

# AssetOwl Limited

ACN 122 727 342



## Offer Document Non-Renounceable Entitlement Offer

### Entitlement Offer

For a non-renounceable pro rata offer of 3 (three) fully paid ordinary shares in the Company (**New Shares**) for every 8 (eight) fully paid ordinary shares in the Company held at 5.00pm (WST) on Wednesday, 6 May 2020 (**Record Date**) at an offer price of \$0.008 per New Share, to raise up to \$903,662 (before costs) (**Entitlement Offer**).

### Shortfall Offer

For the offer to Eligible Shareholders of the shortfall to the Entitlement Offer, at an issue price of \$0.008 per New Share (**Shortfall Offer**).

**The Entitlement Offer opens on Thursday, 7 May 2020 and closes at 5.00pm (WST) on Wednesday, 20 May 2020 (unless extended).**

The Entitlement Offer is not underwritten.

### Lead Manager



Sequoia Corporate Finance Pty Ltd (ACN 602 219 072) (a Corporate Authorised Representative No 469074 of Sequoia Wealth Management Pty Limited (ACN 002 314 310) AFSL No. 472387).

### Important Notice

This document contains important information about the Entitlement Offer. You should read the entire document.

This Offer Document is not a prospectus or other form of disclosure document. It does not contain all of the information that you may require to make an investment decision or the information that would otherwise be required by Australian law or any other law to be disclosed in a prospectus.

Please read the instructions in this document and the accompanying Entitlement and Acceptance Form regarding your Entitlements. If you have any questions about the Entitlement Offer or this Offer Document, you should speak to your professional adviser.

The securities offered by this Offer Document should be considered speculative.

## Important information

This Offer Document was prepared by AssetOwl Limited ACN 122 727 342 (**Company**) and is dated Friday 1 May 2020.

### **This Offer Document is not a prospectus**

This Offer Document contains an offer of New Shares to Eligible Shareholders and has been prepared in reliance on section 708AA (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*) which allows rights issues to be conducted without an offer document. This Offer Document is not a prospectus and does not contain all of the information which would be found in a prospectus, or which may be required by an investor to make a decision regarding the Entitlement Offer. This Offer Document has not been lodged with ASIC.

### **This is an important document and requires your immediate attention**

You should carefully read all of this Offer Document before making a decision about the Entitlement Offer. In particular, you should consider the risk factors set out in Section 4 of this Offer Document which could affect the performance of the Company or the value of your investment in the Company.

### **Not investment or financial product advice**

The information in this Offer Document does not constitute investment or financial product advice and does not take into account your investment objectives, financial situation or particular needs. If you have any questions about the Entitlement Offer you should contact your stockbroker, accountant or other professional adviser.

The potential tax effects of the Entitlement Offer will vary between investors. You should consult with your tax adviser about any possible tax consequences.

### **Information about the Company**

Announcements released by the Company are available from the ASX website ([www.asx.com.au](http://www.asx.com.au)) and the Company's website ([www.hotchili.net.au](http://www.hotchili.net.au)). Although these announcements are not incorporated into this Offer Document, you should have regard to them before making a decision whether or not to participate in the Entitlement Offer, or to otherwise invest in the Company.

The Company may release further announcements after the date of this Offer Document and throughout the Entitlement Offer Period, which may be relevant to your consideration of the Entitlement Offer. You should check whether any announcements have been released by the Company after the date of this Offer Document before taking any action or deciding to do nothing in relation to the Entitlement Offer. These announcements will be available from the ASX website ([www.asx.com.au](http://www.asx.com.au)) and the Company's website ([www.assetowl.com.au](http://www.assetowl.com.au)).

### **Disclaimer of representations**

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Offer Document. Any information or representation that is not in this Offer Document may not be relied on as having been authorised by the Company or its related body corporates in connection with the Entitlement Offer. Except as required by law, and only to the extent required, none of the Company, or any other person warrants or guarantees the

future performance of the Company or any return on investment made pursuant to this Offer Document.

### **Forward looking statements**

This Offer Document may contain forward looking statements. Statements that describe the Company's objectives, plans, goals or expectations are or may be forward looking statements.

Forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that may cause the actual results, performance or achievements of the Company to be materially different from the results, performance or achievements expressed or implied by such statements.

Any forward looking statements in this Offer Document are made and reflect views held, only at the date of this Offer Document. The Company makes no representation and gives no assurance or guarantee that the occurrence of the events or the achievement of results expressed or implied in such statements will actually occur. You are cautioned not to place undue reliance on any forward looking statements. Except to the extent required by law (including the Listing Rules), the Company does not give any undertaking to update or revise any forward looking statements after the date of the Offer Document to reflect any changes in expectations in relation to forward looking statements or any change in events, conditions or circumstances on which any such statement is based.

Investors should note that past performance, including past share price performance cannot be relied on as an indicator of, and provides no guidance as to, future performance, including future share price performance.

### **Overseas offer restrictions**

This Offer Document is not, and is not intended to constitute, an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue. By applying for New Shares, including the submitting the Entitlement and Acceptance Form or making a payment using BPAY® you represent and warrant that there has been no breach of such laws.

The distribution of this Offer Document outside Australia and New Zealand may be restricted by laws and persons who come into possession of it should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. The Company disclaims all liability to such persons.

No action has been taken to register or qualify this Offer Document, the New Shares or the Entitlement Offer, or otherwise to permit a public offering of the New Shares, in any jurisdiction outside Australia and New Zealand.

### **Residents of New Zealand**

The New Shares offered to Eligible Shareholders in New Zealand under this Offer Document are offered in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand). This Offer Document is not an investment statement or Offer Document under New Zealand law and may not contain all the information that an investment statement or Offer Document under New Zealand law is required to contain.

### **Currency**

All references to "\$", "AUD" or "dollar" are references to Australian currency unless otherwise indicated.

**Reference to time**

All references to time relate to Western Standard Time in Perth, Western Australia.

**Defined terms**

Terms and abbreviations used in this Offer Document are defined in Section 7 of this Offer Document.

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## Key Information

### Indicative Timetable

Event	Date
Announcement of Entitlement Offer and Placement to ASX	Thursday, 30 April 2020
Lodgement of Offer Document with ASX	Friday, 1 May 2020
Record Date (the date for identifying Shareholders entitled to participate in the Entitlement Offer)	Wednesday, 6 May 2020
Shares issued to Placement Participants	Thursday, 7 May 2020
Offer Document with Entitlement and Acceptance Forms sent to Eligible Shareholders, announcement of the same. Entitlement Offer opens	Thursday, 7 May 2020
Last day to extend Closing Date	Friday, 15 May 2020
Closing Date (the last day for receipt of acceptances under the Entitlement Offer)	Wednesday, 20 May 2020
Announcement to ASX of the results of the Entitlement Offer and any Shortfall	Friday, 22 May 2020
Issue date (New Shares issued under the Entitlement Offer entered into the Share register)	Monday, 25 May 2020
New Shares expected to commence normal trading on ASX	Tuesday, 26 May 2020

The above events, dates and times are indicative only and may be subject to change. The Company reserves the right to amend any of these events, dates and times without notice, subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, the Company reserves the right to extend the Closing Date and to accept late applications. The commencement of trading of New Shares on ASX is subject to confirmation by ASX.

Key Details of Entitlement Offer	
Ratio	3 (three) New Shares for every 8 (eight) Shares held at the Record Date
Offer Price	\$0.008 per New Share
Maximum number of New Shares to be issued	112,957,805 (approximately)
Maximum funds to be raised (before costs)	\$903,662
Minimum subscription	There is no minimum subscription to the Entitlement Offer

### Delivery of Offer Document and Entitlement and Acceptance Forms

The Company is aware that, due to Covid-19, there may be significant postal delivery delays with the potential to impact on Shareholders' ability to receive and return their Offer Document and Entitlement and Acceptance forms in time to participate in the Entitlement Offer.

