

**Form 604**  
Corporations Act 2001  
Section 671B

## Notice of change of interests of substantial holder

To Company Name/Scheme Ovato Limited

ACN/ARSN 050 148 644

### 1. Details of substantial holder (1)

Name Sayman Pty Ltd (ACN 169 370 610) in its capacity as trustee for the Lindsay Hannan Family Trust (Sayman), Michael Hannan, James Hannan, Richard O'Connor, Adrian O'Connor and Lindsay Hannan

ACN/ARSN (if applicable) N/A

There was a change in the interests of the

substantial holder on 24 / 12 / 2020

The previous notice was given to the company on 25 / 03 / 2020

The previous notice was dated 25 / 03 / 2020

### 2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Fully paid ordinary shares	393, 734, 555	53.79%	4,431,527,599	50.75%

### 3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
24 December 2020	All Substantial Holders	4,037,793,044 fully paid ordinary securities acquired under the entitlement offer pursuant to the Sub-Underwriting Agreement dated 1 December 2020 (copy attached at Annexure A) and by virtue of the power to control the exercise of the right to vote attached to the shares and the power to control the exercise of the power to dispose of the shares pursuant to the Voting Deed dated 28 October 2016 entered into between the substantial holders as amended, a copy of which was attached as Annexure B on the	\$20,188,965.22	4,037,793,044 fully paid ordinary shares	4,037,793,044
	Sayman Pty Ltd in its capacity as trustee for the Lindsay Hannan Family (Sayman)		\$10,017,764.54	2,003,552,908 fully paid ordinary shares	2,003,552,908
	Michael Hannan		\$2,584,187.55	516,837,510 fully paid ordinary shares	516,837,510
	James Hannan		\$2,584,187.55	516,837,510 fully paid ordinary	516,837,510
	Richard O'Connor		\$2,501,412.79	500,282,558 fully paid ordinary	500,282,558
	Adrian O'Connor		\$2,501,412.79	500,282,558 fully paid ordinary	500,282,558

		Form 603 lodged with the ASX on 1 March 2017, and as amended by Voting Deed Amendment Deed dated 6 May 2019 a copy of which was attached as Annexure B on the Form 603 lodged with ASX on 31 May 2019			
	Lindsay Hannan	The power to control the exercise of the right to vote attached to the shares and the power to dispose of the shares as sole shareholder and director of Sayman	Nil	2,003,552,908 fully paid ordinary shares	2,003,552,908

#### 4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
All substantial holders	Sayman in its capacity as trustee of the Lindsay Hannan Family Trust	N/A	Registered Holder	2,096,215,102 fully paid ordinary shares	2,096,215,102
	Michael Hannan	N/A	Registered Holder	567,373,830 fully paid ordinary shares	567,373,830
	James Hannan	N/A	Registered Holder	567,373,830 fully paid ordinary shares	567,373,830
	Richard O'Connor	N/A	Registered Holder	549,230,026 fully paid ordinary shares	549,230,026
	Adrian O'Connor	N/A	Registered Holder	546,274,117 fully paid ordinary shares	546,274,117
	Lindsay Hannan	N/A	Registered Holder	105,060,694 fully paid ordinary shares	105,060,694

**5. Changes in association**

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

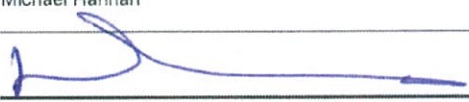
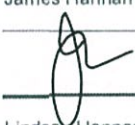
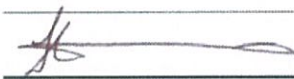
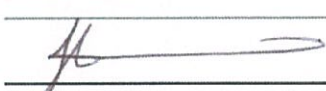


Name and ACN/ARSN (if applicable)	Nature of association
Not applicable	Not applicable

**6. Addresses**

The addresses of persons named in this form are as follows:

Name	Address
All substantial holders	Level 3, 135-153 New South Head Road, Edgecliff NSW 2027

**Signature**

print name	Michael Hannan	capacity	Substantial shareholder
sign here		date	24 / 12/ 2020
print name	James Hannan	capacity	Substantial shareholder
sign here		date	24 / 12/ 2020
print name	Lindsay Hannan	capacity	Substantial shareholder
sign here		date	24 / 12/ 2020
print name	Lindsay Hannan	capacity	Director of Sayman
sign here		date	24 / 12/ 2020
print name	Richard O'Connor	capacity	Authorised signatory for Adrian O'Connor, a substantial shareholder
sign here		date	24 / 12/ 2020
print name	Richard O'Connor	capacity	Substantial shareholder
sign here		date	24 / 12/ 2020

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:

- (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
- (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

