
COSOL LIMITED

ACN 635 371 363 (COMPANY)

ADDENDUM TO NOTICE OF ANNUAL GENERAL MEETING & EXPLANATORY STATEMENT

Notice is given that in relation to the Notice of Annual General Meeting dated and released to ASX on 16 October 2020 for the Annual General Meeting of Shareholders of the Company to be held in the Yerrigan Room of the Liberty Conference Centre on the Ground Floor of 197 St George's Terrace, Perth WA on Tuesday 17 November 2020 commencing at 10:00am (AWST), the Directors have determined to add a new Resolution 12 as set out below to the items of business to be considered by Shareholders at the Meeting.

This is as a result of ASX granting the Company a waiver from Listing Rule 7.3.4 to permit the issue of up to 5,000,000 Deferred Consideration Shares later than 3 months after the date of the Meeting but no later than 17 May 2023. Accordingly, the Directors have determined to amend the Notice and supplement the information contained in the Explanatory Statement previously provided to Shareholders, by issuing this addendum to the Notice (**Addendum**).

The terms and abbreviations used in this Addendum have the same meaning as they are defined in the Notice and Explanatory Statement unless otherwise updated in this Addendum.

ADDITIONAL ITEM OF BUSINESS

12 RESOLUTION 12 – APPROVAL TO ISSUE DEFERRED CONSIDERATION SHARES

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

“That for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 5,000,000 Deferred Consideration Shares to Glenn “Max” Rogers (or his nominee(s)) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Glenn “Max” Rogers (or its nominee(s)); or
- (b) an associate of Glenn “Max” Rogers (or its nominee(s)),

and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, this does not apply to a vote cast in favour of the Resolution by:

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

By Order of the Board



Ben Secrett

Company Secretary
3 November 2020

EXPLANATORY STATEMENT

The Notice and the Addendum are important and both should be read together in their entirety before voting.

Voting

Shareholders will however receive a copy of this letter and a replacement personalised proxy form including the new Resolution 12 by post or email according to your communication preference registered with the Company's share registry, Link Market Services ([Link](#)).

Shareholders are encouraged to participate in voting on the resolutions to be considered at the AGM. To vote on the new Resolution 12 by proxy, please complete and return the replacement personalised proxy form in accordance with the instructions set out on the proxy form, or alternatively, you can vote online at www.linkmarketservices.com.au/. You may also vote in person by attending the AGM.

Shareholders MUST use the replacement proxy form to vote on ALL Resolutions if they wish to have their votes counted by proxy in respect of the new Resolution 12. In the event that a shareholder provides a replacement proxy form, any proxy form despatched with the original Notice which has been completed by that shareholder will be disregarded.

If you have already voted and do not wish to vote on Resolution 12 or otherwise change your proxy vote, you do not need to take any action, as the proxy you previously submitted remains valid. The Company reserves the right to accept proxy forms despatched with the original Notice returned by shareholders in the event that a replacement proxy form is not returned by the relevant shareholder.

Proxy voting instructions (by proxy form or online voting) must be received by Link by no later than 10:00am (AWST) on Sunday, 15 November 2020 – instructions received after that time will not be valid for the AGM.

8 RESOLUTION 12 – APPROVAL TO ISSUE DEFERRED CONSIDERATION SHARES

8.1 General

Resolution 12 seeks approval for the issue of up to 5,000,000 Deferred Consideration Shares as set out in Sections 6.1 and 6.3 of the Notice.

As at the date of this Meeting, the number of Deferred Consideration Shares which may be issued is unknown, having regard to the fact:

- (a) the Vendor may not be entitled to all or any of the Earn Out Consideration;
- (b) if the Vendor is entitled to all or any Earn Out Consideration, the Company may elect to satisfy between 50 to 100% of the Earn Out Consideration by way of issuing Deferred Consideration Shares; and
- (c) the number of Deferred Consideration Shares to be issued will be determined based on the VWAP for the 14 trading days immediately prior to a relevant Release Date, multiplied by the prevailing AUD:USD exchange rate as at 9:00am (AWST) on the Release Date, neither of which can be determined as at the date of this Meeting.

8.2 Example scenarios

In order to assist Shareholders, the Company has prepared the below separate tables which have been prepared to demonstrate the number of Deferred Consideration Shares which may be issued to the Vendor under three separate scenarios if the full Earn Out Consideration (being US\$1.75 million) is met and 50%, 75% or 100% of the total aggregate capped Earn Out Consideration is satisfied by way of an issue of Deferred Consideration Shares.

Each table also shows:

- (a) three examples, where the VWAP for the 14 trading days immediately prior to the Release Date is \$0.50, \$0.6548 (being the VWAP for the 14 trading days prior to the date of this Addendum) and \$1.00; and
- (b) three examples, where the AUD:USD exchange rate as at 9.00am on the Release Date is 0.60, 0.70 (being the approximate AUD:USD exchange rate as at the date of this Addendum) and 0.80.

