Supplementary Prospectus

The Calmer Co International Limited ACN 169 441 874

Important Information

This is a supplementary prospectus dated 28 June 2024 (**Supplementary Prospectus**) and lodged with the Australian Securities and Investments Commission (**ASIC**) pursuant to Section 719 of the *Corporations Act 2001* (Cth) on that date. This Supplementary Prospectus is intended to be read with the prospectus dated 4 June 2024 (**Prospectus**) issued by The Calmer Co International Limited ACN 169 441 874 (**Company**).

ASIC, ASX Limited (**ASX**), and their respective officers take no responsibility as to the contents of this Supplementary Prospectus. This Supplementary Prospectus should be read in its entirety together with the contents of the Prospectus. To the extent of any inconsistency between this Supplementary Prospectus and the Prospectus, this Supplementary Prospectus will prevail. If you are in any doubt as to the contents of this document, you should consult your professional advisers without delay.

Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms used in this Supplementary Prospectus shall have the same meaning ascribed to them in the Prospectus.

1. Background

This Supplementary Prospectus has been prepared to provide for an issue of further securities under the Prospectus and to provide updated disclosure to investors regarding new developments.

The Company advises that, as a result of excess demand under the Shortfall Offer, it has agreed to issue an additional 156,250 New Shares and 78,1225,000 attaching New Options under the Prospectus to raise an additional $625,000 (**Follow-on Placement**). Additional funds raised will be used pro rata for the purposes set out in the Prospectus.

The Follow-on Placement is made without Shareholder approval, and the securities will be issued under the Company's existing capacity under Listing Rule 7.1. To the extent that Directors are participating, such participation is subject to Shareholder approval under Listing Rule 10.11.

Quotation will be sought for the New Options under the ASX code CCOOA.

Attached to this Supplementary Prospectus is an announcement made by the Company to ASX on 28 June 2024 concerning the Follow-on Placement.

The Company will close the Shortfall Offer shortly and no further issues will be made under the Prospectus.

The Company makes amendments to the Prospectus as set out in section 2 below.

2. Amendments to Prospectus

The following sections of the Prospectus are amended as follows:

2.1 Effect of the Offers on the capital structure of the Company

Section 4.1 of the Prospectus and any related Sections of the Prospectus are deleted and replaced with the following:

4.1 Effect of the Offers on the capital structure of the Company

The table below sets out the Company's current capital structure and the maximum number of Securities that may be issued under the Offers.

Securities	Number
Current capital stricture	
Existing Shares[1]	1,514,887,409
Existing Options[2]	453,182,466
Securities under the Entitlement Offer and Shortfall Offer (Offers)	
Maximum New Shares to be issued pursuant to the Offers[3]	504,962,470
Maximum New Options to be issued pursuant to the Offers[4]	252,481,235
Securities under the Follow-on Placement[5]	
Maximum New Shares to be issued pursuant to the Follow-on Placement	156,250,000
Maximum New Options to be issued pursuant to the Follow-on Placement	78,125,000
Lead Manager Options	
Maximum Lead Manager Options to be issued pursuant to the Offers[6]	26,448,500
Maximum Securities on issue after close of the Offers and Follow-on Placement	
Shares	2,176,099,879
Options[7]	810,237,201

Notes:

1. Comprised of 1,484,887,409 ordinary fully paid shares, and three tranches (each 10,000,000) of Restricted securities (being Shares). The rights attaching to Shares (including Existing Shares and New Shares) are set out in Section 6.
2. Comprised of 422,857,266 listed Options with an exercise price of $0.006 and expiring on 30 June 2026, and 30,325,200 CCOOPT3 unlisted Options with an exercise price of $0.03 and expiring on 20 February 2026.
3. Subject to rounding (up). The terms of issue of New Shares (ranking equally with all Existing Shares) are set out in Section 6.1.
4. Subject to rounding (up). The terms of issue of New Options are set out in Section 6.2.
5. It is also proposed that Directors will participate in the Follow-on Placement for an additional $255,150, representing 63,787,500 New Shares and 31,893,750 New Options, subject to Shareholder approval at a general meeting to be called in the near future.
6. The terms of issue of the Lead Manager Options are set out in Section 6.3.
7. Comprised of Existing Options, New Options and Lead Manager Options in the numbers and proportions set out in the table above.

