



Bubs Australia Limited
ACN 060 094 742
23-29 Nina Link, Dandenong South
VIC 3175 Australia

1800 2827 2878 (1800 BUBS AUST)
info@bubsaustralia.com

SHARE PURCHASE PLAN OPENS

Melbourne, 9 September 2020: Bubs Australia Limited (ASX: BUB) (the Company) is pleased to announce that the share purchase plan (SPP) announced on 3 September 2020 is now open. The SPP is open to eligible shareholders of the Company who had a registered address in Australia or New Zealand on the Company's register at 7.00pm (Sydney time) on Thursday, 2 September 2020 (**Eligible Shareholders**). SPP Offer Booklets will be dispatched today to Eligible Shareholders and a copy is also attached to this announcement.

The SPP allows Eligible Shareholders to apply for up to \$30,000 of new fully paid ordinary shares (**SPP Shares**) subject to certain limitations, without incurring brokerage or other transaction costs. SPP Shares will rank equally with existing shares in the Company from their issue date and will be offered at \$0.80 per share. The number of SPP Shares to be issued and, if applicable, any scale back will be announced to the ASX after the SPP closes, which is expected to occur at 5.00pm (Sydney time) on 23 September 2020.

Importantly, the value of shares in the Company that Eligible Shareholders are entitled to acquire under a share purchase plan or similar arrangement is capped at \$30,000 in any 12-month period. Therefore, if an Eligible Shareholder participated in the Company's Share Purchase Plan in December 2019 (**December 2019 SPP**), the value of SPP Shares that the Eligible Shareholder may be allotted under the current SPP will be capped at \$30,000 less the value of shares in the Company issued to the Eligible Shareholder under the December 2019 SPP.

The SPP aims to raise \$10 million and is not underwritten. If the total value of applications received under the SPP is more than \$10 million, the Company reserves its discretion to increase the amount raised under the SPP up to a maximum of \$11.7 million and to also scale back the number of SPP Shares that will be allotted to Eligible Shareholders on a pro rata basis. If a scale back occurs Eligible Shareholders may be allocated fewer SPP Shares than the number for which they applied. Eligible Shareholders will receive a proportionate refund of their application monies.

Participation in the SPP is voluntary. Eligible Shareholders who wish to participate should carefully consider the terms and conditions of the SPP in the SPP Offer Booklet and follow the instructions in the SPP Offer Booklet and personalised application form. The right to participate in the SPP is not transferrable.

Key dates

Event	Date
Record Date (the date that eligibility to participate in SPP is determined)	7.00pm (Sydney time), 2 September 2020
Announcement of placement and SPP	3 September 2020
SPP offer opens	9 September 2020
SPP offer closes	5.00pm (Sydney time), 23 September 2020
Announcement of results of SPP	28 September 2020



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Event	Date
Allotment of SPP Shares	30 September 2020
Dispatch of holding statements	1 October 2020

Note: This timetable is indicative only. The Company may change or terminate the SPP offer at any time by notice to ASX and reserves the right to amend this indicative timetable (as required by ASX or otherwise).

Jay Stephenson
Company Secretary

BUBS AUSTRALIA LIMITED

ACN 060 094 742

Share Purchase Plan

Offer Booklet

This Offer Booklet contains important information. You should read this document in full and seek advice from your financial or other professional adviser before making any investment decision. This document does not provide financial or taxation advice and has been prepared without taking into account your investment objectives, financial situation or particular needs.

These materials do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any person in the United States. This Offer Booklet may not be distributed or released in the United States. The offer and sale of shares in the SPP have not been, and will not be, registered under the Securities Act of 1933 (as amended) (**Securities Act**) or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, any person in the United States unless registered or offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable securities laws of any state or other jurisdiction in the United States.

9 September 2020

Dear Shareholder

On behalf of Bubs Australia Limited (**Bubs** or the **Company**), I am pleased to offer you an opportunity to participate in the Share Purchase Plan (**SPP**) described in the Offer Booklet accompanying this letter. The SPP aims to raise A\$10 million (before costs).

The SPP provides eligible Bubs shareholders with the opportunity to subscribe for up to A\$30,000 worth of Shares in the Company (**SPP Shares**) without incurring brokerage or other transaction costs. All SPP Shares will be rank equally with existing Shares on issue. The Company is relying on the Class Waiver, and that the SPP Shares are within the Company's placement capacity under the Class Waiver.

