the date the new options are issued.

For the purposes of Listing Rule 7.3, the following information is provided to Shareholders in relation to Resolution 5:

a) Maximum number of securities the entity is to issue

4,800,000 new options.

b) Date by which the entity will issue the securities

The Shares will be issued to Obsidian Global GP, LLC (and/or its nominees) on exercise of the relevant options. The options have an expiration date 2 years from the date of issue.

c) Issue price of the securities

The issue price for the Shares is \$0.1148 per Share.

d) Names of the persons to whom the entity will issue the securities (if known) or basis upon which those persons will be identified or selected

Obsidian Global GP, LLC (and/or its nominees).

e) Terms of the securities

The options are non-transferable, other than to an affiliate of Obsidian Global GP, LLC or the shareholder or member of Obsidian Global GP, LLC or any affiliate of Obsidian Global GP, LLC.

f) Intended use of the funds raised

Funds raised were raised to support the launch of new SKUs to continue growing the Company's existing product range and to provide general working capital.

Board recommendation

The Board unanimously recommends that Shareholders VOTE IN FAVOUR of Resolution 4.

Notice of Meeting

GLOSSARY

In the Notice of Meeting, Explanatory Statement and accompanying Proxy Form, unless the context requires otherwise:

Althea or Company means Althea Group Holdings Limited ACN 626 966 943.

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

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

Board means the board of directors of the Company.

Chairman means the chairman of the EGM.

Corporations Act means Corporations Act 2001 (Cth).

Director means a director of the Company.

EGM means the Extraordinary General Meeting of the Shareholders of the Company to be held on 17 August 2023 at 5pm convened by way of the Notice of Meeting.

Notice of Meeting means the Notice of Extraordinary General Meeting of the Shareholders of the Company dated 14 July 2023.

Proxy Form means the proxy form accompanying the Notice of Meeting.

Resolution means a resolution referred to in the Notice of Meeting.

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

Shareholder means a person or entity entered in the Company's register of members from time to time as the holder of Shares.



ALTHEA GROUP HOLDINGS LIMITED
ABN 78 626 966 943

Need assistance?



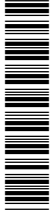
Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact

AGH

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Althea Group Holdings Ltd Extraordinary General Meeting

The Althea Group Holdings Ltd Extraordinary General Meeting will be held on Thursday, 17 August 2023 at 5:00pm (AEST). You are encouraged to participate in the meeting using the following options:



MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit www.investorvote.com.au and use the below information:



Control Number: 999999
SRN/HIN: I9999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

For your proxy appointment to be effective it must be received by 5:00pm (AEST) on Tuesday, 15 August 2023.



ATTENDING THE MEETING VIRTUALLY

To view the live webcast and ask questions on the day of the meeting you will need to visit, Robert Meissner Personal meeting room:
<https://us06web.zoom.us/j/89398489932>

To vote online during the meeting you will need to visit <https://meetnow.global/MPFQ6W9>
For instructions refer to the online user guide www.computershare.com.au/onlinevotingguide

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.



ALTHEA GROUP HOLDINGS LIMITED
ABN 78 626 966 943

AGH

MR SAM SAMPLE
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THE SAMPLE HILL
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SAMPLEVILLE VIC 3030

Need assistance?



Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **5:00pm (AEST) on Tuesday, 15 August 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Althea Group Holdings Ltd hereby appoint

☐ the Chairman of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Althea Group Holdings Ltd to be held as a virtual meeting on Thursday, 17 August 2023 at 5:00pm (AEST) and at any adjournment or postponement of that meeting.

Step 2

Items of Business

PLEASE NOTE: If you mark the Abstain box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Approval of Issue of Fully Paid Ordinary Shares to Mr Joshua Fegan, Director of the Company	☐	☐	☐
Resolution 2	Approval of Issue of Fully Paid Ordinary Shares to Mr Alan Boyd, Director of the Company	☐	☐	☐
Resolution 3	Approval of Issue of Fully Paid Ordinary Shares to Mr Andrew Newbold, Director of the Company	☐	☐	☐
Resolution 4	Ratification of issue of Collateral Shares	☐	☐	☐
Resolution 5	Approval of issue of new options to Obsidian Global GP, LLC	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3

Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically