

COSOL LIMITED

ACN 635 371 363 (COMPANY)

NOTICE OF ANNUAL GENERAL MEETING & EXPLANATORY STATEMENT

Notice is given that the Annual General Meeting of the Company will be held as follows:

TIME: 9:00am (AWST)

DATE: Thursday 16 November 2023

PLACE: Level 18 Alluvion, 58 Mounts Bay Road, Perth, WA,
6000

As this is an important document, please read it carefully and in its entirety. If you do not understand it please consult your professional advisors.

If you are unable to attend the Annual General Meeting, please complete the proxy form enclosed and return it in accordance with the instructions set out on that form.

INTRODUCTION

Notice is given that the Annual General Meeting of Shareholders of the Company will be held in the Level 18 Alluvion, 58 Mounts Bay Road, Perth, WA, 6000 on Thursday, 16 November 2023 commencing at 9:00am (AWST). The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The terms and abbreviations used in this Notice and Explanatory Statement are defined in the attached Glossary.

AGENDA

FINANCIAL REPORT (NO RESOLUTION REQUIRED)

To receive the Financial Report of the Company for the year ended 30 June 2023 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

Note: This item of business is for discussion only and is not a resolution.

1 RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report appearing in the Company's Annual Report for the year ended 30 June 2023."

Note: Under section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition: A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, or if the Company is part of a consolidated entity, for the entity.

2 RESOLUTION 2 – RE-ELECTION OF DIRECTOR – STEPHEN JOHNSTON

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

"That Stephen Johnston, a Director who retires by rotation in accordance with rule 6.3 of the Constitution and, being eligible and offering himself for re-election as a Director, is so re-elected."

3 RESOLUTION 3 – ASX LISTING RULE 7.1A (ADDITIONAL 10% CAPACITY) APPROVAL OF FUTURE ISSUE OF SECURITIES

To consider and, if thought fit, to pass the following Resolution as a special resolution:

"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise 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) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an associate of that person or those persons.

However, this does not apply to a vote cast in favour of this 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.

At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in a proposed issue of Equity Securities under the proposed 10% Placement Facility. No existing Shareholders' votes will therefore be excluded under the voting exclusion in the Notice.

4 RESOLUTON 4 – RATIFICATION OF PRIOR ISSUE OF ASSETON AND ONPLAN COMPLETION SHARES

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

"That for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior issue of 4,805,985 Shares to the Vendors issued on 4 September 2023 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) Anthony Large Holding Co Pty Ltd, Geoff Boon Holdings Co Pty Ltd and Burckhardt Investments Pty Ltd (or any of their nominee(s)); or
- (b) an associate of Anthony Large Holding Co Pty Ltd, Geoff Boon Holdings Co Pty Ltd and Burckhardt Investments Pty Ltd (or any of their nominee(s)),

and any other person who participated in the issue or is a counterparty to the agreement being approved, or an associate of that person or counterparty.

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.

5 RESOLUTON 5 – APPROVAL TO ISSUE OPTIONS TO BUCKLEY ADVISORY GROUP PTY LTD AS NOMINEE OF MR BENJAMIN BUCKLEY, MANAGING DIRECTOR

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

"That for the purpose of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 3,000,000 Options, each with an exercise price of \$1.22 and 1,000,000 Options exercisable on or before 30 June 2024; 1,000,000 Options exercisable on or before 30 June 2025 and 1,000,000 Options exercisable on or before 30 June 2026, to Benjamin Buckley (or nominee), Managing Director, 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) Benjamin Buckley;
- (b) Buckley Advisory Group Pty Ltd; or
- (c) an associate of Buckley Advisory Group Pty Ltd,

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) or an associate of that person or those persons.

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.

Voting Prohibition: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
- (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on the Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

6 RESOLUTION 6 – FINANCIAL ASSISTANCE BY ASSETON GROUP PTY LTD, A SUBSIDIARY OF THE COMPANY

To consider and, if thought fit, to pass the following Resolution as a **special resolution**:

"That, for the purposes of section 260B(2) of the Corporations Act, Shareholders approve the giving of financial assistance by AssetOn Group Pty Ltd, a wholly owned subsidiary of the Company, in connection with the acquisition of all of the shares in AssetOn Group Pty Ltd by the Company and the terms and conditions of the Company's loan facility arrangements with Westpac Banking Group, in the manner described in the Explanatory Statement."

7 RESOLUTION 7 – FINANCIAL ASSISTANCE BY ONPLAN TECHNOLOGIES PTY LTD, A SUBSIDIARY OF THE COMPANY

To consider and, if thought fit, to pass the following Resolution as a **special resolution**:

"That, for the purposes of section 260B(2) of the Corporations Act, Shareholders approve the giving of financial assistance by OnPlan Technologies Pty Ltd, a wholly owned subsidiary of the Company, in connection with the acquisition of all of the shares in OnPlan Technologies Pty Ltd by the Company and the terms and conditions of the Company's loan facility arrangements with Westpac Banking Group, in the manner described in the Explanatory Statement."

By Order of the Board

Lisa Wynne
Company Secretary
16 October 2023

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of shareholders of COSOL Limited (**Company**) in connection with the business to be conducted at the Annual General Meeting of the Company to be held in Level 18 Alluvion, 58 Mounts Bay Road, Perth, WA, 6000 on Thursday 16 November 2023 commencing at 9:00am (AWST).

This Explanatory Statement should be read in conjunction with the accompanying Notice of Meeting. The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

A Proxy Form has been dispatched to Shareholders together with a letter advising Shareholders the Company is not dispatching physical copies of the Notice of Meeting and Explanatory Statement and where those documents are available for viewing and downloading.

FINANCIAL REPORT (NO RESOLUTION REQUIRED)

The Corporations Act requires the Financial Report, Directors' Report and the Auditor's Report to be received and considered at the Annual General Meeting. A printed hard copy of the annual Financial Report which includes the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2023, has been sent to all Shareholders who requested it. The Annual Report is also available on the Company's website at <https://cosol.global/results-reports/>.

There is no requirement for Shareholders to approve those reports. However, the Chair will allow a reasonable opportunity at the Meeting for Shareholders to ask questions or make comments about those reports and the management of the Company.

Shareholders will also be given an opportunity to ask the Company's auditor or its representatives questions about the conduct of the audit and the preparation and content of the Auditor's Report.

1 RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management. The Remuneration Report is part of the Directors' Report contained in the Annual Financial Report.

The Chair of the Meeting must allow a reasonable opportunity for Shareholders to ask questions about or make comments on the Remuneration Report at the Meeting.

1.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the Directors who were in office when the Directors' Report (as included in the Annual Financial Report for the most recent financial year) was approved, other than the Managing Director, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors.

1.3 Previous voting results

At the Company's 2022 annual general meeting the votes cast against the Remuneration Report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2 RESOLUTION 2 – RE-ELECTION OF DIRECTOR – STEPHEN JOHNSTON

2.1 General

In accordance with rule 6.3(d) of the Constitution, an election of Directors shall take place each year. Under rule 6.3(b) of the Constitution, at every annual general meeting, each Director who has retained office for more than three years since their appointment shall retire from office and is eligible for re-election. Under rule 6.3(e) of the Constitution, if at any annual

general meeting no Director is required to retire under the terms of rule 6.3(b) of the Constitution, then the Director who has been longest in office since their last election shall retire from office. These requirements for a Director to retire do not apply to a Managing Director.

Mr Stephen Johnston, being appointed as a Director on 10 September 2019, retires in accordance with rule 6.3 of the Constitution and, being eligible for re-election, offers himself for re-election as a Director at the Annual General Meeting.

Mr Johnston has significant international experience in investment, corporate finance, mergers and acquisition and commercial management gained over 25 years in Australian industrial and investment organization. Stephen was the managing director and founder shareholder of Schutz DSL Group, an industrial packaging group with operations in Australia and south east Asia, and was an independent non-executive director of ASG Group Limited (formerly ASX listed, ASX: ASZ), an IT business solutions provider, until it was acquired in late 2016 for \$350 million by Japanese multinational IT services and consulting business Nomura Research Institute, Ltd.

2.2 Directors Recommendation

The Board (other than Mr Johnston, to whom Resolution 2 relates) supports and recommends that Shareholders vote in favour of the re-election of Mr Johnston.

3 RESOLUTION 3 – ASX LISTING RULE 7.1A (ADDITIONAL 10% CAPACITY) APPROVAL OF FUTURE ISSUE OF SECURITIES

3.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its shareholders, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25% (**10% Placement Facility**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

Resolution 3 seeks Shareholder approval by way of a special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue Equity Securities without further Shareholder approval.

If Resolution 3 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

3.2 Requirements of ASX Listing Rule 7.1A

3.2.1 Eligible Entities

As set out above, an eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. As of 15 September 2023, based on a closing share price of \$0.88, the Company has a market capitalisation of approximately \$148.9 million and therefore is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

3.2.2 Shareholder approval

Shareholders must approve the 10% Placement Facility by special resolution at the Annual General Meeting, which requires the approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative). A resolution under Listing Rule 7.1A cannot be put at any other Shareholder meeting.

3.2.3 Equity securities

Equity securities issued under the 10% Placement Facility must be in the same class as an existing class of Equity Securities of the Company that are quoted on the ASX.

As at the date of this Notice, the Company has on issue the following classes of Equity Securities quoted on the ASX:

- 170,686,349 Shares.

3.2.4 Formula for calculating 10% Placement Facility

If Resolution 3 is passed the Company may, during the period of the approval, issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A = The number of fully paid ordinary securities on issue at the commencement of the relevant period:

- plus the number of fully paid ordinary securities issued in the relevant period under an exception in Listing Rule 7.2 other than exceptions 9, 16 or 17;
- plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- plus the number of any other fully paid ordinary securities issued in the relevant period with approval under Listing Rule 7.1 or Listing Rule 7.4;
- plus the number of fully paid ordinary securities that became fully paid in the relevant period;
- less the number of fully paid ordinary securities cancelled in the relevant period.

Note that “A” has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity;

D = 10%;

E = The number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under Listing Rule 7.4; and

“relevant period” means:

- if the entity has been admitted to the official list for 12 months or more, the 12 month period immediately preceding the date of the issue or agreement; or
- if the entity has been admitted to the official list for less than 12 months, the period from the date the entity was admitted to the official list to the date immediately preceding the date of the issue or agreement.

Note that “relevant period” has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

3.2.5 Interaction between ASX Listing Rules 7.1 and 7.1A

The 10% Placement Facility under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

The Company has 170,686,349 Shares on issue as at the date of this Notice. If all of the Resolutions in this Notice are passed (including this Resolution 3), the Company will be permitted to issue (as at the date of this Notice):

- 25,602,952 Equity Securities under Listing Rule 7.1; and
- 17,068,634 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities the Company will be permitted to issue under Listing Rule 7.1A will be calculated at the date of issue or agreement to issue the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out above).

