Cannasouth Limited

Independent Adviser's Report

In Respect of the Issue of 147,891,069 Fully Paid Ordinary Shares as Consideration Under the Proposed Merger with Eqalis Group New Zealand Limited

April 2023

Statement of Independence

Simmons Corporate Finance Limited confirms that it:

- has no conflict of interest that could affect its ability to provide an unbiased report; and
- has no direct or indirect pecuniary or other interest in the proposed transaction considered in this report, including any success or contingency fee or remuneration, other than to receive the cash fee for providing this report.

Simmons Corporate Finance Limited has satisfied the Takeovers Panel, on the basis of the material provided to the Takeovers Panel, that it is independent under the Takeovers Code for the purposes of preparing this report.

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1. Executive Summary

1.1 Background

Cannasouth Limited (**Cannasouth** or the **Company**) is a vertically integrated biopharmaceutical group focused on the commercial development of medicinal cannabis products.

The Company's shares are listed on the main equities securities market (the **NZX Main Board**) operated by NZX Limited (**NZX**) with a market capitalisation of $44.4 million as at 11 April 2023. Its audited total equity as at 31 December 2022 was $11.9 million.

A profile of Cannasouth is set out in section 3.

1.2 Merger of Equals with Eqalis Group New Zealand Limited

On 3 April 2023, Cannasouth entered into the *Share Sale Deed* with the 44 parties who are shareholders in Eqalis Group New Zealand Limited (**Eqalis**) (the **Eqalis Shareholders**) (the **Share Sale Deed**), under which Cannasouth will acquire 100% of the shares in Eqalis from the Eqalis Shareholders (the **Acquisition**).

The purchase price for the Acquisition will be approximately $48.8 million (the **Purchase Price**), satisfied by the issue of 147,891,069 Cannasouth fully paid ordinary shares at an issue price of $0.33 per share (the **Consideration Shares**) to the Eqalis Shareholders (the **Eqalis Allotment**).

We refer to the Acquisition and the Eqalis Allotment collectively as the **Eqalis Merger**.

The Eqalis Merger is subject to the approval of the Cannasouth shareholders (the **Existing Shareholders**).

Cannasouth expects that the Eqalis Merger will be completed on or before 2 June 2023 (the **Completion Date**).

1.3 2023 Capital Raise

In conjunction with the Eqalis Merger, Cannasouth will undertake a capital raising seeking to raise $9 million (but not less than $7.0 million and no more than $11.0 million) of fresh equity to fund the Company's working capital requirements post the Eqalis Merger (the **2023 Capital Raise**).

Under the 2023 Capital Raise, between 24,137,931 and 37,931,034 fully paid ordinary shares (the **Capital Raise Shares**) will be offered to the Existing Shareholders, the Eqalis Shareholders and a number of third-party investors (collectively the **Capital Raise Shareholders**) an issue price of $0.29 per share. In addition, one option will be issued for every 2 Capital Raise Shares at an exercise price per option of $0.29 each (the **Capital Raise Options**).

Cannasouth's board of directors (the **Board**) currently intends to raise $9.0 million under the 2023 Capital Raise, with the ability to accept up to $2.0 million of oversubscriptions.

1.4 Impact of the Restructure

We refer to the Eqalis Merger and the 2023 Capital Raise collectively as the **Restructure**.

The Eqalis Merger represents a merger of equals between Cannasouth and Eqalis, effected by Cannasouth acquiring Eqalis with the Eqalis Shareholders receiving the Consideration Shares and controlling 50% of the voting rights in Cannasouth (prior to the 2023 Capital Raise).

This effectively implies that Cannasouth and Eqalis are of equal value (the **Respective Merger Values**).

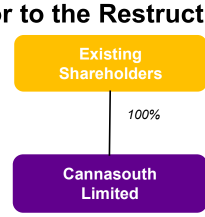
Following the completion of the Eqalis Merger:

- Eqalis will be a wholly owned subsidiary of Cannasouth
- current Eqalis directors Greg Misson, Mark Scapens and Hilary Webber will be appointed to the Board as representatives of the Eqalis Shareholders. Three of the Company's current directors – Tony Ho, Christine Pears and Mark Lucas – will remain on the Board while current director Juliet Hull will retire from the Board.

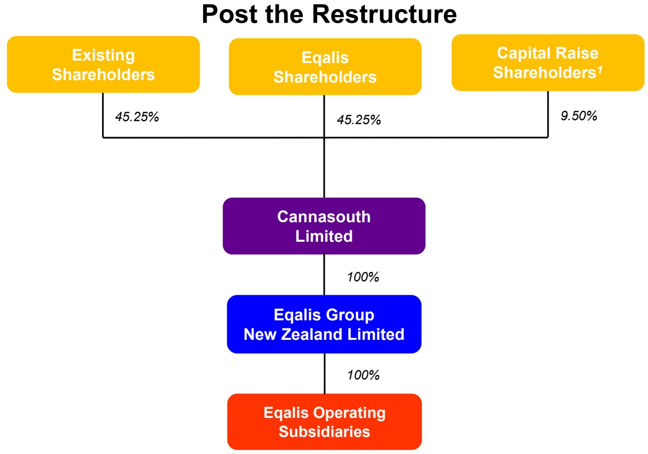
The 2023 Capital Raise will raise between \$7.0 million and \$11.0 million to fund Cannasouth's working capital requirements post the Eqalis Merger.

Assuming \$9.0 million is raised under the 2023 Capital Raise, the Restructure will result in the shareholdings of the Existing Shareholders being significantly diluted by up to 54.75% due to the issue of the Consideration Shares and the Capital Raise Shares.

Prior to the Restructure



Post the Restructure



(see section 4.2 for details)

1 Some Capital Raise Shareholders will also be Existing Shareholders or Eqalis Shareholders

Following the completion of the Restructure, Cannasouth will undergo a rebranding exercise to develop a new brand reflecting the commercial objectives of the merged entity.

1.5 Eqalis

Eqalis is a medicinal cannabis business established in 2019 and based in the Bay of Plenty. Eqalis' focus is on the entire supply chain from seed to pharmaceutical as well as patient access.

A profile of Eqalis is set out in section 4.

1.6 Impact on Shareholding Levels

Cannasouth currently has 147,891,069 ordinary shares on issue, held by 3,541 Existing Shareholders.

Following the Eqalis Merger and before the 2023 Capital Raise and assuming there are no other changes to the Company's capital structure:

- the Existing Shareholders will collectively hold 50.00% of the Company's ordinary shares on issue
- the Eqalis Shareholders will hold 50.00% of the Company's ordinary shares on issue.

Impact of the Eqalis Merger on Shareholding Levels

	Current	Eqalis Allotment	Post the Eqalis Merger No. of Shares	%
Existing Shareholders	147,891,069	-	147,891,069	50.00%
Eqalis Shareholders	-	147,891,069	147,891,069	50.00%
Total	147,891,069	147,891,069	295,782,138	100.00%

Assuming $9.0 million is raised under the 2023 Capital Raise, following the Restructure and assuming there are no other changes to the Company's capital structure:

- the Existing Shareholders will collectively hold 45.25% of the Company's ordinary shares on issue (assuming they do not participate in the 2023 Capital Raise)
- the Eqalis Shareholders will hold 45.25% of the Company's ordinary shares on issue (assuming they do not participate in the 2023 Capital Raise)
- the Capital Raise Shareholders will hold 9.50% of the Company's ordinary shares on issue.

Impact of the Restructure on Shareholding Levels

	Current	Eqalis Allotment	2023 Capital Raise	Post the Restructure No. of Shares	%
Existing Shareholders	147,891,069	-	-	147,891,069	45.25%
Eqalis Shareholders	-	147,891,069	-	147,891,069	45.25%
Capital Raise Shareholders[1]	-	-	31,034,483[2]	31,034,483	9.50%
Total	147,891,069	147,891,069	31,034,483	326,816,621	100.00%

1 Some Capital Raise Shareholders will also be Existing Shareholders or Eqalis Shareholders
2 Assumes $9.0 million is raised under the 2023 Capital Raise

However, both the Existing Shareholders and the Eqalis Shareholders are entitled to participate in the 2023 Capital Raise and therefore their respective collective shareholdings are likely to be higher than 45.25%.

Based on the above assumptions:

- if $7.0 million is raised under the 2023 Capital Raise, the Existing Shareholders and the Eqalis Shareholders will each collectively hold 46.23% of the Company's shares
- if $11.0 million is raised under the 2023 Capital Raise, the Existing Shareholders and the Eqalis Shareholders will each collectively hold 44.32% of the Company's shares.

1.7 Summary of Opinion

Our evaluation of the merits of the Eqalis Allotment as required under the Takeovers Code (the **Code**) is set out in section 2.

In our opinion, after having regard to all relevant factors, the positive aspects of the Restructure (including the Eqalis Allotment and the 2023 Capital Raise) significantly outweigh the negative aspects from the perspective of the Existing Shareholders.

1.8 Special Meeting of Shareholders

Restructure Resolutions

Cannasouth is holding a special meeting of shareholders on 28 April 2023, where the Company will seek shareholder approval of 8 resolutions which cover the Restructure and associated matters (the **Restructure Resolutions**):

- resolution 1 – approval of the Acquisition for the purposes of the NZX Listing Rules (the **Listing Rules**) and section 129 of the Companies Act 1993 (the **Companies Act**)
- resolution 2 – approval of the Eqalis Allotment for the purposes of the Listing Rules and the Code
- resolution 3 – approval of the 2023 Capital Raise for the purposes of the Listing Rules and the Code
- resolution 4 – the appointment of Greg Misson as a director
- resolution 5 – the appointment of Hilary Webber as a director
- resolution 6 – the appointment of Mark Scapens as a director
- resolution 7 – approval of an increase in the aggregate maximum amount of directors' fees to $350,000 per financial year
- resolution 8 – approval of the issue of up to 17,746,928 options to employees, contractors and non-executive directors for the purposes of the Listing Rules.

The Restructure Resolutions are interdependent. All 8 resolutions must be passed in order for any one particular resolution to be implemented. If a resolution is not passed then no further resolutions will be put to the meeting and any resolutions previously put to the meeting will not be treated as having been passed.

Resolution 1 is a special resolution. A special resolution is a resolution passed by a majority of 75% or more of the votes of those shareholders entitled to vote and voting on the resolution in person or by proxy.

Resolutions 2 to 8 are ordinary resolutions. An ordinary resolution is a resolution passed by a simple majority of votes of those shareholders entitled to vote and voting on the resolutions in person or by proxy.

If all 8 resolutions are passed, then any shareholder that has cast all of their votes against resolution 1 is entitled to require Cannasouth to purchase their shares in accordance with section 110 of the Companies Act. Appendix 3 of the notice of special meeting sets out the procedure for minority buy-out rights.

Voting Restrictions

Any shareholders of the Company and their respective Associated Persons (as defined in the Listing Rules) who are to receive any of the securities referred to in resolutions 3 or 8 are not entitled to vote in respect of those resolutions.

In relation to resolution 2 and 3, the Eqalis Shareholders and their respective Associates (as defined in the Code) are prohibited from voting any shares that they hold.

1.9 Regulatory Requirements

Cannasouth is a code company as it is listed on the NZX Main Board (and has financial products that confer voting rights) and is subject to the provisions of the Code.