Bubs announced on 3 September 2020 a placement of new Shares to professional and sophisticated investors in Australia and internationally to raise A\$28.3 million (before costs) at A\$0.80 per Share (**Placement**). Further details of the Placement can be found in the ASX announcement dated 3 September 2020, available at www.bubsaustralia.com and www.asx.com.au.

It is intended that the proceeds of the Placement and the SPP will be used by the Company to support global growth initiatives including: acquisition of ownership interest in Beingmate manufacturing facility in China and in-market SAMR application for Bubs® Infant Formula products; international market expansion; and enhanced balance sheet flexibility and growth capital.

The Company determined the SPP amount of \$10 million after having regard to the outcome of the share purchase plan that was conducted in December 2019 (which was significantly oversubscribed by eligible shareholders), the Company's funding requirements and market and operating conditions.

Price of SPP Shares

Shares are offered under the SPP at an Offer Price of A\$0.80 per SPP Share, which represents a 15.8% discount to the volume weighted average market price of Bubs' Shares traded on the ASX over the last 5 days on which Shares were recorded prior to 28 August 2020 (being the last trading day before details of the SPP were announced).

Eligibility criteria

The eligibility criteria for participating in the SPP are set out in the Offer Booklet.

Participation in the SPP is voluntary and is open to Bubs shareholders who held Shares as at 7.00pm (Sydney time) on 2 September 2020 and who have a registered address on the share register in Australia or New Zealand (**Eligible Shareholders**). The right to participate in the SPP is not transferrable.

If the total value of applications received under the SPP is more than A\$10 million Bubs retains its discretion to:

- increase the amount raised under the SPP up to a maximum of \$11.7 million, subject to the ASX Listing Rules and the terms and conditions of the ASX waiver referred to above; and
- scale back the number of SPP Shares that will be allotted on a pro rata basis and you may be allocated fewer SPP Shares than the number for which you applied. In such a case you will receive a proportionate refund of your application monies.

How to apply

To apply for SPP Shares, Eligible Shareholders must complete and return their enclosed Application Form, together with a cheque, bank draft or money order drawn on an Australian bank in Australian dollars or via BPAY®. Applications under the SPP can only be made in A\$1,000 increments and must be for a minimum of A\$2,000 and a maximum of A\$30,000. Please also note that Eligible Shareholders may only acquire up to a maximum of A\$30,000 worth of Shares under a Share Purchase Plan or similar arrangement in any 12 month period.¹ This means that if you participated in the Company's Share Purchase Plan offer which was conducted in December 2019 (**December 2019 SPP**), the value of SPP Shares you apply for in this SPP and the value of Shares issued to you as part of the December 2019 SPP, must not exceed A\$30,000 in aggregate.

The SPP will open on 9 September 2020 and is expected to close at 5.00pm (Sydney time) on 23 September 2020.

Application Forms must be received by Bubs' share registry by no later than **5.00pm (Sydney time) on 23 September 2020**.

Accompanying this letter is an Offer Booklet explaining the terms and conditions of the SPP and how the SPP Shares will be issued should you decide to participate in the SPP. This should be read in its entirety before you decide whether to participate in the SPP. The SPP does not take into account the individual investment objectives, financial situation or particular needs of each Eligible Shareholder. You should consider seeking independent financial and taxation advice to assist your decision about whether to participate.

If you have any questions in relation to the SPP, please contact Computershare Investor Services Pty Limited on 1300 156 552 (within Australia) or +61 3 9415 4055 (outside Australia) from 8.30am to 5.00pm (Sydney time) Monday to Friday.

On behalf of the Board, I thank you for your ongoing support and invite you to consider this opportunity to increase your investment in Bubs, if you wish to do so.

Yours sincerely

Dennis Lin
Chairman

¹ As prescribed in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.

This Offer Booklet is issued by Bubs and explains the features of the SPP. Capitalised terms in this Offer Booklet are defined in the Glossary.

