



ASX Announcement
22 July 2019

Elixinol acquires global IP rights for microencapsulation technology - provides benefits to many sectors including food, beverage and nutraceuticals

Elixinol Global Limited (Elixinol Global or the Company) (ASX:EXL; OTCQX:ELLXF) is pleased to announce that it has acquired the intellectual property rights over microencapsulated technology developed by Bionova, S.L. (**Bionova**). This will allow the Company to exploit the microencapsulated technology globally. In addition, Elixinol has agreed Bionova will be the exclusive manufacturer and supplier within the European Union of Elixinol products developed using the microencapsulated technology.

Bionova's unique microencapsulation technology offers a wide variety of uses for food, beverage and nutraceutical product formulations. Other advantages of microencapsulation technology include:

- increased absorption into the human body;
- increased efficacy of active ingredients within a product;
- increased uniformity of ingredients within a product;
- masking of unpleasant flavors or odors in finished products;
- added protection against environmental factors inside the human body once ingested; and
- better storage preservation of the encapsulated active ingredients.

Elixinol Global Chief Executive Officer, Mr Stratos Karousos, said: "Elixinol's strategy is focused on developing new technologies, formulations and delivery systems to maximise bioavailability of our hemp derived CBD products. We believe our CBD products will be enhanced by microencapsulation technology, providing multiple benefits to a diverse range of uses, particularly in the food, beverage and nutraceutical sectors."

Bionova's Dr Jamie Fabregas Casal PhD, as the inventor of the microencapsulation technology, said: "By extending the useful life of cannabinoids and delivering them more efficiently in the human body, we can improve the health and wellbeing of many people. It is exciting to have Elixinol leverage the technology on a global scale."

Consideration for the intellectual property rights are as follows:

- Bionova to be the exclusive manufacturer and supplier of Elixinol products developed by using the microencapsulated technology within the European Union based on minimum volumes of supply for the period established by law for any of the intellectual property rights related to the microencapsulation technology; and



- an annual fixed amount of €25,000 for each non-European Union country in which Elixinol exploits the microencapsulated technology until patent rights over the microencapsulated technology have been granted in that country, increasing to €50,000 annually once patent rights are granted.

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About Elixinol Global

Elixinol Global Limited (ASX:EXL; OTCQX:ELLXF) is a global leader in the cannabis industry, selling hemp-derived CBD dietary supplements, hemp food and wellness products, as well as the cultivation and manufacture of medicinal cannabis products.

Elixinol Global's businesses include:

- Elixinol LLC (Elixinol), a manufacturer and global distributor of industrial hemp based dietary supplement and skincare products, with operations based out of Colorado, USA;
- Hemp Foods Australia Pty Ltd (Hemp Foods Australia), a leading hemp food wholesaler, retailer, manufacturer and exporter of bulk and branded raw materials, and finished products; and
- Nunyara Pharma Pty Ltd (Nunyara), founded in 2014 to participate in the emerging Australian medicinal cannabis market. Nunyara holds a manufacturing licence and its application for cultivation to the Office of Drug Control is currently pending approval.

See more at www.elixinolglobal.com

About Bionova, S.L.

Bionova, S.L. is owned by Dr. Jamie Fabregas Casal, who holds a Ph.D in Biology and served as a Professor of Microbiology at the University of Santiago de Compostela for 40 years. Throughout Dr Casal's career, he has specialized in biotechnology, microalgae-based botanical synthesis, carotenoids, astaxanthin, nutrition chains, biodegradable nanofiber development and dairy products. Additionally, Dr Casal has been published in over 130 papers in both international and national scientific journals and written or edited a number of books.