

23 August 2024

ASX:14D

## SHARE PURCHASE PLAN OFFER DOCUMENT DESPATCH

**1414 Degrees Ltd** (ASX: 14D) ("1414 Degrees" the "Company") is pleased to offer shareholders an opportunity to participate in a Share Purchase Plan (**SPP**) offer targeted to raise approximately \$1 million.

On 23 August 2024, under the SPP, eligible shareholders are invited to subscribe for up to \$30,000 of new fully paid ordinary shares in the Company (**Shares**) at an issue price of \$0.06 (6 cents) per new Share and free of all brokerage and commissions.

The Company confirms that the SPP offer (**SPP Offer**), is now open and the attached SPP Offer Terms and Conditions will be made available to eligible shareholders today.

The key dates for the SPP Offer are set out below:

Event	Date *
Record Date (date for determining shareholders' entitlements to participate in SPP Offer)	Thursday 15 August 2024
Announcement of SPP Offer	Friday 16 August 2024
Despatch of SPP Offer documentation	Friday 23 August 2024
Opening Date for SPP Offer	Friday 23 August 2024
Closing Date for SPP Offer	4.30pm (ACST) Friday 13 September 2024
Issue of new Shares under the SPP Offer	Friday 20 September 2024
Quotation of new Shares on ASX	Monday 23 September 2024

\*These dates are indicative only. The Company reserves the right to amend any or all of these events, dates and times, without notice, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws. In particular, the Company reserves the right to extend the closing date of the SPP Offer, to accept late applications either generally or in particular cases or to withdraw the SPP Offer without prior notice. The commencement of quotation of new Shares is subject to confirmation from ASX. Eligible shareholders are encouraged to submit their applications early.

Shareholders are eligible to participate in the SPP Offer if they have a registered address in Australia, New Zealand or the United Kingdom and were on the Company's register at 6:30pm (ACST) on Thursday 15 August 2024. The SPP Offer is not underwritten.

If you are an eligible shareholder and wish to participate in the SPP Offer, you can apply by using the BPAY® (or EFT for New Zealand and United Kingdom holders) information provided in the Application Form accompanying the SPP Offer Terms and Conditions.

The SPP Offer documentation, which includes a personalised Application Form, will be made available to shareholders via the following methods.

- Shareholders who have previously registered to receive Company correspondence electronically will receive an email with links to retrieve their personalised documentation electronically.
- Shareholders can visit [www.computersharecas.com.au/14dspp](http://www.computersharecas.com.au/14dspp) and retrieve their personalised documentation.
- The documents will be sent by post later today to all eligible shareholders who have not previously registered to receive Company correspondence electronically. The Company has arranged for the SPP Offer documentation to be sent by priority post.

**AUTHORISED BY:**

Dr Kevin Moriarty, Executive Chairman and the Board of Directors

For investor enquiries or further information, please contact:

[info@1414degrees.com.au](mailto:info@1414degrees.com.au) or +61 8 8357 8273

**ABOUT 1414 DEGREES LIMITED**

1414 Degrees is a leader in industrial decarbonisation with its cutting-edge silicon-based solutions, enabling the alignment of energy supply with demand, fostering the widespread adoption of renewable energy. Our key technologies include:

**SiBrick®:** thermal energy storage technology safely and efficiently stores renewable electricity as latent heat, available for use on demand.

**SiBox®:** facilitates the transition to sustainable industrial processes, SiBox delivers consistent, high-temperature heat. It can be seamlessly retrofitted into heavy industry processes, offering a viable alternative to conventional energy sources.

**SiPHYR™:** methane pyrolysis reactor with integrated storage. SiPHYR will produce low-emission hydrogen and solid carbon using renewable energy sources.

1414 Degrees has showcased its capabilities through successful pilot projects that highlight the reliability and effectiveness of its solutions. SiBox has proven its ability to deliver high-temperature air or steam on demand from stored heat. The development of SiPHYR underscores our commitment to innovation and sustainability.

In 2019 the Company made the strategic purchase of the Aurora Energy Project (AEP) located near Port Augusta, South Australia. The project is a long-term renewable energy initiative to deliver reliable electricity to the region and National Electricity Market. The AEP has approval for 14D to pilot and demonstrate a large commercial scale version of the SiBox technology.

For more information, please visit [www.1414degrees.com.au](http://www.1414degrees.com.au)

## IMPORTANT INFORMATION

This announcement has been authorised for release by the Company's board of directors and is issued by the Company. This announcement is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any securities in the Company in any jurisdiction. This announcement does not constitute financial product advice and does not and will not form part of any contract for the acquisition of securities in the Company.

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or any other country. No action has been taken to register or qualify the SPP Offer or the Shares, or otherwise permit a public offering of the Shares, in any jurisdiction outside of Australia. In particular, the Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States.

Accordingly, the Shares may not be offered or sold within the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable securities laws of any state or other jurisdiction in the United States. None of the SPP Offer Terms and Conditions, any accompanying ASX announcements or the Application Forms accompanying the SPP Offer Terms and Conditions may be distributed in the United States.

The content of this announcement is not, and should not be considered as, a securities recommendation or financial product advice. The information in this announcement is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. Before acting on the information, you should consider the appropriateness of the information, having regard to your objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your stockbroker, accountant, taxation adviser, financial adviser or other professional adviser.

No representation or warranty is given as to the accuracy or likelihood of achievement of any forward-looking statement in this announcement, or any events or results expressed or implied in any forward-looking statement. These statements can generally be identified by the use of words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "predict", "guidance", "plan" and other similar expressions. Such forward-looking statements are not guarantees of future performance and are by their nature subject to significant uncertainties, risks and contingencies. Actual results or events may differ materially from any expressed or implied in any forward-looking statement and deviations are both normal and to be expected. Past performance is not a reliable indicator of future performance. Except as required by law or regulation (including the ASX Listing Rules), the Company undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.



1414 Degrees Limited

ABN 57138803620

ASX: 14D

## Share Purchase Plan Offer

The SPP Offer closes at 4.30 (ACST) on 13 September 2024 (unless extended)

(payments must be received by this time)

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This is an important document and should be read in its entirety.

This document has been prepared by 1414 Degrees Ltd. The SPP Offer is an initiative that provides Eligible Shareholders with the opportunity to purchase additional 14D shares without brokerage and transaction costs.

The Offer does not take into account the individual investment objectives, financial situation or particular needs of each Eligible Shareholder. Accordingly, before making a decision whether or not to accept the offer, you should consult your financial or other professional adviser.

This document is not a prospectus or other disclosure document under the Corporations Act.

## CHAIRMAN'S LETTER

Friday 23 August 2024

Dear Shareholder,

In the past 12 months your Company has greatly advanced its prospects for revenue from its unique SiBox energy solutions for industrial emissions reduction. We have largely completed technical studies to connect the Aurora Energy Precinct grid scale battery to the electricity grid, and we have secured \$5.2m investment toward commercialising our silicon thermal energy storage technology for hydrogen production. We have been hiring experienced people to deliver on these cash flow objectives and to fast-track the hydrogen strategy

The Company's significant near-term cash earnings outlook includes:

1. \$1.5m from Vast Solar Pty Ltd when SiliconAurora Pty Ltd receives approval to connect the Aurora Energy Precinct to the transmission network;
2. the proposed 140MW Aurora Battery Energy Storage System (BESS);
3. instalments from grants of \$3.2 million for development of SiPHYR™; and
4. a potentially significant injection if Woodside Energy Technologies Pty Ltd exercises an option to jointly develop and commercialise SiBox® to earn up to 49% of our SiBox intellectual property (IP). The asset value of this IP in 14D accounts is currently approximately \$15 million and we expect a significant uplift in commercial valuation.

We must invest capital to realise these earnings, particularly to advance several commercial opportunities and to speed up hydrogen reactor development. With additional funding, we can expedite reactor development and achieve market readiness at the earliest opportunity.

We recently obtained \$1 million in further support from Woodside Energy Technologies Pty Ltd and have been offered institutional investment. Your Company has welcomed a significant number of new shareholders, and the Board believes that eligible shareholders should have the chance to invest directly in the Company's future and benefit from any capital expansion opportunities through this share purchase plan.

### Developing the Aurora Energy Precinct

In 2019 your Company purchased the Aurora project for \$2 million and in 2022 commissioned modelling which showed large revenue potential from a BESS. Significant expenditure over the past 18 months means the grid scale Aurora 140MW/280MWh BESS is expected to receive regulatory approval for transmission connection to the National Electricity Market (NEM). Negotiations with BHP have also been progressing the technical and commercial terms for sharing the high voltage transmission line. These expenditures are expected to result in significant value uplift for the project.

### **Advancing 14D silicon technologies**

Your Company has a clear strategy for revenue growth from our advanced suite of products. We have obtained two exclusive licences from the University of Adelaide (UoA) for a new fluid reactor technology and a new method to convert methane to hydrogen and solid carbon. The Company's GAS-TESS facility in the Glenelg WWTP is being evaluated for its potential to test SiPHyR because it is connected to the bio-gas supply and NEM.

#### **SiBox®**

Our team is actively working with industry to assess and contract sites where SiBox can add value, while reducing emissions.

#### **SiBrick®**

We are collaborating with the refractory industry to ready our SiBrick for mass production as a competitive energy storage product.

#### **SiPHyR™**

We are developing a low-emission hydrogen reactor that capitalises on our proven ability to harness the very high temperature and energy density of silicon. SiPHyR (SiBrick Integrated Pyrolytic Hydrogen Reactor) aims to decarbonise methane with less renewable electricity for continuous hydrogen production. This is important to maintain competitive industrial production in existing factories and plants.

### **Expanding our capability to deliver results**

Your Company has been building its team to deliver on these cash flow objectives and fast-track the hydrogen strategy. We have contracted a project manager for the Aurora BESS development and an experienced legal team for the transmission connection negotiations with BHP and Electranet. Jason Chaffey was appointed commercial manager in February this year to drive market facing strategies for SiBox. Our new hydrogen development manager took up his position in August this year to accelerate development and commercialisation of our SiPHyR reactor.

### **Purpose and use of funds**

The SPP Offer is targeting to raise up to \$1 million (before costs) by way of the issue of up to 16,666,667 New Shares.

The capital raising will provide 14D with funding that will enable your Company to advance toward significant near-term milestones. The funds raised under the SPP are intended to be used by your Company as follows:

1. completing development of the grid scale 140MW/280MWh Li-ion battery to financial investment decision (FID), including securing connection to the transmission network and NEM;
2. securing a contract for SiBox technology and mass manufacturing trials for SiBrick;
3. fast-tracking development and commercialisation of SiPHyR hydrogen technology;
4. costs of the SPP offer; and
5. general working capital.

The above proposed use of funds is indicative only and will be subject to modification on an ongoing basis depending on the results obtained from the Company's activities and other factors relevant to the Board's discretion as to usage of funding. Due to market conditions and the development of new opportunities or any number of other factors, actual use of funds may differ significantly to the above estimates. In light of this, the Board reserves the right to alter the way the funds are applied.

### The SPP offer

The offer of New Shares under the SPP is being made exclusively to shareholders who were registered as holders of Shares at 6.30pm (ACST) on 15 August 2024 (**Record Date**) and whose registered address is in Australia, New Zealand or the United Kingdom (**Eligible Shareholders**).

Eligible Shareholders may apply for parcels of New Shares in \$1,000 increments with a minimum amount of \$1,000 up to a maximum investment of \$30,000 without incurring brokerage costs.

The issue price of \$0.06 per New Share represents a discount of:

- 7.7% to the closing price of Shares on the Australia Securities Exchange (**ASX**) on 15 August 2024, which was the last trading day prior to the announcement of the SPP;
- 10.5% to the volume weighted average price (**VWAP**) of Shares on the ASX during the 5 trading days immediately prior to the announcement of the SPP Offer on 16 August 2024; and
- 12.2% to the VWAP of Shares on the ASX during the 30 trading days immediately prior to the announcement of the SPP Offer on 16 August 2024.

Full details and terms of the SPP Offer are set out in the accompanying SPP Offer Terms and Conditions. Before you decide whether to participate in the SPP Offer, please read the SPP Offer Terms and Conditions carefully, as you will be bound by them.

Capitalised terms used but not defined in this letter have the meaning given to those terms in the accompanying SPP Offer Terms and Conditions.

### How to apply

You may apply for New Shares under the SPP Offer by applying online by visiting [www.computersharecas.com.au/14dspp](http://www.computersharecas.com.au/14dspp), following the instructions and making payment by BPAY®. Please refer to the enclosed SPP Offer Terms and Conditions for further instructions on how to apply for New Shares under the SPP Offer.

If you are a New Zealand or United Kingdom holder who is not able to pay by BPAY® you may elect to make payment by electronic funds transfer (**EFT**). Your personalised Application Form is available at [www.investorcentre.com](http://www.investorcentre.com). Please follow the instructions on the Application Form for details on how to pay by EFT.

You do not need to return an Application Form if paying by BPAY® or EFT.

### **Closing date for the SPP Offer**

The SPP Offer is scheduled to close at 4.30pm (ACST) on Friday 13 September 2024. The Company reserves the right to close the SPP Offer early or extend the closing date for applications without notice.

### **Further information**

If you have any questions about the SPP Offer please contact the Offer Information Line on 1300 556 161 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:00am and 4:30pm (ACST), Monday to Friday during the Offer Period. Details of the Company's current activities are set out in the Company's recently released quarterly report, the Company's website and ASX announcements which are also available on the Company's website at [www.1414degrees.com.au](http://www.1414degrees.com.au).

Before applying for New Shares under the SPP Offer, I encourage you to read the SPP Offer Terms and Conditions enclosed with this letter in full. I encourage you to pay online by BPAY® using the unique reference number shown on your enclosed personalised Application Form.

On behalf of your Board, I invite you to participate in the SPP Offer and thank you for your continued support to realise the potential of your Company.

Yours sincerely,



**Dr Kevin Moriarty**  
Executive Chairman



## SPP Offer Terms and Conditions

### 1. The Offer

These SPP Offer Terms and Conditions, together with the accompanying personalised application form (**Application Form**) and, in the case of a Custodian (as that term is defined in section 9 below) any additional schedule required to be completed by it (together the **Offer Documents**) sets out the terms and conditions of the offer of fully paid ordinary shares in 1414 Degrees Ltd (**Company**) (**Shares**) under the Company's Share Purchase Plan (**SPP Offer**). By submitting an Application Form, or by applying for Shares via BPAY® or EFT, you will be taken to have irrevocably accepted and unconditionally agreed to be bound by the terms and conditions set out in the Offer Documents.

### 2. Purpose

The purpose of the SPP Offer is to offer Eligible Shareholders (as defined in section 3 below) in the Company the opportunity to subscribe for up to a maximum of \$30,000 of Shares (**New Shares**) at an issue price of \$0.06 per New Share.

### 3. Price of New Shares

The price of New Shares to be issued under the SPP will be \$0.06 per New Share, which represents:

- 7.7% to the closing price of Shares on the Australia Securities Exchange (**ASX**) on 15 August 2024, which was the last trading day prior to the announcement of the SPP;
- 10.5% to the volume weighted average price (**VWAP**) of Shares on the ASX during the 5 trading days immediately prior to the announcement of the SPP Offer on 16 August 2024; and
- 12.2% to the VWAP of Shares on the ASX during the 30 trading days immediately prior to the announcement of the SPP Offer on 16 August 2024.

Holders of Shares who are registered with an Australian, New Zealand or United Kingdom address at 6.30pm ACST on the record date of 15 August 2024 (**Record Date**) are eligible shareholders (**Eligible Shareholders**) and may participate in the SPP.

### 4. How much can you invest?

Eligible Shareholders may acquire up to a maximum amount of \$30,000 worth of New Shares under the SPP Offer.

The maximum amount which any shareholder may subscribe for under the SPP Offer or any other similar plan offered by the Company in any consecutive 12 month period (including through joint holdings, multiple share accounts or any holding in which they have a beneficial interest) is \$30,000. The directors of the Company (**Directors**) may determine in their discretion the minimum amount for participation, the multiple of New Shares to be offered under the SPP and the period the SPP Offer is open to Eligible Shareholders. The Company reserves the right to issue to an Eligible Shareholder fewer New Shares than the number specified in an Application Form for whatever reason, including to avoid the possible subscription for over \$30,000 worth of New Shares by a shareholder through multiple applications or joint holdings.

Eligible Shareholders may participate by investing in \$1,000 increments with a minimum investment amount of \$1,000. If applicable, fractions of New Shares will be rounded up to the nearest whole number.

Offers made under the SPP are non-renounceable (i.e. Eligible Shareholders may not transfer their rights to any New Shares offered under the SPP Offer).

