

13 November 2019

The Manager
Company Announcements
Australian Securities Exchange
Level 5, 20 Bridge Street
SYDNEY NSW 2000

By electronic lodgement

Dear Sir/Madam

Consolidated Operations Group Limited (ASX:COG)
Cleansing notice under section 708AA of the Corporations Act

This notice is provided by Consolidated Operations Group Limited ACN 100 854 788 (**Company**) in connection with the Company's proposal to undertake a non-underwritten non-renounceable pro rata entitlement offer (**Entitlement Offer**) to existing eligible shareholders of the Company (**Eligible Shareholders**) on the basis of 1 new ordinary share in the Company (**Share**) for every 6 Shares held on the record date, being 7.00 pm (Sydney time) on 18 November 2019 (**Record Date**).

Eligible Shareholders will only be those persons who are shareholders on the Company's share register on the Record Date with a registered address in Australia or New Zealand.

The Company gives this notice under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and states the following:

1. the Shares to be issued under the Entitlement Offer will be issued without disclosure to investors under Part 6D.2 of the Corporations Act;
2. as at the date of this notice, the Company has complied with:
 - a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - b) section 674 of the Corporations Act;
3. as at the date of this notice, there is no excluded information for the purposes of sections 708AA(8) and 708AA(9) of the Corporations Act; and
4. 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. The potential effect on control and/or dilution is summarised below:
 - a. If all Eligible Shareholders take up their entitlements under the Entitlement Offer, then the Entitlement Offer will have no significant effect on the control of the Company;
 - b. If some Eligible Shareholders do not take up all of their entitlements under the Entitlement Offer, then the interests of those Eligible Shareholders in the Company will be diluted;
 - c. The proportional interests of shareholders of the Company who are not Eligible Shareholders will be diluted because such shareholders are not entitled to participate in the Entitlement Offer;

- d. Eligible Shareholders that apply for additional Shares under the shortfall facility (under which any shortfall between applications received and the number of Shares proposed to be issued under the Entitlement Offer may be applied for by those who have accepted their entitlements in full) may increase their interests beyond their entitlement;

For Shareholders who do not take up their full Entitlement, the Shareholder will have their percentage interest in the Company reduced by up to approximately 14.28% (subject to rounding) as compared to their percentage interest in the Company as at the Record Date (excluding any dilution factor from conversion of options on issue).

For more information, please contact the undersigned on 02 8072 1400.

Yours faithfully



David Franks
Company Secretary