KEY DATES

Event	Date
Record Date (the date that eligibility to participate in the SPP is determined)	7.00pm (Sydney time), 2 September 2020
Announcement date	3 September 2020
SPP Opening Date	9 September 2020
SPP Closing Date	5.00pm (Sydney time), 23 September 2020
Allotment date for SPP shares	30 September 2020
Despatch of holding statements	1 October 2020

Note: This timetable is indicative only. Bubs may change or terminate the SPP offer at any time by notice to ASX and reserves the right to amend this indicative timetable (as required by ASX or otherwise).

FREQUENTLY ASKED QUESTIONS

This section answers frequently asked questions in relation to the SPP. You should read it in conjunction with the terms and conditions of the SPP.

What is the Share Purchase Plan or SPP?	The SPP gives Eligible Shareholders an opportunity to subscribe for up to A\$30,000 worth of SPP Shares without incurring brokerage or other transaction costs, less the value of any shares issued to the Eligible Shareholder under the December 2019 SPP.
Why is Bubs proposing to issue the SPP Shares?	<p>On 3 September 2020, Bubs announced an intention to raise capital to support global growth initiatives including: acquisition of ownership interest in Beingmate manufacturing facility in China and in-market SAMR application for Bubs® Infant Formula products; international market expansion; and enhanced balance sheet flexibility and growth capital.</p> <p>The Company is undertaking the SPP to give Eligible Shareholders an opportunity to acquire additional Shares, if they wish to do so.</p>
How much is Bubs seeking to raise?	<p>There is no minimum amount that Bubs is seeking to raise under the SPP. If the total value of applications received is more than A\$10 million, Bubs retains its discretion to:</p> <ul style="list-style-type: none"> increase this amount up to a maximum of \$11.7 million by accepting over-subscriptions; and/or scale back the number of SPP Shares that will be allotted on a pro rata basis having regard to the number of shares you hold as at the Record Date and the number of SPP Shares applied for, or a combination of both. In this circumstance, you may therefore be allocated fewer SPP Shares than the number for which you applied.

Who is eligible to participate in the SPP?	A Shareholder who meets the eligibility criteria to be an "Eligible Shareholder", as defined in the Glossary, may participate in the SPP. The laws of some countries prohibit, or make impracticable, participation in the SPP, so Shareholders who are not resident in Australia or New Zealand will be unable to participate in the SPP.
Do I have to participate in the SPP?	No. Participation is voluntary. If you do not wish to participate in the SPP, you do not need to do anything, and the offer under the SPP will lapse at the Closing Date.
Is the SPP underwritten?	No. The SPP is not underwritten.
Can my offer under the SPP be transferred to a third party?	No. The offer is non-renounceable and cannot be transferred.
How many shares can I apply for under the SPP?	<p>You may apply for a minimum of A\$2,000 under the SPP and up to a maximum of A\$30,000 of SPP Shares, subject to the requirements outlined below. Applications must be in A\$1,000 increments.</p> <p>Eligible Shareholders may only acquire up to a maximum of A\$30,000 worth of Shares under a share purchase plan or similar arrangement in any 12 month period.² This means that if you participated in the Company's December 2019 SPP, the amount of SPP Shares you apply for under the current SPP and the amount of Shares issued to you as part of the December 2019 SPP, must not exceed A\$30,000 in aggregate.</p>
What is the Offer Price?	<p>The Offer Price is A\$0.80 per SPP Share.</p> <p>If you participate in the SPP by completing and returning the Application Form or by making a payment by BPAY®, you are accepting the risk that the market price of shares may change between the date of this Offer Booklet, the date on which you send in the Application Form or make a payment by BPAY®, and the Issue Date. Once submitted, your application is unconditional and may not be withdrawn even if the market price of shares is less than the Offer Price.</p> <p>You can monitor the price of shares on the ASX website at asx.com.au (ASX code: BUB). The issue of SPP Shares is scheduled to occur on or about 30 September 2020. Shareholders should check the market price of shares after that date and seek advice from their financial or other professional adviser before making an investment decision in the offer under the SPP.</p>
How do I apply for SPP Shares?	<p>If you wish to participate in the SPP, you need to do either of the following:</p> <p>Option 1: Pay via BPAY®</p> <p>To pay via BPAY® you will need to:</p> <ul style="list-style-type: none"> (a) be an account holder with an Australian financial institution; (b) use the biller code and personalised reference number shown on your Application Form, which is required to identify your holding; and

² As prescribed in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.