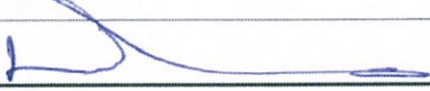

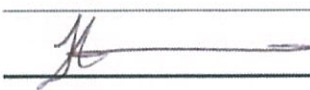



See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
  - (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
  - (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.
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**Annexure A**

This is Annexure A of <sup>20</sup>~~10~~ pages referred to in the Form 604 – notice of substantial holder dated 24 December 2020

**Signature**

print name	Michael Hannan	capacity	Substantial shareholder
sign here		date	24 / 12/ 2020
print name	James Hannan	capacity	Substantial shareholder
sign here		date	24 / 12/ 2020
print name	Lindsay Hannan	capacity	Substantial shareholder
sign here		date	24 / 12/ 2020
print name	Lindsay Hannan	capacity	Director of Sayman
sign here		date	24 / 12/ 2020
print name	Richard O'Connor	capacity	Authorised signatory for Adrian O'Connor, a substantial shareholder
sign here		date	24 / 12/ 2020
print name	Richard O'Connor	capacity	Substantial shareholder
sign here		date	24 / 12/ 2020



**Aitken Murray**  
Capital Partners

**Wilsons Corporate Finance Limited**  
ACN 057 547 323 / AFS Licence No: 238383  
Level 32, Governor Macquarie Tower  
1 Farrer Place  
Sydney, NSW 2000  
Telephone: +61 8247 6600

L1, 52 Victoria St, Paddington,  
Sydney, NSW 2021, Australia  
[www.amcps.com.au](http://www.amcps.com.au)

1 December 2020

PRIVATE AND CONFIDENTIAL

URGENT

Sayman Pty Limited as trustee for the Lindsay  
Hannan Family Trust (Sub-Underwriter #1)  
Michael Ashton Hannan (Sub-Underwriter #2)  
James Hannan (Sub-Underwriter #3)  
Richard Ashton Charles O'Connor (Sub-  
Underwriter #4)  
Adrian Thomas O'Connor (Sub-Underwriter #5)  
(each a Sub-Underwriter and together You)

EMAIL CONFIRMATION REQUIRED BY  
8.00AM ON TUESDAY, 1 DECEMBER  
2020

Dear Sub-Underwriters

**SUB-UNDERWRITING LETTER ("LETTER") BETWEEN THE JOINT LEAD MANAGERS (DEFINED BELOW) AND EACH SUB-UNDERWRITER IN RELATION TO THE ENTITLEMENT OFFER SET OUT BELOW**

**1 Transaction Details**

Details of the proposed Transaction are set out below:

<b>Offeror (entity offering the Securities for issue)</b>	Ovato Limited (ACN 050 148 644) (Company)
<b>Offer structure</b>	10.93 for 1 pro rata renounceable entitlement offer (Entitlement Offer) to raise approximately A\$40 million.  The Entitlement Offer is partially underwritten by Wilsons Corporate Finance Limited and Aitken Murray Capital Partners Pty Ltd.  This Letter applies to sub-underwriting of the Entitlement Offer.
<b>Information Materials</b>	As specified in paragraphs (a), (b), (c), and (g) in the definition of "Information Materials" in section 2.1 of

the Master ECM Terms dated 26 October 2020 (the **Master ECM Terms**), including, without limitation, the ASX Announcement, the Investor Presentation and the Entitlement Offer Cleansing Notice, each dated on or around Tuesday, 1 December 2020, together with any amending, supplementary, further draft or replacement of the above documents.

<b>Securities</b>	New fully paid ordinary shares in the Company ( <b>Securities</b> ).
<b>Price</b>	Offer price of A\$0.005 per Security.
<b>Ranking</b>	New Securities issued under the Entitlement Offer will rank equally with existing shares on issue in the Company with effect from their date of issue.
<b>Entitlement ratio</b>	10.93 new Security for every 1 existing fully paid ordinary share held in the Company at the Record Date, being 7.00pm (Sydney, Australia time), on Friday, 4 December 2020
<b>Joint lead managers, bookrunners and underwriters</b>	Wilsons Corporate Finance Limited ACN 057 547 323 (Wilsons) and Aitken Murray Capital Partners Pty Ltd ACN 169 972 436 (Aitken) (Wilsons and Aitken are together referred to as the <b>Joint Lead Managers</b> ).
<b>Settlement Date</b>	Expected to be Wednesday, 23 December 2020
<b>Settlement Agent</b>	Wilsons Corporate Finance Limited
<b>Offering jurisdictions</b>	Australia and New Zealand
<b>U.S. Exemption</b>	Regulation S – Category 1 – excluding Eligible U.S. Fund Managers.

Note: The offer and sale of the Securities has not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States, and the Securities may not be offered, sold, pledged or otherwise transferred without registration under the U.S. Securities Act (which You acknowledge none of the Company and the Joint Lead Managers has any obligation to do or to procure) unless the Securities are offered, sold, pledged, transferred or otherwise disposed of in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the securities laws of any state or any other jurisdiction in the United States.