Shareholders who wish to participate in the Entitlement Offer, are encouraged to provide their email address to the Company's share registry to permit electronic delivery of their Entitlement and Acceptance forms for participation in the Entitlement Offer.

If you have not provided your email address to the share registry, Automic Pty Ltd, or the Company's former share registry Security Transfer Australia, or if you are unsure, to receive a copy of the Offer Document and a personalised Entitlement and Acceptance form please contact AssetOwl's Company Secretary via [companysecretary@assetowl.com](mailto:companysecretary@assetowl.com) prior to the closing date of the Entitlement Offer noted above.

# Corporate Directory

## Directors

Mr Simon Trevisan  
(Chairman)

Mr Andrew Lane  
(Non-Executive Director)

Mr Geoff Baldwin  
(Non-Executive Director)

## Company Secretary

Mr Sean Meakin

## Registered and Principal Office

Level 14  
225 St Georges Terrace  
Perth, Western Australia 6000  
Telephone: +61 8 9424 9320  
Facsimile: +61 8 9321 5932  
Email: enquiry@assetowl.com

**ASX Code:** AO1

## Website

<https://assetowl.com/>

## Share Registry\*

Automic Pty Ltd - 'Automic Group'

Perth Office  
Level 2  
267 St Georges Terrace  
PERTH WA 6000

Sydney Office  
Level 5  
126 Phillip Street  
SYDNEY NSW 2000

Telephone:

Within Australia: 1300 288 664  
Outside Australia: +61 2 9698 5414

GPO Box 5193  
Sydney NSW 2001

## Solicitors to the Entitlement Offer

Jackson McDonald  
Level 17, 225 St Georges Terrace  
Perth, Western Australia 6000

## Lead Manager

Sequoia Corporate Finance Pty Ltd  
Level 8, 525 Flinders Street  
Melbourne, VIC 3000

\*Included for information purposes only. This entity has not been involved in the preparation of this Offer Document.

## 1. Entitlement Offers

### 1.1 Overview of the Offer

The Company intends to invite shareholders to participate in a 3 for 8 pro-rata non-renounceable entitlement offer of new ordinary shares in the Company (**New Shares**) at an offer price of \$0.008 (**Offer Price**) per New Share, to raise up to \$903,662 (before costs) (**Entitlement Offer**).

The Entitlement Offer is comprised of:

- (a) **Entitlement Offer** – Eligible Shareholders are being offered Entitlements under the Entitlement Offer which can be taken up whole or in part. Entitlements are non-renounceable and are not tradeable or otherwise transferable; and
- (b) **Shortfall Offer** – Eligible Shareholders may also apply for any number of additional New Shares at the Offer Price under the Shortfall Offer.

### 1.2 Details of the Entitlement Offer

#### (a) Entitlement Offer

The Company is seeking to raise up to \$903,662 (before costs) through a non-renounceable pro rata offer of New Shares to Eligible Shareholders.

Under the Entitlement Offer, Eligible Shareholders are invited to apply for 3 (three) New Shares for every 8 (eight) Shares held at the Record Date, being 5.00pm (WST) on Wednesday, 6 May 2020 at the Offer Price of \$0.008 per New Share.

New Shares issued under the Entitlement Offer will be fully paid and will rank equally with existing Shares on issue.

The Entitlement Offer opens on Thursday, 7 May 2020 and will close at 5.00pm (WST) on Wednesday, 20 May 2020, unless extended. Settlement of the Entitlement Offer is expected to occur on Monday, 25 May 2020, with New Shares issued under the Entitlement Offer expected to commence normal trading on Tuesday, 26 May 2020.

The Company currently has 301,220,812 Shares on issue. Based on the current capital structure, up to 112,957,805 New Shares may be issued under the Entitlement Offer to raise up to \$903,662 (before costs).

#### (b) Minimum subscription

There is no minimum subscription for the Entitlement Offer.

#### (c) Underwriting

The Entitlement Offer is not underwritten.

#### (d) Non-renounceable Entitlement Offer

The Entitlement Offer is non-renounceable. Eligible Shareholders are not able to sell or transfer their Entitlements. Any Entitlements not taken up by Eligible Shareholders will lapse and the corresponding New Shares will form part of the Shortfall Offer.

### 1.3 Purpose of the Entitlement Offer and use of funds

The Company is seeking to raise up to \$903,662 (before costs) under the Entitlement Offer and \$600,000 (before costs) under the Placement (see Section 1.10), being a total amount raised of \$1,503,662 (before all costs).

The funds raised under the Entitlement Offer and the Placement will principally be used to scale the deployment capability of the Company's Inspector360 photo-centric enterprise software platform for managing inspections of real estate assets and provide working capital as the Company increases its customer base for Inspector360.

The table below sets out how the Company will allocate the funds raised under the Entitlement Offer and the Placement assuming a total amount of \$1,500,000 is raised:

Use of funds	Amount
Research and development of Inspector360	\$700,000
Customer roll-out and support of Inspector360	\$250,000
Costs of the Entitlement Offer and Placement	\$135,000
Payment of outstanding liabilities	\$161,000
Working capital requirements	\$254,000
<b>Total</b>	<b>\$1,500,000</b>

**Note:** The information in this table is indicative only and is subject to change. In the event the Company raises an amount of funds under the Entitlement Offer that is less than \$903,662 (full subscription), the Company will adjust the amount to be allocated to general working capital requirements accordingly.

### 1.4 Closing Date

The Company will accept applications under the Entitlement Offer from the date of this Offer Document until the Closing Date, being 5.00pm (WST) on Wednesday, 20 May 2020 (or such other date determined by the Directors in their discretion subject to the requirements of the Corporations Act, the Listing Rules and any other applicable law).

### 1.5 Your entitlement under the Entitlement Offer

Your entitlement to participate in the Entitlement Offer is shown by the number of Entitlements on the accompanying Entitlement and Acceptance Form and has been calculated based on 3 (three) New Shares for every 8 (eight) Shares you hold at the Record Date.

Fractional Entitlements will be rounded up to the nearest whole number.

If you have more than one holding of Shares, you will be sent separate personalised Entitlement and Acceptance Forms and will receive a separate entitlement for each holding.

### 1.6 Eligibility to participate in the Entitlement Offer

The Entitlement Offer is made to Eligible Shareholders only.

Eligible Shareholders are those Shareholders who at the Record Date:

- (a) have a registered address listed on the Company's share register in Australia or New Zealand;
- (b) are not in the United States and are not a US person or acting for the account or benefit of a person in the United States or a US person; and



- (c) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer, without the use of a prospectus, disclosure document or other lodgement, filing, registration or qualification.

The Entitlement Offer is not extended to Shareholders who are not Eligible Shareholders.

Eligible Shareholders resident in New Zealand should take into account the foreign investment restrictions set out in the "Important Information" section at the beginning of this Offer Document.

## 1.7 Excluded Shareholders

Shareholders who do not meet the criteria to participate in the Entitlement Offer are Excluded Shareholders. Excluded Shareholders are not entitled to participate in the Entitlement Offer to subscribe for New Shares.

The Company has made this decision taking into account the number of Shareholders located outside of Australia and New Zealand, the number and value of New Shares to which those Shareholders would otherwise be entitled and the potential cost of complying with the legal requirements and regulatory requirements in those overseas jurisdictions.

New Shares that would have been offered under the Entitlement Offer to Excluded Shareholders, had they been entitled to participate in the Entitlement Offer, will form part of the Shortfall.

## 1.8 Nominees, custodians and trustees

Persons acting as nominees, trustees, or custodians for other persons must not take up any Entitlements on behalf of, or send any documents related to the Entitlement Offer to, any person in any jurisdiction where it is unlawful to do so, or to any person that is acting for the account or benefit of a person in any jurisdiction where it is unlawful to do so. By applying for New Shares, including submitting an Entitlement and Acceptance Form or making a payment using BPAY®, you represent and warrant this is the case.

