

15 October 2019

Companies Announcement Office
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

LOAN COVENANTS

Cellnet Group Limited (the Company) has been advised by Westpac that the Company did not comply with its [EBIT to 2.5 times interest expense] loan covenant for the 12 months ended 30 June 2019.

Westpac has reviewed the Company's operating plan for the 2020 financial year and remains supportive of the Company. Westpac has increased its existing facility limit beyond the limit previously provided under the Company's business finance agreement. This additional funding will support the Company's projected working capital requirements for the period October 2019 to April 2020, which have increased as a result of the recent acquisitions of Turn Left Distribution and PowerGuard, and also an anticipated increase in sales year-on-year.

Chris Barnes
Company Secretary