## 2 Conditions

Notwithstanding any other provision of this Letter, you will have no obligation to take up Your Entitlement and no sub-underwriting obligations under this Letter unless and until the following conditions have been satisfied:

- (a) (restructuring transactions) each of the conditions precedent to the equity raising set out below being satisfied by the 5.00pm (Sydney, Australia time) on the day which is two (2) Business Days before Friday, 18 December 2020 (Second Court Date):
  - (i) (ANZ) the following being satisfied:
    - (A) the Company giving an irrevocable direction to Wilsons to:
      - (I) repay the overdraft facility provided by Australia and New Zealand Banking Group Limited ACN 005 357 522 (ANZ); and
      - (II) 100% cash back the bank guarantee facility (until any bank guarantees drawn on that facility have been returned or replaced) provided by ANZ,

out of the proceeds received from the Entitlement Offer (Offer Proceeds) on settlement of the Entitlement Offer or having arranged an alternative means of cash funding (including without limitation under the new secured debt facility referred to in paragraph (iv) below) to achieve the same ends; and

- (B) subject to the receipt of such payments, ANZ agreeing to release the guarantee and discharging the related security provided by Rathdrum Properties Pty Limited ATF the Rathdrum Property Trust (Rathdrum) securing those facilities in a form acceptable to Rathdrum (acting reasonably having regard to the circumstances of the Company);
- (ii) (secured notes) a release of debt, waiver and a debt for equity conversion being agreed with the required majority of holders (including Rathdrum) of the secured, but subordinated, notes issued by Ovato Finance Pty Limited (ACN 053 814 976) such that the aggregate outstanding notes amount to no more than \$15 million face value (with those \$15 million of notes subject to an agreement to convert to equity, subject to the approval of the Company's shareholders on terms acceptable to the Joint Lead Managers, Are Media Pty Limited ACN 053 273 546 (Are Media) and You (each acting reasonably having regard to the circumstances of the Company);
- (iii) (ANZ and ScotPac) the senior secured creditors, including ANZ, Scottish Pacific Business Finance Pty Ltd ACN 008 636 388 and their security trustee consenting to the various creditors' and members' schemes of arrangement the subject of the explanatory statement pursuant to section 416 of the Corporations Act approved by the Supreme Court of New South Wales and released by the Company to ASX on 19 November 2020 (Explanatory Statement) (Schemes);
- (iv) (new \$17m facility) a financier agreeing to provide to the Company or one of its related bodies corporate (as that term is defined in the Corporations Act) (together, the Group) a new \$17 million secured debt facility on terms acceptable to the Joint Lead Managers, Are Media and You (each acting reasonably having regard to the circumstances of the Company);
- (v) (Commerzbank) Commerzbank Aktiengesellschaft agreeing to a compromise or arrangement of \$12m or more, or a deferral of payment obligations to 2024 of \$12m or more, in respect of (i) a € 3.98 million facility and a (ii) the \$16.92m facility on terms acceptable to the Joint Lead Managers, Are Media and You (each acting reasonably);;
- (vi) (leases - 1) landlords of properties leased by the Group at the premises set out below agreeing to a legally binding term sheet setting out the terms of a compromise of their respective leases such that, upon the compromise taking effect, each lease is extinguished with no further liability to the Group under that lease beyond a settlement amount of \$10 million in total having regard to all three leases:
  - (A) 31-35 Heathcote Road, Moorebank;
  - (B) 24 Industrial Avenue, Wacol;
  - (C) Level 1, 85 O'Riordan Street, Alexandria;
- (vii) (leases - 2) the landlord of the property leased by the Group at the premise set out below agreeing to a legally binding term sheet setting out the terms of a continuance of their lease (in a form acceptable to the Joint Lead Managers, Are Media and You (each acting reasonably having regard to the circumstances of the Company), such that, upon those terms taking effect, the Group continues to occupy a portion of the premise on agreed amended terms including a settlement amount of \$1.5 million and a 50% reduction to the current rental cost:
  - (A) 31-49 Browns Road, Clayton; and
- (viii) (leases - 3) the landlord of the property leased by the Group at the premise set out below agreeing to a legally binding term sheet setting out the terms of a



compromise of their lease such that, upon the terms of the compromise taking effect, the lease is extinguished at a date agreed with the landlord prior to April 2021 with no further liability to the Group under that lease beyond the amount of the bank guarantee applying to that lease which amounts to \$1.1 million:

