

AUDX Token

Product Disclosure Statement

This document was prepared on 19 December 2025 and issued by TAU Pty Ltd ACN 649 232 995.

Introduction

This Product Disclosure Statement (**PDS**) is an important legal document and is designed to help you make an informed decision about acquiring AUDX tokens. This PDS contains important information about the features, benefits, risks, fees and other significant characteristics of AUDX tokens. This PDS does not constitute the offer or sale of an AUDX token. Please refer to the Terms for the terms of sale and redemption of AUDX.

You should read this PDS carefully and in its entirety before deciding whether to acquire AUDX tokens. You should consider whether AUDX tokens are appropriate for your objectives, financial situation and needs. You may wish to consult a licensed financial adviser before making a decision.

AUDX tokens are not legal tender, money or monetary instruments. AUDX tokens are not deposits or protected accounts under the Banking Act 1959 (Cth) and are not covered by the Financial Claims Scheme or any government deposit guarantee. AUDX is intended as a non-cash payment facility, not an investment product.

The information in this PDS is general information only and does not take into account your personal objectives, financial situation or needs. You should obtain financial advice tailored to your personal circumstances. A [Target Market Determination \(TMD\)](#) is available on our website.

AUDX tokens are available to Australian residents and may be available to residents of certain other jurisdictions. AUDX tokens are not available to residents of prohibited jurisdictions or persons subject to sanctions. This PDS does not constitute an offer in any jurisdiction where such offer would be unlawful.

We may update the PDS from time to time. When necessary, we will issue a supplementary or replacement document. An up-to-date document is available on our website www.audxtoken.com.

This document contains words that have special meaning and are capitalised. Please refer to the Glossary for the PDS for the special meaning of any capitalised words used in the document.

If you have any questions, you can contact us for further information via:

Email: hello@audxtoken.io

Website: www.audxtoken.com

Glossary:

For the purpose of the PDS, the following definitions apply:

Defined Term	Meaning
AFSL	Australian financial services licence
AML/CTF	Anti-Money Laundering and Counter-Terrorism Financing
ASIC	Australian Securities and Investments Commission
AUD	Australian dollars
AUDX	The stablecoin token issued by TAU Pty Ltd
Blockchain	A distributed ledger technology that records transactions
ERC-20	A technical standard for tokens on the Ethereum blockchain
Ethereum	A blockchain network that supports smart contracts and digital tokens
Gas Fee	A fee paid to process transactions on blockchain networks
KYC	Know-your-client
Minting	The process of creating new AUDX tokens
PDS	The document named Product Disclosure Statement issued by us
Polygon	A blockchain network compatible with Ethereum
Platform	The facility operated by us to purchase or redeem AUDX
Private Key	A cryptographic code that allows access to and control of digital tokens in a wallet
Redemption	The process of exchanging AUDX tokens for Australian dollars
Smart Contract	Self-executing code on a blockchain that automatically performs specified functions
Stablecoin	A digital token designed to maintain a stable value relative to a reference asset (in this case, the Australian dollar)
Terms	Our terms and conditions applying to AUDX available at https://www.audxtoken.com/terms-and-conditions
Wallet	A software application or hardware device that stores private keys and allows users to send and receive digital tokens
We, us, our, Issuer	TAU Pty Ltd, ACN 649 232 995
You, your	A holder of AUDX

Part 1: Product Disclosure Statement

Introduction

This document is an important legal document designed to help you in making an informed choice about whether to purchase an AUDX token.

The Product is a non-cash payment facility that is issued by us. The Minting and Redemption of the AUDX token is governed by the Terms.

About AUDX Tokens

What is it?

AUDX is a stablecoin pegged 1:1 to the Australian dollar. Each AUDX token is intended to be redeemable for one Australian dollar (AUD). AUDX is a type of non-cash payment facility and can be used as a means of payment.

Who is the Issuer?

AUDX tokens are issued via the AUDX Platform by TAU Pty Ltd ACN 649 232 995. We rely on ASIC relief from the need to hold an Australian financial services licence whilst we are in the process of applying for an AFSL.

Blockchain Technology

AUDX is issued, managed and secured on the Ethereum blockchain (ERC-20 standard) and Polygon network. Holding an AUDX token in your wallet and using it to transfer or pay to another person is done without the involvement of the Issuer. This functionality is provided by your wallet.

Regulatory Status

AUDX is designed as a non-cash payment facility. The regulatory framework for digital tokens in Australia is evolving, including the future payment stablecoin regime. The regulatory status of digital tokens is subject to change as laws and guidance develop. AUDX currently relies on ASIC relief from the need to hold an AFSL, but this is expected to change. You should monitor this PDS for changes to the stablecoin as a result of regulation.

Platform and account

The Platform is operated by the Issuer to facilitate the Minting and Redemption of the AUDX Token. It does not form part of our non-cash payment facility and is not part of this PDS. Please read the Terms for details about the Platform.

In order to hold an account on the Platform to enable Minting or Redemption, you must:

- be at least 18 years of age or an entity;
- be an Australian resident or a resident of a non-prohibited jurisdiction;
- provide all information requested by the issuer; and
- comply with the Terms.

