

CHAIRMAN / CEO REMUNERATION AND SHAREHOLDING CLARIFICATION

Wellfully Limited (ASX: WFL) (**Wellfully**, or the **Company**), the world's first fully-integrated, science-based wellness company, is pleased to advise the below as it relates to the Company's Chairman and CEO, Mr Paul Peros. Mr Peros was appointed as CEO on 1 July 2019 and was appointed Executive Chairman on 14 April 2022.

Remuneration – Variation Deed Entered

Effective from 1 November 2022, Mr Peros' base remuneration will be set at \$275,000 per annum inclusive of superannuation (or similar), payable in cash. This represents a reduction from Mr Peros' current base remuneration of EURO 30,000 per month (approximately A\$550,000 in aggregate), which is payable by a combination of cash and ordinary shares with EURO 24,000 payable in cash (**Cash Portion**) and EURO 6,000 in ordinary shares (**Share Portion**).

The Company previously settled the Share Portion of Mr Peros' salary up to 31 December 2021 by the issue of shares in the Company, and currently intends to seek shareholder approval at the 2022 Annual General Meeting to settle the Share Portion due to Mr Peros for the period 1 January 2022 to 31 October 2022 by the issue of shares in the Company.

In recognition of the reduced base remuneration, the Company has agreed to settle the outstanding Share Portion at the same share price used in the placement announced on 10 October 2022, being at 2.2 cents per share. The Company will accordingly seek approval to issue 4,088,068 shares in settlement of \$89,937 of outstanding Share Portion salary owed to Mr Peros.

In recognition of the reduced base remuneration and to further align Mr Peros' interest with those of shareholders the Company proposes, subject to shareholder approval, to issue Mr Peros with four tranches of 5,000,000 performance rights each (**Performance Rights**).

Each tranche of Performance Rights have certain share price milestones, as follows:

Directors
Mr Paul Peros
Mr Steven Schapera
Mr Jeffrey Edwards

CEO
Mr Paul Peros
Company Secretary
Mr Henko Vos

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Tranche Number	Vesting Milestone – achievement of a 20 day Volume Weighted Average Closing Price of:
Tranche One	3.3 cents per share
Tranche Two	10 cents per share
Tranche Three	15 cents per share
Tranche Four	20 cents per share

The Performance Rights will expire three years from the date of issue and each Performance Right will convert into one ordinary fully paid share in the Company if the relevant milestone for each tranche is achieved during the 3 year period. The Company intends to seek approval from shareholders for the issue of the abovementioned performance rights at the 2022 Annual General Meeting.

Other than noted above, all other terms of Mr Peros' service agreement remains unchanged.

Clarification of shareholding

The Company would also like to take this opportunity to clarify Mr Peros' current shareholding in the Company, and specifically the reference in the 2022 Annual Report (page 20) lodged with the ASX on 3 October 2022 which note a disposal of shares by Mr Peros on 22 June 2022. Notwithstanding the disposal, the Company confirms that Mr Peros did not sell these shares into the market and did not receive any financial benefit or reward for this. Instead, these were provided as security shares under a Share Lending Deed (**Deed**) to a GEM-nominated account as part of the first drawdown request made from GEM (refer to the ASX announcement dated 2 May 2022 for details on the GEM financing facility). Under the terms of the Deed, Mr Peros retains certain voting rights and a right to have the shares re-delivered to him in certain circumstances, and thus retains his relevant interest in the shares (for the purposes of the Corporations Act 2001 (Cth)). Subsequent to completion of the drawdown GEM has commenced procedures to release the security shares under the Deed. The shares will accordingly show as in positive inflow in the 2023 Annual Report.

As Mr Peros has retained his relevant interest in the shares, the Appendix 3X (Initial Director's Interest Notice) lodged with the ASX on 22 April 2022 remains up to date.

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ABOUT WELLFULLY

Wellfully is a fully integrated, science-based wellness company. In addition to our own-brands, RÉDUIT and SWISSWELL, we also offer a portfolio of proprietary technologies and support partners by providing IP and expertise in magnetic array design, feasibility and efficacy, and claims testing, engineering and production.

ABOUT WELLFULLY'S TECHNOLOGIES

Wellfully has developed a number of physical enhancement technologies based on the interactions between ingredient molecules and weak atomic forces, positioning the Company as a world leader in the science of magnetic fields as they relate to drug or active-ingredient delivery.

The first of Wellfully's magnetic technologies was the Magnetic Microarray. Complex 3-D magnetic fields, produced by low-cost microarray film, influence the movement and penetration through the skin of drugs, active ingredients and formulations at the molecular level. This was licensed and commercialised in 2014.

The second magnetic technology, the Programmable Array technology, employs powered electromagnetic fields that can 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, substantially enhancing contact between liquid and solids. Magneto-Wetting underpins the Company's current developments in haircare, skincare and surface hygiene, in conjunction with Wellfully's recently developed Ultrasonic Misting technology. International patents have been filed.

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

- Ends -

For more information:

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