The Company is not required to determine whether or not a registered holder or investor is acting as a nominee, trustee or custodian or the identity or residence of any beneficial holder of Shares. Where any person is acting as a nominee, trustee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Entitlement Offer by the beneficiary complies with applicable laws.

## 1.9 Shortfall Offer

### (a) Offer

Any New Shares not subscribed for under the Entitlement Offer by Eligible Shareholders pursuant to their Entitlement will form the shortfall (**Shortfall Offer**).

The Shortfall Offer is a separate offer under this Offer Document of New Shares which comprise the Shortfall, at an issue price of \$0.008 per New Share (i.e. the same Offer Price as the Entitlement Offer).

Eligible Shareholders may apply under the Shortfall Offer, provided that they are eligible under all applicable securities laws to receive the Shortfall Offer.

All New Shares issued pursuant to the Shortfall Offer will be issued as fully paid and will rank equally in all respects with the Existing Shares on issue. Further details of the rights attaching to New Shares are set out in Section 5.

The Company reserves the right to reject any Application or to allocate any Applicant fewer New Shares under the Shortfall Offer than the number applied for. An Applicant is not guaranteed to receive the New Shares applied for under the Shortfall Offer.

In the event that applications for Shortfall Shares exceed the total amount of the Shortfall, then applications will be scaled back.

The Company reserves the right to withdraw the Shortfall Offer at any time before New Shares are issued pursuant to it. In that event, relevant Application Moneys will be refunded without interest in accordance with the Corporations Act.

Please refer to Section 3 for details of how to apply for New Shares under the Shortfall Offer.

**(b) Allocation of Shortfall**

The Company has received a firm commitment from the Company's Chief Technology Officer, Mr Giuseppe Di Franco, that he (or his nominee) intends to subscribe for his full entitlement under the Entitlement Offer. Additionally, Mr Di Franco (or his nominee) has informed the Company he may apply for up to \$45,000 of New Shares in excess of his entitlement for New Shares that may form the Shortfall, if any.

The Directors will have discretion as to how to allocate the Shortfall. In exercising their discretion to allocate the Shortfall:

- (i) the Directors propose to allocate the Shortfall to both new investors and Eligible Shareholders in a manner considered appropriate to Applicants having regard to the best interests of the Company and the Company's desire to maximise the amount of funds raised from the Offers;
- (ii) Eligible Shareholders are encouraged to apply for the Shortfall but in allocating the Shortfall, preference will not necessarily be conferred on Eligible Shareholders;
- (iii) where the Directors consider it is in the best interests of the Company to allocate any portion of the Shortfall to a particular Applicant or to particular Applicants in order to maximise the total funds raised from the Entitlement Offer, the Directors may do so; this may result in preference being given to an Application from a new investor who is not an Eligible Shareholder;
- (iv) subject to the above, to the extent that Applications for the Shortfall are made by Eligible Shareholders, as between those Eligible Shareholders the Directors will generally endeavour to allocate the Shortfall in a manner which is considered fair to those Applicants, having regard to their existing shareholding interests;
- (v) the Directors will not allocate any portion of the Shortfall to an Applicant who is a Related Party of the Company in priority to, or the exclusion of, any other Applicant;

- (vi) the Company will not allocate New Shares under the Shortfall Offer to the extent that an Applicant's voting power in the Company would, together with the Applicant's Associates, exceed the takeover thresholds in the Corporations Act (i.e. acquiring a controlling interest in 20% or more of the issued Shares, or increasing an existing controlling interest of more than 20%), subject to certain exceptions permitted by law; and
- (vii) the Directors will not otherwise exercise their discretion regarding allocation of the Shortfall in a manner likely to exacerbate a potential unacceptable control effect, except to the extent they consider necessary (acting reasonably) to prevent the issue of shares contrary to law or the Listing Rules.

(c) **Placement of balance**

If, after the close of the Entitlement Offer, any Shortfall has not been subscribed for, the Directors reserve the right to allocate Shortfall Shares to sophisticated and professional investors as defined in sections 708(8) and 708(11) of the Corporations Act, subject to the Listing Rules and any restrictions under applicable law within 3 months of the close of the Entitlement Offer. For the avoidance of doubt, the Directors will have discretion as to how to allocate the Shortfall.

## 1.10 Details of the Placement

On Thursday, 30 April 2020, the Company announced it had successfully arranged a private placement of 75,000,000 Shares to various sophisticated and professional investors in Australia and overseas (**Placement Participants**), at an issue price of \$0.008 per Placement Share, to raise \$600,000 (before costs) (**Placement**).

The Placement is proposed to be conducted as a placement of 75,000,000 Placement Shares to Placement Participants who are not Related Parties of the Company, at an issue price of \$0.008 per Placement Share, to raise \$600,000 (before costs).

The Company has issued the Placement Shares utilising its temporary extra placement capacity (**Temporary Extra Placement Capacity**) as permitted by the ASX class waiver published on 22 April 2020.

Details of the proposed use of funds raised from the Entitlement Offer and the Placement are set out in Section 1.3.

As at the Offer Document Date, the Placement Shares to be issued under the Placement have not been issued. The Placement Shares are proposed to be issued on or about Thursday, 7 May 2020, being after the Record Date for the Entitlement Offer and before the issue of New Shares under the Entitlement Offer.

Summaries of the rights and liabilities attaching to the Placement Shares are set out in Section 5.

## 2. Effect of the Entitlement Offer

### 2.1 Effect on capital structure upon completion of the Entitlement Offer and Placement

If all of the New Shares offered under the Entitlement Offer are issued, the total number of Shares on issue will increase by up to 112,957,805 Shares.

If all of the New Shares offered under the Entitlement Offer are issued and the Placement Shares are issued, the total number of Shares on issue will increase by 187,957,805 Shares representing a dilution of approximately 62.40% following completion of the Placement and the Entitlement Offer.

Shares	
Shares on issue at the Offer Document Date	301,220,812
Shares to be issued pursuant to the Placement	75,000,000
Shares to be issued pursuant to the Entitlement Offer	112,957,805
<b>Total Shares following completion of the Entitlement Offer and Placement</b>	<b>489,178,617</b>

Notes:

1. This table assumes full subscription under the Entitlement Offer and that 112,957,805 New Shares are issued.
2. The figures in the table above assume that except for the Placement Shares, no additional Securities are issued prior to the close of the Entitlement Offer.

### 2.2 Effects on control

The potential effect the Entitlement Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand and existing shareholdings.

If Eligible Shareholders take up their Entitlements in full under the Entitlement Offer, then the Entitlement Offer will have no effect on the control of the Company. In this case, Eligible Shareholders will retain their same percentage shareholding interests in the Company.

The Entitlement Offer will likely affect the shareholding interests of Shareholders in the Company if all of the Entitlements are not accepted, as follows:

- The shareholding interest of Eligible Shareholders who do not accept all of their Entitlements will be reduced.
- The shareholding interest of Excluded Shareholders will be reduced because they cannot participate in the Entitlement Offer.
- The shareholding interest of Eligible Shareholders who accept all of their Entitlements may increase. This will depend on the number of Shortfall Shares (if any) that are issued to other investors at the discretion of the Directors.

In the event that not all Eligible Shareholders subscribe for their full entitlement (i.e. there is a Shortfall), Eligible Shareholders who do not subscribe for their full entitlement under the Entitlement Offer and Excluded Shareholders unable to participate in the Entitlement Offer will be diluted relative to those Eligible Shareholders who subscribe for some or all of their Entitlements. The extent of the dilution will depend on the degree to which other Eligible Shareholders take up their Entitlements and the issue of Shares under the Shortfall Offer.

Details of various scenarios with respect to Eligible Shareholder take-up of Entitlements and how this will affect the voting interest of substantial Shareholders is described in Section 2.7.

