

24 September 2024

Bioxyne Signs Amendment with Existing Customer to Manufacture Pastilles and Double Existing THC Flower Product Volumes.

Highlights:

- Breathe Life Sciences (BLS), a wholly owned subsidiary of Bioxyne, has formalised an addendum to a manufacturing and supply agreement with an existing customer trading as Aura Therapeutics (the “Customer”).
- Based on the terms of the agreement and forecast volumes signed off by the Customer, BLS can reasonably expect to generate up to \$5.94 million in sales on an annualised basis¹.
- Pastilles are expected to contribute up to \$3.14 million of the estimate, with the balance of \$2.80 million expected to come from THC Flower Products.
- Bioxyne is solidifying its position as a leading manufacturer and supplier of alternative pharmaceuticals, including cannabis products, Psilocybin and MDMA for supply to authorised prescribers and clinical trials in both domestic and international markets.

Bioxyne Limited (**ASX:BXN**) (“**Bioxyne**” or the “**Company**”), Australian pharmaceutical and consumer health products company and parent company of Breathe Life Sciences (“**BLS**”), is pleased to announce it has finalised an amendment to an existing manufacturing and supply agreement (the “**Agreement**”) for edible cannabis pastilles (colloquially, “gummies”) and THC Flower products under its Good Manufacturing Practice (“**GMP**”) license.

Aura Therapeutics (the “**Customer**”), is a well-established Australian medicinal cannabis sponsor and distributor led by Tom Fay. Based on the terms of the agreement and forecast volumes, BLS can reasonably expect to generate up to \$5.94 million in sales on an annualised basis¹. Pastilles are expected to contribute up to \$3.14 million of the estimate, with the balance of \$2.80 million expected to come from THC Flower Products. The amendment represents a considerable increase on the original standing purchase order dated 25 March 2024, with the introduction of Pastilles and a 100% increase in forecast volumes of THC Flower products.

Commenting on the milestone, Sam Watson, Founder & CEO of BLS and Managing Director of BXN, stated: *“As a leading Australian cannabis manufacturer, we are supplying Australian-made pharmaceutical goods to both domestic and international markets. We are proud to be the trusted manufacturing partner of great companies like the one Tom Fay and his associates have built.”*

Operational Update

After being awarded the most comprehensive GMP licence to date for the manufacture of medicinal cannabis by the Therapeutic Goods Administration (TGA) earlier this year², BLS has completed a series of initial validation batches of pharmaceutical grade cannabis pastilles. Since then, BLS has been scaling its manufacturing capacity to meet the increasing demand of the Australian market.

Until now, pastilles prescribed to patients in Australia have been manufactured overseas and imported. However, with the TGA awarding BLS a comprehensive GMP Licence for cannabis products in February 2024, the Company is well poised to capitalise on this emerging domestic market opportunity.

Jason Stephens, General Manager of BLS Australia commented: *“This is another significant milestone for BLS, as well as the broader Australian pharmaceutical manufacturing and medical cannabis industry. Australia is becoming a global medical cannabis hub, and BLS is quickly becoming a substantial proponent. Our focus as a company is building strong ties with our customers and providing high-quality GMP-certified manufacturing services.”*

Australia is rapidly becoming a world leader in both cannabis and psychedelic medicines. BLS is well-positioned to become Australia’s leading manufacturer and supplier of GMP-certified cannabis, MDMA, and psilocybin products.

This announcement has been approved for release by the Board of Bioxyne Limited.

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About the Good Manufacturing Practice (GMP) Licence:

The GMP licence, awarded by the Therapeutic Goods Administration (TGA) of Australia, is a set of guidelines and principles that set out for how manufacturers of medicines and active pharmaceutical ingredients (APIs) are to ensure they are of high quality. Australian manufacturers of medicines are required to obtain a licence in order to manufacture such goods, and in order to do so, are required to comply with the Code of GMP that is relevant to their goods.

About Bioxyne Limited:

Bioxyne Limited (ASX:BXN) is an Australian life sciences and health products business. In June 2023 Bioxyne acquired BLS in an all shares transaction, becoming the parent company of Breathe Life Sciences (“BLS”) and DR Watson®. The Group, which is headquartered in Sydney and has offices in London, Manchester, Prague, Brisbane, and Nagoya, manufactures and distributes novel pharmaceuticals and consumer health products globally.

About Breathe Life Sciences:

Bioxyne Limited’s wholly owned subsidiary, Breathe Life Sciences (BLS), manufactures, commercializes, and distributes medical cannabis, psychedelics, novel foods and consumer health products under our own brands and for third party brands.

BLS’ goal is to become the market leading Australian manufacturer of novel pharmaceuticals and medicine products derived from Cannabis, Psilocybe Cubensis, and MDMA. In Australia, BLS is licensed to manufacture MDMA and Psilocybin products for commercial supply to authorised prescribers and clinical trials in Australia and global export markets. In the UK and Europe, BLS is a market leader in the supply of CBD (Cannabidiol) and functional mushroom products to national retailers and Amazon. BLS manufactures private, white label, and under its own brands in its UK and EU facilities.

¹Forward Looking Statement

This announcement of contains a forecast relating to the contract entered into. Although the Company considers that there is a reasonable basis for making the forecast, it is based on certain assumptions, which may not be met or may be affected by known and unknown risks. The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company.

No representation or warranty, express or implied, is made by the Company, or any of its directors, officers, employees, advisers or agents that the forecast will be achieved either totally or partially.

Given the risks and uncertainties that may cause the Company’s actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategies and prospects.

The Company does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended. The Company is under no obligation to, nor makes any undertaking to, update or revise such forward looking statements, but believes they are fair and reasonable at the date of the announcement.

²See ASX announcement 5 February 2024.