The effect of Resolution 3 will be to allow the Company to issue Equity Securities under Listing Rule 7.1A without using the Company's placement capacity under Listing Rule 7.1.

3.3 Information Required by ASX Listing Rule 7.3A

The following information is provided to Shareholder for the purposes of Listing Rule 7.3A.

3.3.1 ASX Listing Rule 7.3A.1 – Period for which the approval will be valid

An approval from Shareholders under Listing Rule 7.1A will be valid and commences on the date of the annual general meeting at which the approval is obtained (being [24] November 2023) and expires on the first to occur of the following:

- (a) the date which is 12 months after the date of the annual general meeting at which the approval is obtained;
- (b) the time and date of the Company's next annual general meeting; and
- (c) the time and date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

3.3.2 ASX Listing Rule 7.3A.2 – Minimum price at which the Equity Securities may be issued under Listing Rule 7.1A

Any Equity Securities issued under Listing Rule 7.1A.2 must be in an existing quoted class of the Company's Equity Securities and issued for cash consideration.

The issue price per Equity Security must not be less than 75% of the volume weighted average market price of the Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (b) if the Equity Securities are not issued within 10 trading days of the date in paragraph (a), the date on which the Equity Securities are issued.

3.3.3 ASX Listing Rule 7.3A.3 – Purposes for which the funds raised by an issue of equity securities under Listing Rule 7.1A may be used

As noted above, any Equity Securities issued under Listing Rule 7.1A.2 must be issued for cash consideration. Accordingly, every issue of Equity Securities under Listing Rule 7.1A.2 will have an accompanying proposed use of funds at the time of issue.

As at the date of this Notice, the Company has not formed an intention to offer any Equity Securities under Listing Rule 7.1A during the Listing Rule 7.1A mandate period, if Shareholders approve Resolution 3. However, if Shareholders approve Resolution 3 and the Company raised funds from the issue of Equity Securities under Listing Rule 7.1A, based on the Company's existing plans, the Company considers the funds may be used for the following purposes:

- (a) to further develop the Company's business; and/or
- (b) for general corporate purposes, including working capital requirements.

3.3.4 ASX Listing Rule 7.3A.4 – Risk of economic and voting dilution to existing ordinary Shareholders

If Resolution 3 is approved, and the Company issues Equity Securities under the 10% Placement Facility, existing Shareholders' voting power in the Company will be diluted as shown in the table below.

There is a risk that:

- (a) the market price for the Company's existing Equity Securities in that class may be significantly lower on the date of issue of the new Equity Securities than on the date of the approval under Listing Rule 7.1A; and
- (b) the new Equity Securities may be issued at a price that is at a discount (as described above) to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the new Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

For the purpose of Listing Rule 7.3A.2, the table also shows:

- two examples, where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example a pro rata entitlement issue) or future placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples, where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

		Dilution		
		\$0.43 - 50% decrease in Issue Price	\$0.86 - Issue Price	\$1.29 - 50% increase in Issue Price
170,686,349 (Current Variable A in Listing Rule 7.1A.2)	10% Voting Dilution	17,068,635 Shares	17,068,635 Shares	17,068,635 Shares
	Funds Raised	\$7,339,513	\$14,679,026	\$22,018,539
256,029,524 Shares (50% increase in Variable A in Listing Rule 7.1A.2)	10% Voting Dilution	25,602,952 Shares	25,602,952 Shares	25,602,952 Shares
	Funds Raised	\$11,009,270	\$22,018,539	\$33,027,809
341,372,698 Shares (100% increase in Variable A in Listing Rule 7.1A.2)	10% Voting Dilution	34,137,270 Shares	34,137,270 Shares	34,137,270 Shares
	Funds Raised	\$14,679,026	\$29,358,052	\$44,037,078

Notes:

- (a) Based on the total number of fully paid ordinary Shares on issue as at 2 October 2023.
- (b) Based on the closing price of the Company's Shares on ASX as at 2 October 2023.
- (c) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (d) The table assumes the Company issues the maximum number of ordinary Shares available to be issued under Listing Rule 7.1A.
- (e) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of Equity Securities under the 10% Placement Facility based on that Shareholder's holding at the date of this Explanatory Statement.
- (f) The table shows the effect of an issue of equity securities under Listing Rule 7.1A only, not under the Company's 15% placement capacity under Listing Rule 7.1.

3.3.5 ASX Listing Rule 7.3A.5 – Allocation policy for issues under Listing Rule 7.1A

The Company's allocation policy and the identity of the allottees of Equity Securities under Listing Rule 7.1A will depend on a number of factors, including:

- (a) the Company's intentions in relation to the possible issue of Equity Securities (for cash consideration) during the Listing Rule 7.1A mandate period;
- (b) the structure and timeframe of the capital raising opportunities available to the Company and any alternative methods for raising funds available to the Company (such as a pro rata offer or an offer under a share purchase plan);
- (c) the potential effect on the control of the Company;
- (d) the Company's financial position and the likely future capital requirements; and
- (e) advice from the Company's corporate or financial advisors.

Based on the Company's historical cashflow reports and capital raising activities in the past 12 months, the Company considers it may raise funds during the Listing Rule 7.1A mandate period, although this cannot be guaranteed. As of the date of this Notice, no specific intention to issue Equity Securities in relation to any parties, investors or existing Shareholders have been formed. In addition, no intentions have been formed in relation to the possible number of issues, or the time frame in which the issues could be made. Subject to the requirements of the Listing Rules and the Corporations Act, the Board reserves the right to determine at the time of any issue of Equity Securities under Listing Rule 7.1A, the allocation policy the Company will adopt for that issue.