Scenario One: Full Earn Out Consideration is met and 50% (US\$875,000) is satisfied by way of an issue of Deferred Consideration Shares

VWAP (\$)	AUD:USD Exchange Rate		
	0.60	0.70	0.80
0.50	2,916,667 Shares	2,500,000 Shares	2,187,500 Shares
0.6548	2,227,143 Shares	1,908,980 Shares	1,670,357 Shares
0.80	1,822,917 Shares	1,562,500 Shares	1,367,188 Shares

Scenario Two: Full Earn Out Consideration is met and 75% (US\$1,312,500) is satisfied by way of an issue of Deferred Consideration Shares

VWAP (\$)	AUD:USD Exchange Rate		
	0.60	0.70	0.80
0.50	4,375,000 Shares	3,750,000 Shares	3,281,250 Shares
0.6548	3,340,715 Shares	2,863,470 Shares	2,505,536 Shares
0.80	2,734,375 Shares	2,343,750 Shares	2,050,781 Shares

Scenario Three: Full Earn Out Consideration is met and 100% (US\$1,750,000) is satisfied by way of an issue of Deferred Consideration Shares

VWAP (\$)	AUD:USD Exchange Rate		
	0.60	0.70	0.80
0.50	5,000,000 (maximum) Shares	5,000,000 Shares	4,375,000 Shares
0.6548	4,454,286 Shares	3,817,960 Shares	3,340,715 Shares
0.80	3,645,833 Shares	3,125,000 Shares	2,734,375 Shares

The maximum number of Deferred Consideration Shares which can be issued to the Vendor under the SPA (regardless of the relevant VWAP or AUD:USD exchange rate) is limited to 5,000,000 Deferred Consideration Shares.

8.3 Waiver

As the issue of the Deferred Consideration Shares will not occur until the relevant Release Dates, which in each case will be later than 3 months after the date of the Meeting, the Company has applied for a waiver from Listing Rule 7.3.2 to issue the Deferred Consideration Shares on or before 30 April 2023 (**Waiver**). ASX has granted the Waiver on the following conditions:

1. The Deferred Consideration Shares are issued within 30 months of the Meeting.
2. The milestones for the Deferred Consideration Shares are not varied.
3. The maximum number of Deferred Consideration Shares to be issued is capped at 5,000,000 shares and this is stated in this Notice, along with adequate details regarding the potential dilution.
4. For any annual reporting period during which any of the Deferred Consideration Shares have been issued or any of them remain to be issued, the Company's annual report sets out the number of Deferred Consideration Shares issued in that annual reporting period, the number of Deferred Consideration Shares that remain to be issued and the basis on which the Deferred Consideration Shares may be issued.
5. In any half year or quarterly report for a period during which any of the Deferred Consideration Shares have been issued or remain to be issued, the Company must include a summary statement of the number of Deferred Consideration Shares issued during the reporting period, the number of Deferred Consideration Shares that remain to be issued and the basis on which the Deferred Consideration Shares may be issued.
6. This Notice contains the full terms and conditions of the Deferred Consideration Shares as well as the conditions of the Waiver.

8.4 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 4.2 above.

The proposed issue of the Deferred Consideration Shares does not fit within any of the exceptions in Listing Rule 7.2.

Whilst the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval under Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the issue of the Deferred Consideration Shares under Listing Rule 7.1 so that it does not use up any of the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

8.5 Technical information required by Listing Rule 14.1A

If Resolution 12 is passed, the issue of up to 5,000,000 Deferred Consideration Shares can proceed without using up any of the Company's 15% limit on issuing Equity Securities under Listing Rule 7.1.

If Resolution 12 is not passed, the issue of up to 5,000,000 Deferred Consideration Shares can still proceed but it will reduce, to that extent, the Company's capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue of the Deferred Consideration Shares, or until that issue is ratified by Shareholders.

8.6 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 12:

- (a) the Deferred Consideration Shares will be issued to Mr Glenn "Max" Rogers (or his nominee(s)), who is not a Related Party of the Company, a member of Key Management Personnel, a substantial holder in the Company, an adviser to the Company or an associate of any such person;
- (b) a total of up to 5,000,000 Deferred Consideration Shares will be issued;
- (c) the Deferred Consideration Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares;
- (d) in accordance with the Waiver, the Deferred Consideration Shares will be issued no later than 7 days after a Release Date and in any event by no later than 17 May 2023;
- (e) the deemed issue price per Deferred Consideration Share will be determined based on the VWAP for the 14 trading days immediately prior to a relevant Release Date, multiplied by the prevailing AUD:USD exchange rate as at 9:00am (AWST) on the Release Date;
- (f) no funds will be raised from the issue of the Deferred Consideration Shares as they are being issued as partial consideration for completion of the acquisition of AddOns by the Company;
- (g) a summary of the material terms of the SPA is set out in Appendix 2; and
- (h) a voting exclusion statement is included in this Notice.




LODGE YOUR VOTE

	ONLINE www.linkmarketservices.com.au
	BY MAIL COSOL Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia
	BY FAX +61 2 9287 0309
	BY HAND Link Market Services Limited 1A Homebush Bay Drive, Rhodes NSW 2138
	ALL ENQUIRIES TO Telephone: 1300 554 474 Overseas: +61 1300 554 474

LODGE MENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **10:00am (AWST) on Sunday, 15 November 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

 ONLINE www.linkmarketservices.com.au Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).	 BY MOBILE DEVICE Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding. To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.	QR Code 
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HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM
YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

NAME SURNAME
 ADDRESS LINE 1
 ADDRESS LINE 2
 ADDRESS LINE 3
 ADDRESS LINE 4
 ADDRESS LINE 5
 ADDRESS LINE 6



X99999999999

PROXY FORM

I/We being a member(s) of COSOL Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (AWST) on Tuesday, 17 November 2020 at Yerrigan Room of the Liberty Conference Centre on the Ground Floor of 197 St George's Terrace, Perth WA.** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 4, 5, 6, 9 & 10: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 4, 5, 6, 9 & 10, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Ratification of Prior Issue of Options to Buckley Advisory Group Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Grant Pestell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Ratification of Prior Issue of Options to Buckley Advisory Group Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Ratification of Prior Issue of Completion Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Employee Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Approval to Issue Deferred Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of Prior Issue under Employee Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Ratification of Prior Issue under Employee Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Ratification of Prior Issue under Employee Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Ratification of Prior Issue under Employee Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

STEP 2



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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

STEP 3

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

COS PRX2001D