Rule 6 of the Code prohibits:

- a person who holds or controls no voting rights or less than 20% of the voting rights in a code company from holding or controlling an increased percentage of the voting rights in the code company unless, after that event, that person and that person's associates hold or control in total not more than 20% of the voting rights in the code company
- a person who holds or controls 20% or more of the voting rights in a code company from holding or controlling an increased percentage of the voting rights in the code company

unless done in compliance with exceptions to this fundamental rule.

One of the exceptions, set out in Rule 7(d) of the Code, enables a person to become a holder or controller of an increased percentage of voting rights by an allotment of voting securities in the code company if the allotment is approved by an ordinary resolution of the code company (on which neither that person, nor any of its associates, may vote).

For the purposes of the Code, all of the Eqalis Shareholders have been treated as if they were collectively associates for the purposes of the Eqalis Allotment and the 2023 Capital Raise given they are acting in concert as parties to the Share Sale Deed and are also parties to an existing shareholders' agreement in respect of Eqalis. The Eqalis Allotment will result in the Eqalis Shareholders collectively holding or controlling 50.00% of the voting rights in Cannasouth (prior to the 2023 Capital Raise).

Accordingly, in accordance with the Code, the Existing Shareholders not associated with the Eqalis Shareholders will vote at the Company's special meeting on ordinary resolutions in respect of:

- the Eqalis Allotment (resolution 2)
- the 2023 Capital Raise (resolution 3).

We note that under the Listing Rules, any Existing Shareholders who have agreed to subscribe for Capital Raise Shares and their associated persons (as defined in the Listing Rules) cannot vote on resolution 3.

Rule 18 of the Code requires the directors of a code company to obtain an Independent Adviser's Report on the merits of an allotment under Rule 7(d).

This Independent Adviser's Report is to be included in, or accompany, the notice of meeting pursuant to Rule 16(h).

Post completion of the Eqalis Merger, to the best of Cannasouth's knowledge, the Eqalis Shareholders should not be regarded collectively as associates because they will no longer be acting in concert in relation to the Eqalis Merger and the shareholders' agreement they currently have will be terminated and they will each be free to decide how they may vote their shares in Cannasouth.

1.10 Purpose of the Report

The Company's board of directors (the **Board**) has engaged Simmons Corporate Finance Limited (**Simmons Corporate Finance**) to prepare an Independent Adviser's Report on the merits of the allotment of shares under the Eqalis Allotment and the 2023 Capital Raise in accordance with Rule 18 of the Code.

Simmons Corporate Finance was approved by the Takeovers Panel on 26 October 2022 to prepare the Independent Adviser's Report.

Simmons Corporate Finance issues this Independent Adviser's Report to the Board for the benefit of the Existing Shareholders to assist them in forming their own opinion on whether to vote for or against the Restructure Resolutions.

We note that each shareholder's circumstances and objectives are unique. Accordingly, it is not possible to report on the merits of the Eqalis Allotment and the 2023 Capital Raise in relation to each shareholder. This report on the merits of the Eqalis Allotment and the 2023 Capital Raise is therefore necessarily general in nature.

The Independent Adviser's Report is not to be used for any other purpose without our prior written consent.

2. Evaluation of the Merits of the Restructure (Including the Eqalis Allotment and the 2023 Capital Raise)

2.1 Basis of Evaluation

Rule 18 of the Code requires an evaluation of the merits of the allotment of shares to the Eqalis Shareholders under the Eqalis Allotment and the 2023 Capital Raise, having regard to the interests of the Existing Shareholders.

There is no legal definition of the term *merits* in New Zealand in either the Code or in any statute dealing with securities or commercial law.

In the absence of an explicit definition of *merits*, guidance can be taken from:

- the Takeovers Panel *Guidance Note on Independent Advisers* dated 11 March 2021
- definitions designed to address similar issues within New Zealand regulations which are relevant to the proposed transaction
- overseas precedents
- the ordinary meaning of the term *merits*.

The Eqalis Allotment and the 2023 Capital Raise are components of the Restructure. Therefore, when assessing the merits of the Eqalis Allotment and the 2023 Capital Raise, an assessment of the merits of the Restructure also needs to be undertaken.

We are of the view that an assessment of the merits of the Restructure should focus on:

- the rationale for the Restructure
- the terms and conditions of the Eqalis Merger
- the terms and conditions of the 2023 Capital Raise
- the impact of the Restructure on Cannasouth's financial position
- the impact of the Restructure on the control of Cannasouth
- the impact of the Restructure on Cannasouth's share price
- the benefits and disadvantages to the Existing Shareholders and the Eqalis Shareholders of the Restructure
- the likelihood of the Restructure Resolutions being approved
- the implications if the Restructure Resolutions are not approved.

Our opinion should be considered as a whole. Selecting portions of the evaluation without considering all the factors and analyses together could create a misleading view of the process underlying the opinion.

2.2 Summary of the Evaluation of the Merits of the Restructure (Including the Eqalis Allotment and the 2023 Capital Raise)

The Existing Shareholders currently hold shares in an early stage listed medicinal cannabis company with total equity of $11.9 million as at 31 December 2022.

The Restructure consists of Cannasouth:

- acquiring Eqalis from the Eqalis Shareholders for approximately $48.8 million under the Acquisition
- issuing 147,891,069 Consideration Shares to the Eqalis Shareholders at an issue price of $0.33 per share under the Eqalis Allotment
- issuing between 24,137,931 and 37,931,034 Capital Raise Shares to the Capital Raise Shareholders at an issue price of $0.29 per share to raise between $7.0 million and $11.0 million under the 2023 Capital Raise, along with one Capital Raise Option for every 2 Capital Raise Shares at an exercise price per option of $0.29 each.

The intended completion date of the Eqalis Merger is on or before 2 June 2023. The 2023 Capital Raise is expected to be completed on or before 2 June 2023.

The Eqalis Merger will merge 2 complementary businesses and transform Cannasouth into a much larger entity with the critical mass to compete more successfully in the medicinal cannabis industry.

The 2023 Capital Raise will raise between $7.0 million and $11.0 million of fresh equity to fund Cannasouth's working capital requirements post the Eqalis Merger.

The Existing Shareholders will hold shares in Cannasouth at a significantly diluted level due to the Restructure.

The Existing Shareholders are being asked to vote on 8 resolutions in respect of the Restructure. All resolutions must be passed in order for the Restructure to proceed.

Accordingly, shareholders have 3 alternatives with regard to their voting:

- vote in favour of all 8 resolutions, in which case if all of the Restructure Resolutions are passed, the Company will complete the Restructure and will merge with Eqalis and raise between $7.0 million and $11.0 million of fresh equity, or
- vote against any of the 8 resolutions. In the event that any resolution is not passed, then the Restructure will not be undertaken and Cannasouth will remain in its current form, or
- abstain from voting, in which case the voting of the other shareholders will determine the outcome.

Our evaluation of the merits of the Restructure are set out in detail in sections 2.3 to 2.20.

In our view, the key overriding factor in assessing the merits of the Restructure is that the Existing Shareholders will potentially be in a more advantageous financial position post the Restructure, where they will collectively hold (at least) a 44.32% interest in Cannasouth. The degree to which they are financially better off will depend on the value of the combined Cannasouth and Eqalis businesses, which will be driven to a large degree by the Company's ability to successfully execute the merger strategy and growth initiatives following the Eqalis Merger.

In summary, the positive aspects of the Restructure are:

- the rationale for the Restructure is sound:
  - the Eqalis Merger will merge 2 complementary businesses and transform Cannasouth into a much larger entity with the critical mass to compete more successfully in the medicinal cannabis industry
  - the 2023 Capital Raise will ensure that Cannasouth is adequately financed in the near term post the completion of the Eqalis Merger
- the terms of the Eqalis Merger are reasonable:
  - the Respective Merger Values are fair to the Existing Shareholders. We are of the view that the respective values of Eqalis and Cannasouth (and therefore the Consideration Shares) are broadly equivalent
  - the conditions and warranties set out in the Share Sale Deed are in line with market practice for transactions of this nature and are not unreasonable
- the terms of the 2023 Capital Raise are reasonable:
  - the Capital Raise Shares issue price of $0.29 per share and the Capital Raise Options exercise price of $0.29 per option are in line with Cannasouth's recent share prices on the NZX Main Board
  - the offer will be made to both the Existing Shareholders and the Eqalis Shareholders, thus allowing all shareholders to participate in the capital raise on equal terms
- the Restructure will have a positive impact on the Company's financial position. The Eqalis Merger will increase Cannasouth's level of total equity from $11.9 million as at 31 December 2022 to approximately $17 million and the 2023 Capital Raise will increase the Company's total equity and cash on hand by between $7.0 million and $11.0 million
- the Restructure is unlikely to have any significant impact on Cannasouth's share price in the near term
- the Company's shares may be re-rated by the market, which may improve the liquidity of the shares
- the attraction of Cannasouth as a takeover target may be enhanced
- the implications of the Restructure Resolutions not being approved by the Existing Shareholders are that the Eqalis Merger and the 2023 Capital Raise will not proceed. Cannasouth is not evaluating any alternate merger or acquisition transactions at this point in time and it will need to raise additional capital in the near term to be able to continue to fund its operations.

In summary, the negative aspects of the Restructure are:

- the Eqalis Shareholders will have significant influence over the Company:
  - collectively, they will be able to determine the outcome of any ordinary resolution and block any special resolution if they all vote and they all vote in the same manner (which cannot be taken to be a certainty)
  - they will hold 3 out of 6 appointments to the Board
  - some of Eqalis' senior management will be part of the Company's senior management team

- the dilutionary impact of the Eqalis Allotment on the Existing Shareholders will result in their current collective interests in the Company reducing by 50%. The 2023 Capital Raise may further dilute the shareholding percentage of any Existing Shareholders, depending on the level of their participation in the capital raise.

There are several positive and negative features associated with the Restructure. In our view, when the Existing Shareholders are evaluating the merits of the Restructure, they need to carefully consider whether the negative aspects of the Restructure, particularly the dilutionary impact, could justify voting against the Restructure Resolutions with the outcome that the Company will remain in its current form as to size and capabilities and will need to raise additional capital in the near term to continue to be able to fund its operations.

In our opinion, after having regard to all relevant factors, the positive aspects of the Restructure (including the Eqalis Allotment) significantly outweigh the negative aspects from the perspective of the Existing Shareholders.

2.3 The Rationale for the Restructure

The objective of the Eqalis Merger is merge 2 leading New Zealand medicinal cannabis companies to combine their intellectual property (**IP**), technology, research and development (**R&D**), innovation, manufacturing, sales and prescribing capabilities to improve patient access to cannabis-based medicines.

Pages 20 to 22 of the notice of special meeting set out in detail the Board's reasoning for why it considers the Eqalis Merger to be a compelling transaction for Cannasouth and the Existing Shareholders.