If and when the determination is made to proceed with an issue of Equity Securities during the Listing Rule 7.1A mandate period, details regarding the allottees and purposes of issue will be disclosed pursuant to the Company's obligations under Listing Rules 3.10.3 and 7.1A.4.

Offers made under Listing Rule 7.1A may be made to parties (excluding any related parties) including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of Equity Securities.

3.3.6 ASX Listing Rule 7.3A.6 - Issue or agreement to issue Equity Securities under Listing Rule 7.1A in the 12 months prior to AGM

In the 12 months preceding the date of the Meeting (being the period commencing [24] November 2022), the Company has not issued Shares using the 10% placement capacity available under ASX Listing Rule 7.1A.

3.4 Voting Exclusion Statement

A voting exclusion statement is included in the Notice for the purposes of Resolution 3. At the date of this Notice, the Company has not approached any existing Shareholder or security holder or an identifiable class of existing security holder to participate in a proposed issue of Equity Securities under the proposed 10% Placement Facility. No existing Shareholders' votes will therefore be excluded under the voting exclusion in the Notice.

3.5 Directors' recommendations

The Directors unanimously recommend Shareholders vote in favour of Resolution 3.

4 RESOLUTON 4 – RATIFICATION OF PRIOR ISSUE OF ASSETON AND ONPLAN COMPLETION SHARES

4.1 General

On 3 August 2023, the Company entered into a binding Share Purchase Agreement (**SPA**) with AssetOn Group Pty Ltd (**AssetOn**), OnPlan Technologies Pty Ltd (**OnPlan**), and each of the following persons (being all the shareholders of AssetOn and OnPlan):

- Anthony Large Holding Co Pty Ltd;
 - Geoff Boon Holding Co Pty Ltd; and
 - Burckhardt Investments Pty Ltd,
- (together, the **Vendors**),

in relation to the purchase by the Company of all the issued shares in AssetOn, an Asset Management services business based in Brisbane, Australia which provides asset management software, master data services and professional services and OnPlan, a software as a service provider which allows customers to efficient build, maintain and deploy asset strategies and work instructions for large-scale assets. The material terms of the SPA were disclosed by the Company in its ASX Announcement dated 3 August 2023.

Under the terms of the SPA, the Vendors are entitled (in their relevant proportions) to:

- (a) in respect of AssetOn:
 - (i) upfront consideration payable upon completion under the SPA (**Completion**), comprising:
 - (A) \$14 million in cash; and
 - (B) 3,604,489 Shares (**AssetOn Completion Shares**) each having a deemed issued price of \$0.8323 per AssetOn Completion Share and which are subject to a voluntary escrow commencing on the date of Completion and expiring at 5:00pm on 30 June 2024; and
 - (ii) deferred consideration depending on the performance of the AssetOn business in the 12-month periods ending 30 June 2024 (defined in the SPA as a **Relevant Period**).
- (b) in respect of OnPlan:
 - (i) upfront consideration payable upon Completion, comprising:
 - (A) \$4 million in cash; and
 - (B) 1,201,496 Shares (**OnPlan Completion Shares**) each having a deemed issued price of \$0.8323 per OnPlan Completion Share and which are subject to a voluntary escrow commencing on the date of Completion and expiring at 5:00pm on 30 June 2024; and
 - (ii) deferred consideration depending on the performance of the OnPlan business in the Relevant Period.

Resolution 4 seeks ratification of the prior issue of the 3,604,489 AssetOn Completion Shares and 1,201,496 OnPlan Consideration Shares (together the, **Completion Shares**) to the Vendors (in their relevant proportions).

4.2 Listing Rules 7.1 and 7.4

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the Completion Shares does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1 reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Completion Shares.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further Equity Securities without Shareholder approval under that Listing Rule.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 4 seeks Shareholder approval of the prior issue of 4,805,985 Completion Shares under and for the purposes of Listing Rule 7.4.

4.3 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the issue of the 4,805,985 Completion Shares will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over 12 month period following the date of issue of the Completion Shares.

If Resolution 4 is not passed, the issue of the 4,805,985 Completion Shares will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Completion Shares.

4.4 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) the Completion Shares were issued to the Vendors (in their relevant proportions), none of whom are 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 4,805,985 Completion Shares were issued to the Vendors (in their relevant proportions);
- (c) the Completion Shares are fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares;
- (d) the Completion Shares were issued on 4 September 2023;
- (e) the deemed issue price per Completion Share was \$0.8323 each;
- (f) no funds were raised from the issue of the Completion Shares as they were issued as partial consideration for completion of the acquisition of AssetOn and OnPlan by the Company;
- (g) a summary of the terms of the SPA is set out in the Company's ASX Announcement dated 3 August 2023 and is set out in Annexure A to this Notice; and
- (h) a voting exclusion statement is included in this Notice.

4.5 Directors' recommendations

The Directors unanimously recommend Shareholders vote in favour of Resolution 4.

