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AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

19 July 2023

TASMAN PROVIDES LOAN FUNDING TO EDEN TO SECURE A 12 MONTH EXTENSION OF EDEN US'S SECURED DEBT

Eden Innovations Ltd (Eden) (ASX: EDE), has today announced that both it, and its US subsidiary, Eden Innovation LLC ("Eden US"), are finalising a conditional agreement for a 12-month extension of Eden US's iBorrow Financing Facility (see Eden's ASX announcement on 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 by Eden on the 27th May 2022, noting:
 - **Principal Sum reduction on the extension** – US\$675,000, reducing the principal sum owed 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 Lender in partial repayment of the Principal Sum. The Augusta property is currently listed for sale.
 - **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, being 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;
 - Eden continuing as the guarantor

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- 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

Tasman Resources Ltd (Tasman), which holds 28.27% of the issued shares in Eden, has provided funding (via its 100% owned subsidiary Noble Energy Ltd) to Eden ("Eden 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 details of the Eden Loan from Tasman to Eden, which is unsecured and repayable on demand are:

- **Principal advanced** - 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.

To facilitate the funding of the Eden Loan, Arkenstone Pty Ltd and March Bells Pty Ltd have jointly lent to Tasman the sum of A\$2,300,000 ("Tasman Loan"). Both these entities are shareholders of Tasman and are related parties to directors Gregory Howard Solomon and Douglas Howard Solomon (respectively). The material details 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** – provision of the Eden Loan to Eden.

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

The Tasman Loan is a reflection of the Directors commitment and belief in the future success of Eden.

Jamie Scoringe

Company Secretary