In summary, the Board's reasons are:

- the merger will create a truly vertical enterprise with revenues from biomass and premium flower production, Good Manufacturing Practice (**GMP**) manufacture of cannabis-based ingredients and cannabis medicines
- synergistic benefits will arise from the merger in the areas of expertise, technology, GMP manufacturing capability, product distribution, cost reductions and licensing
- the combination of complementary attributes of the 2 businesses will speed up the advancement of technology, which will bring medicines to market faster and result in a diversification of income streams:
  - medicinal cannabis products will range from simple oil-based tinctures to next generation pharmaceuticals
  - revenue streams from services such as the independently operated clinic RestoreMe and royalties from licensing IP
- the merger will ensure patients have low-cost access to medicinal cannabis and ensure that Cannasouth can respond to changes in market demand, both locally and internationally
- a broader portfolio of products will enable access to multiple markets and different market niches
- the larger merged entity will have the ability to flex to meet market requirements as they change and respond to challenges

- the combination of Eqalis' extraction technologies and processes and Cannasouth's next generation products will deliver lower cost and more effective medicines to patients

- the merger will create a world class R&D and innovation team with a wider pool of experience and resources.

In our view, the rationale for the Restructure is sound. Cannasouth and Eqalis are complementary businesses and merging the 2 businesses will create a more resilient entity that has the critical mass to compete more successfully in the medicinal cannabis industry. Furthermore, the 2023 Capital Raise will ensure that Cannasouth will be adequately capitalised in the near term.

2.4 Process Undertaken by Cannasouth

We are advised by the Board that the Company commenced discussions with the Eqalis board of directors in respect of the Eqalis Merger in September 2022. Previous to this, Cannasouth and Eqalis had been in discussions regarding Eqalis manufacturing a finished product for Cannasouth. It was during these discussions that the complementary nature of the 2 businesses became apparent.

Negotiations on behalf of Cannasouth were led by the Company's chief executive officer Mark Lucas and chief financial officer Colin Foster.

Negotiations on behalf of Eqalis were led by Eqalis' managing director Greg Misson and group lead : strategy and operations David Macaskill.

The parties entered into a non-binding terms sheet on 14 October 2022 and the transaction was announced on 19 December 2022.

The due diligence process undertaken by Cannasouth was led by Mr Lucas and Mr Foster and supported by other Cannasouth executives and external legal and financial advisers.

The Board then negotiated the Share Sale Deed with the Eqalis board of directors with the intention to seek approval of the Share Sale Deed by the Eqalis Shareholders in early 2023.

2.5 Terms of the Eqalis Merger

Purchase Price and Eqalis Allotment

The Purchase Price is approximately $48.8 million for 100% of the Eqalis shares and is to be satisfied by the Eqalis Allotment (being 147,891,069 Consideration Shares issued at $0.33 per share).

The Board has advised us that it negotiated the Purchase Price and the Eqalis Allotment issue price on a commercial arms-length basis with the Eqalis board of directors:

- the Purchase Price reflects Eqalis' IP, manufacturing and collateral physical assets and processes

- the issue price reflected the market price of the Company's shares when the parties first entered into merger discussions.

The Eqalis Merger notionally sets Respective Merger Values of approximately $48.8 million for both Cannasouth and Eqalis.

Set out in section 5 is our evaluation of the reasonableness of the Respective Merger Values.

In our view, the Respective Merger Values of Eqalis and Cannasouth are broadly equivalent and therefore the Eqalis Merger structure of a fully scrip-based merger of equals is reasonable.

Accordingly, we are of the view that the Purchase Price and the Eqalis Allotment are fair to the Existing Shareholders as there will be no material transfer of value from the Existing Shareholders to the Eqalis Shareholders under the Eqalis Merger.

Conditions

The key conditions of the Eqalis Merger are:

- Cannasouth obtaining the Existing Shareholders' approval of the Restructure Resolutions
- Cannasouth raising not less than $7 million under the 2023 Capital Raise
- Cannasouth obtaining all regulatory approvals and consents from Government agencies, landlords and counterparties to material contracts (as the case may be) to the proposed transfer of shares in Eqalis to Cannasouth.

We are of the view that the conditions of the Eqalis Merger are in line with market practice for transactions of this nature and are not unreasonable.

Warranties and Indemnities

Cannasouth has provided warranties in respect of Cannasouth's corporate structure and shares, its accounts, assets, authorisations and information, liabilities, personnel, IP and compliance with laws and obligations.

The Eqalis directors and 5 executives (the **Directors and Executives**) have provided warranties in respect of Eqalis' corporate structure and shares, its accounts, assets, authorisations and information, liabilities, personnel, IP and compliance with laws and obligations.

The Eqalis Shareholders have provided warranties in respect of their respective shares in Eqalis.

Each party's liability under these warranties is limited to claims brought within 24 months of the Completion Date against Cannasouth and 12 months of the Completion Date against the Directors and Executives or the Eqalis Shareholders and to an aggregate amount limited to:

- 25% of the Purchase Price in respect of Cannasouth and the Directors and Executives
- the Purchase Price in respect of the Eqalis Shareholders.

Cannasouth has given the Eqalis Shareholders an indemnity in respect of its taxation compliance up until the Completion Date and certain Eqalis Shareholders have given Cannasouth an indemnity in respect of the taxation compliance of Eqalis up until the Completion Date.

We are of the view that the warranties and indemnities provided under the Share Sale Deed are in line with market practice for transactions of this nature and are not unreasonable.

2.6 Terms of the 2023 Capital Raise

The 2023 Capital Raise involves the issue of between 24,137,931 and 37,931,034 Capital Raise Shares at an issue price of $0.29 per share to raise between $7.0 million and $11.0 million of fresh equity post completion of the Eqalis Merger.

A summary of the key terms of the 2023 Capital Raise are:

- up to $4.5 million of the Capital Raise Shares will be offered to the Existing Shareholders on a pro rata basis, pursuant to a non-renounceable rights issue. The Existing Shareholders will be entitled to apply for more shares in this offer, subject to scaling
- up to $4.5 million of the Capital Raise Shares will be offered to the Eqalis Shareholders on a pro rata basis to their respective shareholdings in Eqalis, pursuant to a non-renounceable rights issue. The Eqalis Shareholders will be also entitled to apply for more shares in this offer, subject to scaling and to the extent that the relevant shareholder's shareholding level following the 2023 Capital Raise does not exceed the percentage shown in column 7 of Appendix 2 of the notice of special meeting
- there will be an ability to accept up to $2.0 million of oversubscriptions under the above 2 offers in aggregate, for a maximum issue size of $11.0 million in aggregate
- third party investors, including for this purpose certain Existing Shareholders or Eqalis Shareholders, are being approached to secure binding commitments to participate in the offer of the Capital Raise Shares, subject to sufficient Capital Raise Shares being available. These investors will take priority in the allocation of any oversubscriptions under the 2 offers ahead of the Existing Shareholders' and the Eqalis Shareholders' applications for oversubscriptions.

In addition to the Capital Raise Shares, one Capital Raise Option will be issued for every 2 Capital Raise Shares issued (up to 18,965,517 Capital Raise Options) on the following key terms:

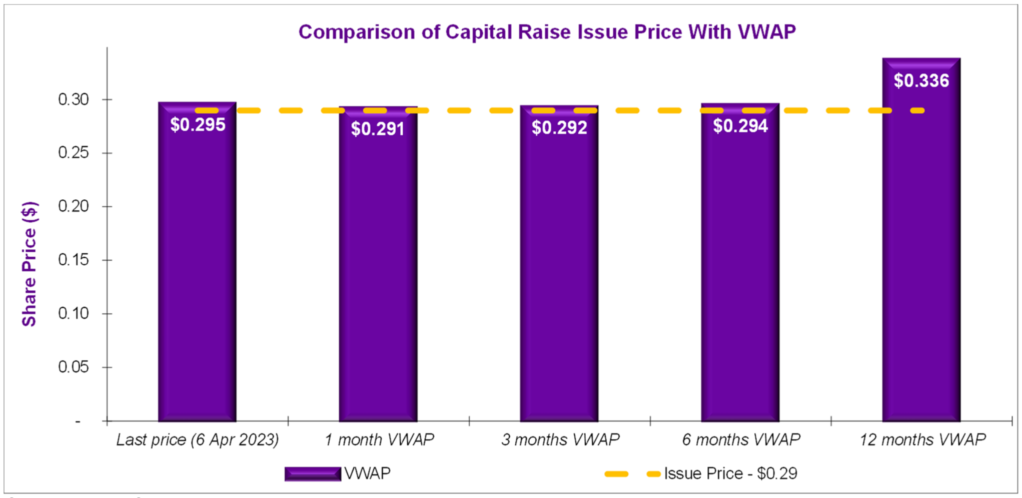
- an exercise price of $0.29 per option
- each option entitles the holder to acquire one ordinary share in the Company
- the options vest on the date of their issue
- the options have a term of 3 years from the date of their issue
- the options may be exercised in the period commencing 6 months from the date of their issue and ending 3 years after the date of their issue.

The purpose of the 2023 Capital Raise is to fund:

- Cannasouth's near term working capital requirements post the Eqalis Merger
- various existing Cannasouth projects
- various existing Eqalis projects
- the expansion of Eqalis' RestoreMe clinic
- validation and commercialisation of next generation drug delivery systems
- clinical trials.

The Capital Raise Shares will be issued at $0.29 per share which represents:

- a 2% discount to the Company's share price of $0.295 on 6 April 2023
- approximately the same price as the Company's one month volume weighted average share price (**VWAP**) of $0.291
- a 1% discount to the Company's 3 months VWAP of $0.292
- a 1% discount to the Company's 6 months VWAP of $0.294
- a 14% discount to the Company's one year VWAP of $0.336.



Source: NZX Company Research

Given that the Consideration Shares will be issued at a price broadly in line with Cannasouth's current share price, there will not be any material transfer of value from the Existing Shareholders to the Capital Raise Shareholders.

The Existing Shareholders have the opportunity to participate in up to $4.5 million of the 2023 Capital Raise on a pro rata basis, pursuant to a non-renounceable rights issue and are entitled to apply for more shares in this offer. Accordingly, the Existing Shareholders have the opportunity to increase their investment in the Company and thereby reduce the dilutionary impact of the Eqalis Allotment on their shareholding levels.

On the basis that the Consideration Shares will be issued at market value and the Existing Shareholders have the opportunity to participate in the 2023 Capital Raise on a pro rata basis, we consider the 2023 Capital Raise to be fair to the Existing Shareholders.

We note that the Capital Raise Issue Price of $0.29 is 12.1% lower than the Consideration Shares Issue Price of $0.33. In our view, the different issue prices are not unreasonable given the timing of when the terms of the Eqalis Merger were agreed compared with when the 2023 Capital Raise will be undertaken and the downwards movement in Cannasouth's share price over this period.

2.7 Impact on Financial Position

A summary of Cannasouth's recent financial position is set out in section 3.8.

The Company's total equity as at 31 December 2022 was $11.9 million and it had approximately $1.9 million of cash on hand.

The Restructure will significantly strengthen Cannasouth's financial position. The Eqalis Merger will increase Cannasouth's total equity to approximately $17 million and its cash on hand to approximately $4 million (including cash from Eqalis).

The 2023 Capital Raise will further increase total equity and cash on hand by between $7 million to $11 million (depending on the number of Capital Raise Shares issued).

2.8 Impact on Control

Share Capital and Shareholders

Cannasouth currently has 147,891,069 fully paid ordinary shares on issue held by 3,541 shareholders. The names, number of shares and percentage holding of the Company's 10 largest shareholders as at 31 March 2023 are set out in section 3.6.

Shareholding Voting

In our view, following the Restructure, the Eqalis Shareholders' ability to influence the outcome of shareholder voting will not be significant.