5 RESOLUTION 5 – APPROVAL TO ISSUE OPTIONS TO BUCKLEY ADVISORY GROUP PTY LTD, AS NOMINEE OF MR BENJAMIN BUCKLEY

5.1 General

The Company proposes to issue to its Managing Director, Mr Benjamin Buckley, a total of 3,000,000 Options as incentive securities (**Buckley Options**) in three tranches with exercise prices, vesting dates and expiry dates as follows:

Tranche	# of Buckley Options	Exercise Price	Vesting Date	Expiry Date
1	1,000,000	\$1.22	31 August 2024	1 August 2027
2	1,000,000	\$1.22	31 August 2025	1 August 2027
3	1,000,000	\$1.22	31 August 2026	1 August 2027

In addition, the Buckley Options are subject to the following vesting conditions:

- (a) 50% of the Buckley Options the subject of the relevant tranche will be assessed for vesting based on the total shareholder return (**TSR**) achieved by the Company relative to the ASX Small Industrial Index percentile ranking over the relevant measurement period (being the financial period commencing on 1 July in the year prior to the Vesting Date and ending on 30 June in the year of the relevant Vesting Date) in accordance with the below table:

Company's TSR performance relative to the ASX Small Industrials Index percentile ranking over the relevant Measurement Period	Portion of Buckley Options relevant to TSR that vest
Threshold: Company's TSR is less than the ASX Small Industrials Index	Nil
Company's TSR is equal to the equal to the ASX Small Industrials Index	50%
Company's TSR is greater than the ASX Small Industrial Index	50% vesting plus additional straight-line vesting based on 4% of award for each percentile increase up to 100% (equates to achieved TSR being 25% above the ASX Small Industrial Index to attain 100% vesting).

- (b) 50% of the Buckley Options the subject of the relevant tranche will be assessed for vesting based on the attainment of the Company's budgeted return on capital in accordance with the below table:

Attainment of Company's budgeted Return on Capital	Portion of Buckley Options relevant to budgeted return that vest
Below 75th percentile	Nil
75th percentile & above	75% vesting plus straight-line vesting based on 4% of award for each percentile increase up to 100%

The full terms and conditions of the Buckley Options are outlined in Annexure B to this Notice.

This Resolution seeks Shareholder approval to issue and allot the Buckley Options to Mr Buckley (or his nominee). The purpose of the Buckley Options is to remunerate Mr Buckley for the significant workload undertaken and envisaged to support the Company in his role as Managing Director.

The grant of the Buckley Options is subject to and conditional on the Company first obtaining Shareholder approval.

If this Resolution 5 is passed, the Company will be able to proceed with the proposed issue of the Buckley Options.

If this Resolution 5 is not passed, the Company will not be able to proceed with the proposed issue of the Buckley Options and the Company will need to consider alternative arrangements to appropriately remunerate Mr Buckley.

5.2 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue Equity Securities to persons in a position of influence without Shareholder approval.

A person in a position of influence for the purposes of Listing Rule 10.11 includes:

- (a) a Related Party;

- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the Company;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an Associate of a person referred to in (a) to (c) above; and
- (e) a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in ASX's opinion, the issue or agreement should be approved by Shareholders.

As a Director, Mr Buckley is a Related Party and accordingly is a person in a position of influence for the purposes of Listing Rule 10.11. The proposed issue of the Buckley Options does not fall within any of the exceptions in Listing Rule 10.12, and therefore requires the approval of Shareholders under Listing Rule 10.11.

If approval is obtained under Listing Rule 10.11 then, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under and for the purposes of Listing Rule 7.1.

5.3 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a Related Party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions set out in section 210 to 216 of the Corporations Act; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit in the manner set out in section 217 to 227 of the Corporations Act.

The proposed issue of Buckley Options (which is a type of equity security, for the purposes of Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

The Directors (excluding Mr Buckley) have carefully considered the issue of the Buckley Options, the circumstances of the Company and the circumstances of Mr Buckley and formed the view that the giving of this financial benefit does not require shareholder approval under Chapter 2E of the Corporations Act as the Buckley Options form part of Mr Buckley's remuneration and the remuneration is reasonable.

Accordingly, the Directors (excluding Mr Buckley) believe that the issue of these Buckley Options fall within the "reasonable remuneration" exception as set out in section 211 of the Corporations Act, and relies on this exception for the purposes of this Resolution. Therefore, the proposed issue of Buckley Options requires Shareholder approval under and for the purposes of Listing Rule 10.11 only.

5.4 Information required by Listing Rule 10.13

The following information in relation to the issue of the Buckley Options is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) Buckley Advisory, as nominee for Mr Benjamin Buckley, is the proposed allottee of the Buckley Options.
- (b) Mr Buckley, is a Director and falls into the category referred in Listing Rule 10.11.1.
- (c) The maximum number of Buckley Options to be issued to Buckley Advisory is 3 million.
- (d) The full terms and conditions of the Buckley Options are set out in Annexure B.
- (e) The Buckley Options will be issued within 1 month of Shareholder approval being obtained by the Company (or such longer period as ASX in its discretion may allow).
- (f) The Buckley Options will be offered for nil cash consideration.
- (g) Funds will not be raised from the issue of the Buckley Options as the issue is proposed to be made to remunerate the Mr Buckley for the significant workload undertaken and envisaged to support the Company.
- (h) Mr Buckley's current total remuneration package for the year ending 30 June 2023 is \$478,835 (inclusive of superannuation).

- (i) The Buckley Options are not being issued pursuant to any agreement.
- (j) A voting exclusion statement is included in the Notice.

5.5 Valuation of financial benefit

The Buckley Options are not proposed to be quoted on ASX, accordingly, they have no easily identifiable market value. However, as the Buckley Options could be exercised into Shares (subject to satisfaction of its terms), the Buckley Options may have a present value at the date of their issue.

The method used to value the Buckley Options was the Monte Carlo simulation model, which is a commonly used and recognised model for valuing options. The value of a Buckley Option calculated by this model is a function of the relationship between a number of variables and inputs, which can be summarised as follows:

Valuation input	Assumption
Market price of the Company's Shares	\$0.85
Exercise price	\$1.22
Vesting date	
○ 1,000,000	31/08/2024
○ 1,000,000	31/08/2025
○ 1,000,000	31/08/2026
Expiry Date	1 August 2027
Interest rate	3.96%
Volatility measure:	
○ Historical	55.8%
○ ASX Small Industrials Index	18.6%
Value for the Buckley Options	\$179,055

5.6 Directors' Recommendation

The Directors (Mr Buckley abstaining) recommend Shareholders vote in favour of this Resolution.