AUDX tokens can be distributed directly to approved clients after:

- completion of an application;
- onboarding procedures; and
- AML/CTF and KYC verification checks.

We may request additional information to verify ownership or authorisation of bank accounts.

We accept transfers of Australian dollars and other currencies as listed from time to time. Transfers from bank accounts not in your name may be refused.

How are tokens issued?

To acquire AUDX tokens directly from us:

1. you must hold an account with us to use our Platform and have been onboarded and verified;
2. you must deposit Australian dollars into the bank account directed by us;
3. once the funds are verified we will hold these funds in a separate client money account; and
4. we will mint the AUDX tokens via the smart contract and deposit the AUDX to your nominated digital wallet.

AUDX tokens are priced at one AUD per token. The minimum purchase is 1 AUDX token.

Using AUDX Tokens

Once issued, AUDX tokens can be:

- transferred to other wallet addresses;
- traded on digital currency exchanges;
- used as a means of payment where accepted; and
- exchanged for other digital assets or currencies.

Third-party exchanges, payment providers, wallet providers and blockchain networks may charge their own fees for these activities.

Redeeming AUDX Tokens

Token holders can redeem AUDX tokens for AUD, subject to:

- the token holder having a Platform account and completing any KYC and transaction verification checks; and
- a minimum Redemption amount of \$100,000 AUD.

The Redemption process works as follows:

1. verified clients transfer AUDX tokens to the designated redemption address;
2. the tokens are burned (permanently removed from circulation); and
3. an equivalent amount of AUD held in reserve is paid to the client's approved bank account.

Redemption proceeds are paid only to your linked and verified bank account.

Important: A 1% redemption fee applies where you redeem with us.

Redemptions may be delayed to manage liquidity, investments or legal compliance requirements. Redemptions are completed after all required verification checks are satisfied.

KYC

We are subject to obligations under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth). We may be required to collect information from you and verify your identity before issuing or redeeming the AUDX token. We may also be required to report certain transactions or refuse to process transactions in certain circumstances.

No Cooling Off

AUDX is not an investment product, deposit, loan or a facility to manage financial risk and no return is paid to holders. No cooling off period applies to the AUDX token.

Where can you get the AUDX token?

You are able to acquire the AUDX token directly from us, through the issuing process described above.

Alternatively, you will be able to buy and sell the AUDX token through third party platforms such as digital currency exchanges. We are not affiliated with any third party digital currency exchanges and you should read any terms and conditions that apply to any digital currency exchange that lists the AUDX token, fees may apply to use their platform.

Client Money and Reserves

Treatment of Client Money

Australian dollars received from clients are treated as client money under section 981A of the *Corporations Act 2001* (Cth) and held in a designated trust account in accordance with the Corporations Act and Corporations Regulations.

Client money is beneficially owned by the client. We are liable for any losses on investments such that token holders remain entitled to redeem 1 AUD per AUDX token.

Investment of Client Money

Client money may be invested only in permitted investments under regulation 7.8.02 of the *Corporations Regulations 2001* (Cth). Any earnings from these investments are retained by the issuer, and investment proceeds are returned to the trust account.

Reserve Assets

Reserves backing AUDX tokens may be held in:

- cash;
- cash equivalents;
- Australian bank deposits;
- Australian Treasury notes; and
- other high-quality AUD-denominated assets.

Reserves are managed directly by us or via appointed service providers.

Audits and Transparency

AUDX will be subject to comprehensive financial and controls audits. Information about reserves and audit reports will be made available to support transparency.

What are the key features and benefits of the AUDX token?

AUDX tokens have the following key features:

- **1:1 AUD Peg:** each AUDX token is designed to maintain a value of one Australian dollar.
- **Fully Backed Reserves:** AUDX tokens are backed by reserves held in Australian dollars or high-quality AUD-denominated assets.
- **No Minting or Management Fees:** we do not charge fees for minting or holding AUDX tokens (Redemption fees may apply).
- **Fractional Holdings:** AUDX tokens can be held in fractional amounts up to 18 decimal places.

AUDX is designed to provide lower price volatility compared to many other digital assets, while offering the benefits of Blockchain technology including fast, borderless transfers.

Benefits

The AUDX token allows holders to make payments using the blockchain in an AUD denominated digital asset that has generally lower price volatility than other digital assets.

The AUDX token is built on the Blockchain and the Smart Contract used is secured. The Smart Contracts and Blockchain transactions are immutable and available to be viewed on the public record.

The AUDX token is fully backed to maintain a stable value of 1 AUD. We hold reserves for every asset issued in a safe custody solution.

What are the significant risks?

You should carefully consider the following risks before acquiring AUDX tokens. This is not an exhaustive list of all risks.

Payment Risk

There is no guarantee that the AUDX token will be accepted as a form of payment or how widely it will be capable of trading on secondary markets. We make no guarantees or warranties that you will be able to use the AUDX token for any payment or transfer.

Regulatory Risk

The regulatory status of digital assets continues to evolve. Changes in laws, regulations or regulatory guidance may affect the operation, value or availability of AUDX tokens. Future regulatory requirements may impose additional obligations or restrictions on us or on holders. There are currently a number of reforms in progress, but which have not been passed by Parliament yet.