The Eqalis Shareholders' combined holding of between 44.32% and 46.23% of the Company's voting rights (depending on how much is raised under the 2023 Capital Raise) would, if all voted in the same manner, enable them to:

- block special resolutions (which require the approval of 75% of the votes cast by shareholders)
- strongly influence the outcome of ordinary resolutions (which require the approval of more than 50% of the votes cast by shareholders).

However, following the completion of the Eqalis Merger, there is nothing to suggest that the Eqalis Shareholders will act in unison with regard to shareholder voting. As set out in Appendix 2 of the notice of special meeting, each Eqalis Shareholder's maximum shareholding in Cannasouth will range between 0.02% and 7.62%. None of these shareholdings will be able to singlehandedly exert significant influence over shareholder voting.

Furthermore, the ability for any shareholder to influence the outcome of voting on the Company's ordinary resolutions or special resolutions may be reduced by external factors such as the Company's constitution, the Code, the NZX Listing Rules and the Companies Act (eg if the shareholder is precluded from voting on the resolution because it is a party to the transaction which the resolution relates to).

Given the above, we are of the view that the Restructure will not provide the Eqalis Shareholders with any significant ability to exert control over shareholder voting unless they acted in unison (which we consider to be unlikely).

Board Control

As set out in section 3.5, the Company currently has 4 directors on the Board, none of whom are associated with the Eqalis Shareholders.

Following the Restructure, the Eqalis Shareholders will exert significant control over the Board as they will hold 50% of the Board appointments:

- Eqalis directors Greg Misson, Mark Scapens and Hilary Webber will be appointed to the Board
- current Company independent director Juliet Hull will retire from the Board while Tony Ho, Christine Pears and Mark Lucas will remain on the Board
- Tony Ho will continue as independent Board chair.

Operations

Following the Restructure, the Company's senior executive team will comprise:

- Mark Lucas, (continuing as) chief executive officer
- Colin Foster, (continuing as) chief financial officer
- Greg Misson will be appointed as the Company's chief innovation officer. Mr Misson is currently Eqalis' managing director.

The Eqalis senior management team set out in section 4.5 will transition across into the merged entity following the completion of the Restructure and work alongside the Cannasouth senior management team set out in section 3.5.

2.9 Dilutionary Impact

The Restructure will result in the Existing Shareholders' shareholdings in the Company being diluted by between 53.77% and 55.68%:

- the Eqalis Allotment will dilute the Existing Shareholders' shareholdings by 50.00%
- assuming the minimum $7.0 million is raised under the 2023 Capital Raise, this will dilute the Existing Shareholders' shareholdings by a further 7.54% (assuming the Existing Shareholders do not participate in the 2023 Capital Raise), increasing the dilutionary impact to 53.77%
- assuming the maximum $11.0 million is raised, this will dilute the Existing Shareholders' shareholdings by a further 11.03% (assuming the Existing Shareholders do not participate in the 2023 Capital Raise), increasing the dilutionary impact to 55.68%.

While the dilutionary impact is significant, we are of the view that the Existing Shareholders' main focus should be on whether there is any dilutionary impact on the value of their respective shareholdings rather than on their level of voting rights.

As set out in sections 2.5 and 2.6, we are of the view that the terms of the Restructure are fair and that there are no material value transfers from the Existing Shareholders to the Eqalis Shareholders and / or the Capital Raise Shareholders.

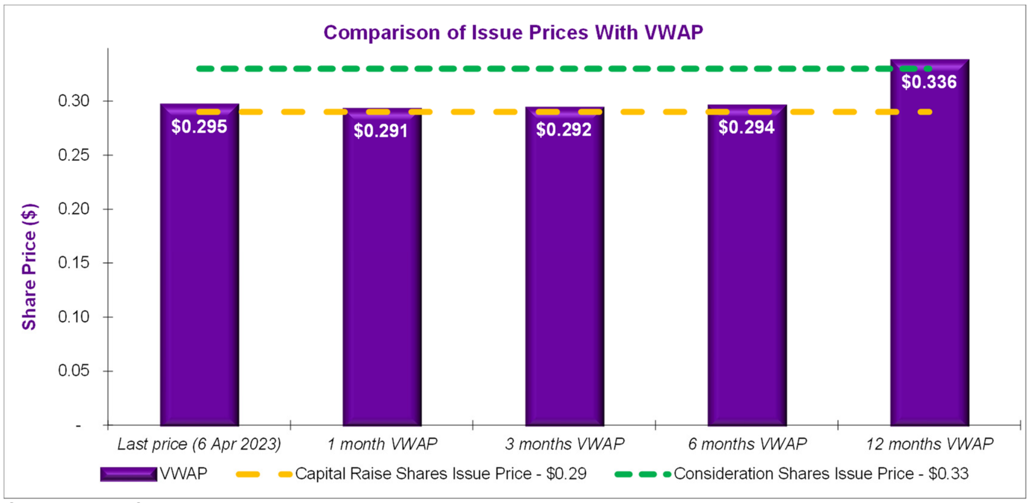
2.10 Impact on Share Price and Liquidity

A summary of Cannasouth's daily closing share price and monthly volume of shares traded from 5 January 2021 to 6 April 2023 is set out in section 3.10.

In the year up to 6 April 2023, 10.0% of the Company's shares traded at a VWAP of $0.336.

The Consideration Shares will be issued at $0.33 per share and the Capital Raise Shares will be issued at $0.29 per share.

The graph below shows that the issue prices are broadly in line with Cannasouth's share prices observed on the NZX Main Board over the past year.



Source: NZX Company Research

Given that the issue prices of the Consideration Shares and the Capital Raise Shares are broadly in line with the Company's current share price, we are of the view that the Restructure will not have any material impact on Cannasouth's share price in the near term.

Re-rating of Cannasouth Shares

The completion of the Restructure may lead to a re-rating of the Company's shares. The significant increase in the size of Cannasouth's operations and capabilities may lead to greater demand for the Company's shares, which in turn may lead to higher prices for the shares. However, Existing Shareholders should also bear in mind that any re-rating of the Company's shares may increase the variability in the Company's share price and this may result in the share price either increasing or decreasing.

Liquidity

Trading in the Company's shares is extremely thin, reflecting that the top 10 shareholders collectively hold 59.59% of the shares.

Existing Shareholders currently have very limited opportunities to sell their shares. Only 10.0% of the Company's shares traded in the year up to 6 April 2023.

The Restructure will not necessarily improve the liquidity of the Company's shares in the near term as the number of shares held by the Existing Shareholders will not change.

Should the Eqalis Shareholders and / or the Capital Raise Shareholders seek to dispose of some of their Cannasouth shares, this may result in increased trading in the Company's shares, thereby improving liquidity.

While we would expect increased demand for the Company's shares post the Restructure, we note that the relatively small free float means that there will be a limited number of shares available for sale and this may restrict the level of trading in the Company's shares.

2.11 Key Business Risks

Pages 15 to 18 of the notice of special meeting set out in detail the key business risks that Cannasouth will face following the Eqalis Merger.

In summary, the key business risks are:

- dependence on key personnel – Cannasouth's and Eqalis' operations are heavily reliant on certain key personnel. Failure to retain any of the key personnel could adversely affect the merged entity's operations
- competition – the medicinal cannabis sector in New Zealand is a young and emerging sector. One or more of Cannasouth's or Eqalis' competitors could seek to offer comparable services and products:
  - at lower prices, which might cause downward pressure on Cannasouth's or Eqalis' pricing and ability to create margin and revenue
  - which are preferred by the market, leading to reduced demand for Cannasouth's or Eqalis' services and products
- management of growth opportunities and integration risk – as Cannasouth expands through the Eqalis Merger and continues to expand organically, it may not successfully manage its growth, which could lead to adverse operational and financial performance
- regulatory risk – almost all of Cannasouth's and Eqalis' business operations are heavily regulated and may be subject to new regulations
- early stage nature of business operations – both Cannasouth and Eqalis are early stage companies with limited trading history. There is no assurance of future revenue growth or profitability.

The Existing Shareholders currently face these business risks through their investment in Cannasouth. The Restructure will not change the nature of (or level of) business risk faced by the Existing Shareholders to any significant degree.

2.12 Main Advantage to the Existing Shareholders of the Restructure

The Existing Shareholders currently hold 100% of the shares in an early stage listed medicinal cannabis company with total equity of $11.9 million as at 31 December 2022 and whose shares are thinly traded on the NZX Main Board.

Following the Restructure, they will collectively hold at least 44.32% of the shares in a much larger listed medicinal cannabis company with a broader range of capabilities that has total equity of at least approximately $24 million and between $7.0 million and $11.0 million of additional cash to fund its near term working capital requirements.

2.13 Main Disadvantage to the Existing Shareholders of the Restructure

The main disadvantage to the Existing Shareholders of the Restructure is that the shares issued under the Eqalis Allotment and the 2023 Capital Raise will significantly dilute their interests in the Company.

The Existing Shareholders' collective shareholding will be diluted by up to 55.68% from their collective shareholding of 100% at present to potentially a low of 44.32% (depending on how much is raised under the 2023 Capital Raise and whether they participate in the offer).

In our view, the positive aspects of the transformation of the Company (as set out in section 2.2) significantly outweigh the dilutionary impact of the Restructure.

2.14 Other Issues for the Existing Shareholders to Consider

Future Requirements for Capital

Resolution 3 in respect of the 2023 Capital Raise authorises a capital raising for the Company of up to $11.0 million.

The funds raised from the 2023 Capital Raise will be applied towards Cannasouth's operating expenses post the Eqalis Merger, including the continuation of Eqalis' R&D projects.

Existing Shareholders should be cognisant that any equity raisings by the Company in the future in which they do not participate will lead to further dilution of their proportionate interests in the Company.

Restructure Costs

Cannasouth's total transaction costs associated with the Restructure are estimated to be in the vicinity of $200,000. The costs include legal fees, due diligence costs, Takeovers Panel fees, NZX fees, shareholder meeting costs and the cost of this report.

Benefits to Cannasouth of the Eqalis Shareholders as Cornerstone Shareholders

The Eqalis Allotment will position the Eqalis Shareholders as important cornerstone investors in Cannasouth, signalling their confidence in the future prospects of the Company. Furthermore, certain Eqalis Shareholders will undertake integral roles in the governance and management of the Company.

Existing Shareholder Approval is Required

Pursuant to Rule 7(d) of the Code and Listing Rules 5.1.1 and 4.1.1, the Existing Shareholders must approve by special resolution the Eqalis Merger and by ordinary resolutions the Eqalis Allotment and the 2023 Capital Raise.

The Restructure will not proceed unless the Existing Shareholders approve all of the Restructure Resolutions.

Inability to Creep

The *creep provisions* of Rule 7(e) of the Code enable entities that hold or control more than 50% and less than 90% of the voting securities in a code company to acquire up to a further 5% of the code company's shares in any 12 month period without the need for shareholder approval.

Following the Restructure, no individual Eqalis Shareholder will hold or control more than 50% of Cannasouth's shares. Accordingly, the Eqalis Shareholders will not be able to utilise the *creep provisions*.

Attractiveness of the Company as a Takeover Target May Increase

Following the Restructure, Cannasouth will be a much larger entity with potentially a higher profile and may be more visible and attractive to potential investors. This may increase the likelihood of a takeover offer for the Company sometime in the future.

