

**Close the Loop Limited (ASX:CLG)
ACN 095 718 317**

Notice of Meeting and Explanatory Statement

Date: Friday, 21 April 2023

Time: 11.00am (Melbourne time)

Place: 43-47 Cleeland Road, Oakleigh South, Victoria 3167

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. YOU SHOULD READ THE DOCUMENT IN ITS ENTIRETY BEFORE YOU DECIDE WHETHER OR NOT TO VOTE IN FAVOUR OF THE RESOLUTIONS. IF YOU ARE IN DOUBT AS TO WHAT YOU SHOULD DO, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL OR OTHER PROFESSIONAL ADVISER.

If, after reading this document, you have any questions, please contact CLG for more information or alternatively seek independent professional advice on any aspects of which you are not certain.

Important Notices

General

This Notice of Meeting and explanatory statement is dated 20 March 2023.

This document is important. The explanatory statement provides additional information on matters to be considered at the Meeting and forms part of the Notice of Meeting. You should read this document in its entirety before making a decision on how to vote on the Resolutions to be considered at the Meeting.

A Proxy Form for the Meeting is also enclosed. If you are in doubt as to what you should do, you should consult your legal, financial or other professional adviser. The Meeting will be a physical meeting only. If you are unable to join the Meeting, we encourage you to complete and return the enclosed Proxy Form in accordance with the instructions included in this Notice of Meeting.

The Company advises that a poll will be conducted for all Resolutions.

Interpretation

Capitalised terms used in the Notice of Meeting are defined in the Glossary at the end of this document, or where the relevant term is first used.

All numbers are rounded unless otherwise indicated. A reference to \$ or to A\$ is to Australian currency, and a reference to US\$ is a reference to United States currency, unless otherwise stated.

All times referred to in this Notice of Meeting are references to the time in Melbourne, Australia, unless otherwise stated.

A reference to a Section is to a section in the Notice of Meeting, unless otherwise stated.

Responsibility for information

CLG is responsible for this document but accepts no responsibility for any errors, omissions or misstatements in the Notice of Meeting that are attributable to errors, omissions or misstatements in publicly available information or third party sources or otherwise. Subject to the Corporations Act, CLG makes no representation or warranty, express or implied, as to the accuracy or completeness of such information.

ASIC and ASX

Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Notice of Meeting.

Forward looking statements

Some of the statements appearing in this document may be in the nature of forward looking statements. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and such deviations are both normal and to be expected.

None of CLG, its directors, officers, or any person named in this document or involved in the preparation of this document, make any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, and you are cautioned not to place undue reliance on those statements.

The forward looking statements in this document reflect views held only as at the date of this document. CLG has no obligation to disseminate after the date of this document any updates or revisions to any such statements to reflect any change in expectations in relation to those statements or any change in events, conditions or circumstances on which any of those statements are based unless required under the Corporations Act to update or correct this document or pursuant to CLG's continuous disclosure obligations under the ASX Listing Rules and the Corporations Act.

No financial product advice

This document is not financial product or investment advice nor is it a recommendation in respect of the Shares. It has been prepared without taking into account the objectives, financial situation or needs of Shareholders or other persons. Before deciding how to vote or act, Shareholders and other persons should consider the appropriateness of the information having regard to their own objectives, financial situation and needs, and seek legal, taxation, financial and other advice appropriate to their jurisdiction and circumstances. CLG is not licensed to provide financial product advice in respect of the Shares.

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Key dates

Date of this Notice of Meeting	Monday, 20 March 2023
Issue date of the Placement Shares Tranche 1	Thursday, 23 March 2023
Last date and time for receipt of Proxy Form by CLG	11.00am (Melbourne time) on Wednesday, 19 April 2023
Time and date for determining eligibility to vote at the Meeting	7.00pm (Melbourne time) on Wednesday, 19 April 2023
Time and date of the Meeting	11.00am (Melbourne time) on Friday, 21 April 2023
Anticipated date for: - Completion of the Acquisition - Payment of the Upfront Cash Payment - Issue of the Subscription Shares Tranche 1 - Issue of the Convertible Notes	Friday, 28 April 2023
Anticipated issue date of the Placement Shares Tranche 2	Friday, 28 April 2023
Anticipated date for issue of the Subscription Shares Tranche 2	Monday, 29 April 2024
Maturity date for the Convertible Notes	Tuesday, 31 March 2026

The above dates are indicative only and are subject to change. Any changes to the above timetable will be announced through the ASX announcements platform.

Letter from the Chairman

20 March 2023

Dear Shareholder,

I am pleased to introduce the Placement and the Acquisition (together, the **Transactions**) for your consideration.

The Placement

On 17 March 2023, CLG announced the Placement to the market.

Through Resolution 1, CLG seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 80,000,000 Shares at an issue price of \$0.33 per Share issued to sophisticated and professional investors on 23 March 2023 to raise a total of approximately \$26.4 million (before costs) (the **Placement Tranche 1**). The Shares the subject of the Placement Tranche 1 (the **Placement Shares Tranche 1**) fall within CLG's existing placement capacity.

CLG also seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of 56,363,363 Shares at an issue price of \$0.33 per Share to sophisticated and professional investors on or about 28 April 2023 to raise a total of approximately \$18.6 million (before costs) (the **Placement Tranche 2**). Subject to Shareholder approval, the Shares the subject of the Placement Tranche 2 (the **Placement Shares Tranche 2**) are anticipated to be issued on or about 28 April 2023.

The funds raised by the Placement will be applied towards the cash consideration payable pursuant to the terms of the Acquisition, general working capital expenditure and acquisition integration and transaction costs associated with the Transactions and to strengthen the balance sheet to support additional funding to support future growth.

Resolution 1 seeks Shareholder ratification for the issue of the Placement Shares Tranche 1 pursuant to ASX Listing Rule 7.4.

Resolution 3 seeks Shareholder approval for the issue of the Placement Shares Tranche 2 pursuant to ASX Listing Rule 7.1.

The Acquisition

On 17 March 2023, CLG announced that it had entered into the Sale & Purchase Agreements pursuant to which it has agreed to acquire the entire issued share capital of ISP Tek Services LLC (**ISP**) and Captive Trade Corporation (**CTC**) (both companies being incorporated in Texas, USA) (the **Acquisition**).

The material terms of the Sale & Purchase Agreements are set out in Section 6.2. Completion of the Acquisition is subject to the conditions precedent detailed in Section 6.2.

It has been agreed that the total consideration payable to the Vendors by CLG under the Acquisition will comprise of:

- an upfront cash payment of US\$35,000,000 (subject to standard and usual working capital and net debt adjustments) (the **Upfront Cash Payment**) and the issue of 40,560,560 new Shares at an issue price of A\$0.3708 per Share (worth US\$10,000,000 and based on the 30 day VWAP prior to the ASX announcement of the transaction) (the **Subscription Shares Tranche 1**) payable at completion of the Acquisition;
- the issue of an additional 4,056,056 new Shares at an issue price of A\$0.3708 per Share (worth US\$1,000,000) (the **Subscription Shares Tranche 2**) to be issued in April/May 2024;
- the issue of 15,000,000 Convertible Notes, each with a face value of US\$1.00 (therefore, a total of US\$15 million), an interest rate of 4% per annum, a maturity date of 31 March 2026, and convertible

at maturity into new Shares at a price of A\$0.74 per share, with 7,500,000 Convertible Notes convertible into new Shares at the election of the Vendors and the other 7,500,000 Convertible Notes convertible into new Shares at the election of CLG (the **Convertible Notes**); and

- a cash payment of US\$5,000,000 as an earn out based on ISP achieving an EBITDA amount for CY 2023 of at least US\$12 million (the **Earn Out**).

Resolution 2 seeks Shareholder approval for the issue of the Subscription Shares Tranche 1, the Subscription Shares Tranche 2 and the Convertible Notes pursuant to ASX Listing Rule 7.1.

Benefits of the Acquisition

Your Directors believe that the Acquisition will greatly benefit CLG and CLG shareholders as ISP is highly profitable, with opportunities for continued growth, and provides CLG with an exceptional platform to expand its presence and market share in the lucrative North American market.

The Acquisition will provide CLG with access to ISP's high quality people with significant industry experience, including key sales and operations executives staying on board to help run ISP.

Conclusion

Further detailed information about the Resolutions and the Transactions are set out in the enclosed explanatory statement. Noting that the Directors believe that the benefits of the Transactions are in the best interests of CLG, we recommend you vote in favour of the Resolutions.

I strongly encourage you to read the full contents of the accompanying documents carefully and participate in the voting process.

If you have any questions or queries about this Notice of Meeting or the Transactions, please contact CLG at investors@ctlgroup.com, for more information or alternatively seek independent professional advice on any aspects of which you are not certain.