Reserve Value and Investment Risk

The reserve assets backing AUDX tokens may decrease in value due to market or economic conditions. We manage this risk by holding reserves in high-quality AUD-denominated assets. We remain liable for any losses on investments such that token holders remain entitled to redeem 1 AUD per AUDX token.

However, in extreme circumstances (such as insolvency), there is a risk that reserves may be insufficient to redeem all tokens at the 1:1 peg. There is also a risk that any authorised deposit taking institution that holds any reserves will de-bank or freeze our accounts, which could lead to delay in being able to pay any Redemption.

Security and Technology Risks

AUDX tokens are subject to various security and technology risks, including:

- hacking or cyber-attacks on wallets, exchanges or the blockchain network;
- wallet incompatibility or technical failures;
- loss of Private Keys (which may result in permanent loss of access to tokens);

- internet transmission failures; and
- irreversible transactions (blockchain transactions cannot be reversed once confirmed).

Clients are responsible for securing their wallets and private keys. Transfers occur across external Blockchain networks and losses due to network issues are outside our control.

Liquidity and Operational Risk

Redemptions may be delayed to manage liquidity, investments or legal compliance requirements. In periods of high Redemption demand or market stress, you may experience delays in converting AUDX tokens back to Australian dollars.

The minimum Redemption amount of AU\$100,000 may limit your ability to redeem smaller holdings directly with us. You may need to use third-party exchanges to sell smaller amounts, which may involve additional fees and price volatility.

Irreversibility of Transactions

The Blockchain networks on which AUDX operates are immutable, meaning that mistaken or unauthorised transfers may be irreversible. The issuer cannot reverse transactions once they are confirmed on the blockchain.

Counterparty Risk

If you hold AUDX tokens on a third-party exchange or with a custodial wallet provider, you are exposed to the risk that the third party may become insolvent, be hacked, or otherwise fail to return your tokens. We do not provide a wallet service and do not hold any Private Keys for your AUDX tokens. You are responsible for ensuring that you manage the safekeeping of your Private Keys and AUDX tokens.

Market and Price Risk

Whilst AUDX is designed to maintain a 1:1 peg with the Australian dollar, the actual market price of AUDX tokens on third-party exchanges may vary due to market conditions, supply and demand, and other factors. There is no guarantee that AUDX will always trade at exactly 1 AUD on secondary markets.

Financial Information

What costs are involved?

We have summarised our fees below, see our Terms for more information.

Minting, Transferring and Management Fees	We do not charge fees for minting, transferring or managing AUDX tokens.
Redemption Fee	<p>A 1% redemption fee applies to direct over-the-counter redemptions of AUDX tokens for Australian dollars.</p> <p>Example: if you redeem AU\$100,000 worth of AUDX tokens, you will pay a fee of AU\$1,000 and receive AU\$99,000.</p>
Third Party Fees	<p>Third-party service providers may charge their own fees, including:</p> <ul style="list-style-type: none"> • digital currency exchanges (trading fees, withdrawal fees); • blockchain network fees (Gas Fees for Ethereum and Polygon transactions); • payment providers and banks (deposit and withdrawal fees); and https://www.audxtoken.com/product-disclosure-statement • wallet providers (transaction or service fees)

	These fees vary by provider and are not controlled by us. You should check with the relevant third-party provider for their current fee schedule.
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We may change our fees from time to time. We will notify you of any fee changes by publishing updated information in our Terms and, where required, by issuing a Supplementary PDS.

Tax

You are responsible for determining and meeting any applicable tax obligations related to purchasing, using or redeeming AUDX tokens. You should seek professional tax advice about your specific circumstances. The Australian Taxation Office provides guidance on the tax treatment of digital currencies on its website.

Complaints

If you have a complaint about AUDX tokens or our services, you should contact us using the following details:

Email: hello@audxtoken.io

Website: www.audxtoken.com

We will handle complaints in accordance with our complaints handling policy.

We will acknowledge your complaint promptly and aim to resolve it within 30 days. We will keep you informed of the progress of your complaint.

External dispute resolution

If you are not satisfied with our decision or if your complaint remains unresolved after 30 days, you can refer the matter to the Australian Financial Complaints Authority (**AFCA**). AFCA is an independent body that provides its services free of charge. We are a member of AFCA. An AFCA decision is not binding on you but is binding on us.

AFCA is an external complaints resolution scheme approved by ASIC to provide free advice and assistance to consumers to help them in resolving complaints relating to members of the financial services industry. Information about AFCA, and the types of disputes that it can consider, can be found on its website.

AFCA Contact Details

Email: info@afca.org.au

Free call number: 1800 931 678

Online complaint form: <https://ocf.afca.org.au>

Privacy

We collect, use and disclose your personal information in accordance with the Privacy Act 1988 (Cth) and our Privacy Policy. Our Privacy Policy is available on our website at www.audxtoken.com.

More Information

If you would like more information, please contact us at:

Email: hello@audxtoken.io

Website: www.audxtoken.com