2.15 Key Benefit to the Eqalis Shareholders

Enhanced Investment Liquidity

The Eqalis Merger provides the Eqalis Shareholders with the opportunity to sell Eqalis for approximately $48.8 million in exchange for a collective 50.00% shareholding in Cannasouth (prior to the 2023 Capital Raise).

Cannasouth offers the Eqalis Shareholders an effective and efficient means to effectively achieve a listing of the Eqalis business on a recognised stock exchange.

The Eqalis Merger provides a number of benefits to the Eqalis business and to the Eqalis Shareholders:

- an enhancement of the Eqalis business' profile in the market place
- the ability to raise equity capital more easily
- the ability to use scrip for acquisitions
- liquidity for the Eqalis Shareholders.

The Eqalis Shareholders will exchange their investment in a closely held non-listed company for a combined shareholding of 50.00% (prior to the 2023 Capital Raise) in a company listed on the NZX Main Board, thereby enhancing the liquidity of their investment.

2.16 Key Disadvantage to the Eqalis Shareholders

Exposure to the Regulatory Requirements of Cannasouth

The key risks that are likely to impact upon the business operations of Cannasouth and Eqalis are summarised in section 2.11. The Eqalis Shareholders currently face these risks through their investment in Eqalis and therefore their risk exposure does not change to any significant extent.

However, following the Restructure, Eqalis will be a subsidiary of Cannasouth and will be subject to the additional regulatory requirements of the Code and the Listing Rules (such as restrictions on share transactions and related party transactions as well as higher compliance costs).

2.17 Likelihood of the Restructure Resolutions Being Approved

The Board has unanimously recommended the approval of the Restructure Resolutions. The Company's 4 directors collectively control 19.91% of the Company's shares, which we assume will be voted in favour of the Restructure Resolutions.

The Company's top 10 shareholders collectively hold 59.59% of the Company's shares. This includes executive director Mark Lucas. We are not aware of how these major shareholders will vote in respect of the Restructure Resolutions (other than assuming Mr Lucas will vote in favour of the resolutions). The votes of the major shareholders will significantly influence the outcome of the voting on the Restructure Resolutions.

2.18 Implications of the Restructure Resolutions not Being Approved

If any one of the 8 Restructure Resolutions is not approved, then the Restructure cannot proceed and Cannasouth will not merge its operations with Eqalis.

Cannasouth had approximately $1.9 million of cash as at 31 December 2022. The Company will need to raise additional capital from its existing shareholders and / or new shareholders in the near term to ensure that the Company is able to continue to fund its operations.

The non-approval of the Restructure Resolutions could possibly have negative implications for future capital raising initiatives as potential investors may be hesitant to invest in the Company – especially if shareholder approval is required.

We are advised by the Board that no further merger or acquisition targets have been identified at this point in time.

2.19 Options for Shareholders who do not Wish to Retain Their Investment in Cannasouth

Sell On-market

Those Existing Shareholders who do not wish to remain shareholders in the Company after the Restructure is completed may look to sell their shares on-market once the shares are lifted from suspension of quotation.

We note however that given the relatively thin trading in the Company's shares, it may be difficult to sell some or all of their shares on-market.

Minority Buy-out Rights Under the Companies Act

If the Restructure Resolutions are passed, those Existing Shareholders who voted all of their shares against special resolution 1 will be entitled to require the Company to buy their shares in accordance with the provisions of the Companies Act.

A shareholder entitled to require the Company to purchase its shares by virtue of section 110 of the Companies Act may, within 10 working days of the passing of the special resolution, give written notice to the Company requiring it to purchase the shares.

The Board is then required to give notice to the shareholder of a fair and reasonable price for the shares. Shareholders who do not agree with the nominated price can object to the price, in which case the price will be determined by arbitration.

A detailed explanation of the minority buy-out rights is set out in Appendix 3 of the notice of special meeting.

2.20 Voting For or Against the Restructure Resolutions

Voting for or against the Restructure Resolutions is a matter for individual shareholders based on their own views as to value and future market conditions, risk profile and other factors. Shareholders will need to consider these consequences and consult their own professional adviser if appropriate.

3. Profile of Cannasouth

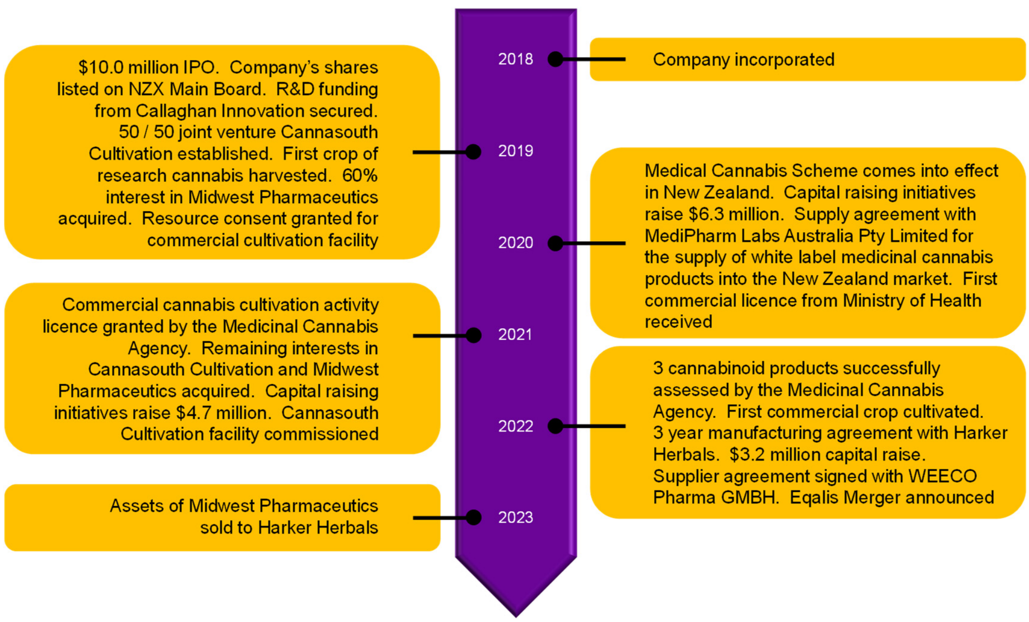
3.1 Background

The Company was incorporated on 21 August 2018.

The Cannasouth business was founded by Mark Lucas and Nic Foreman, who had been growing industrial hemp since 2002.

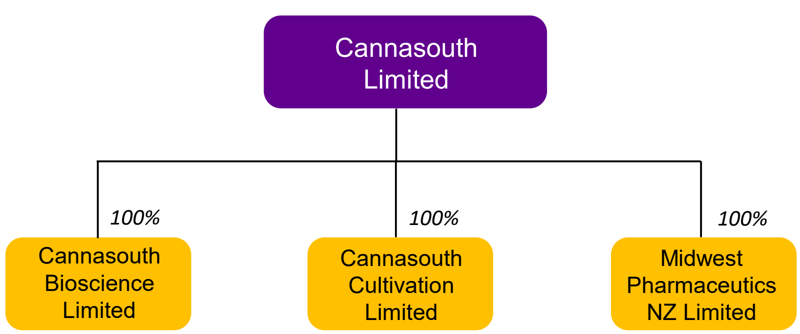
Cannasouth completed a $10 million initial public offering (**IPO**) and listed its shares on the NZX Main Board in June 2019, becoming the first publicly listed medicinal cannabis company in New Zealand.

The Company's key events are set out below.



3.2 Group Structure

The Cannasouth group consists of Cannasouth and 3 subsidiaries.



Cannasouth Group		
Company	**Operations**	**Date of Incorporation**
Cannasouth Bioscience Limited [1]	Support services for the group, including R&D, sales and marketing, quality and regulatory and shared services	15 May 2017
Cannasouth Cultivation Limited	2 Controlled Environment Agriculture (**CEA**) sealed greenhouses in Waikato, producing pharmaceutical grade, premium quality cannabis flower for both the local and export markets	29 July 2019
Midwest Pharmaceutics NZ Limited	Manufacturing facility in Hawke's Bay, contract manufacturing liquid-based health products with GMP certification for repacking of medicines	10 September 2008

1 Changed its name from Cannasouth Plant Research New Zealand Limited on 23 September 2020

Cannasouth Cultivation Limited (**Cannasouth Cultivation**) was a 50 : 50 joint venture at its incorporation in July 2019. The Company acquired the other 50% interest on 30 November 2021.

Cannasouth acquired a 60% interest in Midwest Pharmaceutics NZ Limited (**Midwest Pharmaceutics**) on 31 October 2019 and acquired the remaining 40% on 31 July 2021.

On 22 December 2022, Cannasouth entered into an agreement to sell the assets of Midwest Pharmaceutics to Harker Herbal Products Limited (**Harker Herbals**) for $2.26 million. Completion of the sale was on 28 February 2023.

3.3 Overview of Cannasouth's Operations

Cannasouth was founded with the purpose of creating a vertically integrated biopharmaceutical company with a focus on developing next-generation cannabis medicines to support patients' health outcomes and improve their quality of life.

Cannasouth's activities include:

- advanced research
- cultivation
- product development
- internal testing capability
- manufacture
- sales (seed to sale).

The Company has developed 2 CEA sealed greenhouses and a post-harvest facility at a 45 hectare site located in the Waikato region.

The facility allows year-round cultivation of premium Good Agricultural and Collection Practice (**GACP**) / GMP compliant cannabis flower with a lower environmental impact than indoor operations. The facility received GACP certification in August 2022 and GMP certification is pending.

Cannasouth's commercially focused research programs are targeted at developing next-generation medicinal cannabis products and valuable IP. The Company is involved in multiple areas of research, including:

- chemistry (identification, extraction and isolation of bioactive compounds)
- biological sciences (preclinical investigations)
- new product development (drug delivery technology).

Cannasouth currently sells a range of imported medicinal cannabis products under the *evalaCann* brand.

3.4 Corporate Strategy

Cannasouth's vision is to develop the next generation of cannabinoid therapeutics to improve the quality of life of New Zealanders and people around the world.

The key elements of Cannasouth's corporate strategy are:

- establish the Company's capabilities in:
  - flower production
  - manufacturing
  - technical services
  - people
- establish diversified revenue streams:
  - short term:
    - contract manufacturing
    - imported medicinal cannabis products sales
    - premium flower sales
  - medium term:
    - end to end medicinal cannabis product manufacture
    - commercialisation and licencing of generated IP
  - long term:
    - next generation cannabinoid therapeutics sales
    - clinical trials leading to the licencing of approved medicines.

3.5 Directors and Senior Management

The Board consists of 4 directors:

- Tony Ho, independent non-executive chair
- Juliet Hull, independent non-executive director
- Mark Lucas, executive director
- Christine Pears, independent non-executive director.

The Company's senior management team consists of:

- Mark Lucas, chief executive officer
- Colin Foster, chief financial officer and company secretary
- Kate Flynn, portfolio manager
- David Gill, chief scientific officer
- Tony Clark, general manager Cannasouth Cultivation
- John Sanders, chief commercial officer
- Pierre Booysen, chief compliance officer.

3.6 Capital Structure and Shareholders

Cannasouth currently has 147,891,069 fully paid ordinary shares on issue held by 3,541 shareholders.