I look forward to your participation at the Meeting.

If you have any queries regarding your holding of CLG shares or other CLG Share Registry matters, please contact Computershare Investor Services Pty Limited.

Yours sincerely



Greg Toll
Chairman
Close the Loop Limited

1 What to do now and how to vote

1.1 What to do now

(a) Carefully read this document

Shareholders are being asked to consider, and if thought fit approve, the Resolutions set out in this Notice of Meeting.

This document sets out information about the Transactions and provides Shareholders with the information to assist them in deciding how to vote on the Resolutions to be considered at the Meeting. This information is important.

You should read this document carefully, and in its entirety, before making a decision as to how to vote at the Meeting.

(b) Seek further information if required

If you have any queries about any matter contained in this document, please contact CLG for more information or alternatively seek independent professional advice on any aspects of which you are not certain.

1.2 How to vote

(a) Vote in person

To vote at the Meeting in person, you must attend the Meeting, to be held at 43-47 Cleeland Road, Oakleigh South, Victoria 3167 at 11.00am (Melbourne time) on Friday, 21 April 2023.

(b) Vote by proxy

If you are not able to attend the Meeting, please complete and sign the Proxy Form enclosed with the Notice of Meeting as soon as possible.

To complete the Proxy Form, record your vote on the Proxy Form in relation to each Resolution to be considered at the Meeting as follows:

- if you wish to approve the Resolution, place a cross (X) in the space provided under the word 'FOR' in respect of that Resolution;
- if you do not wish to approve the Resolution, place a cross (X) in the space provided under the word 'AGAINST' in respect of that Resolution; and
- if you do not wish to vote in respect of the Resolution, place a cross (X) in the space provided under the word 'ABSTAIN' in respect of that Resolution.

The Proxy Form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by CLG at least 48 hours before the time for holding the Meeting (i.e. by no later than 11.00am (Melbourne time) on Wednesday, 19 April 2023):

- (i) By post:
Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia;
- (ii) By mobile:
Scan the QR Code on your Proxy Form and follow the prompts;
- (iii) Online:
Shareholders may submit their proxy instructions online to the Company's Share Registry by visiting www.investorvote.com.au/clg;

- (iv) By hand:
Computershare Investor Services Pty Limited
452 Johnston Street
Abbotsford VIC 3067
Australia;
- (v) By fax:
1800 783 447 within Australia or
+61 3 9473 2555 outside Australia.

Proxies given by corporate Shareholders must be executed in accordance with their constitutions, or under the hand of a duly authorised attorney.

A proxy may decide whether to vote on any motion, except where the proxy is required by law or CLG's constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with that direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit.

If a Shareholder appoints the chairperson of the Meeting as the Shareholder's proxy and does not specify how the chairperson is to vote on an item of business, the chairperson will vote, as proxy for that Shareholder, in favour of the item on a poll.

(c) **Vote by corporate representatives**

Corporate Shareholders or proxies wishing to vote by corporate representative should obtain an appointment of corporate representative form from the Share Registry and complete and sign the form in accordance with the corporate Shareholder's constitution or by a duly authorised attorney.

The corporate representative form and the power of attorney or other authority (if any) under which it is signed (or a certified copy thereof) must be received by CLG before the start or resumption of the Meeting at which the representative is to vote, in person or by post in the reply paid envelope provided.

(d) **Vote through broker or nominees**

If you hold your Shares through a broker or nominee holder, you should contact them as soon as possible to instruct them to vote on your behalf.

(e) **Voting procedure on a poll**

Every question arising at this Meeting will be decided on a poll. Upon a poll, every person entitled to vote who is present at the virtual meeting or by proxy will have one vote for each voting share held by that person.

(f) **Scrutineer**

CLG's Share Registry, Computershare Investor Services Pty Limited, will act as scrutineer for the polls required at the Meeting.

2 Important information about the Transactions

This Section provides a summary only of important information about the Transactions and the Resolutions, as well as information on how to vote at the Meeting. This Section also highlights key information about ISP and the Enlarged CLG, and explains where you can find more detailed information about the Transactions within the Notice of Meeting. This Section should be read in conjunction with the entire Notice of Meeting before you decide how to vote on the Resolutions.

Information about the Placement	
What is the Placement Tranche 1?	Pursuant to the Placement Tranche 1, on 23 March 2023, CLG will issue 80 million new Shares at an issue price of \$0.33 per Share to sophisticated and professional investors to raise a total of approximately \$26.4 million (before costs).
What is the Placement Tranche 2?	Pursuant to the Placement Tranche 2, CLG intends to issue 56.36 million new Shares at an issue price of \$0.33 per Share to sophisticated and professional investors, on or around 28 April 2023, to raise a total of approximately \$18.6 million (before costs).
How will the proceeds of the Placement be used?	The funds raised by the Placement will be applied towards the Upfront Cash Payment payable by CLG pursuant to the terms of the Acquisition, general working capital expenditure for CLG and acquisition integration and transaction costs associated with the Transactions.
Information about the Acquisition	
What is the Acquisition?	The Acquisition involves CLG acquiring 100% of the issued share capital in ISP and CTC for total consideration of up to US\$66,000,000 payable in the form of US\$35,000,000 in upfront cash, the issue of US\$11,000,000 worth of new Shares (in two tranches) and the issue of US\$15,000,000 of Convertible Notes and the payment of up to US\$5,000,000 in earn out.
Who are ISP and CTC?	The business of ISP involves the recycling, refurbishment and supply of notebooks, laptops, chromebooks, monitors, desktop PCs, gamer PCs, ink jet printers, commercial printers and other forms of technology hardware. ISP is an HP authorised distributor and an authorised refurbisher for HP, Samsung, LG, APC and Microsoft. ISP processes in excess of 1,500 refurbished units per day, with the capacity to increase to 3,000 units per day. CTC is a related entity of ISP.
What is the consideration CLG has agreed to pay under the Acquisition?	The total consideration payable under the Sale & Purchase Agreements is the aggregate of: - US\$35,000,000 cash subject to standard and usual net working capital and net debt adjustments as detailed in the Sale & Purchase Agreements payable at completion of the Acquisition; - US\$10,000,000 worth of new Shares (being 40,560,560 new Shares) at an issue price of A\$0.3708 per Share to be issued at completion of the Acquisition;

	• US\$1,000,000 worth of new Shares (being 4,056,056 new Shares) at an issue price of A\$0.3807 per Share to be issued in April/May 2024; • US\$15,000,000 worth of new Convertible Notes (being 15,000,000 Convertible Notes each with a face value of US\$1.00), having an interest rate of 4% per annum, a maturity date of 31 March 2026, and convertible into new Shares at maturity at a price of A\$0.74 per share, with: • US\$7,500,000 worth of Convertible Notes convertible into new Shares at the election of the Vendors; and • US\$7,500,000 worth of Convertible Notes convertible into new Shares at the election of CLG; and • US\$5,000,000 cash as an earn out based on ISP achieving an EBITDA amount for CY 2023 of at least US\$12 million.
What is CLG acquiring under the Acquisition?	CLG is acquiring all of the issued shares in the capital of ISP and CTC and therefore all of the assets and trading liabilities of ISP and CTC as calculated on a debt free cash free basis and including a normal level of working capital.
What are the conditions to the Acquisition being completed?	Completion of the Acquisition is conditional on: • approval by Shareholders of Resolution 2 at the Meeting; • there being no material adverse change in relation to ISP and CTC before completion of the Acquisition; and • other conditions common for an acquisition of this nature. See Section 6.2 for a summary of the key terms and conditions of the Share Purchase Agreement, including the conditions precedent.
How is the Upfront Cash Payment being funded?	The purchase price for the Acquisition includes the Upfront Cash Payment of US\$35 million to the Vendors (or approximately A\$52.6 million based on the prevailing USD:AUD exchange rate at the date of this Notice of Meeting). The Upfront Cash Payment will be funded partly through the proceeds of the Placement and partly through debt finance that CLG intends to draw down prior to Completion of the Acquisition.
What will happen to my Shares if the Acquisition proceeds?	Nothing will happen to the Shares held by existing Shareholders under the Acquisition, except that their proportionate ownership of CLG will be diluted by the issue of new Shares under the Acquisition. See Section 4.5 for the dilutive impact the Acquisition will have on existing Shareholders.
How will the structure of CLG's ownership change if the Acquisition proceeds?	If Shareholders vote in favour of the Resolutions, upon completion of the Acquisition and the Placement, approximately 7.9% of the CLG Shares will be held (in aggregate) by the Vendors. The Vendors will also be issued the Subscription Shares Tranche 2 in April/May 2024 and may be issued with additional Shares on or around 31 March 2026 if the Convertible Notes are converted.

