

10 July 2020

OBJ Entitlement Offer and Placement

OBJ Limited (**ASX: OBJ**) (**OBJ** or **Company**) is pleased to announce a proposed pro-rata non-renounceable entitlement offer, to be followed by a proposed placement, together raising up to approximately \$4.5 million before costs (**Capital Raising**).

The proceeds from the planned Capital Raising are intended to be used for technology licensing, business development, BodyGuard go-to-market activities, device division development and go-to-market activities, and redemption of the Convertible Notes, as well as providing for general working capital.

Entitlement Offer

A non-renounceable pro-rata entitlement offer to existing shareholders is intended to raise up to \$3,016,000 before costs (**Entitlement Offer**). Under this, shareholders will be offered one (1) new share for every three (3) shares held at the record date, at an issue price of \$0.10 per share. Therefore, the Company intends to issue 30,016,000 shares as part of the Entitlement Offer.

Placement

A placement is proposed to sophisticated and professional investors in excess of the Company's placement capacities under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A, therefore requiring shareholder approval, to raise up to \$1.5 million before costs (**Placement**). The Placement will comprise of an issue of up to 15,000,000 shares at \$0.10 per share.

A notice of meeting will be provided to shareholders in due course to convene a shareholder meeting. In addition to approval pursuant to ASX Listing Rule 7.1, the Company will also seek shareholder approval pursuant to ASX Listing Rule 10.11 to allow OBJ Directors Tony Varano and Steven Schapera to participate in the Placement and convert their debt into the Placement.

OBJ Chairman Tony Varano said: *"This capital raising will provide OBJ with an excellent foundation to pursue its objectives. In particular, it will facilitate the continued commercial rollout of Reduit, the Wellfully device business and the Bodyguard programme in the 2020-21 financial year."*

CPS Capital Group Pty Ltd has agreed to act as Lead Manager to the Capital Raising.

The Lead Manager will be paid a capital raising fee of 6% (excluding GST) on all funds raised pursuant to the Capital Raising. In addition, in connection with the Capital Raising the Lead Manager is entitled to be paid a fee of \$20,000 (excluding GST) and a monthly corporate advisory fee of \$5,000 for 12 months.

It is anticipated that OBJ's shares will be reinstated to trading by the ASX following settlement of the Placement.

Directors

Mr Antonio Varano
Mr Steven Schapera
Mr Jeffrey Edwards
Mr Cameron Reynolds

CEO

Mr Paul Peros

Company Secretary

Mr John Palermo

Registered Office:

284 Oxford Street
Leederville
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Tel: +61 8 9443 3011
www.obj.com.au
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10 July 2020
Redemption of Convertible Notes

The Company intends to redeem and cancel the recently issued convertible notes in conjunction with the Capital Raising. The noteholders, being Danny Pavlovich, John Palermo and Paul Peros, have each indicated to OBJ that they would be prepared accept equity at the same price per share as that used in the Capital Raise to extinguish the debts created via the redemption.

Indicative Timetable for the Placement and Entitlement Offer

Lodgement of Prospectus with ASIC	9 July 2020
Lodgement of Prospectus with ASX	10 July 2020
"Ex" Date for Entitlement Offer	14 July 2020
Record Date for Entitlement Offer	15 July 2020
Prospectus and Entitlement and Acceptance Form dispatched to Eligible Shareholders	20 July 2020
Entitlement Offer Opens	20 July 2020
Last day to extend the Closing Date of Entitlement Offer	24 July 2020
Entitlement Offer Closes	29 July 2020
Entitlement Offer shares quoted on a deferred settlement basis	30 July 2020
Notification of shortfall and shortfall shares allotted	3 August 2020
Announcement of results of issue	3 August 2020
Issue of Entitlement Offer Shares and lodgement of Appendix 2A with ASX applying for quotation of the securities	5 August 2020
General Meeting for Placement	11 August 2020
Anticipated Placement settlement date	13 August 2020

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The proposed timetable is subject to the ASX Listing Rules and the above dates may be changed without notice.

ABOUT OBJ

OBJ offers a portfolio of proprietary technologies and supports partners by providing IP-protected market exclusivity, expertise in magnetic array design, feasibility and efficacy, and claims testing, engineering and production.

OBJ is a fully integrated Wellness company with an in-house Innovation and R&D unit in Perth, Western Australia. The Design & Technology and Supply-chain hub operates from Dongguan, China, and the Digital Communications team is based in Zagreb, Croatia. Regional Marketing & Sales teams are located in Switzerland, Korea and the UK.

10 July 2020

In addition to OBJ's Innovation, Supply-chain and Marketing assets, it has also established operations via its wholly-owned business units:

- The **Innovation & R&D** Unit provides technology licensing and development services to international partners, as well as to the other business units of the Company.
- The **Design & Technology and Supply-chain** hub in Dongguan, China has the ability to rapidly develop and industrialise the Company's technologies and innovations in a highly efficient, secure and cost-effective manner.
- The **Digital Communications** and **Marketing & Sales** organisations are focused on supporting OBJ's consumer brands, RÉDUIT and WELLFULLY.
- **BodyGuard** is the Company's therapeutic unit and develops advanced "direct to site of injury" Patch products for the supplement, healthcare, musculoskeletal, wellness and pain management sectors.

ABOUT OBJ'S TECHNOLOGIES

OBJ has developed a number of physical enhancement technologies based on the interactions between ingredient molecules and weak atomic forces. These influence the movement and penetration through the skin of drugs, active ingredients and formulations at the molecular level.

OBJ has significant expertise in the science of magnetic fields:

The first of OBJ's magnetic technologies was the Magnetic Microarray. Complex 3-D magnetic fields produced by low-cost microarrays film was licensed in 2014 and incorporated into the first products in the same year.

The second magnetic technology, the programmable array technology, employs powered electromagnetic fields that could be altered to suit individual consumer's skincare needs. This was licensed for skincare applications in 2020.

The third magnetic technology uses magnetic fields to alter the wettability of a surface to allow enhanced contact between liquid and solids. Magneto-Wetting is being employed in the Company's current developments in haircare, skincare and surface hygiene, in conjunction with OBJ's recently developed Ultrasonic Misting technology. International patents have been filed.

FORWARD-LOOKING STATEMENTS

This announcement contains certain "forward-looking statements" concerning OBJ. Where OBJ expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis.

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Forward-looking statements provided in this announcement are based on assumptions and contingencies which are subject to change without notice. Such forward-looking statements including statements regarding intentions, planned events and potential results are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements, and there are risks associated with OBJ and the industry which may affect the accuracy of the forward-looking statements. OBJ does not undertake any obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this announcement or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

This release has been issued with the authorisation of the Board.

- Ends -

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