## 5. How to apply for New Shares under the SPP Offer

If you are an Eligible Shareholder and would like to apply for New Shares under the SPP Offer, you can do so using one of the following methods:

### 1. *Payment by BPAY®*

If you wish to pay by BPAY®, you must use the Biller Code and Reference Number shown on your personalised Application Form, which is required to identify your current shareholding. By paying by BPAY® you will be deemed to have completed an Application Form for the number of New Shares equal to the amount of your payment.

If you have multiple holdings you will have multiple BPAY® Reference Numbers. To ensure you receive your New Shares under the SPP Offer in respect of that holding, you must use the specific Biller Code and Reference Number shown on each personalised Application Form when paying for any New Shares that you may wish to apply for in respect of that holding. If you inadvertently use the same Reference Number for more than one of your applications, you will be deemed to have applied only under the Application Form to which that Reference Number applies and any excess amount will be refunded.

If you make your payment using BPAY® you do not need to return your Application Form.

Payments made by BPAY® received after 4.30pm (ACST) on the closing date of 13 September 2024 (**Closing Date**) will not be accepted unless the Closing Date for the SPP Offer is extended. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via BPAY®. It is your responsibility to check that the amount you wish to pay via BPAY® does not exceed your limit.

### 2. *Payment by EFT (Overseas Applicants)*

If you are an Eligible Shareholder located in New Zealand or United Kingdom, you may elect to make payment by EFT. Your personalised SPP Application Form is available at [www.investorcentre.com](http://www.investorcentre.com). Please follow the instructions on the SPP Application Form for details on how to pay by EFT.

Applicants should not forward cash. No receipts will be issued.

Any applications for an amount less than the minimum parcel will be returned to the applicant.

If you have not received your Offer Documents, including your personalised Application Form, you are able to view the documents and apply online by visiting [www.computersharecas.com.au/14dspp](http://www.computersharecas.com.au/14dspp). If you require replacement documentation or are having difficulties in applying online, please contact the Offer Information Line 1300 556 161 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:00am and 4:30pm (ACST), Monday to Friday during the Offer Period.

Once an application has been made it cannot be revoked or altered. All valid applications shall be deemed accepted if received before the Closing Date, except that once \$1.0 million in applications have been received, the Company reserves the right to return an Application Form and/or payment, and not issue any New Shares to an applicant.

If the exact amount of money is not tendered with your application, the Company reserves the right to either:

1. return your Application Form and/or payment and not issue any New Shares to you; or
2. issue to you the number of New Shares that would have been issued had you applied for the highest designated amount that is less than the amount of your payment, and refund the excess application money to you by direct credit to your nominated Australian bank account or by cheque as soon as possible after the close of the SPP Offer, without interest.

## 6. Closing Date

The SPP Offer is scheduled to close at 4.30pm (ACST) on 13 September 2024 however the Company reserves the right to close the SPP Offer early, or extend the Closing Date, without notice. Eligible Shareholders are encouraged to submit their Application Forms as early as possible.

## 7. Key Dates – Indicative Timetable

Event	Date
Record Date (date for determining shareholders' entitlements to participate in SPP Offer)	6:30pm (ACST) Thursday 15 August 2024
Announcement of SPP Offer	Friday 16 August 2024
Despatch of SPP Offer documentation	Friday 23 August 2024
Opening Date for SPP Offer	Friday 23 August 2024
Closing Date for SPP Offer	4.30pm (ACST) Friday 13 September 2024
Issue of new Shares under the SPP Offer	Friday 20 September 2024
Quotation of new Shares on ASX	Monday 23 September 2024

These dates are indicative only. The Company reserves the right to amend any or all of these events, dates and times, without notice, subject to the *Corporations Act 2001* (Cth) (**Corporations Act**), the ASX Listing Rules and other applicable laws. In particular, the Company reserves the right to extend the closing date of the SPP Offer, to accept late applications either generally or in particular cases or to withdraw the SPP Offer without prior notice. The commencement of quotation of new Shares is subject to confirmation from ASX. Eligible shareholders are encouraged to submit their applications early.

## 8. Acknowledgement

If you submit a BPAY® or EFT payment you represent to the Company that you have not applied for, or instructed a custodian (as defined in *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* (refer to section 9 below)) to apply on your behalf, for Shares with an application price which, when aggregated with the application price for any New Shares issued to you or a Custodian on your behalf under the SPP Offer or any similar arrangement with the Company in the 12 months prior to your application, exceeds \$30,000 in aggregate.