Will there be management changes if the Acquisition proceeds?	Sammy Saloum and Dania Saloum, the current directors of ISP and CTC, will become engaged by CLG following Completion. There will be no changes to the Board of CLG as a consequence of the Acquisition. See Section 3.3 for further information about the CLG management team.
Will CLG remain listed on ASX if the Acquisition proceeds?	Yes, CLG will remain listed on ASX after completion of the Acquisition.
Will the CLG Shares issued to the Vendors under the Acquisition be escrowed?	Yes, the US\$10,000,000 worth of new Shares (being 40,560,560 new Shares) to be issued to the Vendors at completion of the Acquisition will be escrowed for a period of 12 months following the date of their issue.
What will happen if the Acquisition does not proceed?	If Resolution 2 is not passed by Shareholders, or the other conditions precedent are not satisfied or waived, the Acquisition will not proceed on the terms of the Sale & Purchase Agreements.

Key information about the Enlarged CLG

What is the Enlarged CLG?	The Enlarged CLG will be created on completion of the Acquisition. Following completion of the Acquisition, the scale of CLG's existing operations will be expanded, particularly in North America. The shared technical and sales capabilities and expertise will create broader information and communication technology business services to be provided by the Enlarged CLG.
What will be the strategy of the Enlarged CLG?	The acquisition of ISP and CTC will provide the Enlarged CLG with the following: • access to a diverse and complementary customer base; • shared resources and expertise; and • a significant re-weighting of CLG's revenue and profit to the lucrative North American market and a stronger diversification across geographies. The enhanced scale and strategic benefits associated with the acquisition of ISP and CTC are expected to facilitate other inorganic growth opportunities for the Enlarged CLG.

Information about Shareholder approvals required for the Transactions

Why is Shareholder approval required for the Transactions?	In order to preserve CLG's full ASX Listing Rule 7.1 placement capacity following implementation of the Transactions, Shareholder ratification and approval of the issue of new Shares is being sought under ASX Listing Rules 7.4 and 7.1. Resolutions 1 and 2 seek such approval.
What am I being asked to vote on?	Shareholders are being asked to vote on Resolutions which provide the following approvals: • Resolution 1: CLG seeks Shareholder ratification for the issue of the Placement Shares to sophisticated and professional investors to be made on 23 March 2023 pursuant to ASX Listing Rule 7.4. • Resolution 2: CLG seeks Shareholder approval for the issue of the Subscription Shares and the Convertible Notes to the Vendors pursuant to ASX Listing Rule 7.1.

What are the voting intentions of the Chairman as proxy?	The CLG Chairman, Greg Toll, intends to vote all undirected proxies over which he has control in favour of the Resolutions.	
When and where will the Meeting be held?	The Meeting will be held at 43-47 Cleeland Road, Oakleigh South, Victoria 3167 at 11.00am (Melbourne time) on Friday, 21 April 2023.	
What are the voting approval thresholds for the Resolutions?	Each of the Resolutions is an ordinary resolution, requiring simple majority approval. This means that more than 50% of the votes cast on each of the Resolutions, respectively, by Shareholders who are eligible to vote on the Resolution must be cast in favour of the Resolution in order for it to be passed. See the Notice of Meeting for further information.	
Are the Resolutions inter-conditional?	No.	
Who is eligible to vote on the Resolutions?	In accordance with the Corporations Regulations, the Board has determined that the Shareholders entitled to attend and vote at the Meeting shall be those persons who are recorded in CLG's share register at 7.00pm (Melbourne time) on Wednesday, 19 April 2023. See the Notice of Meeting for further information. Some voters may not be allowed to vote on the Resolutions. Please refer to the voting exclusion statement in the Notice of Meeting.	
Is voting compulsory?	Voting is not compulsory. However, your vote is important. If you cannot attend the Meeting, you are strongly encouraged to complete and return the Proxy Form that is enclosed with the Notice of Meeting. If you hold your Shares through a broker or nominee holder, you should contact them as soon as possible to instruct them to vote on your behalf. If you require any assistance in completing or lodging your proxy form, please contact the Share Registry or contact your professional advisor.	
Board Recommendation		
What are the recommendations of the Board?	The Board unanimously recommends that Shareholders vote in favour of the Resolutions at the Meeting. Each Director intends to vote the Shares that the Director controls in favour of each of the Resolutions proposed at the Meeting.	
Transaction timetable		
What is the indicative timetable for the Transactions?	Date of this Notice of Meeting	Monday, 20 March 2023
	Issue date of the Placement Shares	Thursday, 23 March 2023
	Last date and time for receipt of Proxy Form by CLG	11.00am (Melbourne time) on Wednesday, 19 April 2023
	Time and date for determining eligibility to vote at the Meeting	7.00pm (Melbourne time) on Wednesday, 19 April 2023
	Time and date of the Meeting	11.00am (Melbourne time) on Friday, 21 April 2023

	Anticipated date for: • Completion of the Acquisition • Payment of Upfront Cash Payment • Issue of the Subscription Shares Tranche 1 • Issue of the Convertible Notes • Issue of the Placement Shares Tranche 2	Friday, 28 April 2023
	Anticipated date for issue of the Subscription Shares Tranche 2	Monday, 29 April 2024
	Maturity date of the Convertible Notes	Tuesday, 31 March 2026

The above dates are indicative only and are subject to change. Any changes to the above timetable will be announced through the ASX announcements platform.

Further questions

What should I do if I have further questions about the Transactions?

If you have any queries about any matter contained in this document please contact CLG for more information or alternatively seek independent professional advice on any aspects of which you are not certain.

3 Information about ISP

This Section provides information on ISP.

3.1 What is ISP?

Like CLG, ISP is a circular economy participant for the packaging, processing, recycling and refurbishment of consumable products. The particular consumable product focus of ISP is consumer and commercial electronics – notebooks, laptops, desktops, monitors, printers and servers.

ISP is headquartered in Texas, USA. Its owners and key executives, Sammy Saloum and Dania Saloum, have over 30 years of experience in this sector.

ISP services the North American market and is an HP authorised distributor as well as a registered refurbisher for HP, Samsung, LG, APC and Microsoft.

ISP sources its products for refurbishment and resale from a variety of sources, including fresh customer returns, cancelled orders, damaged products, overstocks and demo products. Once refurbished, these products are made available for sale through online channels, in-store retailers and through and to educational institutions (e.g. schools).

ISP's refurbishment processing capacity currently stands at over 1,500 units per day, but ISP management believes that this capacity could increase to around 3,000 units per day following occupation into a new purpose built facility in the short to medium term.

In CY21, ISP generated US\$32 million of revenue and achieved an adjusted NPAT figure of US\$8.7 million.

For more information on ISP go to <https://www.isptekservices.com/>.

3.2 How is ISP structured?

The corporate structure of ISP is straightforward, being a US limited liability company incorporated in Texas, USA with 2 shareholders – Sammy Saloum and Dania Saloum.

ISP has one related entity – CTC – the sale of which to CLG forms part of the Acquisition.

3.3 Who are the directors and senior management of ISP?

ISP is founded by Sammy Saloum and Dania Saloum, who are the driving forces behind ISP's success. They have 30 years of experience in the recycling and refurbishment of consumable products.

3.4 Are they any ISP directors being appointed to the CLG board?

No. While both Sammy Saloum and Dania Saloum will become engaged by CLG and remain instrumental to ISP's ongoing success as part of the Enlarged CLG, there are no existing plans for either of them, or anyone else, to be appointed as directors of CLG in connection with the Acquisition.

3.5 Is there any litigation affecting ISP?

Throughout the due diligence process, CLG has not become aware of any ongoing material litigation impacting ISP.

4 Information about the Enlarged CLG

4.1 Overview of the Enlarged CLG

This Section provides information about the Enlarged CLG.

CLG is an Australian-based participant in the global circular economy for packaging, processing, recycling and refurbishment of consumable products, including print toner cartridges. In doing so, CLG provides best-in-class sustainability solutions to help corporations enhance their corporate social responsibility programs.

CLG works with manufacturers of all types to minimise waste and work towards a circular economy. A circular economy makes the most of the resources of CLG's clients, transforming items that would normally end up in landfill or the ocean into useful commodities that can be returned to the supply chain.

Following completion of the Acquisition, the scale of CLG's existing operations will be expanded considerably, creating new revenue streams across a larger customer base, particularly in the lucrative North American market. The Acquisition will result in a significant re-weighting of revenues and profit to North America, with stronger diversification across geographies.