See Section 1.9 for further information in respect of the allocation of the Shortfall.

### 2.3 Details of substantial Shareholders

Based on publicly available information as at the Offer Document Date, the following Shareholders (together with their associates) in the table below have a relevant interest of 5% or more of the Shares on issue at the Offer Document Date.

<b>Substantial Shareholder (includes associated entities)</b>	<b>Number of Shares held at Offer Document Date</b>	<b>% of total Shares on issue at Offer Document Date</b>
Tribis Pty Ltd and Simon Trevisan <sup>1</sup>	48,146,520	15.98%
Ogee Australia Pty Ltd <Lane Super Fund A/C>	21,410,466	7.11%
NCKH Pty Ltd <AML A/C> <sup>2</sup>	21,410,460	7.10%
<b>Total</b>	<b>90,967,446</b>	<b>30.19%</b>

1. Tribis Pty Ltd is an entity controlled by Simon Trevisan, Director of the Company.
2. NCKH Pty Ltd is an entity controlled by Andrew Lane, a Director of the Company.
3. Additional investors to those named above may obtain a substantial holding following close of the Offers.

The percentage shareholding interest of each of the substantial Shareholders can increase as a result of the Entitlement Offer. This will occur if substantial Shareholders take up a greater proportion of their Entitlements than the proportion of New Shares taken up under the Entitlement Offer by other Eligible Shareholders.

If any substantial Shareholder accepts only part of that substantial Shareholder's Entitlements under the Entitlement Offer then there may be a decrease in the percentage shareholding interest of that substantial Shareholder on completion of the Entitlement Offer.

### 2.4 Related Party and substantial Shareholder commitments to subscribe for Entitlements

The following substantial Shareholders and Related Parties (i.e. Shareholder entities associated with a Director) have committed to taking up their Entitlements to the extent as follows:

- (a) Tribis Pty Ltd (a Related Party, being an entity controlled by Simon Trevisan) - a commitment of \$120,000 to subscribe for 15,000,000 New Shares;
- (b) Ogee Australia Pty Ltd - a commitment of \$55,000 to subscribe for 6,875,000 New Shares;
- (c) NCKH Pty Ltd (a Related Party, being an entity controlled by Andrew Lane) - a commitment of \$55,000 to subscribe for 6,875,000 New Shares; and
- (d) GBT Global Network Pty Ltd (a Related Party, being an entity associated with Geoff Baldwin) – a commitment of \$4,285.70 to subscribe for 535,713 New Shares.

## 2.5 Settlement of debt owed to Related Parties

As of 1 May 2020, the Company is indebted to:

- (a) Tribis Pty Ltd (an entity controlled by Simon Trevisan) (**Tribis**) – in the amount of \$152,000, comprising \$11,000 for administration fees outstanding and a \$141,000 loan made by Tribis to the Company;
- (b) NCKH Pty Ltd as trustee for the AML Trust (an entity controlled by Andrew Lane) (**NCKH**) – in the amount of \$6,000 for outstanding director fees; and
- (c) GBT Global Network Pty Ltd as trustee for Baldwin Superannuation Fund (**GBT**) (an entity of which Geoff Baldwin is a beneficiary) – in the amount of \$3,000 for outstanding director fees,

(together, **Owed Parties**).

The Company and the Owed Parties have agreed to satisfy, or partially satisfy, the debts owed to them by the Owed Parties or their relevant associated entities subscribing for their Entitlements under the Entitlement Offer as set out in Section 2.4 above.

## 2.6 Substantial Placement Participants

The Company does not anticipate that upon the completion of the Placement (and before the completion of the Entitlement Offer) any of the Placement Participants will obtain a substantial interest of 5% or more in Shares of the Company.

## 2.7 Changes in voting power of substantial Shareholders, Related Parties and substantial Placement Participants

The potential changes to the voting power of each of the substantial Shareholders and Related Parties assuming different scenarios under the Entitlement Offer are shown in the table below.

The table assumes that each substantial Shareholder and Related Party commits to subscribe for the number of shares as described in Section 2.4 above.

In the table:

- (a) the percentage voting power at completion of the Entitlement Offer and the Placement is calculated on the basis that the relevant substantial Shareholder and Related Party takes up its Committed Subscription and that other New Shares offered under this Offer Document are taken up by other Eligible Shareholders at the specified levels;
- (b) “100% take up” assumes that the relevant substantial Shareholders and Related Parties take up its Committed Subscription and all other Eligible Shareholders take up 100% of their Entitlements;
- (c) “50% take up” assumes that the relevant substantial Shareholders and Related Parties take up its Committed Subscription and all other Eligible Shareholders take up 50% of their Entitlements;
- (d) “0% take up” assumes that the relevant substantial Shareholders and Related Parties take up its Committed Subscription and all other Eligible Shareholders take up 0% of their Entitlements; and

- (e) the minimum number of Shares on issue following the completion of the Entitlement Offer will be 405,506,525 Shares comprising:
- (i) existing shares on issue of 301,220,812 Shares;
  - (ii) the issue of 75,000,000 Placement Shares; and
  - (iii) Related Party and substantial Shareholders Committed Subscription of 29,285,713 Shares

**Changes in voting power on completion of Entitlement Offer and Placement**

Voting power of substantial Shareholders				
Shareholder Name (Associate Name)	Shares held on completion of Entitlement Offer and issue of Placement Shares	Take up of Entitlements by Eligible Shareholders		
		100% take up	50% take up	0% take up
Tribis Pty Ltd (Simon Trevisan)	63,146,520	12.90%	14.10%	15.57%
NCKH Pty Ltd (Andrew Lane)	28,285,460	5.78%	6.31%	6.97%
Ogee Pty Ltd	28,285,466	5.78%	6.31%	6.97%

**2.8 Effect on financial position of the Company**

The Company will raise up to \$903,662 (before costs) from the Entitlement Offer. The total amount raised under the Entitlement Offer will depend on the number of New Shares applied for and issued under the Entitlement Offer.

Additionally, the Company will raise \$600,000 from the Placement (before costs).

The principal effect of the Placement and the Entitlement Offer (assuming all 187,957,805 New Shares are issued under the Entitlement Offer) will be to increase the Company's cash position by \$1,503,662.44 (before costs of the Placement and the Entitlement Offer) from \$201,022 as at 31 December 2019.

### 3. How to accept your Entitlement under the Entitlement Offer

#### 3.1 Your options

The number of your Entitlements to New Shares is shown on the accompanying Entitlement and Acceptance Form. Before taking any action in relation to the Entitlement Offer, you should read this Offer Document in its entirety and if required seek professional advice from your accountant, stockbroker or other professional adviser.

You will be sent more than one personalised Entitlement and Acceptance Form if you have more than one holding of Shares. You need to complete each Entitlement and Acceptance Form and make payment of the applicable Application Money for each separate holding.

Options	Action
<b>Take up all or part of your Entitlements</b>	<p>Please follow the instructions in Section 3.2 of this Offer Document and on the Entitlement and Acceptance Form and to accept all or part of your Entitlements.</p> <p>Eligible Shareholders should make payment for the applicable amount of Application Money (for the number of New Shares you wish to apply for) using BPAY® so that it is received by the Closing Date. If you use BPAY® you do not need to complete and return the Entitlement and Acceptance Form.</p> <p>If you only take up part of your Entitlements, the balance of your Entitlements will lapse and form the Shortfall.</p>
<b>Accepting Entitlement in full and applying for additional New Shares under the Shortfall Offer</b>	<p>Eligible Shareholders who wish to accept their Entitlement in full and apply for additional New Shares under the Shortfall Offer may complete the Entitlement and Acceptance Form for all of their Entitlement and specify on that form the number of additional New Shares that the Eligible Shareholder wishes to apply for under the Shortfall Offer in accordance with the instructions on the form, and:</p> <ul style="list-style-type: none"><li>• pay the applicable amount of Application Money (for the total number of New Shares you wish to apply for) using BPAY® so that it is received by the Closing Date; and</li><li>• return the completed Entitlement and Acceptance Form to the Share Registry.</li></ul>
<b>Do nothing</b>	<p>You do not need to take any action if you do not wish to accept any of your Entitlements.</p> <p>If you do nothing then your Entitlements will lapse. The New Shares not applied for will form part of the Shortfall.</p>

#### 3.2 How to apply - acceptance and payment using BPAY®

To take up all or part of your Entitlements, you can accept the Entitlement Offer by making payment using BPAY®.