The names, number of shares and percentage holding of Cannasouth's 10 largest shareholders as at 31 March 2023 are set out below.

Cannasouth's 10 Largest Shareholders

Shareholder	No. of Shares	%
Mark Lucas	28,029,435	18.95%
Nic Foreman	23,501,290	15.89%
New Zealand Depository Nominee	20,936,332	14.16%
FNZ Custodians Limited	6,058,125	4.10%
Greenmeadows Health Limited	2,200,000	1.49%
Custodial Services Limited	1,958,058	1.32%
Gang Cheng	1,598,800	1.08%
Jason Craig and Vicki Craig	1,319,645	0.89%
Anthony Ho and Chui Ho	1,286,333	0.87%
Wei Wang	1,235,623	0.84%
Top 10 shareholders	88,123,641	59.59%
Others (3,531 shareholders)	59,767,428	40.41%
Total	147,891,069	100.00%

Source: NZX Company Research

Mark Lucas is the co-founder of the Company and its chief executive officer and executive director.

Nic Foreman is the co-founder of the Company. Mr Foreman resigned as an executive director on 7 October 2020.

3.7 Financial Performance

A summary of Cannasouth's recent financial performance is set out below.

Summary of Cannasouth Financial Performance

	Year to 31 Dec 19 (Audited) $000	Year to 31 Dec 20 (Audited) $000	Year to 31 Dec 21 (Audited)[1] $000	Year to 31 Dec 22 (Audited) $000
Revenue	53	131	206	140
Cost of sales	-	-	-	(3,261)
Gross profit / (loss)	53	131	206	(3,121)
Interest income	72	178	46	-
R&D expenses	(302)	(721)	(870)	(748)
Administrative expenses	(1,939)	(2,765)	(2,874)	(3,121)
Share of net loss of joint ventures	(37)	(274)	(476)	-
Gain on purchase of joint ventures	-	-	1,460	-
Loss before finance costs	(2,153)	(3,451)	(2,508)	(6,990)
Finance costs	(28)	(29)	(54)	(299)
Impairment loss	-	-	-	(636)
Loss from continuing operations	(2,181)	(3,480)	(2,562)	(7,925)

1 Restated

Source: Cannasouth annual financial statements

Cannasouth is an early stage company that has recorded losses totalling approximately $17.3 million since its incorporation in August 2018 up to 31 December 2022.

Revenue represents the sale of biopharmaceutical products. Revenue also includes Government grants received from Callaghan Innovation each year.

Cost of sales represent cultivation production costs.

Salaries and wages represent the majority of R&D expenses and administrative expenses.

Share of joint ventures' losses relate to losses incurred by Cannasouth Cultivation and Midwest Pharmaceutics (when they were joint ventures).

The $1.5 million gain on purchase of joint ventures in the 2021 financial year related to the remeasurement to fair value of the shareholdings in Cannasouth Cultivation and Midwest Pharmaceutics.

The $0.6 million impairment loss in the 2022 financial year related to the write down of goodwill associated with Midwest Pharmaceutics.

Losses after tax from discontinued operations (Midwest Pharmaceutics) amounted to $0.6 million in the 2021 financial year and $0.3 million in the 2022 financial year.

3.8 Financial Position

A summary of Cannasouth's recent financial position is set out below.

Summary of Cannasouth Financial Position

	As at 31 Dec 19 (Audited) $000	As at 31 Dec 20 (Audited) $000	As at 31 Dec 21 (Audited) $000	As at 31 Dec 22 (Audited) $000
Current assets	8,737	9,462	6,237	6,123
Non current assets	3,247	5,101	17,265	11,973
Total assets	11,984	14,563	23,502	18,096
Current liabilities	(235)	(367)	(1,717)	(3,785)
Non current liabilities	(152)	(121)	(4,722)	(2,443)
Total liabilities	(387)	(488)	(6,439)	(6,228)
Total equity	11,597	14,075	17,063	11,868

Source: Cannasouth annual financial statements

Cannasouth's current assets as at 31 December 2022 consisted mainly of the Midwest Pharmaceutics assets held for sale ($3.3 million), cash ($1.9 million), inventory ($0.4 million) and receivables ($0.3 million).

Non current assets as at 31 December 2022 consisted mainly of property, plant and equipment ($8.5 million), intangible assets ($2.2 million) and right of use assets ($1.3 million).

Current liabilities as at 31 December 2022 comprised mainly trade and other payables ($1.5 million), liabilities held for sale ($1.0 million) and borrowings ($1.0 million).

Non current liabilities as at 31 December 2022 consisted mainly of lease liabilities ($1.2 million) and borrowings ($1.2 million).

The Company had equity of $11.9 million as at 31 December 2022, comprising:

- share capital – $28.8 million
- accumulated losses – negative $17.3 million
- reserves – $0.4 million.

3.9 Cash Flows

A summary of Cannasouth's recent cash flows is set out below.

Summary of Cannasouth Cash Flows

	Year to 31 Dec 19 (Audited) $000	Year to 31 Dec 20 (Audited) $000	Year to 31 Dec 21 (Audited) $000	Year to 31 Dec 22 (Audited) $000
Net cash (outflow) from operating activities	(1,934)	(2,929)	(3,142)	(5,360)
Net cash (outflow) from investing activities	(2,586)	(2,291)	(4,774)	(302)
Net cash inflow from financing activities	9,862	5,891	4,280	2,058
Net increase / (decrease) in cash held	5,342	671	(3,636)	(3,604)
Opening cash balance	3,138	8,480	9,151	5,515
Closing cash balance	8,480	9,151	5,515	1,911

Source: Cannasouth audited annual financial statements

Cannasouth has incurred cash losses from its operations totalling approximately $13.4 million over the past 4 financial years.

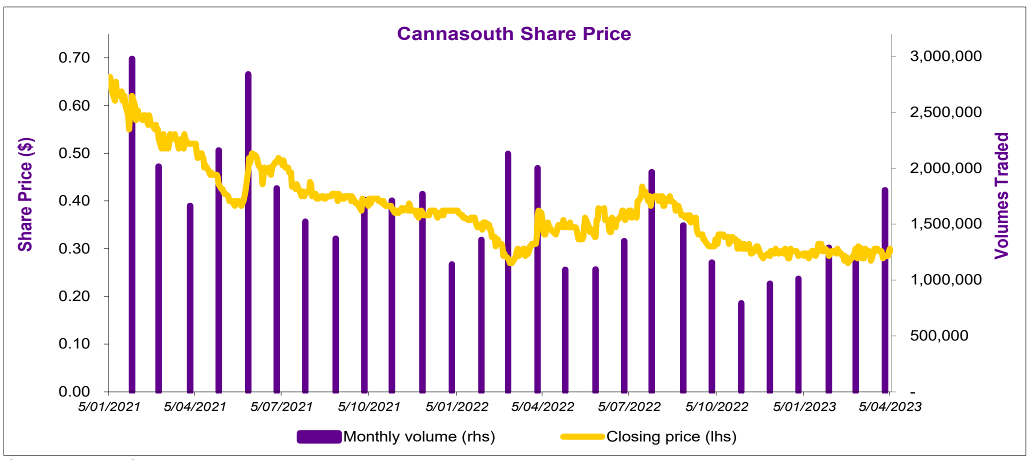
The Company's investing cash outflows mainly represent the costs associated with the acquisitions of Cannasouth Cultivation and Midwest Pharmaceutics.

Cannasouth has funded its operating losses and investing outflows by raising equity:

- $10 million in the 2019 financial year from the IPO involving the issue of 20,000,000 ordinary shares at $0.50 per share
- approximately $6.3 million in the 2020 financial year from the issue of 16,362,945 ordinary shares at $0.38 per share and employee share option redemptions
- approximately $4.7 million in the 2021 financial year from the issue of 11,821,862 ordinary shares at $0.40 per share
- approximately $3.2 million in the 2022 financial year from the issue of 10,600,730 ordinary shares at $0.30 per share.

3.10 Share Price History

Set out below is a summary of Cannasouth's daily closing share price and monthly volumes of shares traded from 5 January 2021 to 6 April 2023.



Source: NZX Company Research

During the period, Cannasouth's shares traded between $0.27 and $0.66 at a VWAP of $0.402.

An analysis of Cannasouth's recent VWAP, traded volumes and liquidity (measured as traded volumes as a percentage of shares outstanding) up to 6 April 2023 is set out below.

Share Trading up to 6 April 2023					
Period	**Low ($)**	**High ($)**	**VWAP ($)**	**Volume Traded (000)**	**Liquidity**
1 month	0.275	0.300	0.291	1,772	1.2%
3 months	0.270	0.310	0.292	4,270	2.9%
6 months	0.270	0.330	0.294	6,942	4.7%
12 months	0.270	0.430	0.336	14,764	10.0%

Source: NZX Company Research

The analysis highlights the relatively thin trading in the Company's shares. Only 10.0% of the Company's shares traded in the past year.

4. Profile of Eqalis

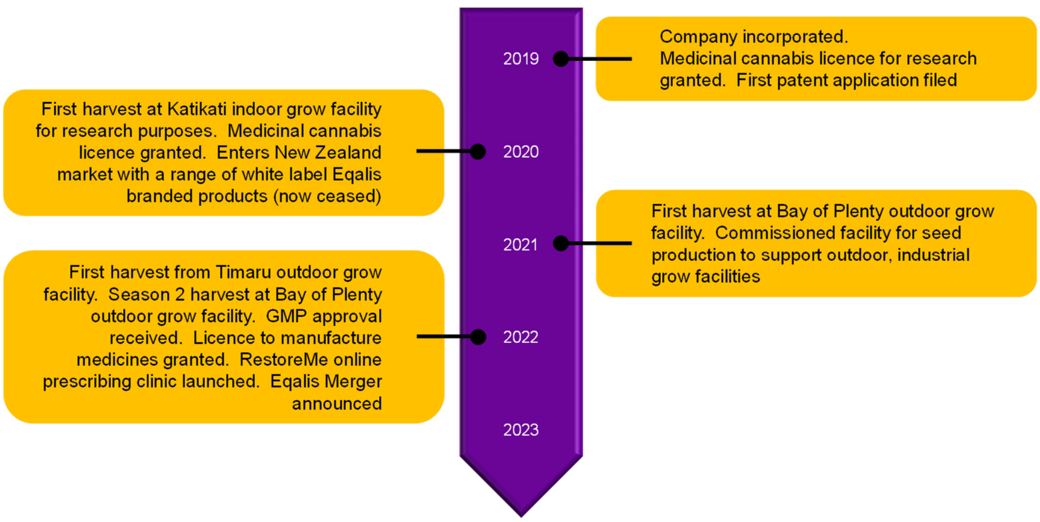
4.1 Background

Eqalis was incorporated on 14 January 2019.

The company was established with the aim of building a medicinal cannabis business from the ground up from the horticultural heart of the Bay of Plenty.