4.2 What will the Enlarged CLG's strategy be?

From a target market and customer viewpoint, CLG will continue its focus on increasing scale and further strengthening its position in the global circular economy. Similarly, ISP's focus will remain on expanding its services offering in the North American market.

The Enlarged CLG will strategically leverage ISP's customer base in North America, and CLG's and ISP's strong relationships with OEMs (original equipment manufacturers) to grow CLG's existing business in North America.

In addition, post-Acquisition, ISP can use CLG's global footprint to expand its services offering to OEMs in an endeavour to make the Enlarged CLG the global solution of choice for OEMs, having regard to CLG's existing presence in Australia and Europe.

Following integration of ISP, the CLG Board may explore other complimentary acquisition targets to further accelerate the growth of the Enlarged CLG.

4.3 What are the other intentions for the Enlarged CLG?

The statements set out in this Section 4 are statements of current intentions only which may change as new information becomes available or circumstances change. Any decisions will only be reached after implementation when all material facts and circumstances are known to the Board of the Enlarged CLG.

4.4 What will the Enlarged CLG capital and ownership structure be?

Issued Share Capital	Number of Shares
Existing Shares on issue as at the date of this Notice of Meeting (excluding the Placement Shares)	335,451,478
Options and Performance Rights on issue as at the date of this Notice of Meeting	18,250,000
Placement Shares Tranche 1 to be issued on 23 March 2023	80,000,000
Subscription Shares Tranche 1 to be issued on completion of the Acquisition	40,560,560
Convertible Notes to be issued on completion of the Acquisition	15,000,000 (convertible into approximately 34,292,822 Shares)

Placement Shares Tranche 2 to be issued on or around 28 April 2023	56,363,363
Total (undiluted) Shares on issue after completion of the Acquisition and the Placement	512,375,401
Total (fully diluted) Shares on issue after completion of the Acquisition and the Placement	564,918,223
Subscription Shares Tranche 2 to be issued in April/May 2024	4,056,056
Total (undiluted) Shares on issue after the issue of the Subscription Shares Tranche 2	516,431,457*
Total (fully diluted) Shares on issue after the issue of the Subscription Shares Tranche 2	568,974,279*

* Assumes that no other Shares are issued between the issue of the Placement Shares Tranche 2 / Subscription Shares Tranche 1 and the Subscription Shares Tranche 2.

4.5 **What is the dilutive impact of Shares and Convertible Notes issued under the Acquisition and the Placement on existing Shareholders?**

Immediately prior to the announcement of the Acquisition and Placement on 17 March 2023, there were 335,451,478 Shares on issue. After completion of the Acquisition and the Placement, there will be an additional 176,923,923 Shares on issue (512,375,401 Shares in total). Therefore, the dilutive impact of the Acquisition and the Placement is significant.

In addition, the Vendors will also be issued the Subscription Shares Tranche 2 in April/May 2024 and may be issued with additional Shares on or around 31 March 2026 if the Convertible Notes are converted. This will likely increase the dilutive impact of the Acquisition further.

4.6 **How will the Enlarged CLG be financed?**

As a profitable and cash flow generating organisation, it is expected that the Enlarged CLG's operations will be financed out of ongoing operating cash flows.

The Enlarged CLG intends to prioritise the repayment of debt to be taken out by CLG to partly fund the Upfront Cash Payment component of the purchase price for the Acquisition.

5 Specific Risk Factors

Before deciding how to vote on the Resolutions, you should carefully consider the risk factors discussed in this Section 5, as well as other information contained in this document and seek independent professional advice.

This Section 5 provides a summary of specific risks only. It does not take into account the investment objectives, financial situation, taxation position or particular needs of Shareholders.

Additional risks and uncertainties not currently known to CLG, or which CLG considers to be immaterial, may also have an adverse effect on the value of Shares. The information set out below does not purport to be, nor should it be construed as representing, an exhaustive summary of all possible risks.

5.1 Introduction

This Section 5 outlines the key, but not all, risks associated with an investment in the Enlarged CLG and the value of the Shares and other risks of which Shareholders should be aware.

There are a number of factors, both specific to the Enlarged CLG and of a general nature, which may affect the future operating and financial performance of CLG, its products and services, the industry in which it operates and the outcome of an investment in CLG. There can be no guarantee that CLG will achieve its stated objectives or that forward looking statements will be realised.

This Section describes certain, but not all, specific risks associated with an investment in the Enlarged CLG. Each risk set out below could, if it eventuates, have a materially adverse impact on CLG's operating performance, financial performance, financial position, liquidity and the value of its shares.

The risks outlined below include risks specific to the Acquisition and the Enlarged CLG. Risks of a general nature are not disclosed in this document as the Directors consider they have been recently disclosed by CLG in other documents.

5.2 Specific Risks

There are a number of specific factors that could have a materially adverse impact on CLG, its growth plans, operating and product strategies and its financial performance and position.

(a) ***Competition risk***

CLG operates in a competitive market which is subject to increasing competition from companies in Australia and throughout the world, through a combination of established organisations and new entrants to the market. A loss of customers may negatively impact earnings. Additionally, the risk from increased competition may negatively impact on sales and profitability. The actions of an existing competitor or of new competitors may make it difficult for CLG to grow or maintain its business, which in turn may have a material adverse effect on its profitability. There is a risk that new entrants in the market may disrupt CLG's business and existing market share. Existing competitors and new competitors may engage in aggressive customer acquisition campaigns. Such competitive pressures may materially erode CLG's market share and revenue, and may materially adversely impact CLG's revenue and profitability.

(b) ***Information Technology, Privacy and Cybersecurity***

The Enlarged CLG will rely heavily on information technology systems to ensure the efficient and effective operation of its business. These information technology systems could be damaged or cease to function properly due to any number of causes, such as catastrophic events, power outages, security breaches, computer viruses or cyber-based attacks and malicious or deliberate hacking could cause major disruption to the Enlarged CLG's business and could adversely affect its operating and financial performance. While there are contingency plans in place to prevent or mitigate the impact of these events, if they were to occur and CLG's disaster recovery plans do not effectively address the issues on a timely basis, the Enlarged CLG could suffer interruptions in its ability to manage its operations, which may adversely affect its business and financial results. Further, as with

all technology based products, there is a risk that CLG's technology and platform could be superseded by new technologies that have various advantages over CLG's offerings.

Through the ordinary course of business, CLG collects a wide range of confidential information. Cyber-attacks may compromise or breach the systems used by CLG to protect confidential information. There is a risk that the measures taken by CLG may not be sufficient to detect or prevent unauthorised access to, or disclosure of, such confidential information. Any data security breaches of CLG's failure to protect confidential information could result in the loss of information integrity, or breaches of CLG's obligations under applicable laws or agreements, each of which may materially adversely impact CLG's financial performance and reputation.

(c) ***Intellectual property and patent risk***

The ability of CLG to maintain protection of its proprietary intellectual property and operate without infringing the proprietary intellectual property rights of third parties is an integral part of CLG's business. There can be no assurances that the validity, ownership or authorised use of intellectual property (both owned and licensed) relevant to CLG's business cannot or will not be challenged. CLG's ability to leverage its innovation and expertise largely depends on its ability to protect its intellectual property and any improvements to it. Intellectual property (including copyright and know how) that is important to the Enlarged CLG includes, but is not limited to, its trade names, databases, software systems. A challenge by a third party in respect of the Enlarged CLG's ownership or right to use of its intellectual property may cause the Enlarged CLG to incur significant cost in defending the challenge and may prevent the Enlarged CLG from using certain intellectual property in its business, which could cause material loss to the Enlarged CLG.

(d) ***Maintenance of reputation***

CLG's success is reliant on the maintenance of its reputation. Any factors that damage the reputation of CLG may potentially result in a failure to win new customers and impinge on the ability to maintain relationships with existing customers, as well as affect its ability to attract key employees. If any of these occur, this could materially adversely affect CLG's business, operating and financial performance.

(e) ***Asset impairment risk***

Changes to the carrying amounts of CLG's assets could have an adverse impact on the reported financial performance of CLG in the period that any impairment provision is recorded and could increase volatility of reported earnings in cases where there is further impairment or a reversal of impairment provisions that were recorded in previous periods.

(f) ***Dividends***

There is no guarantee as to future earnings of CLG or that CLG will be profitable at any time in the future, and there is no guarantee that CLG will be in a financial position to pay dividends at any time in the future.

(g) ***Insurance risk***

CLG seeks to maintain appropriate policies of insurance consistent with those customarily carried by organisations in its industry sectors.