The Chair intends to vote all directed proxies in favour of this Resolution.

6 RESOLUTIONS 6 AND 7 – FINANCIAL ASSISTANCE BY SUBSIDIARIES OF THE COMPANY

6.1 General

This Section of the Explanatory Statement is for the purposes of section 260B(4) of the Corporations Act and contains all of the information known to the Company that is material to a Shareholder in determining whether to approve Resolutions 6 and 7.

The Company has extended its loan facility from Westpac Ltd (**Lender**) for the provision of loan funds to the Company for acquisition and working capital purposes (**Facility**). The Facility was drawn down in order to pay the cash consideration to the Vendors in relation to the acquisition by the Company of all of the issued share capital in AssetOn and OnPlan (**Acquisition**).

A summary of the Acquisition is set out at Section 4.1 above and in Annexure A.

Following the Acquisition, the Company was required by the Lender to arrange for each of AssetOn and OnPlan to give guarantees to the Lender of the obligations of the Company under the Facility and to grant a general security interest over the assets and undertakings of each of AssetOn and OnPlan to the Lender as security for the guarantee obligations (**Security**). As a part of these requirements the Lender requires the Company to seek Shareholder approval for AssetOn and OnPlan providing that financial assistance (**Financial Assistance**).

Pursuant to section 260A(1) of the Act, AssetOn, OnPlan and the Company, as their holding company, may financially assist a person to acquire shares in AssetOn or OnPlan (as applicable) only if:

- (a) giving the assistance does not materially prejudice:
 - (i) the interests of the Company or its Shareholders; or
 - (ii) the Company's ability to pay its creditors; or
- (b) the assistance is approved by Shareholders under section 260B of the Act (as to which see below); or
- (c) the assistance is exempted under section 260C of the Act.

Financial assistance is defined very broadly and includes an entity giving a guarantee and granting a security interest over its assets and undertaking in connection with the acquisition of shares in that company, or an entity which becomes a wholly owned subsidiary, or as security for the obligations of the buyer.

Under section 260A(2) of the Act, the Financial Assistance may be given before or after the acquisition of the shares in the applicable entity.

Pursuant to section 260B of the Act, the Company must have the Financial Assistance approved by:

- (a) a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by the person acquiring the shares or by their associates; or
- (b) a resolution agreed to, at a general meeting, by all of its Shareholders.

6.2 Particulars of the proposed Financial Assistance

On or about 2 September 2023, the Company entered into the Facility Agreement (**Facility Agreement**), under which the Lender agreed to provide a Facility. As is the case with similar funding arrangements, the Lender requires the Company's obligations under the Facility Agreement and related finance documents to be guaranteed and secured by certain of the Company's wholly-owned subsidiaries, which includes AssetOn and OnPlan following the Acquisition.

The Company is the listed holding company of AssetOn and OnPlan and therefore is required to obtain approval from its Shareholders for the Financial Assistance under Section 260B(2) of the Corporations Act in order for the Financial Assistance to be given. Following the passing of each Resolution, the Company (as the sole shareholder of AssetOn and OnPlan) will pass the required resolution of approval of the shareholders of AssetOn and OnPlan for the purposes of section 260B(1) of the Corporations Act.

6.3 Reasons for the Financial Assistance

The Financial Assistance is proposed because:

- (a) it is a requirement of the Lender under the Facility Agreement that, following the Acquisition, the Company procure that each of AssetOn and OnPlan accede as a guarantor under the Facility Agreement and provide the Security and guarantee. By acceding to the Facility Agreement and providing the Security and guarantee, AssetOn and OnPlan may be assisting the Company to comply with its obligations under the Facility Agreement, which in turn is providing Financial Assistance to acquire the shares in AssetOn and OnPlan (as applicable);
- (b) if either AssetOn or OnPlan does not give the Financial Assistance, the Company will be in breach of the Facility Agreement, which would give the Lender the right to demand all or any part of the Facility loaned to the Company under the Facility Agreement (plus accrued interest) to be immediately due and payable. This would have an adverse impact on the Company's existing cash reserves and may require refinancing or renegotiating the facilities under the Facility Agreement, which may result in more restrictive and expensive terms, which would likely impact the Company's operations; and
- (c) it is considered the giving of Financial Assistance is beneficial to all Shareholders as it allows for the Acquisition to proceed in the manner it occurred.

6.4 Effect of the proposed Financial Assistance

The effect of the Financial Assistance will be each of:

- (a) AssetOn and OnPlan will be a guarantor of the Company's obligations under the Facility Agreement and may be required to perform obligations of the Company in the event of default by the Company or another guarantor;
- (b) AssetOn and OnPlan will provide the Security and the Lender will be entitled to enforce the Security if the Company or another guarantor fails to perform its obligations under the Facility Agreement; and

- (c) AssetOn and OnPlan will be required to perform and comply with the obligations under the Facility Agreement and related finance documents to the extent those documents impose obligations on either AssetOn or OnPlan.

The directors of AssetOn and OnPlan, together with the Directors, do not believe the giving of the Financial Assistance will have the effect of materially prejudicing the interests of the creditors or shareholders of AssetOn, OnPlan or the Company.