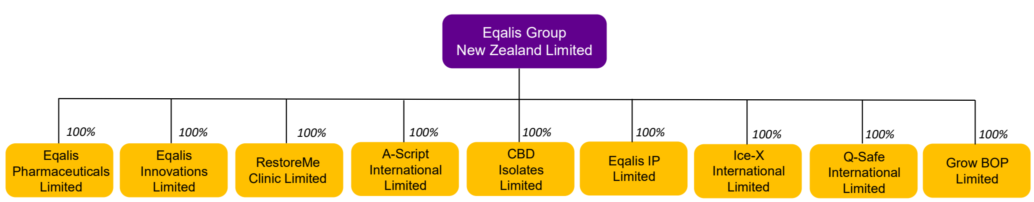
Eqalis first entered the New Zealand market in 2020 with a range of white label *Eqalis* branded products produced in the USA.

Eqalis' key events are set out below.



4.2 Group Structure

Eqalis consists of Eqalis and 9 subsidiaries.



Eqalis Group		
Company	**Operations**	**Date of Incorporation**
Eqalis Pharmaceuticals Limited	GMP manufacturing facility	16 January 2019
Eqalis Innovations Limited	R&D	31 August 2022
RestoreMe Clinic Limited	Online prescribing clinic	18 August 2021
A-Script International Limited	Streamlined prescribing using generic testing and artificial intelligence (**AI**) models	14 September 2020
CBD Isolates Limited	Trading of cannabidiol (**CBD**) isolates	14 September 2020
Eqalis IP Limited	IP portfolio owner	14 September 2020
Ice-X International Limited	IP to reduce the cost of extracting target cannabinoids from biomass	14 September 2020
Q-Safe International Limited	Facilitate fast patient access to medicines	24 September 2020
Grow BOP Limited	Cultivation and growing cannabis	3 May 2019

4.3 Overview of Eqalis' Operations

The notice of special meeting provides a detailed overview of Eqalis. In order to avoid unnecessary repetition, only a summary of Eqalis' operations is set out below.

Eqalis' commercial focus is on the entire supply chain from seed to pharmaceutical as well as patient access.

The company is developing technology at all stages of the supply chain, including:

- developing improved growing systems and processes
- plant genetics
- extraction
- formulations
- manufacturing capacity.

Eqalis has 2 outdoor grow facilities in Bay of Plenty and Timaru for biomass production and new industrial cultivation, harvest processing and extraction technologies, all of which should result in lower cost cannabis-based active pharmaceutical ingredients (**API**).

Eqalis owns a GMP certified manufacturing facility located in Katikati which has sophisticated manufacturing and extraction capabilities licenced to produce both cannabis-based API and finished medicines.

Eqalis has developed an online prescription platform (RestoreMe) for patient access. RestoreMe eliminates barriers to patients accessing medicinal cannabis-based products by connecting them with qualified and experienced doctors that are open to prescribing these medicines.

Eqalis focuses heavily on R&D. The GMP facility and RestoreMe platform were innovations spawned by its R&D team.

Its main areas of R&D focus are:

- developing technical and business solutions and generating IP
- managing the cultivation program
- project management.

Eqalis' IP portfolio currently comprises:

- registered brands (word and logo marks)
- 12 patent applications
- 18 planned patent families.

4.4 Corporate Strategy

Eqalis' vision is to become a global leader in the medicinal cannabis industry.

Its mission is to create affordable medicinal cannabis products.

Eqalis' corporate strategy is to create technology through innovation that can generate business opportunities, reduce manufacturing costs and produce revenue streams from licencing to non-competing businesses.

Eqalis' corporate strategy is focused on 2 key objectives:

- revenue generation – prioritising revenue generation so as to provide a sound basis for a viable business which has greater options to fund its future growth, upscale and gain a head start on competitors
- addressing key choke points in the supply chain – owning technology to address choke points in the supply chain, thus providing an enduring competitive advantage allowing Eqalis to capture market share and create significant value.

4.5 Directors and Senior Management

Eqalis has 4 directors:

- Greg Misson, managing director
- Richard Nash
- Mark Scapens
- Hilary Webber, chair.

Eqalis' senior management team consists of:

- Greg Misson, managing director
- David Macaskill, group lead : strategy and operations
- Jake Chew, innovation manager
- Tyrone Carlton, general manager
- Vicki Clarke, financial controller
- Brendon Ogilvy, chief executive officer of RestoreMe.

4.6 Capital Structure and Shareholders

Eqalis currently has 42,032,025 fully paid ordinary shares on issue held by 44 shareholders (excluding 60,000 shares held as treasury stock and which will be cancelled under the Eqalis Merger).

The names, number of shares and percentage holding of Eqalis' 10 largest shareholders are set out below.

Eqalis' 10 Largest Shareholders

Shareholder	No. of Shares	%
Mark Scapens, Sharon Scapens and CLM Trustees Limited	6,271,049	14.92%
Murray McBride, Necia McBride and Igor Gerritson	3,990,324	9.49%
Hapuka No 2 Trustees Limited (**Hapuka**)	3,410,509	8.11%
Claude Grayling	3,047,482	7.25%
Alan Bougen, Lynda Bougen and Graeme Elvin	2,969,270	7.06%
Gail Ricketts, Stephen Ricketts and Napier Independent Trustees (Stephen & Gail Ricketts Family Trust) Limited	1,953,125	4.65%
Lux Investments Limited	1,818,182	4.33%
Brendon Ogilvy, Cynthia Ogilvy and Maidstone Trustees (2010) Limited	1,546,154	3.68%
Mary Lomas and Richard Nash	1,433,200	3.41%
Andrina McCulloch and Gregory McCulloch	1,360,569	3.24%
Top 10 shareholders	27,799,864	66.14%
Others (34 shareholders)	14,232,161	33.86%
Total	42,032,025	100.00%

Source: Eqalis

Mark Scapens is a director of Eqalis and is proposed to be a director of Cannasouth under the Restructure.

Hapuka is owned by Greg Misson, Eqalis' managing director.

4.7 Financial Performance

A summary of Eqalis' recent financial performance is set out below.

Summary of Eqalis Financial Performance			
	Year to 31 Mar 21 (Audited) $000	**Year to 31 Mar 22 (Audited) $000**	**6 Mths to 30 Sep 22 (Unaudited) $000**
Revenue	354	300	-
Direct operating costs	(240)	(298)	-
Gross profit	114	2	-
Other income	110	1	
Sales and marketing expenses	(179)	(186)	(211)
R&D expenses	(548)	(806)	}
Administrative expenses	(2,384)	(3,748)	(2,751)}
Loss before finance costs	(2,887)	(4,737)	(2,962)
Finance costs (net)	(44)	(42)	
Loss for the year	(2,931)	(4,779)	(2,962)

Source: Eqalis financial statements and management accounts

Eqalis is an early stage company that has recorded losses totalling approximately $12.6 million since its incorporation in January 2019 up to 30 September 2022.

Revenue in the 2021 and 2022 financial years represent the sale of pharmaceutical products and contract manufacturing services.

Direct operating costs represent cultivation costs, media and nutrients and cultivation operation wages.

Other income in the 2021 financial year consisted mainly of COVID-19 wage subsidies.

Salaries and wages represent the majority of operating expenses.

4.8 Financial Position

A summary of Eqalis' recent financial position is set out below.

Summary of Eqalis Financial Position			
	As at 31 Mar 21 (Audited) $000	**As at 31 Mar 22 (Audited) $000**	**As at 30 Sep 22 (Unaudited) $000**
Current assets	1,542	1,497	3,177
Non current assets	2,583	3,775	3,706
Total assets	4,125	5,272	6,883
Current liabilities	(483)	(868)	(822)
Non current liabilities	(639)	(607)	(670)
Total liabilities	(1,122)	(1,475)	(1,492)
Total equity	3,003	3,797	5,391

Source: Eqalis financial statements and management accounts

Eqalis' current assets as at 30 September 2022 consisted mainly of cash ($2.5 million) and inventories ($0.3 million).

Non current assets as at 30 September 2022 consisted mainly of property, plant and equipment ($2.3 million), intangible assets ($0.6 million) and right of use assets ($0.7 million).

Current liabilities as at 30 September 2022 comprised mainly trade and other payables ($0.8 million).

Non current liabilities as at 30 September 2022 consisted of lease liabilities ($0.7 million).

Eqalis had equity of $5.4 million as at 30 September 2022, comprising:

- share capital – $18.0 million
- accumulated losses – negative $12.6 million.

4.9 Cash Flows

A summary of Eqalis' recent cash flows is set out below.

Summary of Eqalis Cash Flows

	Year to 31 Mar 21 (Audited) $000	Year to 31 Mar 22 (Audited) $000
Net cash (outflow) from operating activities	(2,478)	(3,714)
Net cash (outflow) from investing activities	(915)	(1,567)
Net cash inflow from financing activities	2,721	5,415
Net increase / (decrease) in cash held	(672)	134
Opening cash balance	1,545	873
Closing cash balance	873	1,007

Source: Eqalis financial statements

Eqalis has incurred cash losses from its operations each year.

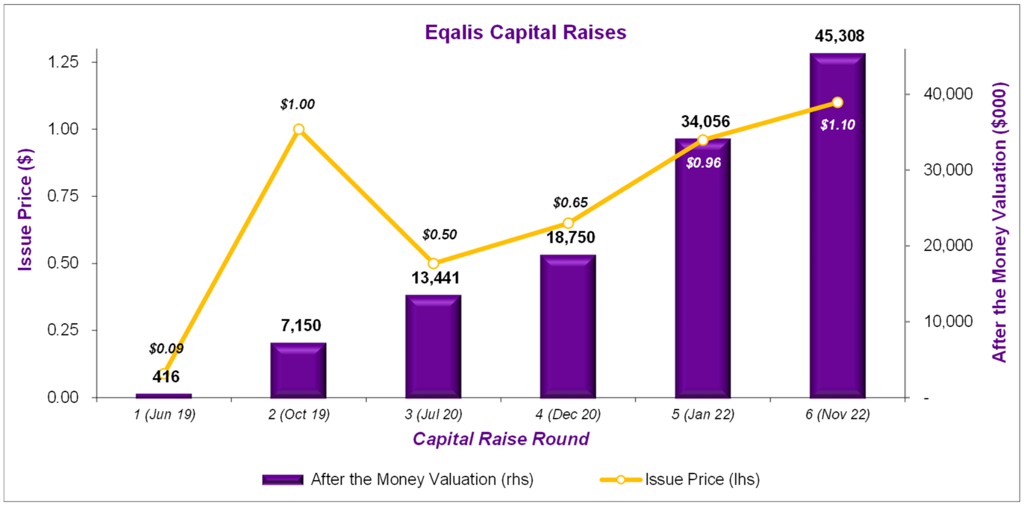
The company's investing cash outflows mainly represent the costs associated with the purchases of fixed assets and intangible assets.

Eqalis has funded its operating losses and investing outflows by raising equity (as detailed in section 4.10).

Eqalis had $2.5 million of cash and cash equivalents as at 30 September 2022.

4.10 Capital Raises

Eqalis has undertaken 6 capital raise rounds since its incorporation in January 2019, raising a total of $19.8 million of equity.



Source: Eqalis

The most recent capital raise (round 6) was completed between May and November 2022 in 3 stages (the **Round 6 Capital Raise**). Eqalis raised $6.0 million from the issue of 5,454,545 shares at $1.10 per share under the Round 6 Capital Raise.

The Round 6 Capital Raise indicated an after the money valuation of $45.3 million for Eqalis as at November 2022.