(A) 209-211 Carinish Road, Clayton; and

- (ix) (leases - 4) the landlord of the properties leased by the Group at the following premises agreeing to a legally binding term sheet setting out the terms of a compromise of the landlord's liabilities under those leases such that, upon the terms of the compromise taking effect, the existing sub leases are assigned to the landlord or its nominee and the Group's liability is effectively extinguished except for a remaining liability owed by the Group to the landlord of no more than \$2.4 million, with an agreement to convert this \$2.4 million remaining liability to equity, subject to the approval of the Company's shareholders:

(A) 42 Boorea Street, Lidcombe;

(B) 44 Boorea Street, Lidcombe; and

- (x) (Fair Work Commission) the proceedings commenced by an employee of the Group in relation to the Ovato Enterprise Agreement 2020 are dismissed by the Fair Work Commission or are otherwise resolved without liability to the Company;
- (xi) (Schemes) each Scheme being approved by the Supreme Court of New South Wales in accordance with section 411(4)(b) (and, if applicable, section 411(6)) of the Corporations Act) with no modifications to the creditors schemes which materially adversely affect the Joint Lead Managers, Are Media or You;
- (xii) (Are Media arrangements) Ovato Retail Distribution Limited (Ovato Distribution) and the Company entering into a definitive legal agreement with:
- (A) Are Media to amend the Distribution Services Agreement dated 11 January 2016 (as amended 21 February 2020) to reflect the commercial principles set out in the term sheet entered into between Ovato Distribution, the Company and Are Media on or about the date of this Letter, and
- (B) Are Media amending the Distribution Services Agreement dated 11 January 2016 (NZ Agreement) to reflect equivalent commercial principles as above in respect of the NZ Agreement,

each in a form acceptable to the Joint Lead Managers, Are Media and You (each acting reasonably); and

- (b) Are Media entering into a sub-underwriting commitment with the Joint Lead Managers for up to \$10 million (subject to any required approvals under *Foreign Acquisitions and Takeovers Act 1975 (Cth)*) on terms no more favourable to it than those set out in this Letter.

### 3 Key documents

An indicative timetable for the Transaction is set out in Appendix 1.

You have been provided with a copy of the Information Materials described above which will also be available on ASX.

There may be significant changes between any version of the Information Materials provided to You and the final version of the Information Materials lodged with ASX. You will remain bound by this Letter and the Master ECM Terms (and Your Commitment will remain binding) despite any such changes. Any draft of the Information Materials does not constitute, and does not purport to constitute, the final Information Materials and may not contain all of the information that would be required to be included in the final Information Materials prepared for the purposes of the Entitlement Offer.

A copy of the Master ECM Terms dated 26 October 2020 is available on the AFMA website at <http://www.afma.com.au/standards/standard-documentation>. The Master ECM Terms apply to this Letter and terms defined in the Master ECM Terms have the same meanings in this Letter as if a reference to:

- "Confirmation" were a reference to this Letter; and
- "Allocation" were a reference to the "Shortfall Shares", as defined below.

A reference in the Master ECM Terms to "these Terms" includes the terms and conditions set out in this Letter.

#### 4 Allocation of Sub-Underwriting

The Joint Lead Managers are pleased to confirm that You have been allocated the following sub-underwriting commitment in relation to the Securities offered under the Entitlement Offer subject to the terms and conditions set out in this Letter:

	Price (per Security)	Number of Sub- underwritten Securities	Total amount
Maximum number of Securities in the Entitlement Offer that You are sub-underwriting in your Respective Proportion (defined below) ( <b>Sub-underwritten Securities</b> )	A\$0.005	5,000,000,000	A\$25,000,000.00

You acknowledge this Letter relates to these Sub-underwritten Securities only and not to participation in any sub-underwriting pool of other Securities.

#### 5 Sub-Underwriting obligation

You confirm (for the benefit of the Company, each Joint Lead Manager and each of their respective Affiliates) that You have read and understood and agree to be bound by the Master ECM Terms, including without limitation the Acknowledgments, Warranties, Undertakings and Foreign Jurisdiction Representations, as applied by, and incorporated by reference into and amended or supplemented by this Letter, and any selling restrictions in the Information Materials and that You understand Your settlement obligations. You further confirm that by acquiring the Sub-underwritten Securities and any Shortfall Securities (as defined below), You will be deemed to have represented, warranted and agreed as to the matters covered by the provisions of the Master ECM Terms that apply and are incorporated by reference into this Letter, and as to any additional representation, warranty, acknowledgement, variation and agreement set out in this Letter.

As sub-underwriter, You irrevocably agree to apply for, and pay the Price for, up to the number of Sub-underwritten Securities in accordance with the Timetable and this Letter. This commitment is separate from and additional to any other application to acquire Securities You may make (including taking up any entitlement as holder of existing Securities) and any such application will not reduce the number of Sub-underwritten Securities You may be required to apply for.

You will be advised in accordance with the Timetable of the final number of Sub-underwritten Securities for which You are required to apply (**Shortfall Securities**).