Cash payments are not accepted.

For payment using BPAY®, please follow the instructions on your Entitlement and Acceptance Form (which includes the Biller Code and your Customer Reference Number). You can only make a payment using BPAY® if you are a holder of an account with an Australian financial institution that supports BPAY® transactions.



Your payment must be received by no later than (5.00pm (WST) on the Closing Date. You should take into consideration that your financial institution may implement earlier cut-off times for electronic payment when making payment to ensure that it is received by the Closing Date.

Please note that:

- you do not need to submit your Entitlement and Acceptance Form but are taken to have made the declarations on that form;
- if you do not pay for all of your Entitlements, you are deemed to have taken up your Entitlements in respect of the whole number of New Shares which is covered in full by your Application Money.

You must ensure that you use the specific Biller Code and Customer Reference Number on your Entitlement and Acceptance Form. Your application may not be accepted if you choose to pay using BPAY® and you do not use the correct Biller Code and/or Customer Reference Number. The Customer Reference Number is used to identify your holding. If you have more than one holding of Shares you will receive multiple Customer Reference Numbers. You must use each Customer Reference Number shown on each Entitlement and Acceptance Form to pay for each holding separately.

### **3.3 Application Money and refunds**

Application Money will be held on trust for applicants until New Shares are issued under this Offer Document.

Any Application Money received in excess of your final allocation of New Shares will be refunded as soon as possible after issue. If the Entitlement Offer is withdrawn, all Application Money will be refunded as soon as possible. Refund payments will be by cheque made payable to the registered holder and will be sent to the address last recorded on the Company's register of shareholders.

No interest will be paid to applicants on any Application Money which is refunded, and any interest earned on Application Money will belong to the Company.

### **3.4 Effect of taking up your Entitlements**

Submitting an Entitlement and Acceptance Form or making payment using BPAY® constitutes a binding offer to subscribe for New Shares on the terms and subject to the conditions set out in this Offer Document and, once lodged, cannot be withdrawn. The Entitlement and Acceptance Form does not need to be signed to be binding.

If an Entitlement and Acceptance Form is not completed or submitted correctly it may still be treated as a valid application. The Company's decision whether to treat an application as valid and how to construe, amend or complete or submit the application is final.

The Company reserves the right (in its sole discretion) to:

- (a) reject any application that it believes comes from a person who is not an Eligible Shareholder; and
- (b) reduce the number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if their claim to be entitled to participate in the Entitlement Offer proves to be false, exaggerated or unsubstantiated.

### **3.5 ASX quotation**

The Company has applied to ASX for Official Quotation of the New Shares. If ASX does not grant quotation to the New Shares then the Company will not issue any of the New Shares and will refund all Application Money without interest.

### **3.6 Issue of New Shares**

The Company expects to issue the New Shares under the Entitlement Offer on Monday, 25 May 2020 and send holding statements for the New Shares on that date. The New Shares will not be issued until ASX grants permission for Official Quotation of the New Shares.

It is your responsibility to determine your holdings before trading in New Shares. Any person who sells New Shares before receiving confirmation of their holding will do so at their own risk.

The Directors reserve the right not to proceed with the whole or any part of the Entitlement Offer at any time before the issue of New Shares. In that event, all Application Money will be refunded without interest.

### **3.7 Enquiries concerning your Entitlements**

If you have any queries concerning your Entitlements, please contact the Company's Share Registry using the details below:

Automic Group

Phone number: 1300 288 664 (within Australia) or +61 (0)2 9698 5414 (international)

## **4. Risk Factors**

### **4.1 Introduction**

Activities in the Company and AssetOwl Technologies, as in any business, are subject to risks which may impact on the Company's future performance. Risks affecting AssetOwl Technologies will also affect the Company as the Company carries on its main undertaking through AssetOwl Technologies. There cannot be any guarantee that the Company or AssetOwl Technologies will achieve their stated objectives.

Prior to deciding whether to subscribe for New Shares, Applicants should read the entire Offer Document and review announcements made by the Company to ASX ([www.asx.com.au](http://www.asx.com.au) under the code 'AO1') to gain an appreciation of the Company, its activities, operations, financial position and prospects.

An investment in New Shares should be considered speculative. New Shares do not carry any guarantee with respect to the payment of any dividends, returns of capital or the market value of those New Shares.

Applicants should also consider the risk factors set out below which the Directors believe represent some of the general and specific risks that Applicants should be aware of when evaluating the Company and deciding whether to subscribe for New Shares. The following risk factors are not intended to be an exhaustive list of all of the risk factors to which the Company is exposed.

### **4.2 Company specific risks**

The following risks have been identified as being key risks specific to an investment in the Company. These risks have the potential to have a significant adverse impact on the Company and may affect the Company's financial position, prospects and price of its quoted Securities.

#### **(a) Technology and commercialisation risks**

AssetOwl Technologies business is at an early stage of development. While the Company is advanced in the commercialisation of its key asset (i.e. Inspector360) and has secured customers, there cannot be any assurance that Inspector360 will generate ongoing market interest. Accordingly, AssetOwl Technologies' success (and therefore the Company's success) will depend upon the Company's ability to expand its products and services, grow its user base and generate revenue. Failure to do so may impact upon the success of the Company and AssetOwl Technologies.

In addition, the Company is seeking to provide services based on historical and existing market trends, as well as to create new markets. There cannot be any assurance of the continued growth in existing markets, nor assurance that the new markets which the Company is seeking to supply will develop as targeted.

#### **(b) Revenue model unproven**

The Company anticipates that revenues may be predominantly generated from licence fees for the use of the Inspector360 tool by property managers and landlords.

There is ability to charge on a "per use" basis, however the "per use" aspect of the revenue model for inspection management software is unproven, and there is a risk it may not be accepted by the market for AssetOwl's technology.

(c) **Design and development risk**

As with all new technology, there is an inherent risk that development of Inspector360 may encounter development or operational problems, may require refinement or rectification, or may encounter delays. Developmental problems or delays may have an adverse effect on the Company's business and financial position.

(d) **Operational and commercial viability risks**

AssetOwl Technologies has limited operational history in the development of an enterprise software solution and is not yet profitable. The Company has not yet generated any significant revenues from operations. The unproven potential of its proposed new business model makes any evaluation of the business or its prospects difficult. Whilst AssetOwl Technologies has entered commercial contracts and is in the process of commercialising Inspector360, the Company cannot give any assurances that AssetOwl Technologies will achieve commercial viability through the implementation of its business plan. Failure to do so would adversely affect the Company's business and financial position.

Since the Company intends to invest in the commercial development of Inspector360 and the supply of associated services, its Directors anticipate making further losses in the foreseeable future until the Company is able to effectively commercialise and generate revenue.

While the Directors have confidence in the future revenue-earning potential of the Company, there cannot be any certainty that the Company will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

(e) **Competition**

The software development industry is a competitive sector that is reliant upon continual technological advancement. Though the Company is not aware of any competitors directly focusing on the same approach to residential inspections as Inspector360, there cannot be any assurance that this is the case or that market competitors will not focus on this concept in the future.

There is a risk that existing competitors or new entrants to the market may develop superior or more cost-effective products or systems which could have an adverse effect on the Company's ability to commercialise Inspector360, and therefore the Company's business and financial position.