6.5 Advantages of the proposed Financial Assistance

If AssetOn or OnPlan provides the Financial Assistance by granting the Security, this will allow the Company to satisfy its obligations to the Lender under the Facility Agreement.

6.6 Disadvantages of the proposed Financial Assistance

- (a) The Company is already liable for the amounts due under the Facility Agreement. Accordingly, the Directors do not believe there are any disadvantages to the Company in the Financial Assistance being provided.
- (b) If the Financial Assistance is given, then AssetOn or OnPlan may be liable to repay all moneys payable under the Facility Agreement. This may have an adverse impact on the financial position of AssetOn or OnPlan if it is liable for the debts and obligations of the Company under the Facility Agreement. If the Company defaults, the Lender may make a demand under the Security requiring AssetOn or OnPlan pay the amounts due under the Facility Agreement.
- (c) The operations of AssetOn and OnPlan, including their ability to borrow money in the future from other financiers may be restricted by the Security.

Notwithstanding the above, the Directors have no reason to believe there are any prevailing circumstances the Lender making a claim against the Security is probable or likely.

Accordingly, the potential disadvantages to AssetOn and OnPlan for providing the Financial Assistance are outweighed by the advantages to the Company (and AssetOn and OnPlan as subsidiaries) in accessing the Facility.

6.7 Other information material to the decision

- (a) The Directors consider the consequences of not providing the Financial Assistance (as outlined in Section 6.3) will have a far greater adverse impact on Shareholders than any potential consequence of providing the Financial Assistance (as outlined in Section 6.6).
- (b) The Directors consider this Section 6 of the Explanatory Statement contains all of the information known to the Company which would be material to Shareholders in deciding whether to approve the resolutions the subject of this Notice, other than the information which it would be unreasonable to require the Company to include because it has been previously disclosed to Shareholders.
- (c) Resolutions 6 and 7 require a Special Resolution, which means that to be passed the item needs the approval of at least 75% of the votes cast by Shareholders entitled to vote on those Resolutions.

6.8 Directors Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolutions 6 and 7.

GLOSSARY

\$ means Australian dollars.

10% Placement Facility has the meaning given in Section 3.1.

Acquisition has the meaning given in Section 6.1.

Annual General Meeting or **Meeting** means the annual general meeting convened by the Notice of Meeting.

Annual Report means the annual report of the Company for the financial year ended 30 June 2023.

AssetOn has the meaning given in Section 4.1.

AssetOn Completion Shares has the meaning given in Section 4.1.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Auditor's Report means the auditor's report contained in the Annual Report.

AWST means Western Standard Time as observed in Perth, Western Australia.

Board means the Directors acting as the board of directors of the Company or a committee appointed by such board of directors.

Buckley Options has the meaning given in Section 5.1.

Chair or **Chairman** means the chair of the Annual General Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations.

Company means COSOL Limited ACN 635 371 363.

Completion has the meaning given in Section 4.1.

Completion Shares has the meaning given in Section 4.1.

Constitution means the Company's Constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Director means a current director of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Securities has the same meaning as given in the Listing Rules.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Facility has the meaning given in Section 6.1.

Facility Agreement has the meaning given in Section 6.2.

Financial Assistance has the meaning given in Section 6.1.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Lender has the meaning given in Section 6.1.

Notice or **Notice of Meeting** means the notice of meeting which forms part of this Explanatory Statement.

OnPlan has the meaning given in Section 4.1.

OnPlan Completion Shares has the meaning given in Section 4.1.

Proxy Form means the enclosed appointment of proxy form.

Related Party is defined in section 228 of the Corporations Act.

Remuneration Report means the remuneration report in the Directors' Report section of the Annual Report.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section contained in this Explanatory Statement.

Security has the meaning given in Section 6.1.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

SPA has the meaning given in Section 4.1.

Spill Resolution and **Spill Meeting** each have the meaning given in Section 1.2.

Vendors has the meaning given in Section 4.1.

A summary of the material terms of the SPA are set out below.

1. Parties

- (a) the Company;
- (b) OnPlan;
- (c) AssetOn; and
- (d) the Vendors, who are not Listing Rule 10.1 parties in relation to the Company.

2. AssetOn Consideration

At Completion, the Company:

- (a) paid to the Vendors (in their relevant proportions) \$14 million in cash; and
- (b) issued to the Vendors \$3 million in Shares at a deemed issue price calculated as the VWAP at which Shares are traded on ASX in the 14 trading days immediately prior to the execution of the SPA.

Depending on the future performance of the AssetOn business, the Vendors will also be entitled to receive a further, deferred, payment of earnout consideration of up to a further \$6 million (up to 50% of which payment, if any, being payable in Shares, at the Company's election, with the balance payable in cash), based on a sliding scale of AssetOn's FY24 EBITDA result compared to its FY24 EBITDA target of \$4.3 million. Any Shares issued as earnout consideration will have a deemed issue price calculated as the VWA at which Shares were trading on ASX in the 14 trading days immediately prior to the date on which the Company releases its FY24 audited financial statement.

Key personnel of AssetOn must generally have remained continually employed or engaged by AssetOn throughout the earnout period in order for the Vendors to be entitled to any earnout consideration regarding AssetOn.

3. OnPlan Consideration

At Completion, the Company:

- (c) paid to the Vendors (in their relevant proportions) \$4 million in cash; and
- (d) issued to the Vendors \$1 million in Shares at a deemed issue price calculated as the VWAP at which Shares are traded on ASX in the 14 trading days immediately prior to the execution of the SPA.

