

NAOS EMERGING
OPPORTUNITIES
COMPANY LIMITED

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ASX Market Announcements
ASX Limited
20 Bridge Street
Sydney
NSW 2000

30 September 2020

**Priority Offer to participate in an issue of fixed interest, unsecured convertible notes issued by
NAOS Ex-50 Opportunities Company Limited (ASX: NAC)**

Dear Sir / Madam,

NAOS Ex-50 Opportunities Company Limited (ASX: NAC) today announced that it has lodged a prospectus with ASIC for the issue of listed, redeemable, unsecured convertible notes.

The offer comprises a Priority Offer and a Broker Firm Offer, each of which is described in the prospectus referred to above.

Please find attached letter regarding the Priority Offer which has been sent today to shareholders of NAOS Emerging Opportunities Company Ltd (ASX: NCC), NAOS Ex-50 Opportunities Company Ltd (ASX: NAC) and NAOS Small Cap Opportunities Company Ltd (ASX: NSC) who are eligible to participate in the Priority Offer.

Yours faithfully,



Sebastian Evans

Director

NAOS Emerging Opportunities Company Limited

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THIS LETTER IS BEING SENT TO AUSTRALIAN RESIDENTS ONLY AND IS NOT FOR CIRCULATION OUTSIDE AUSTRALIA.

30 September 2020

**IMPORTANT INFORMATION –
PRIORITY OFFER FOR ELIGIBLE PARTICIPANTS TO INVEST IN FIXED INTEREST LISTED UNSECURED
CONVERTIBLE NOTES ISSUED BY NAOS EX-50 OPPORTUNITIES COMPANY LIMITED (ASX: NAC)**

Dear shareholder,

As you may be aware, NAOS Ex-50 Opportunities Company Limited (**NAC** or the **Company**) lodged a prospectus (**Prospectus**) with the Australian Securities and Investments Commission today in relation to NAC's offer of listed, redeemable, unsecured, unsubordinated, convertible notes (**NAC Notes**) (the **Offer**).

I am pleased to invite you to apply for NAC Notes as part of the priority offer on the terms set out in the Prospectus (**Priority Offer**). You have received this letter because you have been invited to participate in the Priority Offer.

The Offer is subject to approval by NAC's shareholders which will be sought at the Company's upcoming Annual General Meeting (**AGM**). A notice of meeting for the AGM will be sent to NAC shareholders shortly.

The NAC Notes will provide investors with a listed exposure to a fixed interest rate yield and the possibility to benefit from appreciation in the price of NAC's ordinary shares (**Ordinary Shares**) above a Conversion Price of \$1.15 through an optional conversion into Ordinary Shares at any time until 30 September 2025.

Key terms of the NAC Notes

- **Face Value** – each NAC Note will have a Face Value of \$100;
- **Interest Rate:**
 - Until 30 September 2025: Fixed at **5.50% per annum**;
 - From 30 September 2025 to 30 September 2026: Fixed at **6.50% per annum**; and
 - From 30 September 2026 to 30 September 2027: Fixed at **7.50% per annum**;
- **Interest payments** – paid semi-annually, in arrears on each of 31 March and 30 September;
- **Maturity Date** – 30 September 2027 (if not converted or redeemed earlier);
- **Convertibility** – convertible into Ordinary Shares upon notice at a fixed Conversion Price (subject to adjustment for certain dilutionary and other capital transactions by NAC) on or prior to 30 September 2025;
- **Conversion Price** – the Conversion Price is \$1.15, which represents the 31 August 2020 post-tax Net Tangible Assets per Ordinary Share;
- **Issue size** – up to \$17.5 million;
- **Ranking** – the NAC Notes rank equally with each other and without any preference amongst themselves, and at least equally with all other unsubordinated and unsecured obligations of NAC (other than any obligations preferred by mandatory provisions of applicable law). The NAC Notes rank ahead of Ordinary Shares; and
- **Liquidity** – application will be made for quotation of the NAC Notes on ASX under the ticker code ASX: NACGA.

Priority Offer

The Priority Offer is open to Eligible Participants, being any person who has a registered address in Australia and who, as at the Priority Offer Record Date of 25 September 2020, was a shareholder in one or more of the following companies:

- NAOS Ex-50 Opportunities Company Limited (ASX: NAC);
- NAOS Emerging Opportunities Company Limited (ASX: NCC); or
- NAOS Small Cap Opportunities Company Limited (ASX: NSC).

NAC will seek to provide applicants under the Priority Offer with an allocation of at least 100 NAC Notes (where such Applicants have applied for 100 or more NAC Notes) on a reasonable endeavours basis. NAC does not guarantee any minimum allocation and the extent of any allocation will ultimately depend on the number of applicants under the Priority Offer and total level of applications under the Offer.

Summary of key dates

Priority Offer Record Date	25 September 2020
Lodgement of Prospectus with ASIC and announcement of Offer	30 September 2020
Notice of AGM issued to NAC shareholders	9 October 2020
Offer opens	8 October 2020
Offer closes	22 October 2020
AGM	12 November 2020
Settlement Date	16 November 2020
Issue of NAC Notes	17 November 2020
Despatch of holding statements	18 November 2020
NAC Notes expected to commence trading on ASX (normal settlement basis)	20 November 2020
First Interest Payment Date	31 March 2021
First Step-Up Date	30 September 2025
Second Step-Up Date	30 September 2026
Maturity Date	30 September 2027

The key dates and times for the Offer are indicative only and may change without notice.

How to obtain a copy of the Prospectus and apply

The Priority Offer is expected to open on Thursday, 8 October 2020. Once the Offer opens, Eligible Participants can view or download an electronic copy of the prospectus relating to the Offer (**Prospectus**) online through the Offer website www.naosoffer.com.au.

Applications for the Priority Offer must be made online. If you are an Eligible Participant, you can apply at www.naosoffer.com.au. Instructions on how to complete the Application Form are provided online. Applications must be for a minimum of 50 NAC Notes (\$5,000).

Your completed online Application Form and application monies must be received by NAC's share registry, Boardroom Pty Limited, by the Closing Date of the Priority Offer, which is expected to be 5pm (Sydney time) on 22 October 2020.

The Prospectus contains further details of the Offer, the terms of the NAC Notes and a description of the risks associated with an investment in the NAC Notes and NAC.

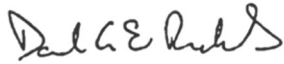
I encourage you to read the entire Prospectus carefully and consider the risks which are set out in section 4 of the Prospectus before deciding whether to participate in the Offer. If you are unsure whether the NAC Notes are a suitable investment for you, you should consult your stockbroker, accountant or other professional adviser.

Enquiries

If you have any other questions in relation to the Offer or your application please either contact corporateactions@boardroomlimited.com.au, call the NAC Notes Offer Information Line on 1300 737 760 (within Australia) to Friday 8:30am to 5:30pm, Sydney time, or contact enquiries@naos.com.au.

On behalf of the NAC Board, I invite you to consider participating in this investment opportunity.

Yours faithfully

A handwritten signature in black ink, appearing to read 'David Rickards', written in a cursive style.

David Rickards

Chairman

NAOS Ex-50 Opportunities Company Limited