(f) **Reliance on key personnel**

The Company's success depends to a significant extent upon the Company's and AssetOwl Technologies' key management personnel, as well as other employees and technical personnel, including sub-contractors.

AssetOwl Technologies' innovative technological developments have come about through its team of key operational personnel. It has sought to foster a workplace environment which encourages innovation and technical thought-leadership.

The loss of the services of the Company's or AssetOwl Technologies' key personnel could have an adverse effect on the Company if adequate replacement personnel cannot be found.

(g) **Intellectual property risk**

The Company's technology in Inspector360 platform is not subject to any granted patents.

The Company has implemented processes for continually assessing its intellectual property and for the protection of its intellectual property, including maintaining strict confidentiality of the Company's proprietary technology and intellectual property comprised in Inspector360.

Notwithstanding its internal processes for maintaining and protecting its intellectual property, there can be no absolute assurance that the Company will always be able to protect its intellectual property from unauthorised use or copying, and any such unauthorised use may cause loss to the Company.

As Inspector360 is in a developmental phase, the Company has yet to ascertain whether any processes or software within the application are capable of patent protection and to date no application for any patent in respect of Inspector 360 has been applied for in Australia or elsewhere.

AssetOwl Technologies has been granted a provisional patent and subsequently filed an application for a standard patent under the PCT in relation to its proprietary technology related to Inspector360. The patent application has not been granted as at the Offer Date. Neither the provisional patent nor the PCT application currently gives AssetOwl Technologies any currently enforceable rights.

If the PCT application is granted, the resulting patent would constitute a significant asset to AssetOwl Technologies (and therefore the Company). Whilst AssetOwl Technologies business model is not wholly dependent upon the grant of the PCT application, it would provide AssetOwl Technologies with a greater ability to commercialise its products and services successfully through the associated patent monopoly rights to exploit the inventions and methods described in the PCT application.

The Company anticipates that AssetOwl Technologies' PCT application will be granted. However, there cannot be any assurance of this or that a patent will be granted in all PCT jurisdictions eventually selected. Further, the Company cannot provide any accurate estimate of the timeframe in which the PCT application may be granted.

Third parties may also object to the grant of the PCT application on grounds which may include alleged infringement of their patents. The Company is not aware of any of AssetOwl Technologies' technology infringing any third party's patent. However, the Company has not undertaken an extensive assessment of existing patents to determine any overlapping technology or potential infringement, as the cost of such would be prohibitive. Accordingly, there is a risk that a third party may claim that the Company's technology (including as set out in its PCT application) infringes that third party's patent.

(h) **Risk related to research and development receivable**

As at the Offer Date, the Company has accrued a research and development tax incentive from the Australian Federal Government in the amount of \$242,524 which has yet to be received by the Company. This amount has been included in the accounts of the Company as a receivable at 31 December 2019 and is calculated on eligible expenditure incurred by the Company over the 6-month period to that date. Based on its past successful grant applications, the

Company expects to receive this amount within the next 6 months but there can be no assurance that the Company will in fact receive any or all of this amount.

(i) **Software development risk**

Inspector360 contains, and other products that may be developed by the Company and AssetOwl Technologies will contain, complicated software programming. AssetOwl Technologies is pursuing an expedited programme to develop and launch new and innovative functionality. Its products may therefore contain (now or in the future) errors or vulnerabilities. Any errors or vulnerabilities discovered could result in (among other consequences) damage to AssetOwl Technologies' brand, loss of users and liability for damages, any of which could adversely affect AssetOwl Technologies' business and operating result, and therefore adversely affect the Company.

(j) **Security breaches**

The Company's business, conducted by AssetOwl Technologies, is predominately operated through the use of computer and internet systems. If AssetOwl Technologies' cyber security measures are breached, or if its products are subject to cyber-attacks that restrict user access to its products, its ability to service its customers may be adversely affected and its products may be perceived as less secure than those of any competitors, which could negatively affect AssetOwl Technologies' reputation, business and operating results, and therefore adversely affect the Company.

(k) **Data loss, theft or corruption**

AssetOwl Technologies stores data with a variety of third-party service providers. Hacking or exploitation of some unidentified vulnerability in the third-party service provider's network could lead to loss, theft or corruption of data and negatively affect AssetOwl Technologies' reputation, business and operating results, and therefore adversely affect the Company.

Depending upon the quantum of its future annual turnover and nature of personal information that it holds in the future, AssetOwl Technologies may also be required to notify customers and the Office of the Australian Information Commissioner of certain data breaches involving personal information that are likely to result in serious harm to the individual affected pursuant to the Notifiable Data Breaches scheme under the Privacy Act which came into effect in February 2018. This may result in fines or other penalties as well as reputational and financial damage to the Company and AssetOwl Technologies.

### **4.3 General investment risks**

The business activities of the Company are subject to various general economic and investment risks that may impact on the future performance of the Company. Some of these risks can be mitigated using of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated.

There are several general economic and investment risk factors that apply to companies generally and may include economic, financial, market or regulatory conditions. These risk factors include, but are not limited to, the following:

(a) **General economic conditions**

Economic conditions, both domestic and global, may affect the performance of the Company. Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, supply and demand and industrial disruption may have an impact on operating costs and share market prices. The Company's future possible revenues and Share price can be affected by these factors, all of which are beyond the control of the Company or its Directors.

(b) **Equity market conditions**

Securities quoted on the securities market, and in particular securities of small companies at any early stage of commercial development, can experience extreme price and volume fluctuations that are often unrelated to the operating performance of such companies. The market price of securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. These security market conditions may affect the value of the Company's quoted Securities regardless of the Company's operating performance.

General factors that may affect the market price of securities include economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(c) **Changes in government policy & legislation**

Any material adverse changes in relevant government policies or legislation of Australia or internationally may affect the viability and profitability of the Company, and consequently may affect returns to investors.

(d) **Investment risk**

The New Shares offered pursuant to the Entitlement Offer should be considered speculative due to the nature of the Company's business. There cannot be any guarantee as to payment of dividends, return of capital or the market value of Shares. In particular, the prices at which an investor may be able to trade Shares may be above or below the price paid for those Shares.

Prospective investors must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.

(e) **Insurance**

The Company intends to adequately insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or only partially covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

(f) **Other**

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk, and other matters that may interfere with the business or trade of the Company.

#### 4.4 **General investment risks**

(a) **Securities market conditions**

As with all securities market investments, there are risks associated with an investment in the Company. Share prices may rise or fall and the price of Shares might trade below or above the price payable for New Shares.

General factors that may affect the market price of Shares include economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity process, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(b) **Liquidity risk**

There cannot be any guarantee that there will continue to be an active market for Shares or that the price of Shares will increase. There may be relatively few buyers or sellers of securities on ASX at any given time. This may affect the volatility of the market price of Shares. It may also affect the prevailing market price at which Shareholders are able to sell Shares held by them.

(c) **Securities investment risk**

Applicants should be aware that there are risks associated with any Securities investment. Securities quoted on a securities market, and in particular securities of early stage technology companies, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the Securities regardless of the Company's performance.

(d) **Other risks**

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk, and other matters that may interfere with the business or trade of the Company.



## 5. Rights and liabilities attached to Shares

Full details of the rights and liabilities attaching to the New Shares and Placement Shares (which are both fully paid ordinary shares in the Company) are contained in the Constitution and, in certain circumstances, are regulated by the Corporations Act, the Listing Rules, the ASX Settlement Rules and the common law. The Constitution is available for inspection free of charge at the Company's registered office and on the Company's website ([www.assetowl.com.au](http://www.assetowl.com.au)).