CLG is exposed to the risk of liability, which CLG mitigates by maintaining certain insurances. However, the relevant insurance(s) may not always be available to CLG or may only be available on terms which are more expensive compared to current arrangements. The occurrence of an event that is not fully or partially covered by insurance maintained by CLG may have a material impact on the business and financial condition of CLG. As with all insurance policies, there is also no guarantee that CLG's relevant insurer will accept to cover CLG for any losses suffered when risks that CLG believed to be insured for materialise.

(h) **Regulatory Risks**

Changes in the political and regulatory landscape in which the Enlarged CLG operates could adversely affect the Enlarged CLG's operating and financial performance. The Enlarged CLG's business is subject to numerous laws and regulations (federal and state) and the policies of regulatory authorities (for example, ASX, ASIC and the ATO, and their foreign counterparts). Changes in laws and regulations and policies, including their interpretation or enforcement, that affect, or may in the future affect, the Enlarged CLG's business or services, including changes in accounting standards, tax laws and regulations, restrictions or requirements related to privacy, licensing, reporting and consumer protection, could adversely affect the Enlarged CLG's financial results.

(i) **Dilution Risks**

Any further capital raisings or issues of Shares after the Placement and the Acquisition may further dilute the interest of Shareholders in the Enlarged CLG.

(j) **Acquisition: Completion Risks**

Completion of the Acquisition will only occur where all the conditions to completion have been either satisfied or waived, including:

- (i) the Shareholders approving Resolution 2; and
- (ii) the absence of any material adverse change in respect of ISP.

There is no assurance that the above conditions will be satisfied, noting however that CLG has no reason to believe that any of the above conditions will not be satisfied.

(k) **Acquisition: Due Diligence Risks**

While CLG has conducted due diligence on ISP and CTC in respect of the Acquisition, CLG is unable to verify the accuracy or the completeness of the information provided to it by ISP and CTC and there is no assurance that the due diligence was conclusive and that all material issues and risks in relation to the Transactions and ISP and CTC have been identified. To the extent that this information is incomplete, incorrect, inaccurate or misleading, or the actual results achieved by ISP and CTC are weaker than those indicated by CLG's analysis, there is a risk that the future results of the operations of the Enlarged CLG may differ (including in a materially adverse way) from CLG's expectations as reflected in this Notice of Meeting, or that additional liabilities of a material nature may emerge. There is also a risk that the due diligence undertaken has not identified issues that would have been material to the decision to enter into the Sale & Purchase Agreements. A material adverse issue that has not been identified in the due diligence process could have an adverse impact on the financial performance or operations of CLG.

(l) **Acquisition: Disclosure Risks**

On completion of the Acquisition, CLG will assume the liabilities of ISP and CTC, including legal and regulatory liabilities, for which it may not be adequately indemnified. The Sale & Purchase Agreements contain a number of representations, warranties and indemnities. However, the warranties and indemnities may not be sufficient to cover the actual liabilities incurred in connection with any known or unknown liabilities of ISP and CTC, and CLG may not be able to recover sufficient funds from the Vendors under the indemnities to cover these actual liabilities. Any material unsatisfied warranty or indemnity claims could adversely affect the Enlarged CLG's business, results of operations or financial condition and performance.

(m) **Acquisition: Integration and Synergy Risks**

The acquisition of ISP has the potential for integration risk. As separate businesses (though similar) integrate and form, there is the potential for the integration of technology, processes, information, departments and organisations to fail.

CLG has undertaken financial, tax, legal, employment, commercial, insurance, and separation analysis of ISP in order to determine its attractiveness to CLG (including in

relation to synergies) and whether to proceed with the Acquisition. There is a risk that despite such analysis and the best estimate assumptions made by CLG, the conclusions drawn are inaccurate or are not realised. To the extent that the actual results achieved by the Acquisition are different to those indicated by CLG's analysis, there is a risk that the performance of the Enlarged CLG following the Acquisition may be different (including in a materially adverse way) from what is reflected in this Notice of Meeting.

6 Additional Information

This Section provides you with additional information regarding the Transactions.

6.1 Placement

Under the Placement Tranche 1, 80,000,000 Shares at an issue price of \$0.33 per Share will be issued on 23 March 2023 to sophisticated and professional investors.

Under the Placement Tranche 2, it is proposed that 56,363,363 Shares be issued at an issue price of \$0.33 per Share, subject to Shareholder approval of Resolution 3 at the Meeting. If Shareholder approval is obtained, the Placement Shares Tranche 2 are scheduled to be issued on or around 28 April 2023 to sophisticated and professional investors.

6.2 Sale & Purchase Agreements

As announced by CLG on 17 March 2023, CLG entered into the Sale & Purchase Agreements with the Vendors for the sale and purchase of the entire issued share capital of ISP and CTC.

The key terms of the Sale & Purchase Agreements are set out below.

Topic	Summary
Outline of proposed transaction	CLG will acquire all the shares in the capital of ISP and CTC from the Vendors for a purchase price of a total of up to US\$66,000,000, payable as outlined below.
Purchase price	The purchase price payable by CLG to the Vendors for the Acquisition of ISP and CTC will be the aggregate of: - US\$35,000,000 cash subject to standard and usual net working capital and net debt adjustments as detailed in the Sale & Purchase Agreements payable at completion of the Acquisition (Upfront Cash Payment); - US\$10,000,000 worth of new Shares (being 40,560,560 new Shares) at an issue price of \$0.3708 per Share to be issued at completion of the Acquisition (Subscription Shares Tranche 1); - US\$1,000,000 worth of new Shares (being 4,056,056 new Shares) at an issue price of \$0.3708 per Share to be issued in April/May 2024 (Subscription Shares Tranche 2); - US\$15,000,000 worth of new Convertible Notes (being 15,000,000 Convertible Notes each with a face value of US\$1.00), having an interest rate of 4% per annum, a maturity date of 31 March 2026, and convertible into new Shares at a price of A\$0.74 per share (Convertible Notes), with: - US\$7,500,000 worth of Convertible Notes convertible into new Shares at the election of the Vendors (if converted, a total of approximately 17,146,411 new Shares); and - US\$7,500,000 worth of Convertible Notes convertible into new Shares at the election of CLG (if converted, a total of approximately 17,146,411 new Shares); and - a cash payment of US\$5,000,000 as an earn out based on ISP achieving an EBITDA amount for CY 2023 of at least US\$12 million (Earn Out).

Topic	Summary
Conditions precedent	Completion of the Acquisition is subject to the following conditions precedent: • There being no material adverse change in respect of ISP and CTC before completion of the Acquisition. • Each of the Vendors entering into an escrow agreement in respect of the Subscription Shares Tranche 1 in the form set out in the Sale & Purchase Agreements. • Approval by the Shareholders of Resolution 2.
Warranties and indemnities	Each of the Vendors and CLG give warranties and indemnities to each other that would be typical for a seller of shares in ISP and CTC (in the case of the Vendors) or buyer of shares in ISP and CTC (in the case of CLG).

6.3 Voluntary escrow

The Subscription Shares Tranche 1 to be issued under the Acquisition on Completion will be escrowed for a period of 12 months from the date of Completion of the Acquisition.

The Subscription Shares Tranche 2, being issued 12 months after Completion of the Acquisition, will not be subject to escrow.

6.4 Funding the Upfront Cash Payment of the Purchase Price

The purchase price for the Acquisition includes the Upfront Cash Payment of US\$35 million to the Vendors (or approximately A\$52.6 million based on the prevailing USD:AUD exchange rate at the date of this Notice of Meeting).

The Upfront Cash Payment will be funded partly through the proceeds of the Placement and partly through debt finance that CLG intends to draw down prior to Completion of the Acquisition.

6.5 Further information about the Resolutions

(a) Resolution 1 – Ratification of the issue of Shares under the Placement Tranche 1

Explanation

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the placement of 80,000,000 Shares that will be issued on 23 March 2023 to sophisticated and professional investors under the Company's capacity to issue securities pursuant to ASX Listing Rule 7.1 and ASX Listing Rule 7.1A.

ASX Listing Rule 7.1 provides that an ASX listed company must not, without the prior approval of shareholders or otherwise pursuant to limited exceptions, issue or agree to issue securities if the number of securities issued, when aggregated with the number of securities issued by the company during the previous 12 months, exceeds 15% of the number of securities on issue at the commencement of that 12 month period.

Under ASX Listing Rule 7.1A, eligible ASX listed companies have the opportunity to extend their placement capacity to 25% in a 12 month period, with shareholder approval. CLG obtained such approval at its Annual General Meeting held on 16 November 2022.

ASX Listing Rule 7.4 allows the shareholders of a listed company to ratify an issue of equity securities after it has been made or agreed to be made provided that the issue of securities did not breach the company's placement capacity under ASX Listing Rule 7.1. Upon such ratification, the issue is taken to have been approved under ASX Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval.