Depending on the future performance of the OnPlan business, the Vendors will also be entitled to receive a further, deferred, payment of a further \$1 million in cash, being a fixed fee which is payable if OnPlan achieves or exceeds an FY24 annualised monthly revenue figure of \$2.4 million (with no amount being payable to the Vendors if that target is not reached).

Key personnel of OnPlan must generally have remained continually employed or engaged by the OnPlan throughout the earnout period in order for the Vendors to be entitled to any earnout consideration regarding OnPlan.

4. Conditions Precedent

Completion of the acquisition was subject to a range of conditions precedent, which included:

- (a) conditions ordinarily found in similar acquisition transactions, including:
 - (i) there being no material adverse condition in relation to either AssetOn or OnPlan in the period prior to Completion;
 - (ii) consents being obtained from relevant AssetOn and OnPlan contractual counterparties regarding the change in control of AssetOn and OnPlan which will occur by virtue of the acquisition;
 - (iii) the Company having undertaken an equity raising of at least \$11 million; and
 - (iv) all other necessary regulatory, shareholder and other approvals being obtained in connection with the transactions contemplated by the SPA; and
- (b) certain conditions which were specific to Clarita's particular business including conditions which related to the Company having comfort as to continuity of service of key employees and there being no debt (other than certain permitted exceptions) attributable to the business as at completion.

5. Other

- (a) Completion occurred on or about 2 September 2023.

Annexure B – Summary of terms of the Buckley Options

1. Each Buckley Option entitles the holder to subscribe for one Share upon exercise of each Buckley Option.
2. The Buckley Options will be subject to vesting conditions in tranches. The relevant exercise price, vesting date and expiry date of each tranche of Buckley Options is as follows:

Tranche	Number of Buckley Options	Exercise Price	Vesting Date	Expiry Date
1	1,000,000	\$1.22	31 August 2024	1 August 2027
2	1,000,000	\$1.22	31 August 2025	1 August 2027
3	1,000,000	\$1.22	31 August 2026	1 August 2027

3. Subject to satisfaction of the vesting criteria, the Buckley Options are exercisable at any time during the period commencing on the applicable Vesting Date and ending on the applicable Expiry Date for that Buckley Option. If a Buckley Option is not exercised before its relevant Expiry Date it will automatically lapse (and thereafter be incapable of exercise).
4. The Buckley Options may be exercised by notice in writing to the Company (**Notice of Exercise**) accompanied by payment of the Exercise Price for each Buckley Option exercised.
5. A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt by the Company in cleared funds of the payment of the Exercise Price for each Buckley Option being exercised (**Exercise Date**).
6. All Shares issued upon exercise of the Buckley Options will, from the date they are issued, rank pari passu in all respects with the then issued Shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of the Buckley Options.
7. The optionholder will be entitled to participate in any new issue of securities to existing holders of Shares provided the optionholder has exercised the Buckley Options prior to the record date for determining entitlements.
8. The Buckley Options do not confer on the holder any right to participate in dividends until Shares are allotted pursuant to the exercise of the Buckley Options.
9. Subject to paragraph 10, if the Company makes a bonus share issue, a rights issue or any other similar issues of rights or entitlement, there will be no adjustment to the exercise price, the number of Shares per Buckley Option or any other terms of those Buckley Options.
10. On a reorganisation of the Company's capital, the rights of the optionholder (including the number of Buckley Options and the exercise price) will be changed to the extent necessary to comply with the Listing Rules.
11. Subject to the Corporations Act, the Listing Rules and the Constitution, the Buckley Options are transferrable at the discretion of the Board.
12. Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies to the Buckley Options.
13. The Buckley Options will not be listed for quotation on the ASX.



COSOL LIMITED
ACN 635 371 363

LODGE YOUR VOTE



ONLINE

<https://investorcentre.linkgroup.com>



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
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150



ALL ENQUIRIES TO

Telephone: 1300 554 474 Overseas: +61 1300 554 474



X999999999999

PROXY FORM

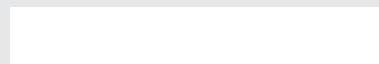
I/We being a member(s) of COSOL Limited and entitled to participate in and vote hereby appoint:

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



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 **09:00am (AWST) on Thursday, 16 November 2023 at Level 18 Alluvion, 58 Mounts Bay Road Perth WA 6000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1 & 5: 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 & 5, 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"/>	5 APPROVAL TO ISSUE OPTIONS TO BUCKLEY ADVISORY GROUP PTY LTD AS NOMINEE OF MR BENJAMIN BUCKLEY, MANAGING DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 RE-ELECTION OF DIRECTOR – STEPHEN JOHNSTON	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 FINANCIAL ASSISTANCE BY ASSETON GROUP PTY LTD, A SUBSIDIARY OF THE COMPANY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 ASX LISTING RULE 7.1A (ADDITIONAL 10% CAPACITY) APPROVAL OF FUTURE ISSUE OF SECURITIES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 FINANCIAL ASSISTANCE BY ONPLAN TECHNOLOGIES PTY LTD, A SUBSIDIARY OF THE COMPANY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 RATIFICATION OF PRIOR ISSUE OF ASSETON AND ONPLAN COMPLETION SHARES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* 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

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 PRX2302C

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 Resolutions are 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 participate in 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 participate in 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.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **09:00am (AWST) on Tuesday, 14 November 2023**, 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

<https://investorcentre.linkgroup.com>

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 <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



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

Deliver it to Link Market Services Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

*during business hours Monday to Friday (9:00am - 5:00pm)



COMMUNICATION PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, shareholders will need their "Holder Identifier" - Shareholder Reference Number (SRN) or Holder Identification Number (HIN).

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