

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Stemify Limited (Company)

ABN

20 009 256 535

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | (1) Fully paid ordinary shares
(2) Fully paid ordinary shares
(3) Fully paid ordinary shares
(4) Unlisted options
(5) Unlisted options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (1) 112,500,000 fully paid ordinary shares
(2) 25,000,000 fully paid ordinary shares
(3) 2,000,000 fully paid ordinary shares
(4) 37,500,000 unlisted options
(5) 30,000,000 unlisted options |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (1) 112,500,000 fully paid ordinary shares
(2) 25,000,000 fully paid ordinary shares
(3) 2,000,000 fully paid ordinary shares
(4) 37,500,000 unlisted options (exercise price of \$0.05 and expiring 30 June 2023)
(5) 30,000,000 unlisted options (exercise price of \$0.025 and expiring on 31 December 2022) |

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- | | |
|---|---|
| <p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <p>(1) Yes.
(2) Yes.
(3) Yes.
(4) Unlisted options – yes, upon exercise
(5) Unlisted options – yes, upon exercise</p> |
| <p>5 Issue price or consideration</p> | <p>(1) \$0.02 (2 cents) per share
(2) \$0.02 (2 cents) per share
(3) \$0.02 (2 cents) per share
(4) Nil.
(5) \$0.00001 per option</p> |

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6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>(1) 112,500,000 fully paid ordinary shares issued upon completion of the placement as noted in Resolution 2 in the Company's Notice of General Meeting dated 27 June 2019</p> <p>(2) 25,000,000 fully paid ordinary shares issued upon a conversion of liabilities as approved by Shareholders pursuant to Resolution 3 in the Company's Notice of General Meeting dated 27 June 2019</p> <p>(3) 2,000,000 fully paid ordinary shares issued upon a conversion of historical creditor positions as approved by Shareholders pursuant to Resolution 5 in the Company's Notice of General Meeting dated 27 June 2019</p> <p>(4) 37,500,000 unlisted options issued upon a conversion of liabilities as approved by Shareholders pursuant to Resolution 3 in the Company's Notice of General Meeting dated 27 June 2019</p> <p>(5) 30,000,000 unlisted options issued to advisors as approved by Shareholders pursuant to as noted in Resolution 4 in the Company's Notice of General Meeting dated 27 June 2019</p>
6a	Is the entity an *eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the *securities the subject of this Appendix 3B, and comply with section 6i	Yes.
6b	The date the security holder resolution under rule 7.1A was passed	30 November 2018.
6c	Number of *securities issued without security holder approval under rule 7.1	Nil.
6d	Number of *securities issued with security holder approval under rule 7.1A	Nil.

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6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	(1) 112,500,000 (30 July 2019) (2) 25,000,000 (30 July 2019) (3) 2,000,000 (30 July 2019) (4) 37,500,000 (30 July 2019) (5) 30,000,000 (30 July 2019)						
6f	Number of +securities issued under an exception in rule 7.2	Nil.						
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A						
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A						
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A						
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	(1) 16 August 2019 (2) 16 August 2019 (3) 16 August 2019 (4) 16 August 2019 (5) 16 August 2019						
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="708 1462 995 1496">Number</th> <th data-bbox="1007 1462 1294 1496">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="708 1507 995 1541">150,996,066</td> <td data-bbox="1007 1507 1294 1563">Fully Paid Ordinary Shares</td> </tr> <tr> <td data-bbox="708 1608 995 1641">924,894</td> <td data-bbox="1007 1608 1294 1776">Fully Paid Ordinary Shares subject to 12 months voluntary escrow (24 August 2019)</td> </tr> </tbody> </table>	Number	+Class	150,996,066	Fully Paid Ordinary Shares	924,894	Fully Paid Ordinary Shares subject to 12 months voluntary escrow (24 August 2019)
Number	+Class							
150,996,066	Fully Paid Ordinary Shares							
924,894	Fully Paid Ordinary Shares subject to 12 months voluntary escrow (24 August 2019)							

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	
	464,445	Executive performance rights
	124,444	Founder performance rights
	194,461	Employee performance rights
	311,109	Advisor options exercisable at \$0.15, expiring 22 December 2019
	11,112	Unquoted options exercisable at \$0.10, expiring 27 June 2021
	11,112	Unquoted options exercisable at \$0.10, expiring 8 August 2021
	11,112	Unquoted options exercisable at \$0.10, expiring 23 August 2021
	44,445	Unquoted options exercisable at \$0.06, expiring 27 October 2019
	148,150	Unquoted options exercisable at \$0.06, expiring 20 November 2019
	35,556	Unquoted options exercisable at \$0.09, expiring 20 November 2020
	111,112	Unquoted options exercisable at \$0.075, expiring 30 June 2021
	133,334	Unquoted options exercisable at \$0.06, on or before 28 August 2021
30,000,000	Advisor options exercisable at \$0.025, expiring 31 December 2022	
37,500,000	Conversion Securities exercisable At \$0.05 and expiring 30 June 2023	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	
	N/A.	

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Part 2 - Pro rata issue

- | | | |
|----|--|-----|
| 11 | Is security holder approval required? | N/A |
| 12 | Is the issue renounceable or non-renounceable? | N/A |
| 13 | Ratio in which the +securities will be offered | N/A |
| 14 | +Class of +securities to which the offer relates | N/A |
| 15 | +Record date to determine entitlements | N/A |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | N/A |
| 17 | Policy for deciding entitlements in relation to fractions | N/A |
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | N/A |
| 19 | Closing date for receipt of acceptances or renunciations | N/A |

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20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

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- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of +securities
(tick one)
- (a) +Securities described in Part 1
- (b) All other +securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

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Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

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39 +Class of +securities for which quotation is sought

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40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

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Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:
(Company secretary)

Date: 16 August 2019

Print name: Maggie Niewidok

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	8,231,695 (estimated figure on a 45-1 post consolidation basis)
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	3,974,264 (24 August 2018) 124,445 (24 August 2018) 90,556 (30 November 2018) 139,500,000 (16 August 2019)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil.
“A”	151,920,960

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Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	22,788,144
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil.
“C”	0
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	22,788,144
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	0
Total [“A” x 0.15] – “C”	22,788,144 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

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Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	151,920,960
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	15,192,096
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil.
“E”	0

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Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	15,192,096
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	0
Total ["A" x 0.10] – "E"	15,192,096 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.