## 9. Custodians and Nominees

If you are an Eligible Shareholder and hold Shares as a custodian (as defined in either *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* (refer below) or in any other ASIC relief granted to the Company in relation to the SPP) (**Custodian**), you may apply for up to the maximum number of New Shares for each beneficiary for whom you act as Custodian provided you annex to your Application Form a certificate to the Company (**Custodian Certificate**) with the following information:

- that you held Shares on behalf of:
  - one or more other persons that are not Custodians; or
  - another Custodian (**Downstream Custodian**) that holds beneficial interest in Shares on behalf of one or more other persons to which those beneficial interests relate,

(each a **Participating Beneficiary**) at 6.30pm (ACST) on the Record Date, who have subsequently instructed you to apply for Shares under the SPP Offer on their behalf;

- the number of Participating Beneficiaries and their names and addresses;
- the number of Shares that you hold on behalf of each Participating Beneficiary;
- the dollar amount of Shares that each Participating Beneficiary has instructed you, either directly or indirectly through a Downstream Custodian, to apply for on their behalf;
- that the application price for New Shares applied for under the SPP Offer for each Participating Beneficiary for whom you act plus the application price for any other Shares issued to you as Custodian (as a result of instruction given to you as Custodian or via a Downstream Custodian) for that Participating Beneficiary under any arrangement similar to the SPP Offer in the prior 12 months does not exceed \$30,000;
- that a copy of the Offer Document was given to each Participating Beneficiary; and
- where you hold Shares on behalf of a Participating Beneficiary indirectly, through one or more Downstream Custodians, the name and address of each Downstream Custodian.

For the purposes of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*, you are a 'Custodian' if you provide a custodial or depository service in relation to shares of a body or interests in a registered scheme and you:

- hold an Australian financial services licence that covers the provision of a custodial or depository service;
  - are exempt from the requirement to hold an Australian financial services licence covering the provision of a custodial or depository service;
  - hold an Australian financial services licence covering the operation an IDPS or are a responsible entity of an IDPS-like scheme (as those terms are defined in *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*);
  - are a trustee of a self-managed superannuation fund or a superannuation master trust;
- or

- are a registered holder of Shares and are noted on the register of members of the Company as holding the Shares on account of another person.

If you hold Shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (see section 5, item 1 above) apply. Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodian Certificate, or if you would like further information on how to apply, you should contact the Company's share registry, Computershare Investor Services Pty Limited by email on [custodians@computershare.com.au](mailto:custodians@computershare.com.au) or on 1300 556 161 (within Australia) or +61 3 9415 4000 (outside Australia) during the SPP Offer period.

The Company reserves the right to reject any application for Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements. The Company reserves the right to reject applications in accordance with these SPP Offer Terms and Conditions.

#### **10. SPP Offer speculative**

An investment in New Shares should be considered as a speculative investment. Before deciding to participate in the SPP Offer you should consider seeking appropriate professional advice with respect to the Company evaluating its business, financial performance and operations.

The Offer Documents are not a prospectus and do not contain the types of disclosures required under the *Corporations Act 2001* (Cth) for a disclosure document. You must rely on your own knowledge of the Company, previous disclosures made by the Company to ASX, and, if necessary, consult your professional advisor when deciding whether or not to participate in the SPP Offer.

#### **11. Risk of change in share price**

On the last trading day immediately prior to the announcement date of the SPP Offer, the closing price of the Shares traded on ASX was \$0.065. The market price of Shares in the Company may rise or fall between the date of the SPP Offer and the date that any New Shares are issued to you as a result of your application under this SPP Offer. By making an application under this SPP Offer, each Eligible Shareholder acknowledges that New Shares are a speculative investment, the price of Shares traded on ASX may change between the date of the Company announcing its intention to make an SPP Offer and the date of issue of New Shares under the SPP Offer, and that the value of the New Shares received under the SPP Offer may rise or fall accordingly.

#### **12. Issue of New Shares**

New Shares to be issued under the SPP Offer will be issued as soon as reasonably practicable after the Closing Date.

The Company may issue to any person fewer New Shares than the person applied for under the SPP Offer. Shares issued under the SPP will rank equally in all respects with all Shares in the Company from the date of issue. Issuer-sponsored holders will be mailed an Issuer Statement whilst CHESS-sponsored holders will receive confirmation from their broker. The Company will, promptly after the issue of New Shares under the SPP Offer, and in any case within five business

days (as defined in the ASX Listing Rules) make application for those New Shares to be listed for quotation on the official list of the ASX.