If the Shareholders ratify the issue of the Placement Shares Tranche 1 that will occur in March 2023 as part of the Placement Tranche 1, those securities will be deemed to have been issued with Shareholder approval.

Reasons

While the Placement Shares Tranche 1 will be issued under CLG's placement capacity under ASX Listing Rules 7.1 and 7.1A, the Directors consider it prudent to keep available as much of CLG's placement capacity under the ASX Listing Rules as possible from time to time, particularly if further capital is needed in the near term to strengthen CLG's balance sheet for other potential acquisition opportunities. It is for this reason that Shareholder approval for the purposes of ASX Listing Rule 7.4 is sought.

The effect of the ratification of the issue of the Placement Shares Tranche 1 under the Placement Tranche 1 is that the Company's placement capacity under the ASX Listing Rules will be reinstated, enabling it to issue further securities, subject to the ASX Listing Rules, in the next 12 months without Shareholder approval.

If Resolution 1 is not passed, the Placement Tranche 1 will not be affected, but CLG will have no capacity to issue any further securities before 23 March 2024, unless such issue of further securities is approved by Shareholders in general meeting or otherwise falls within an exception to ASX Listing Rule 7.1 under ASX Listing Rule 7.2.

Specific information required by ASX Listing Rule 7.5

In compliance with ASX Listing Rule 7.5, the Company provides the following information:

Number of securities issued: 80,000,000 Shares will be issued under the Placement Tranche 1 on the following basis:

- 47,000,000 Shares to be issued pursuant to ASX Listing Rule 7.1; and
- 33,000,000 Shares to be issued pursuant to ASX Listing Rule 7.1A.

Fixed issue price per Share: The Placement Shares Tranche 1 are to be issued at a price of \$0.33 per Share.

Recipients of issue: Sophisticated and professional investors.

Terms of securities: The Placement Shares Tranche 1 are fully paid ordinary shares. The Placement Shares Tranche 1 to be issued will rank equally with other existing fully paid ordinary shares in the Company.

Use of funds raised: The funds raised by the Placement Tranche 1 will be applied towards the cash consideration payable pursuant to the terms of the Acquisition, general working capital expenditure, acquisition integration and transaction costs.

Voting: A voting exclusion statement is included in the Notice of Meeting.

Board Recommendation

Your Directors unanimously recommend that eligible Shareholders vote in favour of Resolution 1.

(b) Resolution 2 – Approval of issue of Shares and Convertible Notes to the Vendors

Explanation

Under the terms of the Sale & Purchase Agreements, CLG has agreed to acquire all of the issued share capital of ISP and CTC.

The total consideration for the acquisition of all the shares in ISP and CTC under the Sale & Purchase Agreements is the aggregate of:

- US\$35,000,000 cash subject to standard and usual net working capital and net debt adjustments as detailed in the Sale & Purchase Agreements payable at completion of the Acquisition (**Upfront Cash Payment**);

- US\$10,000,000 worth of new Shares (being 40,560,560 new Shares) at an issue price of A\$0.3708 per Share to be issued at completion of the Acquisition (**Subscription Shares Tranche 1**);
- US\$1,000,000 worth of new Shares (being 4,056,056 new Shares) at an issue price of A\$0.3708 per Share to be issued in April/May 2024 (**Subscription Shares Tranche 2**); and
- US\$15,000,000 worth of new Convertible Notes (being 15,000,000 Convertible Notes each with a face value of US\$1.00), having an interest rate of 4% per annum, a maturity date of 31 March 2026, and convertible into new Shares at a price of A\$0.74 per share (**Convertible Notes**), with:
 - US\$7,500,000 worth of Convertible Notes convertible into new Shares at the election of the Vendors (if converted, a total of approximately 17,146,411 new Shares); and
 - US\$7,500,000 worth of Convertible Notes convertible into new Shares at the election of CLG (if converted, a total of approximately 17,146,411 new Shares).

Following completion of the Acquisition and the issue of the Subscription Shares Tranche 1, the Vendors are expected to hold (in aggregate) approximately 7.9% of CLG.

Following the issue of the Subscription Shares Tranche 2, and assuming there are no other issues of CLG Shares between the issue of the Subscription Shares Tranche 1 (scheduled for 1 May 2023) and the date of issue of the Subscription Shares Tranche 2 (expected to be around 29 April 2024), the Vendors would be expected to hold (in aggregate) approximately 8.6% of CLG.

If all of the Convertible Notes are converted, resulting in the issue of approximately 34,292,822 new Shares, and assuming there are no other issues of CLG Shares before the conversion of the Convertible Notes, then the Vendors would be expected to hold (in aggregate) approximately 14.3% of CLG.

Reasons

Approval under ASX Listing Rule 7.1 is being sought as the number of Subscription Shares and Shares issued on the conversion of the Convertible Notes exceeds CLG's existing placement capacity.

The Subscription Shares and the Convertible Notes are being issued in connection with the Acquisition for a number of reasons, including but not limited to:

- ensuring CLG's shareholders receive good value for money by acquiring ISP and CTC for an amount which is correlated with its actual value;
- incentivising strong performance by each of CLG and ISP's management team to increase value for Shareholders;
- better aligning the long term interests of CLG and Shareholders with ISP and its key people; and
- limiting the need for CLG to raise further capital and/or further debt to fund the Acquisition.

If Resolution 2 is passed, CLG will be able to proceed with the Acquisition and in particular, the issue of the Subscription Shares and the Convertible Notes. In addition, the issue of the Subscription Shares and any Shares issued on the conversion of the Convertible Notes will be excluded from the calculation of the number of equity securities that CLG can issue without Shareholder approval under ASX Listing Rule 7.1.

If Resolution 2 is not passed, CLG will not be able to proceed with the Acquisition on the terms of the Sale & Purchase Agreements and in particular, the issue of the Subscription Shares and the Convertible Notes.

Specific information required by ASX Listing Rule 7.3

In compliance with ASX Listing Rule 7.3, the Company provides the following information:

Number of securities to be issued: Up to a maximum of approximately 78,909,438 Shares will be issued in connection with the Acquisition on the following basis:

- 40,560,560 new Shares issued at completion of the Acquisition;
- 4,056,056 new Shares issued 12 months after completion of the Acquisition;
- Convertible Notes issued at completion of the Acquisition, which, if all converted into new Shares on or before 31 March 2026, would result in the issue of approximately 34,292,892 new Shares.

Fixed issue price per Share: The Subscription Shares Tranche 1 will be issued at a price of A\$0.3708 per Share. The Subscription Shares Tranche 2 will be issued at a price of A\$0.3708 per Share. Shares issued on the conversion of the Convertible Notes will be issued at a price per Share of A\$0.74.

Recipients of issue: The Vendors on the following basis:

Vendor	Number and percentage of Subscription Shares Tranche 1 to be received by Vendor	Number and percentage Subscription Shares Tranche 2 to be received by Vendor	Number and percentage Convertible Notes Tranche 2 to be received by Vendor
Sammy Saloum	20,280,280 (50%)	2,028,028 (50%)	7,500,000 (50%) (convertible into approximately 17,146,411 Shares)
Dania Saloum	20,280,280 (50%)	2,028,028 (50%)	7,500,000 (50%) (convertible into approximately 17,146,411 Shares)
Total:	40,560,560 (100%)	4,056,056 (100%)	15,000,000 (100%) (convertible into approximately 34,292,822 Shares)

None of the Vendors (nor any of their associates) currently have any relationship with CLG, other than as vendors of ISP and CTC under the Sale & Purchase Agreements.

Terms of securities: The Subscription Shares Tranche 1 are fully paid ordinary shares. The Subscription Shares Tranche 1 to be issued will rank equally with other existing fully paid ordinary shares in the Company.

The Subscription Shares Tranche 2 will be issued as fully paid ordinary shares. The Subscription Shares Tranche 2, upon issue, will rank equally with other existing fully paid ordinary shares in the Company.

Any Shares issued on the conversion of the Convertible Notes will also be issued as fully paid ordinary shares and rank equally with other existing fully paid ordinary shares in the Company.

As noted above, on completion of the Acquisition, a total of 15,000,000 Convertible Notes will be issued to the Vendors. Each of these Convertible Notes will have a face value of US\$1.00, an interest rate of 4% per annum, a maturity date of 31 March 2026, and convertible into new Shares at a price of A\$0.74 per share.

Of these 15,000,000 Convertible Notes, 7,500,000 Convertible Notes will be convertible into new Shares at the election of the Vendors and the other 7,500,000 Convertible Notes will be convertible into new Shares at the election of CLG.