The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights and liabilities attaching to New Shares and Placement Shares (defined terms used in this Section 5 have the meaning given to them in the Constitution):

- (a) **Share capital:** All issued ordinary fully paid shares rank equally in all respects.
- (b) **Voting rights:** At a general meeting of the Company, every holder of Shares present in person, by an attorney, representative or proxy has one vote on a show of hands and on a poll, one vote for each Share held, and for every partly paid Share held, a fraction of a vote equivalent to the proportion which the amount paid (not credited) on the Share is of the total amounts paid and payable (excluding amounts credited) on the Share. Where there is an equality of votes, the chairperson has a casting vote.
- (c) **Dividend rights:** Subject to the rights of persons (if any) entitled to Shares with special rights as to dividend (at present there are none), all dividends as declared by the Directors shall be payable on all Shares out of the Company's profits:
  - (i) in accordance with the Corporations Act; and
  - (ii) in proportion to the amount of capital paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid.

Directors may authorise the payment or crediting by the Company to the Shareholder of such a dividend.

The Directors may, before declaring any dividend, set aside out of the profits of the Company such amounts as they may determine as reserves. The Directors may direct that payment of the dividend be made wholly or in part by the distribution of specific assets or other Securities of the Company.

- (d) **Rights on winding-up:** If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair upon any property to be so divided and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other Securities in respect of which there is any liability.

- (e) **Transfer of Shares:** Shares in the Company may be transferred by such means in accordance with the Constitution, the Corporations Act, Listing Rules and ASX Settlement Rules.

The Directors may, by providing their written notice, refuse to register a transfer of Shares (other than a market transfer) only in those circumstances permitted by the Constitution, the Listing Rules and ASX Settlement Rules.

- (f) **Further increases in capital:** Subject to the Constitution, the Corporations Act and Listing Rules, Shares in the Company are under the control of the Directors, who may allot or dispose of all or any of the Shares to such persons, at such price and on such terms, as the Directors think fit.

Subject to the Listing Rules, the Directors have the right to grant Options or other Securities with rights of conversion to Shares or pre-emptive rights to any Shares, to any person, for any consideration and for any stock.

- (g) **Variation of rights attaching to Shares:** The rights attaching to any class of Shares (unless otherwise provided by their terms of issue) may be varied by a special resolution passed at a separate general meeting of the holders of those Shares of that class, or in certain circumstances, with the written consent of the holders of at least seventy-five percent (75%) of the issued Shares of that class.

- (h) **General meeting:** Subject to the Listing Rules, the provisions of the Corporations Act and the Constitution relating to special resolutions and agreement for short notice, each holder of Shares will be entitled to receive at least 28 days' notice (exclusive of the day on which the notice is served or deemed to be served and of the day for which notice is given), to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Corporations Act and the Listing Rules.

## 6. Additional information

### 6.1 Continuous disclosure documents

The Company is a “disclosing entity” for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. As a listed company, the Company is subject to the Listing Rules which require it to immediately notify ASX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of Shares, subject to certain exceptions.

This Offer Document is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making an investment decision.

Copies of documents lodged with ASX in relation to the Company, including the Company’s corporate governance policies, may be obtained from the Company’s website ([www.assetowl.com.au](http://www.assetowl.com.au)) or at ASX’s website ([www.asx.com.au](http://www.asx.com.au) using the Company’s ASX Code ‘AO1’).

### 6.2 Lead Manager Mandate

The Company and Sequoia Corporate Finance Pty Ltd (**Lead Manager**) have entered into a lead manager mandate (**Mandate**) pursuant to which the Lead Manager will provide corporate advisory and brokerage services to the Company for the Offers.

Under the Mandate, the Lead Manager is entitled to:

- (a) a fee of 6% of the total value of capital raised under the Placement and the Entitlement Offer;
- (b) a monthly corporate advisory retainer of \$3,000 per month; and
- (c) in the event of the Company successfully raising \$1,500,000 under the Placement and the Entitlement Offer, the issue of that number of Shares (**Fee Shares**) calculated by the value of total Shares on issue on completion of the Placement and Entitlement Offer calculated at the Offer Price of \$0.008, multiplied by 1% and divided by a deemed issue price of \$0.0096 (20% premium to the Offer Price); the issue of the Fee Shares is subject to Shareholder approval for the purposes of Listing Rule 7.1; in the event Shareholders do not approve the issue of the Fee Shares, Sequoia will be entitled to a cash payment determined by the number of Fee Shares to which would otherwise be issued to Sequoia multiplied by \$0.0096; if the total issued Shares of the Company is 489,178,617 Shares following completion of the Placement and the Entitlement Offer at full subscription, the number Fee Shares to be issued is 4,076,488 Shares (subject to Shareholder approval).

### 6.3 Estimated expenses of the Entitlement Offer

The estimated expenses of the Entitlement Offer are \$135,000. These costs are apportioned according to the table below (rounded to nearest \$100):

Expense (including GST)	Amount
Lead Manager and advisory fees	\$99,200
Legal fees	\$16,500
ASX fees	\$7,300
Share registry fees	\$8,100
Miscellaneous fees	\$3,900
<b>Total</b>	<b>\$135,000</b>

### 6.4 Litigation

As at the Offer Document Date, the Company is not involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against the Company.

### 6.5 Security holding interests of Directors and participation in the Entitlement Offer

As at the Offer Document Date, the relevant interests of each Director in the Securities of the Company are as follows:

Director	Shares		Options		Performance Rights
	Direct	Indirect	Direct	Indirect	
Simon Trevisan	300,000 <sup>1</sup>	47,746,520 <sup>2</sup>	Nil	Nil	Nil
Andrew Lane	Nil	21,410,460 <sup>3</sup>	Nil	Nil	Nil
Geoff Baldwin	Nil	1,428,570 <sup>4</sup>	Nil	Nil	Nil

Notes:

1. Securities held by Trevisan Family Pty Ltd as trustee for the Trevisan Superannuation Fund, of which Simon Trevisan is a beneficiary.
2. Securities held by Tribis Pty Ltd, an entity controlled by Simon Trevisan.
3. Securities held by NCKH Pty Ltd (ACN 008 867 810), an entity controlled by Andrew Lane.
4. Securities held by GBT Global Network Pty Ltd as trustee for Baldwin Superannuation Fund of which Geoff Baldwin is a beneficiary.

The Directors (or their controlled entities) who are Eligible Shareholders are entitled to participate in the Entitlement Offer in respect of their Entitlements.

### 6.6 Remuneration of Directors

The Constitution also provides that Non-Executive Directors may collectively be paid as remuneration for their services an aggregate maximum of \$240,000 or such other maximum amount set by Shareholders in general meeting. As at the Offer Date, the aggregate maximum remuneration amount for Directors, other than Executive Directors, remains set at \$240,000.

A Director may be paid fees or other amounts as the Directors determine, where a Director performs duties or provides services outside the scope of their normal duties.

A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

The table below sets out the cash remuneration of each Director for the financial years ended 30 June 2019 and 30 June 2020.

Director	Cash remuneration – financial year ended 30 June 2019	Cash remuneration – financial year ended 30 June 2020
Simon Trevisan	\$48,000	\$5,000 (per month)
Andrew Lane	\$30,000	\$3,000 (per month) <sup>2</sup>
Geoff Baldwin	\$36,000	\$3,000 (per month) <sup>3</sup>

Notes:

1. The remuneration in the table above is inclusive of superannuation.
2. Director fees paid to NCKH Pty Ltd as trustee for the AML Trust of which Andrew Lane is a beneficiary.
3. Director fees paid to GBT Global Network Pty Ltd as trustee for Baldwin Superannuation Fund of which Geoff Baldwin is a beneficiary.

Further information relating to the remuneration of Directors can be found in the Company's 2019 Annual Report, which can be found on the Company's website ([www.assetowl.com.au](http://www.assetowl.com.au)) or the ASX announcements webpage for the Company (ASX Code: AO1).