2.2 Purpose of the Offers and use of funds

Section 2.4 and any related Sections of the Prospectus is amended to reflect the increased amount raised:

2.4 Purpose of the Offers and Use of funds

The Offers are being conducted to raise capital for use in accordance with the table below:

Use of funds	$	%
Capital Expenditure[1]	625,000	24
Inventory Expansion[2]	500,000	19
Marketing Expenses[3]	450,000	17
Estimated expenses of the Offers[4]	150,000	6
Working capital[5]	919,850	35
Total Funds allocated	**2,644,850**	**100**

Notes:

1. To be applied to increasing capacity for milling, drying, sieving and automate packaging and labelling processes to ensure production keeps pace with growing demand.
2. To be applied to increasing inventory holding in Australia and the USA to keep pace with growing demand.
3. To be applied to digital and social media advertising, brand development and awareness marketing and promotion to continue to grow sales in Australia and the USA.
4. Expenses paid or payable by the Company in relation to the Offers are set out in Section 7.10.
5. Working capital includes the general costs associated with the management and operation of the business including administration expenses, rent and other associated costs. Working capital may also include surplus funds.

The above is a statement of current intentions at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

2.3 Dilution

An additional paragraph is inserted at the end of Section 4.3 of the Prospectus:

In addition to the above, Shareholders who do not participate in the Follow-on Placement will be diluted by a maximum of 7.74% if the Follow-on Placement is fully subscribed.

2.4 Effect of the Offers on the Company's financial position

Section 4.4 of the Prospectus is deleted and replaced with the following:

Effect of the Offers and the Follow-on Placement on the Company's financial position

To illustrate the effect of the Offers and the Follow-on Placement on the financial position of the Company, set out in Section 9 of this Prospectus is the reviewed statement of financial position of the Company and the unaudited pro forma statement of financial position, both as at 30 December 2023 (Balance Date), with an additional column for unaudited management accounts as at 31 March 2024. Each has been prepared on the basis of the accounting policies normally adopted by the Company.

The unaudited pro forma statement of financial position has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The unaudited pro forma statement of financial position has been prepared on the basis that the assets and liabilities of the Company have not been subject to any material change between 31 December 2023 and the completion of the Offers and Follow-on Placement except for movements in working capital resulting from transactions and expenditures incurred in the normal course of business.

2.5 Pro forma balance sheet

Section 9 of the Prospectus is deleted and replaced with the following:

	Half Year Audited Financial Accounts 31/12/2023	Management Accounts 31/03/2024	Capital Raising	Pro-forma Management Accounts
Current Assets	**$**	**$**	**$**	**$**
Cash and Cash Equivalents	562,431	934,707	2,644,850	3,579,557
Trade and other receivables	183,622	1,252,823		1,252,823
Inventories	1,051,604	1,155,003		1,155,003
Other Current assets	(2,800)	(77,248)		(77,248)
Total Current Assets	**1,794,857**	**3,265,286**	**2,644,850**	**5,910,136**
Non-Current Assets				
Other receivables				
Fixed Assets	1,328,731	1,322,569		1,322,569
Right of Use Asset				-
Exploration and evaluation costs				-
Total Non-Current Assets	**1,328,731**	**1,322,569**	**-**	**1,322,569**
Total Assets	**3,123,588**	**4,587,855**	**2,644,850**	**7,232,705**
Current Liabilities				
Trade and other payables	661,379	1,746,137		1,746,137
Borrowings	10,651	25,210		25,210
Other Current Liabilities	4,799,724	5,363,117		5,363,117
Employee Benefits				-
Total Current Liabilities	**5,471,754**	**7,134,464**	**-**	**7,134,464**
Non-Current Liabilities				
Long Term Debt	2,662,510	2,638,360		2,638,360
Other Non-Current Liabilities	(4,523,062)	(5,053,845)		(5,053,845)
Provisions				-
Total Non-Current Liabilities	**(1,860,552)**	**(2,415,485)**	**-**	**(2,415,485)**
Total Liabilities	**3,611,202**	**4,718,979**	**-**	**4,718,979**
Total Net Assets	**(487,614)**	**(131,124)**	**2,644,850**	**2,513,726**
Equity				
Issued capital	26,785,644	28,021,421	2,644,850	30,666,271
Reserves	26,956	292,837		292,837
Accumulated Losses	(27,300,213)	(28,445,383)		(28,445,383)
Total Equity	**(487,614)**	**(131,124)**	**2,644,850**	**2,513,726**