Based on the 42,032,025 shares currently on issue (excluding treasury stock) and the Round 6 Capital Raise issue price of $1.10 per share, the current implied valuation of Eqalis is $46.2 million.

5. Reasonableness of the Respective Merger Values

5.1 Respective Merger Values

The Eqalis Merger represents a merger of equals between Cannasouth and Eqalis.

The Eqalis Merger will be effected by Cannasouth acquiring Eqalis for approximately $48.8 million with the Eqalis Shareholders receiving approximately $48.8 million of Consideration Shares and thereby controlling 50% of the voting rights in Cannasouth (prior to the 2023 Capital Raise).

Accordingly, the Respective Merger Values imply that Cannasouth and Eqalis are of equal value.

5.2 Basis for Evaluation

Given that the Eqalis Merger is a scrip swap (ie Cannasouth is acquiring all of Eqalis' shares and is fully funding the acquisition by issuing Cannasouth shares to the Eqalis Shareholders) rather than a cash acquisition (under which Cannasouth would pay cash for the Eqalis shares), the **relative** values of Cannasouth and Eqalis are more important than the **absolute** value of Eqalis when assessing the reasonableness of the Respective Merger Values.

We are of the view that the Eqalis Merger will be fair to the Existing Shareholders from a financial perspective if there is no material transfer of value from the Existing Shareholders to the Eqalis Shareholders under the Eqalis Merger (in other words the value of assets acquired broadly equates to the value of the consideration paid).

This requires a comparison of the value of the asset acquired by Cannasouth (ie the Eqalis shares) with the value of the consideration paid by Cannasouth (ie the Consideration Shares).

5.3 Valuation Approaches

In general terms it is recognised that the value of a share represents the present value of the net cash flows expected therefrom. Cash flows can be in the form of either dividends and share sale proceeds or a residual sum derived from the liquidation of the business.

There are a number of methodologies used in valuing shares and businesses. The most commonly applied methodologies include:

- discounted cash flow (**DCF**)
- capitalisation of earnings
- net assets or estimated proceeds from an orderly realisation of assets.

Each of these valuation methodologies is applicable in different circumstances. The appropriate methodology is determined by a number of factors including the future prospects of the business, the stage of development of the business and the valuation practice or benchmark usually adopted by purchasers of the type of business involved.

In the absence of detailed long term robust cash flow forecasts, it is not possible to undertake meaningful DCF analyses of Cannasouth or Eqalis.

Both Cannasouth and Eqalis are early stage businesses that have recorded negative earnings since incorporation and have limited track records of generating revenue (especially Eqalis). Therefore, any valuations based on capitalising earnings (in the form of profit or revenue) would not be meaningful.

We consider the best indication of the values of Eqalis and Cannasouth for the purpose of evaluating the reasonableness of the Respective Merger Values to be the recent prices paid by investors / shareholders for shares in each company.

Accordingly, we have assessed the Respective Merger Values for:

- Eqalis based on the value indicated by the Round 6 Capital Raise
- Cannasouth on its recent share prices on the NZX Main Board.

5.4 Assessment of Respective Merger Values

Eqalis

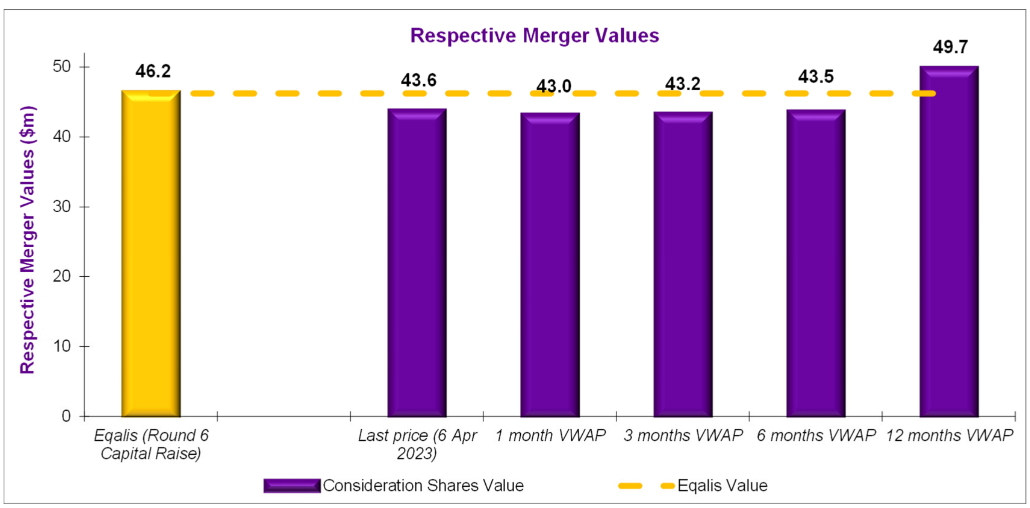
As set out in section 4.10, based on the 42,032,025 shares currently on issue (excluding treasury stock) and the Round 6 Capital Raise issue price of $1.10 per share, the implied valuation of Eqalis is $46.2 million.

Cannasouth

Set out in section 3.10 is an analysis of Cannasouth's VWAP over the past year. Based on the current share price and different VWAP, the implied value of the 147,891,069 Consideration Shares is in the range of $43.0 million to $49.7 million.

Respective Merger Values are Broadly Equivalent

In our view, the Respective Merger Values of Eqalis and Cannasouth are broadly equivalent.



We note that the implied valuation of Eqalis of $46.2 million is 6% to 7% higher than the implied valuation of the Consideration Shares based on Cannasouth's share prices over the past 3 months ($43.0 million to $43.6 million). We do not consider this to be material in the context of a merger of equals.

5.5 Conclusion

On the basis that the Respective Merger Values are broadly equivalent, we are of the view that the Purchase Price and the Eqalis Allotment are fair to the Existing Shareholders as there will be no material transfer of value from the Existing Shareholders to the Eqalis Shareholders under the Eqalis Merger.

6. Sources of Information, Reliance on Information, Disclaimer and Indemnity

6.1 Sources of Information

The statements and opinions expressed in this report are based on the following main sources of information:

- the draft notice of special meeting
- the Share Sale Deed
- the Cannasouth annual reports for the years ended 31 December, 2019 to 2022
- data in respect of Eqalis, including due diligence material prepared by Cannasouth and its advisers
- publicly available information on the medicinal cannabis industry
- data in respect of Cannasouth and companies operating in the medicinal cannabis industry from NZX Company Research and S&P Capital IQ.

During the course of preparing this report, we have had discussions with and / or received information from the Board and Cannasouth's legal advisers.

The Board has confirmed that we have been provided for the purpose of this Independent Adviser's Report with all information relevant to the Restructure that is known to them and that all the information is true and accurate in all material aspects and is not misleading by reason of omission or otherwise.

Including this confirmation, we have obtained all the information that we believe is desirable for the purpose of preparing this Independent Adviser's Report.

In our opinion, the information to be provided by Cannasouth to the Company's shareholders is sufficient to enable the Board and the Existing Shareholders to understand all the relevant factors and to make an informed decision in respect of the Restructure.

6.2 Reliance on Information

In preparing this report we have relied upon and assumed, without independent verification, the accuracy and completeness of all information that was available from public sources and all information that was furnished to us by Cannasouth and its advisers.

We have evaluated that information through analysis, enquiry and examination for the purposes of preparing this report but we have not verified the accuracy or completeness of any such information or conducted an appraisal of any assets. We have not carried out any form of due diligence or audit on the accounting or other records of Cannasouth or Eqalis. We do not warrant that our enquiries would reveal any matter which an audit, due diligence review or extensive examination might disclose.

6.3 Disclaimer

We have prepared this report with care and diligence and the statements in the report are given in good faith and in the belief, on reasonable grounds, that such statements are not false or misleading. However, in no way do we guarantee or otherwise warrant that any forecasts of future profits, cash flows or financial position of Cannasouth or Eqalis will be achieved. Forecasts are inherently uncertain. They are predictions of future events that cannot be assured. They are based upon assumptions, many of which are beyond the control of Cannasouth and Eqalis and their directors and management teams. Actual results will vary from the forecasts and these variations may be significantly more or less favourable.

We assume no responsibility arising in any way whatsoever for errors or omissions (including responsibility to any person for negligence) for the preparation of the report to the extent that such errors or omissions result from our reasonable reliance on information provided by others or assumptions disclosed in the report or assumptions reasonably taken as implicit, provided that this shall not absolve Simmons Corporate Finance from liability arising from an opinion expressed recklessly or in bad faith.

Our evaluation has been arrived at based on economic, exchange rate, market and other conditions prevailing at the date of this report. Such conditions may change significantly over relatively short periods of time. We have no obligation or undertaking to advise any person of any change in circumstances which comes to our attention after the date of this report or to review, revise or update this report.

We have had no involvement in the preparation of the notice of special meeting issued by Cannasouth and have not verified or approved the contents of the notice of special meeting. We do not accept any responsibility for the contents of the notice of special meeting except for this report.

6.4 Indemnity

Cannasouth has agreed that, to the extent permitted by law, it will indemnify Simmons Corporate Finance and its directors and employees in respect of any liability suffered or incurred as a result of or in connection with the preparation of the report. This indemnity does not apply in respect of any negligence, wilful misconduct or breach of law. Cannasouth has also agreed to indemnify Simmons Corporate Finance and its directors and employees for time incurred and any costs in relation to any inquiry or proceeding initiated by any person. Where Simmons Corporate Finance or its directors and employees are found liable for or guilty of negligence, wilful misconduct or breach of law or term of reference, Simmons Corporate Finance shall reimburse such costs.

7. Qualifications and Expertise, Independence, Declarations and Consents

7.1 Qualifications and Expertise

Simmons Corporate Finance is a New Zealand owned specialist corporate finance advisory practice. It advises on mergers and acquisitions, prepares independent expert's reports and provides valuation advice.

The person in the company responsible for issuing this report is Peter Simmons, B.Com, DipBus (Finance), INFINZ (Cert).

Simmons Corporate Finance and Mr Simmons have significant experience in the independent investigation of transactions and issuing opinions on the merits and fairness of the terms and financial conditions of the transactions.

7.2 Independence

Simmons Corporate Finance does not have at the date of this report, and has not had, any shareholding in or other relationship with Cannasouth, Eqalis or the Eqalis Shareholders or any conflicts of interest that could affect our ability to provide an unbiased opinion in relation to the Restructure.

Simmons Corporate Finance has not had any part in the formulation of the Restructure or any aspects thereof. Our sole involvement has been the preparation of this report.

Simmons Corporate Finance will receive a fixed fee for the preparation of this report. This fee is not contingent on the conclusions of this report or the outcome of the voting in respect of the Restructure Resolutions. We will receive no other benefit from the preparation of this report.

7.3 Declarations

An advance draft of this report was provided to the Board for its comments as to the factual accuracy of the contents of the report. Changes made to the report as a result of the circulation of the draft have not changed the methodology or our conclusions.

Our terms of reference for this engagement did not contain any term which materially restricted the scope of the report.

7.4 Consents

We consent to the issuing of this report in the form and context in which it is to be included in the notice of special meeting to be sent to the Existing Shareholders. Neither the whole nor any part of this report, nor any reference thereto may be included in any other document without our prior written consent as to the form and context in which it appears.

Peter Simmons
Director
Simmons Corporate Finance Limited
11 April 2023