## 6.7 Interests of experts and advisers

Other than as set out below or elsewhere in this Offer Document:

- (a) all other persons named in this Offer Document as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Offer Document do not have, and have not had in the 2 years before the Offer Document Date, any interest in:
  - (i) the formation or promotion of the Company;
  - (ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Entitlement Offer; or
  - (iii) the Entitlement Offer; and
- (b) amounts have not been paid or agreed to be paid (whether in cash, Securities or otherwise), and other benefits have not been given or agreed to be given, to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the Entitlement Offer.

Expert/advisor	Service or function	Amount paid or to be paid
Jackson McDonald (a partnership)	Solicitors to the Company	Jackson McDonald will be paid approximately \$15,000 (plus GST) for legal services related to the Entitlement Offer and the Placement. Jackson McDonald has been paid or is entitled to be paid approximately \$118,085.94 (plus GST) for legal services provided to the Company and

Expert/advisor	Service or function	Amount paid or to be paid
Automic Group	Securities registry	<p>AssetOwl Technologies in the period 2 years prior to the Offer Document Date.</p> <p>Automic Group will be paid approximately \$8,100 (including GST) for services to be provided in relation to receiving and managing subscriptions under the Entitlement Offer.</p> <p>Automic Group acquired Security Transfer Australia, the Company's prior share registry, in December 2019. Prior to this time Security Transfer Australia were paid approximately \$21,368.64 (including GST) for the provision of share registry services to the Company in the period 2 years prior to the Offer Document Date.</p>
Sequoia Corporate Finance Pty Ltd	Lead Manager	<p>Sequoia Corporate Finance Pty Ltd will be paid approximately \$99,200 (including GST) for services to be provided in relation to receiving and managing subscriptions under the Entitlement Offer.</p> <p>Sequoia Corporate Finance Pty Ltd has not been paid any amount by the Company in the period 2 years prior to the Offer Document Date.</p>

## 6.8 Privacy

If you apply for New Shares, you are providing information to the Company that may be personal information for the purposes of the *Privacy Act 1988* (Cth). The Company (and the Share Registry on its behalf) collects, holds and uses personal information in order to assess applications for New Shares, service the needs of Shareholders, and provide facilities and services and to administer the Company.

Access to information may also be provided to the Company's Related Bodies Corporate, agents and service providers, regulatory bodies, mail houses and the Share Registry.

If you do not provide the information requested of you in the Entitlement and Acceptance Form, the Share Registry will not be able to process your application for New Shares or administer your holding of Shares appropriately.

## 6.9 Governing law

The Offer Document, the Entitlement Offer and the contracts formed on acceptance of applications are governed by the laws applicable in Western Australia, Australia. Each applicant submits to the non-exclusive jurisdiction of the courts of Western Australia, Australia.

## 7. Definitions

Terms and abbreviations used in this Offer Document have the following meaning:

<b>Applicant</b>	A person who applies for New Shares under and in accordance with this Offer Document.
<b>Application Money</b>	Money paid by applicants for New Shares under the Entitlement Offer.
<b>AssetOwl Technologies</b>	AssetOwl Technologies Pty Ltd (ACN 601 135 282).
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.
<b>Automic Group</b>	Automic Pty Ltd (ACN 152 260 814).
<b>Board</b>	The board of directors of the Company.
<b>Business Day</b>	Has the meaning given to it in the Listing Rules.
<b>CHESS</b>	Clearing House Electronic Sub-register System operated by ASX Settlement.
<b>CHESS Statement or Holding Statement</b>	A statement of shares registered in a CHESS account.
<b>Closing Date</b>	The time the Entitlement Offer closes, being 5.00pm (WST) on Wednesday, 20 May 2020 (unless extended).
<b>Company or AssetOwl</b>	AssetOwl Limited (ACN 122 727 342).
<b>Constitution</b>	The constitution of the Company.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Director</b>	A director of the Company as at the Offer Document Date.
<b>Eligible Shareholder</b>	A Shareholder who is eligible to participate in the Entitlement Offer as set out in Section 1.6 of this Offer Document.
<b>Entitlement</b>	The right of an Eligible Shareholder to apply for a New Share under the Entitlement Offer.
<b>Entitlement and Acceptance Form</b>	The entitlement and acceptance form that accompanies this Offer Document.
<b>Entitlement Offer</b>	The non-renounceable rights issue of 3 (three) New Shares for every 8 (eight) Shares held on the Record Date at the Offer Price, to Eligible Shareholders.
<b>Excluded Shareholder</b>	A Shareholder who is determined by the Company not to be an Eligible Shareholder.

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<b>Fee Shares</b>	The issue of fully paid Shares in the Company to the Lead Manager, subject to Shareholder approval at a general meeting of the Company, at a deemed issue price of \$0.0096, to satisfy the fee payable for corporate advisory services under the Mandate.
<b>GBT</b>	GBT Global Network Pty Ltd (ACN 096 338 653) as trustee for Baldwin Superannuation Fund.
<b>GST</b>	Goods and services tax.
<b>Inspector360</b>	The latest generation of the Company's photo-centric, cloud-based enterprise software platform for managing inspections of real estate assets.
<b>Lead Manager</b>	Sequoia Corporate Finance Pty Ltd (ACN 602 219 072) (a Corporate Authorised Representative No 469074 of Sequoia Wealth Management Pty Limited (ACN 002 314 310) AFSL No. 472387).
<b>Listing Rules</b>	The listing rules of ASX as waived or modified from time to time.
<b>Mandate</b>	The agreement between the Company and the Lead Manager for the provision of corporate advisory services.
<b>NCKH</b>	NCKH Pty Ltd (ACN 008 867 810).
<b>New Share</b>	A Share offered to Eligible Shareholders under the Entitlement Offer.
<b>Offer Document</b>	This offer document for the Entitlement Offer.
<b>Offer Document Date</b>	The date of lodgement of this Offer Document with ASX, being 1 May 2020.
<b>Offer Price</b>	The price payable per New Share under the Entitlement Offer, Shortfall Offer and the Placement being \$0.008 per New Share.
<b>Official Quotation</b>	The admission of Securities to the official list of ASX.
<b>Opening Date</b>	The opening date of the Entitlement Offer, being Thursday, 7 May 2020.
<b>Option</b>	An option to subscribe for a Share.
<b>PCT</b>	The Patent Cooperation Treaty signed on 19 June 1970, amended on 28 September 1979 and modified on 3 February 1984 and 3 October 2001.
<b>Placement</b>	The placement by the Company of 75,000,000 Placement Shares at an issue price of \$0.008 each, to non-Related Party sophisticated and professional investors to raise approximately \$600,000 (before costs), as described in Section 1.10.
<b>Placement Participant</b>	A participant in the Placement.



<b>Placement Share</b>	A Share to be issued to a Placement Participant under the Placement.
<b>Privacy Act</b>	<i>Privacy Act 1988 (Cth).</i>
<b>Record Date</b>	The record date for determining the entitlements for New Shares under the Entitlement Offer, being 5.00pm (WST) on Wednesday, 6 May 2020.
<b>Related Bodies Corporate</b>	Has the meaning given to that term in the Corporations Act.
<b>Related Party</b>	Has the meaning given to that term in the Listing Rules.
<b>Section</b>	A section of this Offer Document.
<b>Securities</b>	Has the meaning given to that term in section 761A of the Corporations Act and includes a Share.
<b>Share</b>	A fully paid ordinary share in the capital of the Company.
<b>Share Registry</b>	Automatic Pty Ltd (ACN 152 260 814).
<b>Shareholder</b>	A registered holder of Shares.
<b>Shortfall</b>	The number of New Shares not subscribed for under the Entitlement Offer before the Closing Date.
<b>Shortfall Offer</b>	The offer of Shortfall Shares to Eligible Investors under this Offer Document.
<b>Shortfall Shares</b>	New Shares not applied for under the Entitlement Offer before the Closing Date.
<b>Tribis</b>	Tribis Pty Ltd (ACN 009 017 985).
<b>WST</b>	Western Standard Time, being the time in Perth, Western Australia.