2.6 Copies of Documents

The following is added to the top of the table of ASX announcements in Section 7.4 of the Prospectus:

21/06/2024	Notice under Section 708A(5)(e) of the Corporations Act 2001
21/06/2024	Application for quotation of securities - CCO
19/06/2024	Update - Proposed issue of securities - CCO
12/06/2024	Notice under Section 708A(5)(e) of the Corporations Act 2001
11/06/2024	Renounceable Rights Offer dispatch - letters to shareholders
11/06/2024	Application for quotation of securities - CCO

05/06/2024	Investor Presentation June 2024
05/06/2024	Market Update Webinar Invitation
05/06/2024	Commencement of Rights Trading on ASX-CCOR
05/06/2024	eCommerce Sales up 45% to $16,000 per day
04/06/2024	Letters to option holders and ineligible shareholders
03/06/2024	Proposed issue of securities - CCO
03/06/2024	Prospectus
03/06/2024	Renounceable Rights Issue to Raise up to $2m

3. Consents

Each of the persons referred to in this section:

(a) has given and has not, before the date of lodgement of this Supplementary Prospectus with ASIC withdrawn their written consent:

(i) to be named in the Supplementary Prospectus in the form and context which it is named; and

(ii) where applicable, to the inclusion in this Supplementary Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Supplementary Prospectus;

(b) was not involved in the preparation of this Supplementary Prospectus or any part of it and did not authorise or cause the issue of this Supplementary Prospectus;

(c) makes no express or implied representation or warranty in relation to this Supplementary Prospectus, the Company or the Offer;

(d) does not make any statement in this Supplementary Prospectus, nor is any statement in this Supplementary Prospectus based on any statement made by the below persons; and

(e) to the maximum extent permitted by law, disclaims and takes no responsibility for any material in, or omission from, this Supplementary Prospectus other than the reference to its name.

Name	Role
Mahe Capital Pty Limited	Lead Manager and Underwriter
Automic Share Registry	Share Registry

4. Other Material Information

The Directors are not aware of any facts, matters or things (not already described in the Prospectus) which may be material to the making of an informed assessment of:

(a) the effect of the Offer on the Company; or

(b) the rights attaching to the New Shares or New Options.

The Directors do not consider the circumstances disclosed in this Supplementary Prospectus to be materially adverse from the point of view of an investor, and no withdrawal rights will be offered to investors.

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with ASIC.

Terms defined in the Prospectus have the same meaning in the Supplementary Prospectus.



Dr Anthony Noble
Managing Director, Chief Executive Officer

Dated: 28 June 2024

Schedule 1 ASX Announcement made on 28 June 2024

28th June 2024

ASX RELEASE

Rights Issue Closes Oversubscribed

Brisbane, Australia: The Calmer Co International Ltd (**ASX: CCO**) (**Calmer Co** or the **Company**) is pleased to announce that the renounceable rights issue announced on 3 June 2024 has closed heavily oversubscribed and raised approximately $2 million (before costs) and the Company has also undertaken a Follow-on placement.

key points

- Rights Issue seeking to raise approximately $2 million closes heavily oversubscribed
- Significant support from shareholders with eligible uptake of Entitlements at over 80%
- All of the Directors took up their maximum entitlements in the Rights Issue.
- The company has also undertaken a follow-on placement of $880k to accommodate some of the excess demand for the shortfall, which includes a commitment from the Directors to subscribe for $255k in the follow-on placement, subject to shareholder approval.
- The Company is now well funded to execute the upgrade to the Navua processing facility, to grow inventory and invest in marketing so as to execute on its strategy of driving strong growth in eCommerce in Australia and the USA.