If there are Shortfall Securities in respect of the Entitlement Offer You will be sent a Confirmation for the number of Shortfall Securities under the Entitlement Offer (**Shortfall Confirmation**) and the Master ECM Terms will apply to Your acquisition of Shortfall Shares as if a reference to:

- the "Confirmation" were a reference to the "Shortfall Confirmation"; and
- "Allocation" were a reference to the "Shortfall Securities".

The form of the Shortfall Confirmation is set out in Appendix 2.

You acknowledge and agree that the Joint Lead Managers will determine any shortfall and may enter into sub-underwriting agreements in relation to the Securities with other persons and may allocate any shortfall between sub-underwriters in the proportions at their discretion.

The final number of Securities for which You will be required to subscribe or procure subscribers for (that is, the Shortfall Securities) will be calculated by the applicable formula set out in paragraphs (a) to (c) (inclusive) below, provided that where such number is in excess of the Sub-underwritten Securities, the Shortfall Securities will equal to the Sub-underwritten Securities.

- (a) If the Total Entitlement Shortfall multiplied by the Price (Shortfall Amount) is less than or equal to \$30.0 million:

Shortfall Securities	=	Total Entitlement Shortfall	X	66.7%
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where:

- The "Total Entitlement Shortfall" (if any) will be calculated as follows:
  - o The number of Entitlements offered under the Entitlement Offer; plus
  - o The Entitlements of ineligible retail shareholders; less
  - o The number of Entitlements for which valid applications are received under the Entitlement Offer by the final closing date under the Entitlement Offer, less any Entitlements subscribed for by investors under the shortfall bookbuild to be conducted by the Joint Lead Managers following closing of the Entitlement Offer on Thursday, 17 December 2020 or allocated to any other sub-underwriters other than Are Media Pty Ltd,

provided that if the above calculation results in a number of Securities which is less than or equal to zero, the Total Entitlement Shortfall shall be equal to zero.

- (b) If the Shortfall Amount is more than \$30.0 million but less than or equal to \$35.0 million:

Shortfall Securities	=	Total Entitlement Shortfall	-	2 billion Entitlements
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- (c) If the Shortfall Amount is more than \$35 million, the Sub-underwritten Securities.

If the Total Entitlement Shortfall at the close of the Entitlement Offer is below the amount of the Sub-underwriting Pool, Your Sub-underwritten Securities will be scaled down proportionately.

It is acknowledged that it is intended that each of the Sub-Underwriters agrees to subscribe for the Shortfall Securities in the Respective Proportions, as follows:

Sub-Underwriter	Respective Proportion
Sub-Underwriter #1	49.62%
Sub-Underwriter #2	12.80%
Sub-Underwriter #3	12.80%

Sub-Underwriter #4	12.39%
Sub-Underwriter #5	12.39%

Notwithstanding this, each Sub-Underwriter agrees that their obligations under this Letter to subscribe for Shortfall Securities are joint and several and, without limitation, if any Sub-Underwriter fails to subscribe for their Respective Proportion of any of the Shortfall Securities then each of the other Sub-Underwriters will be jointly liable to subscribe for those Shortfall Securities.

Your rights and obligations as sub-underwriter are personal and not capable of transfer, assignment or novation or being otherwise dealt with except with the prior written agreement of the Joint Lead Managers, except in respect of a transfer, assignment or novation to an underlying investor.

You acknowledge that this offer of sub-underwriting commitment in relation to the Entitlement Offer is not a securities recommendation or financial product advice. Your decision to accept this offer must be made on the basis of your own assessment of the Company, the Information Materials and the Securities.

In connection with Your sub-underwriting commitment under this Letter:

- (a) As soon as reasonably practicable after the date of this Letter and in any event by no later than 10.00am (Sydney, Australia time) on Friday, 11 December 2020, you have provided the Joint Lead Managers with all information (including AML and KYC information) which they have requested in order to set up an account with Wilsons in Your name.
- (b) By no later than 10:00am (Sydney, Australia time) on Wednesday, 16 December 2020: You must deposit in cleared funds (and the Joint Lead Managers must have received confirmation from Westpac Banking Corporation that it has received in cleared funds) the amounts outlined in the table below (the Relevant Funds) into the following bank account (the Trust Account):

Bank: Westpac Banking Corporation  
Branch: 52 Martin Place, Sydney NSW 2000  
Account Name: Pershing Securities Australia Pty Ltd  
BSB: 032 024  
Account Number: 259486  
SWIFT: WPACAU2S  
Reference: Outlined in table below;