	<p>(c) ensure that your payment is received by the Registry before 5.00pm (Sydney time) 23 September 2020.</p> <p>If paying via BPAY®, you will not need to complete and submit the Application Form but you will be taken to have made the statements and certifications on the Application Form.</p> <p>If paying via BPAY®, you should be aware that your own financial institution may implement earlier cut off times with regard to electronic payments and it is your responsibility to ensure that funds are submitted through BPAY® by the date and time mentioned above.</p> <p>Option 2: Pay by cheque, bank draft or money order</p> <p>Please complete the enclosed Application Form (and a Custodian Certificate if you are applying as a Custodian) and return it with your cheque, bank draft or money order drawn in Australian currency on an Australian financial institution to "BUBS AUSTRALIA LIMITED" and cross "Not Negotiable" to:</p> <p>Mailing Address Bubs Australia Limited Computershare Investor Services Pty Limited GPO Box 505 Melbourne VIC 3001 Australia</p> <p>Your completed Application Form and cheque, bank draft or money order must be received by the Registry prior to the close of the offer at 5.00pm (Sydney time) 23 September 2020. Shareholders in New Zealand will need to affix the appropriate postage to the business reply envelope.</p> <p>Please note that if you choose to pay by cheque, there is a risk you may experience slower than expected postal delivery timeframes in the current COVID-19 environment. Therefore, paying by BPAY will avoid postal delays..</p>
What are the rights attached to SPP Shares issued under the SPP?	<p>SPP Shares will be issued on or about 30 September 2020.</p> <p>The SPP Shares will rank equally with all other Shares of the Company on issue as at the Issue Date.</p> <p>On 2 September 2020, ASX provided written confirmation that the Company is entitled to the benefit of the ASX Class Waiver Decision titled 'Temporary Extra Placement Capacity' dated 9 July 2020 (as amended) (Class Waiver). For the purposes of the Class Waiver, the Company confirms that it is relying on the Class Waiver and that the SPP is within the Company's placement capacity under the Class Waiver. Accordingly, no shareholder approval is required in connection with the SPP.</p>
What do I do if I am a Custodian?	<p>The SPP is being extended to Eligible Shareholders who are Custodians and who wish to apply for SPP Shares on behalf of certain eligible Beneficiaries.</p> <p>The SPP is being offered to Custodians as registered holders, and Custodians are not required to participate on behalf of their Beneficiaries.</p> <p>Custodians may choose whether or not to extend the offer to their eligible Beneficiaries.</p> <p>If you wish to apply as a Custodian under the SPP to receive SPP Shares for one or more eligible Beneficiaries, you must complete and submit an additional Custodian Certificate that contains further certifications and details (required under the terms of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547) before your application will be accepted. Applications by Custodians for more than A\$30,000</p>

	<p>worth of SPP Shares in total that are not accompanied by a duly completed Custodian Certificate will be rejected.</p> <p>By applying as a Custodian on behalf of eligible Beneficiaries to subscribe for SPP Shares, you certify (amongst other things) that:</p> <ul style="list-style-type: none"> (a) you are not applying for SPP Shares on behalf of any eligible Beneficiary with an application price of more than A\$30,000; and (b) no individual beneficial holder of Shares is acquiring, or will have acquired, more than A\$30,000 worth of Shares in aggregate under the SPP and/or under any other arrangement similar to the SPP in the prior 12 months (such as the December 2019 SPP). <p>Each Custodian must not participate in the SPP on behalf of, and must not distribute this Offer Booklet, or any documents relating to this SPP to, any person in the United States.</p>
Will I receive notification of SPP Shares issued to me?	Yes. The Registry will send you an Issuer Holding Statement or CHES Notice on or about 1 October 2020, which will include details of the number of SPP Shares issued to you under the SPP.
Will the SPP Shares be able to be traded on ASX?	Yes. When the SPP Shares are issued they will be able to be traded on ASX (subject to ASX granting quotation of SPP Shares).
Where can I get more information on the SPP?	If you have any questions please contact the Company's share registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) from 8.30am to 5.00pm (Sydney time) Monday to Friday.
What do I do if I receive more than one Application Form?	<p>If you receive more than one copy of this Offer Booklet, or if you hold Shares in more than one capacity (for example, if you are both a sole and joint holder of Shares or if you have more than one holding in a separate account), the maximum amount you can invest under all capacities in respect of the offer under this SPP is A\$30,000 (less the value of shares issued under the December 2019 SPP and subject to compliance with applicable laws).</p> <p>By applying to subscribe for SPP Shares, you certify that you have not exceeded the limit under this SPP of A\$30,000 in aggregate under the SPP and/or under any other arrangement similar to the SPP in the prior 12 months (such as the December 2019 SPP) and you have complied with all applicable laws. However, if you are a Shareholder that is expressly recorded in the Register as holding Shares as trustee or nominee for one or more named persons eligible to participate in the SPP (each an eligible Beneficiary), then each eligible Beneficiary is taken to be an Eligible Shareholder for the purposes of the SPP and each such eligible Beneficiary may make an application through you as trustee or nominee to participate in the SPP.</p>