### **13. Modification and termination of the SPP**

The Company may modify or terminate the SPP Offer at any time. The Company will notify ASX of any modification to, or termination of, the SPP Offer. The failure or omission to give notice of any modification to, or termination of, the SPP Offer or the failure of ASX to receive such notice will not invalidate the modification or termination.

### **14. Raising amount, scale back and refusal of application**

The target amount to be raised pursuant to the SPP Offer (before costs) is \$1.0 million (equivalent to 16,666,667 New Shares). The Company reserves the right to either scale back applications or increase the amount to be raised in its absolute and sole discretion (subject to the maximum amount permitted under the ASX Listing Rules).

When determining the amount (if any) by which to scale back an application, the Company may take into account a number of factors, including the size of an applicant's shareholding, the extent to which Eligible Shareholders have sold or bought additional Shares after the Record Date, and the date an application was made. If an application is rejected or scaled back, the Company will promptly return to the applicant any amounts paid in respect of the application for New Shares, by deposit into your previously nominated bank account or by cheque to the registered address of the applicant as soon as practicable after the Closing Date (without interest and at the applicant's sole risk).

The Directors reserve their right (in their absolute discretion) to refuse an application (in whole or in part) if they consider that:

- it is reasonable and prudent to do so;
- the applicant is not an Eligible Shareholder;
- the issue of those New Shares may contravene any applicable law, rule or regulation in any jurisdiction (including without limitation the Corporations Act or the ASX Listing Rules) or the requirements of any regulatory or governmental body or may require further action to be taken by the Company including, without limitation, registration of Shares or the preparation of a prospectus in any jurisdiction; or
- the applicant has not otherwise complied with these SPP Offer Terms and Conditions.

If an application is refused in whole or in part, the application monies will be returned to the applicant in full (without interest and at the applicant's sole risk).

All Directors' decisions in connection with a scale back or refusal of an application are final.

### **15. Effect of an application**

By making an application under the SPP Offer (whether by returning an Application Form or by making a payment via BPAY® or EFT), you:

- irrevocably and unconditionally agree to these SPP Offer Terms and Conditions and any other terms and conditions set out in the Offer Documents;
- warrant and represent that you are an Eligible Shareholder entitled to participate in the SPP Offer;

- acknowledge that your application is irrevocable and unconditional (that is, it cannot be withdrawn even if the market price of the Shares is less than the issue price for the New Shares);
- agree to pay the issue price for each New Share subscribed for under the SPP Offer, subject to any scale back in accordance these SPP Offer Terms and Conditions;
- acknowledge that no interest will be paid on any application monies held pending the issue of New Shares under the SPP Offer, or subsequently refunded to you for any reason;
- acknowledge that the Company and its officers and agents, are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these SPP Offer Terms and Conditions
- if you are applying on your own behalf (and not as a Custodian), acknowledge and agree that:
  - you are not applying for New Shares with an application price of more than \$30,000 under the SPP Offer (including by instructing a Custodian to acquire New Shares on your behalf under the SPP Offer); and
  - the total of the application price for the following does not exceed \$30,000:
    - the New Shares the subject of the application;
    - any other New Shares issued to you under the SPP Offer or any similar arrangement in the 12 months before the application (excluding Shares applied for but not issued);
    - any other New Shares which you have instructed a Custodian to acquire on your behalf under the SPP Offer; and
    - any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the SPP Offer;
- if you are a Custodian and are applying on behalf of a Participating Beneficiary on whose behalf you hold Shares, acknowledge and agree that:
  - you are a Custodian (defined above);
  - you hold Shares (directly or indirectly) on behalf of one or more Participating Beneficiaries;
  - you held Shares on behalf of the Participating Beneficiary as at the Record Date who has instructed you to apply for New Shares on their behalf under the SPP Offer;
  - each Participating Beneficiary on whose behalf you are applying for New Shares has been given a copy of the Offer Documents;
  - the application price for the New Shares applied for on behalf of the Participating Beneficiary, and any other Shares applied for on their behalf under a similar arrangement in the previous 12 months (excluding Shares applied for but not issued), does not exceed \$30,000; and
  - the information in the Custodian Certificate submitted with your Application Form is true, correct and not misleading;
- agree to be bound by the constitution of the Company (as amended from time to time);
- acknowledge that none of the Company, its advisers or agents, has provided you with any financial product or investment advice or taxation advice in relation to the SPP Offer, or has any obligation to provide such advice;