Sub-Underwriter	Respective Proportion	Relevant Funds	Payment Reference
Sub-Underwriter #1	49.62%	\$12,405,000.00	W1617354
Sub-Underwriter #2	12.80%	\$3,200,000.00	W1617164
Sub-Underwriter #3	12.80%	\$3,200,000.00	W1617168
Sub-Underwriter #4	12.39%	\$3,097,500.00	W1617166
Sub-Underwriter #5	12.39%	\$3,097,500.00	W1617169
Total	100.00%	\$25,000,000.00	—

- (c) You irrevocably acknowledge and agree that the Relevant Funds can only be used to satisfy Your obligation to pay for Your Shortfall Securities.
- (d) You irrevocably authorise the Joint Lead Managers to apply the Relevant Funds to satisfy Your obligation to pay for Your Shortfall Securities, but not for any other purpose.
- (e) You acknowledge and agree that this Letter shall be treated as a valid application for Your Shortfall Securities.
- (f) You acknowledge and agree that You will not have any right to require the Joint Lead Managers to transfer any of the Relevant Funds from the Trust Account to You or any other party, other than in accordance with paragraph (b), until completion of the issue of all Securities under the Entitlement Offer (including the issue to You of Your Shortfall Securities) unless:
  - (i) this Letter is validly terminated by written notice to the Joint Lead Managers on or before 5.00pm on Wednesday, 16 December 2020; or
  - (ii) the Offer is withdrawn by the Company and either:
    - (A) the Lead Manager Agreement is terminated by the Joint Lead Managers; or
    - (B) the Joint Lead Managers are otherwise no longer obliged to underwrite the subscription for Securities under the Entitlement Offer.
- (g) If:
  - (i) paragraphs (f)(i) or (f)(ii) apply; or
  - (ii) after Relevant Funds have been applied to satisfy Your obligation to pay for Your Shortfall Securities in full, there remains a positive balance (Remaining Funds) in the Trust Account,

You irrevocably direct the Joint Lead Managers to, and the Joint Lead Managers agree to, transfer the Relevant Funds or the Remaining Funds (as the case may be), as soon as possible and by no later than 1 Business Day of either (i) or (ii) arising, to the following bank account (the Refund Account):

Bank:	ANZ Banking Corporation
Account Name:	Rathdrum Properties P/L ATF Rathdrum Property Trust
BSB:	012204
Account Number:	836442853

## 6 Shortfall Securities conditional

Any issue or transfer of Shortfall Securities to You is subject to execution of the Lead Management Agreement between the Company and the Joint Lead Managers and completion of the Entitlement Offer.

You agree to accept, and undertake to not challenge, the decisions and actions of the Joint Lead Managers under the Lead Manager Agreement and agree that, if made, Your allocation of Shortfall Securities does not oblige the Joint Lead Managers to consult with You as to any matter or qualify the exercise or non-exercise of the rights of the Joint Lead Managers under the Lead Manager Agreement in any way, including in particular the exercise of any right of termination. You will continue to be bound to acquire Your Shortfall Securities unless the Joint Lead Managers (in their absolute and unfettered discretion) exercise their right of termination under the Lead Manager Agreement or as otherwise provided under this Letter. If the Joint Lead Managers exercise their right to terminate, Your rights and obligations under this Letter and the Master ECM Terms to acquire Your Shortfall Securities will terminate without cost or liability to the Joint Lead Managers.

The Company and the Joint Lead Managers reserve the right to withdraw or modify the Entitlement Offer. Please note that the Timetable may change without consultation with You and, subject to the terms of this Letter, You are bound to subscribe for the number of Shortfall Securities at the Price and You may not withdraw Your offer to subscribe for those Shortfall Shares notwithstanding any such changes to the Timetable. However You will be notified of any changes to the Timetable as to when the notification of Your allocation of Shortfall Securities (if any) will be made or settlement of Your allocation of Shortfall Shares via CHESS DvP is to occur.

If You fail to meet any obligation to acquire, and pay the Price for, each Shortfall Security when due, the Joint Lead Managers may without notice to You apply (or procure that a third party applies) for those Securities. In addition to any other obligations under this Letter, You indemnify the Joint Lead Managers for any cost or loss associated with the Joint Lead Managers so doing (including any loss on sale of those Securities within six months of application).

You authorise the Joint Lead Managers, the Company, and their respective Affiliates to undertake all necessary actions (including without limitation signing documents) in Your name as Your attorney to ensure settlement of Your Shortfall Securities is successfully effected, such authorisation to expire on the completion of the issue or transfer (as applicable) of the Shortfall Securities.

Notwithstanding any other provision of this Letter, if You are precluded from performing your obligations under this Letter to subscribe for Shortfall Securities due any governmental agency (including the Takeovers Panel) making any order (whether interim or final) which has the impact of amending, terminating, suspending, delaying or otherwise materially impacting the terms or structure of the Entitlement Offer (including any such order which has the impact of amending, terminating, suspending or otherwise varying the terms of, or enforcement of, Lead Manager Agreement or this Letter) You may terminate this Letter without cost or liability.