TERMS AND CONDITIONS OF THE SPP

Please read these terms and conditions relating to the offer under the SPP carefully, as you will be bound by these terms and conditions in participating in the SPP.

The "frequently asked questions" section of this Offer Booklet forms part of the terms and conditions of the SPP. In the event of a conflict between these terms and the frequently asked questions, these terms and conditions will prevail.

1. **OFFER**

- (a) The offer under the SPP opens on 9 September 2020 and closes at 5.00pm (Sydney time) on 23 September 2020.
- (b) If you choose not to participate in the SPP, your right to participate lapses at the Closing Date of the offer under the SPP, being 5.00pm (Sydney time) on 23 September 2020.
- (c) The offer under the SPP is non-renounceable and non-transferable and, therefore, Eligible Shareholders cannot transfer their right to purchase SPP Shares under the offer to a third party.
- (d) The offer under the SPP to each Eligible Shareholder (whether as a Custodian or on its own account) is made on the same terms and conditions.
- (e) The Offer is not underwritten.

2. **ELIGIBLE SHAREHOLDERS**

- (a) You will be eligible to participate in the offer under the SPP if you are an Eligible Shareholder as defined in the Glossary.
- (b) The offer under the SPP is also extended to Eligible Shareholders who are Custodians.
- (c) Pursuant to resolution 1.3 of the Class Waiver, Eligible Shareholders that fall within Listing Rule 10.11 (including directors of the Company) may participate in the SPP.
- (d) No offer under the SPP is made to Shareholders who are not Eligible Shareholders.

3. **JOINT HOLDERS/CUSTODIANS**

- (a) If two or more persons are registered on the Register as jointly holding Shares, they are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and a certification given by any of them is taken to be a certification given by all of them.
- (b) Eligible Shareholders who are Custodians may participate in the SPP on behalf of each Beneficiary on whose behalf the Custodian is holding Shares.

4. **ASX LISTING RULE 7.1**

The SPP will be the second share purchase plan the Company has undertaken in a 12 month period as the Company previously raised \$5 million (before costs) under the December 2019 SPP.

On 2 September 2020, ASX provided written confirmation that Bubs Australia is entitled to the benefit of the Class Waiver. For the purposes of the Class Waiver, the Company confirms that it is relying on the Class Waiver and that the SPP is within the Company's placement capacity under the Class Waiver. Accordingly, no shareholder approval is required in connection with the SPP.

5. **APPLICATIONS FOR SPP SHARES**

- (a) An Eligible Shareholder may apply for SPP Shares in A\$1,000 increments. Applications must be for a minimum of A\$2,000 and a maximum of A\$30,000 (less the value of shares issued to Eligible Shareholder under the December 2019 SPP).
- (b) No brokerage or other transaction costs will apply to the acquisition of SPP Shares.
- (c) Eligible Shareholders who wish to apply for SPP Shares must either:

- (i) make a payment via BPAY® in accordance with the instructions on the Application Form so that it is received by the Closing Date; or
- (ii) complete the enclosed Application Form and forward it with a cheque, bank draft or money order drawn on an Australian financial institution in Australian dollars to "BUBS AUSTRALIA LIMITED" and cross "Not Negotiable" so that it is received prior to the close of the offer of the SPP at the Closing Date. New Zealand Shareholders will need to affix the appropriate postage.
- (d) Application Forms, BPAY® payments or cheques, bank drafts or money orders received after the Closing Date will not be accepted. Please note that if you choose to pay by cheque, bank draft or money order, there is a risk you may experience slower than expected postal delivery timeframes in the current COVID-19 environment. Therefore, paying by BPAY, if possible, is the quickest method of payment.
- (e) If you wish to apply as a Custodian under the SPP to subscribe for SPP Shares for one or more Beneficiaries, you must also complete and submit an additional Custodian Certificate that contains further certifications and details (required under the terms of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547) before your application will be accepted. Applications by Custodians that are not accompanied by a duly completed and signed Custodian Certificate will be rejected. To request a Custodian Certificate or further information about the Custodian application process, a Custodian should contact the Company's share registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) from 8.30am to 5.00pm (Sydney time) Monday to Friday.
- (f) Bubs (and its officers and agents) may accept or reject any application for SPP Shares at its discretion, including, without limit, if:
- (i) your application does not comply with these terms and conditions;
 - (ii) it appears you are not an Eligible Shareholder;
 - (iii) your Application Form, BPAY® payment, cheque, bank draft or money order is not received by the Registry by the Closing Date;
 - (iv) if paying by cheque, bank draft or money order, your Application Form is incomplete or incorrectly completed or is otherwise determined by Bubs to be invalid; or
 - (v) your cheque, bank draft or money order is dishonoured or has been incorrectly completed.

6. **OFFER PRICE**

The Offer Price is A\$0.80 per SPP Share.

7. **NUMBER OF SHARES TO BE ALLOTTED AND SCALEBACK**

- (a) If you apply for SPP Shares, you will apply for a certain value, rather than a certain number, of SPP Shares. If your application is accepted, Bubs will divide the value of your application money by the Issue Price in order to determine the number of SPP Shares which, subject to scale back, will be issued to you.
- (b) If this calculation produces a fractional number, the number of SPP Shares issued will be rounded down to the nearest whole SPP Share.
- (c) If the total value of applications received is more than A\$10 million, Bubs reserves its absolute discretion to:

- (i) increase the amount raised under the SPP up to a maximum of \$11.7 million; and
 - (ii) Scaleback the number of SPP Shares that you will be allocated on a pro rata basis having regard to the number of shares held by the Eligible Shareholders as at the Record Date and the number of SPP Shares applied for, or a combination of both.
- (d) If there is a Scaleback, you will not necessarily receive the full number of SPP Shares for which you have applied. If a Scaleback produces a fractional number when applied to the number of SPP Shares, your allocation will be rounded down to the nearest whole number of SPP Shares.
- (e) In the event of a Scaleback, each application will be scaled back on a pro rata basis based on the number of SPP Shares for which the Eligible Shareholder has applied, the number of Shares held by the Eligible Shareholder at the Record Date, or a combination of both and as a result you may not necessarily be allocated the full quantity of SPP Shares that you applied for. The difference between the value of the SPP Shares allotted (calculated at the Offer Price) and the application monies received will be refunded to you by Bubs, without interest, following allotment of the SPP Shares. Amounts will be refunded by direct credit to your nominated bank account for the payment of dividends or by cheque mailed to your address as shown on the Register.
- (f) Scaleback for SPP Shares held by Custodians will be applied at the level of the underlying Beneficiary.

8. **ISSUE**

- (a) SPP Shares will be issued on or about 30 September 2020.
- (b) SPP Shares will rank equally with other Shares as at the Issue Date.
- (c) Bubs will apply to ASX for the quotation of SPP Shares issued under the SPP. It is anticipated SPP Shares issued under the SPP will be quoted on the ASX shortly after the Issue Date.
- (d) The Registry will send you a holding statement, confirming the allotment of SPP Shares on the Issue Date, on or about 1 October 2020.

