



10 February 2022

ASX Announcement

Consolidation of less than marketable parcels

Uscom Ltd (ASX code: UCM) has established a sale facility for holders of less than marketable parcels of shares in the Company, being a parcel of shares with a value of less than \$500. The sale facility is subject to the conditions set out in the attached notice.

As at the close of business on 8 February 2022, the Company had 1,011 shareholders of which 206 (20.3%) held less than a marketable parcel (<\$500 in value). Their holdings, which totaled 432,840 shares represents 0.22% of the Company's total issued shares.

The elimination of less than marketable parcels of shares will assist in reducing the Company's large shareholder base and the administrative costs associated with managing that base. It will also benefit the shareholders of less than marketable parcels who otherwise might find it difficult to sell their shares due to the small size of their holding. The shareholders will also avoid incurring any brokerage costs as these will be borne by the Company.

Shareholders with less than marketable parcels will have the option to increase their holdings, retain the current less than marketable holdings, or sell their holdings through the facility.

Attached are copies of the notices which will be sent to shareholders holding unmarketable parcels as at 8 February 2022.

Assoc. Professor Rob Phillips
Chairman
rob@uscom.com.au



10 February 2022

Dear Shareholder

This is an important letter concerning your shareholding in Uscom Limited.

I am writing on behalf of the Board of Directors to advise you that Uscom Limited (UCM) is putting in place a share sale facility for holders whose shares have a total value of less than \$500 (less than marketable parcel) as at 8 February 2022, the Record Date.

UCM is offering this facility to assist holders of unmarketable parcels of shares to sell them at market value without brokerage costs. It will also reduce the expense to the company of maintaining a large number of shareholders with unmarketable parcels.

Unless you advise the UCM share registry by 5.00pm (AEST) on 28 March 2022 that you want to retain your shares, your shares will be sold and you will be sent the sale proceeds.

The share sale facility is being operated in accordance with section 2.9 of the Company's constitution and the Australian Securities Exchange (ASX) Listing Rule 15.13.

If you want to sell your shares under the facility - you need to take no further action.

Your shares will be sold on your behalf by UCM after 28 March 2022. You will not need to appoint a broker or pay the brokerage and handling costs associated with the sale of shares under the facility. Any tax consequences from the sale of your shares will be your responsibility.

If you want to retain your shares - you must complete and return the enclosed Share Retention Form to Boardroom Pty Limited, GPO Box 3993, Sydney, NSW 2001, Australia by 5.00pm (AEST) on 28 March 2022.

Facsimile of the Notice will not be accepted.

If you do not return the Share Retention Form by the Closing Date, your shares will be sold.

If you wish to increase your shareholding to a marketable parcel, you should contact your broker.

If you have a number of holdings which you wish to consolidate, please contact the registry on 1300 737 760 (within Australia) or 61 2 9290 9600 (outside Australia).

For further clarification, please refer to the additional information on the reverse of this letter or contact the registry on 1300 737 760 (within Australia) or 61 2 9290 9600 (outside Australia).

If you are in any doubt, or if you require information regarding possible taxation implications from participation in the facility, please consult your legal, financial or taxation adviser.

Yours sincerely

Professor Rob Phillips
Chairman
rob@uscom.com.au



TERMS AND CONDITIONS OF SMALL SHAREHOLDER SALE FACILITY

These terms and conditions and the accompanying 'Share Retention Form' set out the terms and conditions by which the Small Shareholder Sale Facility will operate.

1. WHAT IS THE SMALL SHAREHOLDER SALE FACILITY?

The Small Shareholder Sale Facility allows UCM to sell shares on behalf of shareholders who hold less than a marketable parcel (that is, less than \$500 worth of UCM fully paid ordinary shares) on a particular date ("Small Shareholders").

A Small Shareholder Sale Facility is often implemented by listed companies in response to the disproportionately high registry and administrative costs incurred by the company from maintaining Small Shareholders on its shareholder register.

2. DOES UCM HAVE THE RIGHT TO SELL YOUR UCM SHARES?

Yes, UCM is entitled, under section 2.9 of its Constitution and Australian Securities Exchange Listing Rule 15.13, to sell the shares of Small Shareholders, unless they elect to retain their shares.

Proceeds from the sale must be remitted to Small Shareholders.

3. WHAT IF I DON'T WANT MY UCM SHARES TO BE SOLD?

If you wish to retain your UCM shares, you MUST complete the 'Share Retention Form' and return it so that it is received by UCM's registry no later than 5.00pm (AEST) on 28 March 2022.

4. WHAT ARE THE COSTS OF HAVING UCM SHARES SOLD ON MY BEHALF?

There is no brokerage or other transaction costs payable by Small Shareholders whose shares are sold under the Small Shareholder Sale Facility. These costs will be paid by UCM.

Taxation consequences arising from the sale of your shares under the Small Shareholder Sale Facility will be your responsibility.

5. WHAT IS THE SALE PRICE?

The company will sell the shares at a price which the directors considered to be the best price reasonably obtainable for the shares at the time they are sold.

6. WHEN WILL MY UCM SHARES BE SOLD?

Sales of shares will occur on ASX as soon as practicable after the expiry of the Notice Date ("Sale Period").

7. WHAT WILL I RECEIVE FOR SHARES SOLD UNDER THE SMALL SHAREHOLDER SALE FACILITY?

For each share sold, you will receive an amount equal to the total proceeds from all shares sold under the Small Shareholder Sale Facility, divided by the total number of shares sold under the Small Shareholder Sale Facility.

8. WHEN WILL THE PROCEEDS FROM THE SALE OF SHARES BE SENT TO SMALL SHAREHOLDERS?

A cheque for your proceeds will be mailed to you within 21 days after completion of the Sale Period. Payment will be made in Australian dollars.

9. IF I BUY OR SELL SHARES, WILL I RETAIN MY HOLDING?

If you sell your shares, any balance remaining on the share register will be sold unless a Share Retention Form is received. If you purchase more shares and your registered holding is more than a marketable parcel by 5.00pm (AEST) on 28 March 2022 then your shares will not be sold. For a purchase to be an effective notification that you wish to retain your shares, any additional shares must be registered by 5.00pm (AEST) on 28 March 2022 under the same holder number (SRN or HIN) as set out in this letter.

10. WHERE CAN I OBTAIN FURTHER INFORMATION IN RELATION TO THE SMALL SHAREHOLDER SALE FACILITY?

If you have any questions concerning the contents of this letter, please contact our registry, Boardroom Pty. Limited, by telephone 1300 737 760 (within Australia) or 61 2 9290 9600 (outside Australia). None of UCM or Boardroom Pty Limited, or any of their personnel, is or is to be taken to be giving any securities recommendation or investment advice in relation to the Small Shareholder Sale Facility, nor do any of them have any obligation to do so.

You should consider seeking your own independent advice in relation to the Small Shareholder Sale Facility.