- authorise the Company, and its officers and agents, to correct minor or easily rectified errors in, or omissions from, your Application Form and to complete the Application Form by the insertion of any missing minor detail; and
- have not distributed the Offer Documents or any other documents relating to the SPP Offer to, any person in the United States. Failure to comply with these restrictions may result in violations of applicable securities laws.

## 16. Foreign offer restrictions

This document may not be released or distributed in any country other than Australia New Zealand, or the United Kingdom. This document does not constitute or contain an offer to sell, or a solicitation of an offer to buy, securities in any jurisdiction in which it would be unlawful. In particular, any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold or otherwise transferred in the United States except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act of 1933 and applicable securities laws.

The Company is not required to determine, and will not determine, the identity or residence of any beneficial owners of Shares. Each Custodian will need to determine for itself whether its beneficiaries are Participating Beneficiaries.

## 17. United Kingdom Shareholders

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (“FSMA”)) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to fewer than 150 persons who are existing shareholders of the Company. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (“FPO”), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together “relevant persons”). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.



## 18. New Zealand Shareholders

The New Shares offered under the SPP Offer are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand and to whom the SPP Offer is being made in reliance on the *Financial Markets Conduct Act 2013* and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016*.

The Offer Documents have been prepared in accordance with Australian law and have not been registered, filed with or approved by any New Zealand regulatory authority. The Offer Documents are not a product disclosure statement under New Zealand law and are not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

## 19. No investment advice given

Neither the provision of the SPP Offer nor any information contained in the Offer Documents is, or should be taken as, constituting the giving of investment advice to any person. This SPP Offer and the Offer Documents do not take into account the investment objectives, financial situation or particular needs of any person (including any Eligible Shareholder).

The information in the Offer Documents is provided in good faith and derived from sources believed to be accurate at the date of the Offer Documents, but to the extent permitted by law, no warranty of accuracy or reliability is given and no responsibility arising in any other way, including by reason of negligence for errors or omission in the Offer Documents is accepted by the Company or its officers.

## 20. Caution about forward looking statements

No representation or warranty is given as to the accuracy or likelihood of achievement of any forward-looking statement in the Offer Documents, or any events or results expressed or implied in any forward-looking statement. These statements can generally be identified by the use of words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "predict", "guidance", "plan" and other similar expressions. Such forward-looking statements are not guarantees of future performance and are by their nature subject to significant uncertainties, risks and contingencies. Actual results or events may differ materially from any expressed or implied in any forward-looking statement and deviations are both normal and to be expected. Past performance is not a reliable indicator of future performance. Except as required by law or regulation (including the ASX Listing Rules), the Company undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

## 21. Additional Information

Participation in the SPP is entirely optional (subject to the eligibility criteria set out in these SPP Terms and Conditions). If you do not wish to accept the offer under the SPP, then you do not need to take any action and the SPP Offer will lapse on the Closing Date.

The SPP Offer is not underwritten.

The SPP Offer is made in accordance with *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*, which grants relief from the requirement to prepare a prospectus for the offer of New Shares.

The SPP Offer (including these SPP Terms and Conditions and other Offer Documents) is governed by the laws of the State of South Australia and the Commonwealth of Australia (as applicable). Any dispute arising out of, or in connection with, the SPP Offer will be heard in and determined by the courts of the State of South Australia or those courts of the Commonwealth of Australia sitting in Adelaide, South Australia (as applicable). Each applicant submits to the exclusive jurisdiction of these courts.

The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant, application or Shares. The decision of the Company in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

The Company reserves the right to waive strict compliance with any provision of the Offer Documents. The powers of the Company under these conditions may be exercised by the Directors or any delegate of the Directors. The Company, including its officers and agents, are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these terms and conditions.

## **22. Questions and contact details**

If you have any questions regarding the SPP or how to deal with this SPP Offer, please contact your stockbroker or professional adviser or contact the Offer Information Line 1300 556 161 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:00am and 4:30pm (ACST), Monday to Friday during the Offer Period.