9. **ACKNOWLEDGEMENTS**

By returning an Application Form and paying with a cheque, bank draft, money order or via BPAY®, you:

- (a) agree to these terms and conditions;
- (b) warrant that all details and statements in your application are true and complete and not misleading;
- (c) agree that your application will be irrevocable and unconditional (that is, it cannot be withdrawn);
- (d) warrant that as at the Record Date, you were an Eligible Shareholder;
- (e) agree to pay the issue price per SPP Share issued to you;
- (f) represent, acknowledge and agree that:
 - (i) you, and each person for whose account or benefit you are acting, are not in the United States and you are not subscribing for, or purchasing, the SPP

Shares in an 'offshore transaction' (as defined in Rule 902(h) under the Securities Act) in compliance with Regulation S under the Securities Act;

- (ii) the SPP Shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and, accordingly, the SPP Shares may not be offered, sold or otherwise transferred except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act, and any other applicable securities laws;
 - (iii) you are not engaged in the business of distributing securities and you have not, and will not, send this Offer Booklet or any materials relating to the SPP to any person in the United States;
 - (iv) if in the future you decide to sell or otherwise transfer the SPP Shares, you will only do so in regular transactions on the ASX, where neither you nor any person acting on your behalf know, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
 - (v) if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are participating is resident of Australia or New Zealand and is not in the United States nor acting for the account or benefit of a person in the United States, and you have not sent this Offer Booklet, or any materials relating to the SPP to any person in the United States;
- (g) if you are applying on your own behalf (and not as Custodian), acknowledge that:
- (i) you are lawfully permitted to apply for SPP Shares;
 - (ii) you are not applying for SPP Shares with an application price of more than A\$30,000 (including by instructing a Custodian to apply for SPP Shares on your behalf);
 - (iii) the total of the application price for the following does not exceed A\$30,000 for:
 - (A) the SPP Shares the subject of the application;
 - (B) any other Shares issued to you under the SPP, the December 2019 SPP or any similar arrangement in the 12 months before the application;
 - (C) any other SPP Shares which you have instructed a Custodian to apply for on your behalf under the SPP; and
 - (D) any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the SPP;
- (h) if you are a Custodian and are applying on behalf of a Beneficiary on whose behalf you hold Shares, acknowledge and agree that:
- (i) you are a Custodian (as that term is defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547);
 - (ii) you held Shares on behalf of one or more Beneficiaries at Record Date, who have subsequently instructed you to apply for SPP Shares on their behalf under the SPP, and each of these Beneficiaries has been given a copy of this Offer Booklet;

- (iii) you are not applying for SPP Shares on behalf of any participating Beneficiary with an application price of more than A\$30,000;
- (iv) no participating Beneficiary is acquiring, or will have acquired, more than A\$30,000 worth of Shares in aggregate under the SPP and/or under any other arrangement similar to the SPP in the prior 12 months (such as the December 2019 SPP); and
- (v) the information in the Custodian Certificate submitted with your Application Form is true, correct and not misleading;
- (i) accept the risk associated with any refund that may be dispatched to you by direct credit or cheque to your address shown on the Register;
- (j) are responsible for any dishonour fees and other costs that Bubs may incur in presenting a cheque for payment which is dishonoured;
- (k) agree to be bound by the Constitution as it may be amended from time to time in the future;
- (l) acknowledge that none of Bubs, its advisers or agents has provided you with any financial product or investment advice or taxation advice in relation to the SPP, or has any obligation to provide such advice;
- (m) authorise Bubs (and its officers and agents) to do anything on your behalf necessary for SPP Shares to be issued to you in accordance with these terms and conditions;
- (n) authorise Bubs (and its officers and agents) to correct minor or easily rectified errors in, or omissions from, your Application Form and to complete the Application Form by the insertion of any missing minor details; and
- (o) acknowledge that Bubs may at any time determine that your application is valid, in accordance with the terms and conditions of the SPP, even if the Application Form is incomplete, contains errors or is otherwise defective.

10. **DISPUTE RESOLUTION**

- (a) Bubs may settle, in any manner it deems, any matters, anomalies, or disputes that may arise in connection with the operation of the SPP, whether generally or in relation to any participant or any application of SPP Shares, and its decision shall be conclusive and binding on all participants and other persons to whom the determination relates.
- (b) The powers of Bubs under these terms and conditions may be exercised by its Directors or any delegate or representative of the Directors.