## 7 Sub-underwriting Fee

The Joint Lead Managers will not pay you any sub-underwriting fee.

Your right to participate in the sub-underwriting of the Entitlement Offer will automatically lapse and You will not receive any Sub-underwritten Securities if:

- (a) You do not validly accept the sub-underwriting commitment in this Letter by signing and returning this Letter;
- (b) the Entitlement Offer does not proceed or is withdrawn by the Company;
- (c) the Joint Lead Managers or the Company do not execute the Lead Manager Agreement;
- (d) the Lead Manager Agreement is terminated in accordance with its terms, or the Lead Manager Agreement otherwise ceases, including as a result of a condition not being satisfied for any reason and the Joint Lead Managers do not waive such non satisfaction; or
- (e) You breach this Letter or the Confirmation and the Joint Lead Managers give You notice of the termination of this Letter.

## 8 Acknowledgements

The General Acknowledgements apply and the following Additional Acknowledgements apply:

(No disclosure document lodged with ASIC)  
(On-Sale of Securities)  
(Renounceable Entitlement Offers); and  
(Purpose of Offer)

## 9 Warranties

The General Warranties apply and the following Additional Warranties apply:

Nil

## 10 Undertakings

The General Undertakings apply and the following Additional Undertakings apply:



The Joint Lead Managers will not agree to vary or waive any of the conditions precedent set out in the Lead Manager Agreement which correspond to those set out in Section 2 of this Letter without Your consent or any other rights under the Lead Manager Agreement where doing so may adversely impact Your rights and obligations under this document without Your consent (such consent not to be unreasonably withheld)

#### 11 Foreign Jurisdiction Representations

The General Foreign Jurisdiction Representations apply and the following Additional Foreign Jurisdiction Representations apply:

- (a) If You are located in the following foreign jurisdictions:

(New Zealand)

the relevant Representations in Section 5A of Schedule 4 under the heading "Additional Foreign Jurisdiction Representations – Jurisdictions other than the United States" apply

- (b) Wherever You are located, the Representations in Section 2(2) of Schedule 4 under the heading (Regulation S – Category 1 – excluding Eligible U.S. Fund Managers) apply.

#### 12 Variation

Nil

#### 13 Whole agreement

This Letter contains the entire agreement with You in relation to sub-underwriting of the Entitlement Offer. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this Letter and has no further effect.

#### 14 How to accept

To confirm Your irrevocable agreement to apply for and pay the Price for up to the number of Sub-underwritten Shares You must sign and return this Letter by 8.00am on Tuesday, 1 December 2020 to Wilsons Corporate Finance Limited (to the attention of the person and to the relevant email address indicated below):

**Wilsons Corporate Finance Limited**

**Attention:** Will Lawrence

**Email:** [will.lawrence@wilsonsadvisory.com.au](mailto:will.lawrence@wilsonsadvisory.com.au)

Yours sincerely



**Rob Snow**  
Head of Corporate Finance  
Wilsons Corporate Finance Limited



**Will Lawrence**  
Director  
Wilsons Corporate Finance Limited



Angus Aitken  
Partner  
Aitken Murray Capital Partners Pty Ltd



John Murray  
Partner  
Aitken Murray Capital Partners Pty Ltd



### Acceptance by Sub-underwriter

We confirm (for the benefit of the Company, the Joint Lead Managers and each of their respective Affiliates);

our irrevocable agreement to apply for, and pay the Price for, up to the number of Sub-underwritten Shares in accordance with this Letter;

we have read and understood this Letter and the Master ECM Terms dated 26 October 2020 available on the AFMA website at: <http://www.afma.com.au/standards/standard-documentation> as applied by and incorporated by reference into this Letter (together the Terms) and agree to be bound by and comply with the Terms, including without limitation the Acknowledgments, Warranties, Undertakings, variations and Foreign Jurisdiction Representations applied by and incorporated by reference into this Letter and any selling restrictions in the Information Materials;

that by acquiring the Shortfall Securities, we will be deemed to have represented, warranted and agreed as to the matters covered by the Terms that apply and are incorporated by reference in the Letter, and as to any additional representation, warranty, variation and agreement set out in the Letter;

that we are not in the United States and we are purchasing the Sub-Underwritten Securities in an "offshore transaction" (as defined in Regulation S under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act; and  
we understand our settlement obligations.