To accommodate a portion of the excess demand for the shortfall, the Company has agreed to undertake a placement to raise additional $880,000, on the same terms as the rights issue (**Follow-on Placement**).

Under the follow-on placement, the Company will issue 156,250,000 new shares and 78,125,000 free attaching options. he securities issued under the Follow-on Placement will be issued from the Company's Listing Rule 7.1 placement capacity. Directors have agreed to subscribe for $255,150 which is included in the Follow-on placement, subject to shareholder approval at a general meeting to be called shortly.

Following completion of the Follow-on Placement, the total amount raised will be $2,900,000 (before costs). The Company will issue a total of 724,999,970 new fully paid ordinary shares (**Shares**) and 362,499,985 new options exercisable at $0.006, with expiry date of 30 June 2026 and quoted under the ASX code CCOOA (**Options**).

The Calmer Co International Limited
96 Victoria Street West End Queensland 4101
ACN: 169 441 874

The proceeds from the rights issue and the Follow-on Placement will be used for Capital Expenditure, Inventory Expansion, Marketing and Brand Promotion, general working capital and to cover costs associated with the offers.

The final results from the Rights Issue and the details of the Follow-on Placement are set out below:

	Funds raised	Shares	CCOOA Options
Rights taken up	$1,628,361.53	407,090,383	203,545,191
Shortfall placed	$391,488.47	97,872,118	48,936,059
Follow-on Placement Excluding Directors	$625,000.00	156,250,000	78,125,000
Director Placement^	$255,150.00	63,787,500	31,893,750
Total	$ 2,900,000.00	724,999,970	362,499,985

*The number of new Shares and Options issued is subject to rounding. ^ These are firm commitments under the follow-on placement. The Director placement is subject to shareholder approval. A further 26,448,499 Options will be issued to the Lead Manager as described in the Supplementary Prospectus lodged today in relation to the Follow-on Placement.

Mahe Capital Pty Ltd (ACN 634 087 84) (**Mahe Capital**) acted as the Lead Manager to the Rights Issue and advised the Company on the Rights Issue and the Follow-on Placement.

The new securities are expected to be issued on 2 July 2024, in accordance with the rights issue timetable.

Calmer Co's Managing Director Anthony Noble said: "We would like to thank our shareholders for the support they have shown during this Rights Issue, demonstrating their continued commitment to the Company and enthusiasm for our future as we embark on an exciting new year that will build on the exceptional growth story over FY24, that has been driven by our eCommerce strategy and profitable complementary retail sales."

"This fundraising will importantly allow us to upgrade our facility in Navua to increase production capacity to over 20MT of green kava processing per week which will contribute to both scaling and margin improvement. The company continues to be committed to rigorous cost control and remaining focused on the highest margin, most scalable channels as we drive towards our breakeven target and then further."

This announcement has been approved by the board of directors.

ends

For further information

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About The Calmer Co.

The Calmer Co. International Limited (ASX:CCO), provides natural solutions to calm nerves, support mind and muscle relaxation and induce sleep. The product range includes drinking powders, teas, shots, concentrates and capsules. Sold under our house of brands: Fiji Kava, Taki Mai and Danodan Hempworks in markets including USA, Australia, China, New Zealand and Fiji. The company also distributes the Leilo kava RTD products in the Fiji Islands.

Forward Looking Statements

This ASX release includes certain forward-looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of The Calmer Co. These factors may cause actual results to differ materially from those expressed in the statements contained in this announcement.