11. **VARIATION AND TERMINATION**

- (a) Bubs reserves the right at any time to:
 - (i) amend or vary the SPP and these terms and conditions;
 - (ii) waive strict compliance with any provision of these terms and conditions;
 - (iii) withdraw the SPP offer or suspend or terminate the SPP;
 - (iv) vary the timetable for the SPP, including the Closing Date;
 - (v) terminate the SPP at any time without any need for giving advance notice to Shareholders; and

- (vi) not accept an application and not issue SPP Shares, or issue SPP Shares to a value less than that applied for under the SPP by an Eligible Shareholder (including a Custodian applying on behalf of its Beneficiaries).
- (b) In the event that the SPP is withdrawn or terminated, all application monies will be refunded. No interest will be paid on any money returned to you. Amounts will be refunded by direct credit to your nominated bank account for the payment of dividends or by cheque mailed to your address as shown on the Register.
12. **PROSPECTUS RELIEF**
- (a) The offer of SPP Shares will be made in accordance with the relief granted by ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.
- (b) In New Zealand, the offer of SPP Shares is made in reliance on the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).
13. **PRIVACY POLICY**
- (a) Chapter 2C of the Corporations Act requires information about you as a security holder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. This information must continue to be included in the public register if you cease to be a security holder.
- (b) Bubs and the Registry may collect personal information to process your application and implement the SPP, and to administer your security holding. The personal information contained in the Register is also used to facilitate payment and corporate communications (including financial results, annual reports and other information to be communicated to shareholders) and to ensure compliance with legal and regulatory requirements, including Australian taxation laws and the Corporations Act.
- (c) Your personal information may be disclosed to joint investors, the Registry, to securities brokers, to third party service providers, technology providers and professional advisers, to related entities of Bubs and each of their agents and contractors, and to ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure). In some cases, the types of organisations referred to above to whom we will disclose your personal information may be located overseas.
- (d) Bubs' privacy policy is available on its website at <https://www.bubsaustralia.com/pages/privacy-policy>.
14. **GOVERNING LAW**
- (a) These terms and conditions are governed by the laws in force in Victoria. Any dispute arising out of, or in connection with, these terms and conditions, or the SPP, will be determined by the courts of Victoria. By accepting the SPP, you agree to submit to the non-exclusive jurisdiction of the courts in Victoria. Other terms and conditions, rights and obligations that will attach to the SPP Shares are contained in the Constitution.
- (b) The terms and conditions of the SPP prevail to the extent of any inconsistency with the Application Form.

GLOSSARY

Application Form	your personalised application form enclosed with this Offer Booklet.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited ACN 008 624 691, or the market operated by it as the context requires.
Beneficiary	a person on whose behalf a Custodian is holding shares.
Bubs	Bubs Australia Limited ACN 060 094 742.
Class Waiver	means ASX Class Waiver Decision titled "Temporary Extra Placement Capacity" as amended on 9 July 2020.
Closing Date	5.00pm (Sydney time) on 23 September 2020 (or such other date as the Board of the Company determines).
Company	Bubs Australia Limited ACN 060 094 742.
Constitution	the constitution of the Company.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Custodian	a custodian is defined in paragraph 4 of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.
Custodian Certificate	a certificate complying with paragraph 8 of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.
December 2019 SPP	the Share Purchase Plan offer made to eligible Shareholders under the Company's Share Purchase Plan Offer Booklet dated 9 December 2019.
Director	a director of the Company.
Eligible Shareholder	a Shareholder as at the Record Date with a registered address in Australia or New Zealand.
Issue Date	30 September 2020.
Offer Booklet	this offer booklet dated 9 September 2020.
Offer Price	A\$0.80 per SPP Share.
Offer Period	the period commencing on the Opening Date and ending on the Closing Date.
Opening Date	9 September 2020.
Placement	the placement of new fully paid ordinary shares by Bubs to professional and sophisticated investors announced on 3 September 2020.
Record Date	7.00pm (Sydney time) on 2 September 2020.
Register	the register of Shareholders.
Registry	Computershare Investor Services Pty Limited ABN 48 078 279 277.

Scaleback	Bubs' right to scale back or decrease the number of SPP Shares allotted to a participating Eligible Shareholder under the SPP on a pro rata basis having regard to the number of Shares held by the Eligible Shareholders as at the Record Date and/or the number of SPP Shares applied for.
Share	means a fully paid ordinary share in the Company.
Shareholder	a registered holder of ordinary shares in the Company.
SPP	the Share Purchase Plan offer made to Eligible Shareholders under this Offer Booklet.
SPP Shares	new Shares issued under the SPP.