An outline of the other key terms of the Convertible Notes is set out below:

- The Convertible Notes will not be quoted.
- The Convertible Notes are not transferrable.
- The Convertible Notes do not confer any right to vote.
- The Convertible Notes do not permit the holder to participate in new issues of capital such as bonus issues and entitlement issues.
- The Convertible Notes do not carry an entitlement to a dividend.
- The Convertible Notes are convertible on the date of their maturity (i.e. 31 March 2026). As noted above, in respect of 7.5 million Convertible Notes, the decision to convert or redeem lies with CLG and in respect of the other 7.5 million Convertible Notes, the decision to convert or redeem lies with the Vendors. In deciding whether to convert or redeem, CLG or the Vendors (as applicable) must make this decision in respect of all the relevant 7.5 million Convertible Notes. It is not open to CLG or the Vendors to convert or redeem some but not all of the relevant 7.5 million Convertible Notes.
- Conversion or redemption of the Convertible Notes may be brought forward in the event of a takeover or similar kind of change of control transaction involving CLG. In this event, CLG may elect to convert or redeem the Convertible Notes at the time of the change of control transaction in respect of 7.5 million Convertible Notes and the Vendors may elect to convert or redeem the Convertible Notes at the time of the change of control transaction in respect of the other 7.5 million Convertible Notes.
- The terms of the Convertible Notes provide for a possible adjustment to the conversion price of the Convertible Notes in the event of any of the following occurring prior to the maturity of the Convertible Notes, subject to the ASX Listing Rules:
 - the payment by CLG of a dividend to Shareholders;
 - a bonus issue of Shares made by CLG to its Shareholders; or
 - a pro rata rights issue being undertaken by CLG at a price per Share that is less than the prevailing conversion price of the Convertible Notes.
- With respect to priority of repayment, the Convertible Notes rank behind any senior (secured) indebtedness of CLG but equal with other forms of unsecured debt and ahead of CLG equity.

Date of issue: The Subscription Shares Tranche 1 will be issued on completion of the Acquisition which is expected to occur on 28 April 2023.

The Subscription Shares Tranche 2 will be issued on around the first anniversary of Completion, and therefore, on or around 29 April 2024.

The Convertible Notes will be issued on completion of the Acquisition.

With respect to the timing of the issue of the Subscription Shares Tranche 2, ASX Listing Rule 7.3.4 provides that the date by which an entity will issue securities must be no later than 3 months after the date of the meeting at which shareholders approved the issue of the securities (**3 Month Constraint**).

The timing of issue of the Subscription Shares Tranche 2 is April/May 2024, being more than 3 months after the date of the Meeting. Accordingly, CLG has sought a waiver from ASX Listing Rule 7.3.4 to allow CLG to issue any Subscription Shares Tranche 2 outside the 3 Month Constraint. As at the date of this Notice of Meeting, ASX has not made a determination as to whether to grant the waiver sought.

Use of funds: The Subscription Shares and the Convertible Notes are being issued to the Vendors in consideration for the acquisition by CLG of the entire issued share capital of ISP and CTC.

Material terms of Sale & Purchase Agreements: The material terms of the Sale & Purchase Agreements are set out in Section 6.2.

Voting: A voting exclusion statement is included in the Notice of Meeting.

Board Recommendation

Your Directors unanimously recommend that eligible Shareholders vote in favour of Resolution 2.

(c) Resolution 3 – Approval of the issue of Shares under the Placement Tranche 2

Resolution 3 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the placement of 56,363,363 Shares to be issued on or about 28 April 2023 to sophisticated and professional investors pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that an ASX listed company must not, without the prior approval of shareholders or otherwise pursuant to limited exceptions, issue or agree to issue securities if the number of securities issued, when aggregated with the number of securities issued by the company during the previous 12 months, exceeds 15% of the number of securities on issue at the commencement of that 12 month period.

Reasons

Approval under ASX Listing Rule 7.1 is being sought as the number of Placement Shares Tranche 2 exceeds CLG's existing placement capacity.

The issue of the Placement Shares Tranche 2 without Shareholder approval would be in breach of ASX Listing Rule 7.1.

Accordingly, if Resolution 3 is not passed, the Placement Tranche 2 will not occur. In these circumstances, the total amount raised under the Placement will be limited to the Placement Tranche 1 (i.e., \$26.4 million (before costs) only). In these circumstances, the amount to be raised under the Placement Tranche 2 (i.e., \$18.6 million (before costs)) would have to be foregone.

Specific information required by ASX Listing Rule 7.3

In compliance with ASX Listing Rule 7.3, the Company provides the following information:

Number of securities to be issued: 56,363,363 Shares will be issued in connection with the Placement Tranche 2 to sophisticated and professional investors.

Fixed issue price per Share: The Placement Shares Tranche 2 will be issued at a price of \$0.33 per Share.

Recipients of issue: Sophisticated and professional investors.

Terms of securities: The Placement Shares Tranche 2 are fully paid ordinary shares. The Placement Shares Tranche 2 to be issued will rank equally with other existing fully paid ordinary shares in the Company.

Date of issue: It is anticipated that, subject to Shareholder approval, the Placement Shares Tranche 2 will be issued on or about 28 April 2023.

Use of funds raised: The funds raised by the Placement Tranche 2 will be applied towards general working capital expenditure, acquisition integration and transaction costs and to strengthen CLG's balance sheet for other identified acquisition opportunities.

Board Recommendation

Your Directors unanimously recommend that eligible Shareholders vote in favour of Resolution 3.

Notice of meeting

Notice is given that a general meeting of Shareholders will be held at 43-47 Cleeland Road, Oakleigh South, Victoria 3167 at 11.00am (Melbourne time) on Friday, 21 April 2023.

The business to be considered at the Meeting is set out below. Information on the resolutions to which the business relates is contained in the explanatory statement.

This Notice of Meeting should be read in conjunction with the explanatory statement. This Notice of Meeting and explanatory statement is not investment advice. You should seek your own financial and professional advice before making any decision on how to vote at the Meeting.

Terms used in this Notice of Meeting will, unless the context otherwise requires, have the same meaning given to them in the Glossary at the end of this document.

1 Business

Resolution 1 – Ratification of the issue of Shares under the Placement Tranche 1

To consider and, if thought fit, to pass the following as an ordinary resolution:

"THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders approve and ratify the issue by the Company under the Placement Tranche 1 to be completed on 23 March 2023 of 80,000,000 Shares at an issue price of \$0.33 per Share to sophisticated and professional investors, on such terms as more particularly described in the explanatory memorandum which accompanies and forms part of this Notice of Meeting."

Resolution 2 – Approval of the issue of Shares and Convertible Notes to the Vendors

To consider and, if thought fit, to pass the following as an ordinary resolution:

"THAT, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Shareholders approve and agree to the issue of 44,616,616 Shares and 15,000,000 Convertible Notes to the Vendors under the Sale & Purchase Agreements, on such terms as more particularly described in the explanatory memorandum which accompanies and forms part of this Notice of Meeting."

Resolution 3 – Approval of the issue of Shares under the Placement Tranche 2

To consider and, if thought fit, to pass the following as an ordinary resolution:

"THAT, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Shareholders approve and agree to the issue of 56,363,363 Shares at an issue price of \$0.33 per Share to sophisticated and professional investors, on such terms as more particularly described in the explanatory memorandum which accompanies and forms part of this Notice of Meeting."

2 Voting exclusion statements

Resolution 1 – Ratification of the issue of Shares under the Placement Tranche 1

CLG will disregard any votes cast in favour of Resolution 1 by or on behalf of any person who has participated in, or obtained a material benefit as a result of, the issue of the Placement Shares Tranche 1 under the Placement Tranche 1 or any associate of that person.

Resolution 2 – Approval of the issue of Shares and Convertible Notes to the Vendors

CLG will disregard any votes cast in favour of Resolution 2 by or on behalf of any Vendor (or any of their associates).

Resolution 3 – Approval of the issue of Shares under the Placement Tranche 2

CLG will disregard any votes cast in favour of Resolution 3 by or on behalf of any person who has participated in the issue of the Placement Shares Tranche 2 under the Placement Tranche 2 or any associate of that person.

All Resolutions

With respect to each of the voting exclusions above, CLG need not disregard a vote cast in favour of a Resolution by a person excluded if:

- (a) it is cast by a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) it is cast by the Chairman as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- (c) it is cast by a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

3 Majorities required for the Resolutions to be passed

Each Resolution will be passed if more than 50% of the votes cast on that Resolution (either virtually, by proxy, by attorney or by corporate representative) are in favour of that Resolution.

