

Cellnet Group Limited (ASX:CLT) – Notification regarding issue of shares and breach of ASX Listing Rule 10.14

On 6 July 2020, the Company issued 875,000 shares to Mr Tony Pearson under the Company's performance rights plan (**PRP**). The PRP was last approved by the Company's shareholders at the Company's 2018 annual general meeting, but the Company's did not obtain the required approvals for an issue of shares to the Company's directors under Chapter 10 of the Listing Rules of ASX Limited (**ASX Listing Rules**), only employees. The shares issued to Mr Pearson on 6 July 2020 were issued in breach of ASX Listing Rule 10.14.

By way of remedial action, the Company has agreed with ASX that it will, subject to shareholder approval and the *Corporations Act 2001* (Cth) (**Act**), cancel those shares at the same share price at which the shares were issued at the Company's annual general meeting expected to be held in October 2020.

As it is required to periodically under the ASX Listing Rules, the Company intends to seek shareholder approval for the PRP at the annual general meeting expected to be held in October 2020. The Company will ensure that shareholders are given the information required by the ASX Listing Rules so that directors and employees may participate in any future issue of shares under the PRP. Subject to receipt of those approvals, the Company is confident of its ability to comply with ASX Listing Rule 10.14 in the future and will take appropriate precautions to ensure that further breaches of the ASX Listing Rules do not occur in the future.

Ends

Authorised for release by the board of directors.

For further information, please contact Chris Barnes on 1300 235 563.