4 Entitlement to vote

CLG has determined, in accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations, that the Shareholders entitled to attend and vote at the Meeting shall be those persons who are recorded on the register of members at 7.00pm (Melbourne time) on Wednesday, 19 April 2023. Accordingly, those persons are entitled to attend and vote (if not excluded) at the Meeting

5 All Resolutions by Poll

The Chairman intends to call a poll on each of the Resolutions proposed at the Meeting. Consequently, each Resolution considered at the Meeting will be conducted by poll, rather than a show of hands.

6 Proxies

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- (a) each Shareholder entitled to vote at the Meeting has a right to appoint a proxy;
- (b) the proxy need not be a Shareholder;

- (c) a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportional number is specified, each proxy may exercise half of the Shareholder's votes; and
- (d) a Shareholder may specify the way in which the proxy is to vote on the Resolutions or may allow the proxy to vote at its discretion. If the way in which a proxy is to vote on a Resolution is specified by a Shareholder, the proxy may not vote on that Resolution except as specified by the Shareholder.

7 Voting of proxies

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy. Shareholders and their proxies should be aware of the requirements under the Corporations Act, as they will apply to this meeting.

A member who is entitled to vote at the Meeting may appoint:

- (a) one proxy if the member is only entitled to one vote; or
- (b) one or two proxies if the member is entitled to more than one vote.

Where the member appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise half of the votes, in which case any fraction of votes will be disregarded.

A proxy need not be a member of CLG.

If you require an additional proxy form, CLG will supply it on request.

The proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by CLG, at least 48 hours before the time for holding the Meeting (i.e. by no later than 11.00am (Melbourne time) on Wednesday, 19 April 2023, at:

- (a) By post:
Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia;
- (b) By mobile:
Scan the QR Code on your Proxy Form and follow the prompts;
- (c) Online:
Shareholders may submit their proxy instructions online to the Company's Share Registry by visiting www.investorvote.com.au/clg;
- (d) By hand:
Computershare Investor Services Pty Limited
452 Johnston Street
Abbotsford VIC 3067
Australia;
- (e) By fax:
1800 783 447 within Australia or
+61 3 9473 2555 outside Australia.

Proxies given by corporate shareholders must be executed in accordance with their constitutions, or under the hand of a duly authorised attorney.

A proxy may decide whether to vote on any motion, except where the proxy is required by law or CLG's constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed

how to vote on an item of business, the proxy may vote on that item only in accordance with that direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit.

If a Shareholder appoints the Chairman of the Meeting as the Shareholder's proxy and does not specify how the Chairman is to vote on an item of business, the Chairman will vote, as proxy for that Shareholder, in favour of the item on a poll.

8 Voting by corporate representatives

Corporate Shareholders or proxies wishing to vote by corporate representative should obtain an appointment of corporate representative form from the Share Registry and complete and sign the form in accordance with the corporate Shareholder's constitution or by a duly authorised attorney.

The corporate representative form and the power of attorney or other authority (if any) under which it is signed (or a certified copy thereof) must be received by before the start or resumption of the meeting at which the representative is to vote, by post in the reply paid envelope provided.

9 How the Chairman will vote undirected proxies

If you return your Proxy Form but do not nominate a proxy, the Chairman will be your proxy and will vote on your behalf as you direct on the Proxy Form. If your nominated representative does not attend the meeting then your proxy will revert to the Chairman and he will vote on your behalf as you direct on the Proxy Form.

If a proxy is not directed how to vote on an item of business or Resolution, the proxy (including, if applicable, the Chairman) may vote, or abstain from voting, as they think fit.

If you appoint the Chairman as your proxy (or if the Chairman is appointed by default) and do not direct the Chairman how to vote on a particular Resolution, the Chairman will vote your proxy in favour of that item of business, even if the Chairman has an interest in the outcome of that particular Resolution and votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

By order of the Board



Mr Marc Lichtenstein
Company Secretary

20 March 2023

Glossary

Unless the context otherwise requires, the singular includes the plural and vice versa, and the following terms will have the following meaning:

Acquisition means the proposed acquisition by CLG of 100% of the issued share capital of ISP and CTC under the Sale & Purchase Agreements.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires.

ASX Listing Rules means the official listing rules of ASX.

Board means the board of directors of CLG at the date of this Notice of Meeting.

CLG or Company means Close the Loop Limited ACN 095 718 317.

CLG Shares means fully paid ordinary share in the capital of CLG.

Chairman means Greg Toll, the chairman of CLG.

Completion means completion of the Acquisition.

Convertible Notes means 15,000,000 Convertible Notes, each with a face value of US\$1.00 (therefore, a total face value of US\$15 million), an interest rate of 4% per annum, a maturity date of 31 March 2026, and convertible into new Shares at a price of A\$0.74 per share, with 7,500,000 Convertible Notes convertible into new Shares at the election of the Vendors and the other 7,500,000 Convertible Notes convertible into new Shares at the election of CLG.

Corporations Act means the *Corporations Act 2001* (Cth).

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

CTC means Captive Trade Corporation, a company incorporated in Texas, USA.

CY means calendar year.

Directors means the directors of CLG at the date of this Notice of Meeting (excluding alternate directors).

Earn Out means a cash payment of US\$5,000,000 as an earn out based on ISP achieving an EBITDA amount for CY 2023 of at least US\$12 million payable by CLG to the Vendors under the Acquisition.

EBITDA means earnings before interest, tax, depreciation and amortisation.

Enlarged CLG means CLG following completion of the Transactions.

ISP means ISP Tek Services LLC, a company incorporated in Texas, USA.

Meeting means the general meeting of the members of CLG to which this Notice of Meeting and explanatory statement relates, which has been convened to be held at 43-47 Cleeland Road, Oakleigh South, Victoria 3167 at 11.00am (Melbourne time) on Friday, 21 April 2023.

Vendors means the holders of shares in ISP and CTC entitled to receive Subscription Shares Convertible Notes under the Sale & Purchase Agreements, being Sammy Saloum and Dania Saloum.

Notice of Meeting means this notice of general meeting and explanatory statement.

Placement means the aggregate of the Placement Tranche 1 and the Placement Tranche 2.

Placement Tranche 1 means the issue of the Placement Shares Tranche 1 to sophisticated and professional investors on 23 March 2023 to raise approximately \$26.4 million (before costs).

Placement Shares Tranche 1 means 80,000,000 Shares issued at an issue price of \$0.33 per Share.

Placement Tranche 2 means the issue of the Placement Shares Tranche 2 to sophisticated and professional investors on or around 28 April 2023 to raise approximately \$18.6 million (before costs).

Placement Shares Tranche 2 means 56,363,363 Shares issued at an issue price of \$0.33 per Share.

Proxy Form means the proxy form that accompanies the Notice of Meeting.

Resolutions means the resolutions that are set out and explained in the Notice of Meeting.

Sale & Purchase Agreements means the share sale and purchase agreement entered into on 15 March 2023 between CLG, CLG's wholly-owned subsidiary, Close the Loop Group USA, Inc. and the Vendors for the sale of 100% of the issued share capital of ISP and CTC to CLG.

Share means a fully paid ordinary share in the capital of CLG.

Share Registry means Computershare Investor Services Pty Limited.

Shareholder means a holder of one or more Shares.

Subscription Shares means:

- (a) the Subscription Shares Tranche 1; and
- (b) the Subscription Shares Tranche 2.

Subscription Shares Tranche 1 means 40,560,560 new Shares at an issue price of A\$0.3708 per Share (worth US\$10,000,000) to be issued to the Vendors at completion of the Acquisition in accordance with the terms of the Sale & Purchase Agreements.

Subscription Shares Tranche 2 means 4,056,056 new Shares at an issue price of A\$0.3708 per Share (worth US\$1,000,000) to be issued to the Vendors on or around 29 April 2024 (being 12 months following completion of the Acquisition) in accordance with the terms of the Sale & Purchase Agreements.

Transactions means:

- (a) the Placement; and
- (b) the Acquisition.

Upfront Cash Payment means upfront cash consideration in the amount of US\$35,000,000 (subject to standard and usual working capital and net debt adjustments) payable by CLG to the Vendors under the Acquisition.



Close the Loop GROUP

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Close the Loop Limited
ABN 91 095 718 317

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AEST) on Wednesday, 19 April 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number:

SRN/HIN:

PIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Close the Loop Limited hereby appoint

☐ the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Close the Loop Limited to be held at 43-47 Cleeland Road, Oakleigh South, VIC 3167 on Friday, 21 April 2023 at 11:00am (AEST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Ratification of the issue of Shares under the Placement Tranche 1	☐	☐	☐
Resolution 2	Approval of the issue of Shares and Convertible Notes to the Vendors	☐	☐	☐
Resolution 3	Approval of the issue of Shares under the Placement Tranche 2	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