Execution (by an authorised signatory for Sayman Pty Limited as trustee for the Lindsay Hannan Family Trust)

Signature



Title

DIRECTOR

Name

LINDSAY HANNAN

Date

~~30/11/20~~ 01/12/20

Form

of

Execution (by an authorised signatory for Michael Ashton Hannan)

Signature

Title

Name

Date

Form

of

Execution (by an authorised signatory for James Hannan)

Signature

Title

Name

Date

Form

of

Execution (by an authorised signatory for Richard Ashton Charles O'Connor)

Signature



Title

Name

RICHARD O'CONNOR

Date

~~30/11/20~~ 01/12/20

Form

of

Execution (by an authorised signatory for Adrian Thomas O'Connor)

Signature

Title

Name

Date

Form

of

that we are not in the United States and we are purchasing the Sub-Underwritten Securities in an "offshore transaction" (as defined in Regulation S under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act; and we understand our settlement obligations.

Execution (by an authorized signatory for Sayman Pty Limited as trustee for the Lindsay Hannan Family Trust)

Signature

Title

Name

Date

Form

of

Execution (by an authorized signatory for Michael Ashlon Hannan)

Signature

Title

Name

Date

Form

of

Execution (by an authorized signatory for James Hannan)

Signature

Title

Name

Date

Form

of

Execution (by an authorized signatory for Richard Ashlon Charles O'Connor)

Signature

Title

Name

Date

Form

of

Execution (by an authorized signatory for Adrian Thomas O'Connor)

Signature

Title

Name

Date

Form

of

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### Acceptance by Sub-underwriter

We confirm (for the benefit of the Company, the Joint Lead Managers and each of their respective Affiliates);

our irrevocable agreement to apply for, and pay the Price for, up to the number of Sub-underwritten Shares in accordance with this Letter;

we have read and understood this Letter and the Master ECM Terms dated 26 October 2020 available on the AFMA website at: <http://www.afma.com.au/standards/standard-documentation> as applied by and incorporated by reference into this Letter (together the Terms) and agree to be bound by and comply with the Terms, including without limitation the Acknowledgments, Warranties, Undertakings, variations and Foreign Jurisdiction Representations applied by and incorporated by reference into this Letter and any selling restrictions in the Information Materials;

that by acquiring the Shortfall Securities, we will be deemed to have represented, warranted and agreed as to the matters covered by the Terms that apply and are incorporated by reference in the Letter, and as to any additional representation, warranty, variation and agreement set out in the Letter;

that we are not in the United States and we are purchasing the Sub-Underwritten Securities in an "offshore transaction" (as defined in Regulation S under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act; and  
we understand our settlement obligations.

---

Execution (by an authorised signatory for Sayman Pty Limited as trustee for the Lindsay Hannan Family Trust)

Signature

Title

Name

Date

Form

of

Execution (by an authorised signatory for Michael Ashton Hannan)

Signature

Title

Name

Date

Form

of

Execution (by an authorised signatory for James Hannan)

Signature

Title Self

Name James Hannan

Date ~~30/11/20~~ 01/12/20

Form

of

Execution (by an authorised signatory for Richard Ashton Charles O'Connor)

Signature

Title

Name

Date

Form

of

Execution (by an authorised signatory for Adrian Thomas O'Connor)

Signature

Title

Name

Date

Form

of

## Acceptance by Sub-underwriter

We confirm (for the benefit of the Company, the Joint Lead Managers and each of their respective Affiliates);

our irrevocable agreement to apply for, and pay the Price for, up to the number of Sub-underwritten Shares in accordance with this Letter;

we have read and understood this Letter and the Master ECM Terms dated 26 October 2020 available on the AFMA website at: <http://www.afma.com.au/standards/standard-documentation> as applied by and incorporated by reference into this Letter (together the Terms) and agree to be bound by and comply with the Terms, including without limitation the Acknowledgments, Warranties, Undertakings, variations and Foreign Jurisdiction Representations applied by and incorporated by reference into this Letter and any selling restrictions in the Information Materials;

that by acquiring the Shortfall Securities, we will be deemed to have represented, warranted and agreed as to the matters covered by the Terms that apply and are incorporated by reference in the Letter, and as to any additional representation, warranty, variation and agreement set out in the Letter;

that we are not in the United States and we are purchasing the Sub-Underwritten Securities in an "offshore transaction" (as defined in Regulation S under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act; and  
we understand our settlement obligations.

Execution (by an authorised signatory for Sayman Pty Limited as trustee for the Lindsay Hannan Family Trust)

Signature

Title

Name

Date

Form  of

Execution (by an authorised signatory for Michael Ashton Hannan)

Signature

Title

Name

Date

Form  of

Execution (by an authorised signatory for James Hannan)

Signature

Title

Name

Date

Form  of

Execution (by an authorised signatory for Richard Ashton Charles O'Connor)

Signature

Title

Name

Date

Form  of

Execution (by an authorised signatory for Adrian Thomas O'Connor)

Signature

Title DIRECTOR

Name

ADRIAN THOMAS O'CONNOR

Date

30/11/20 01/12/20

Form  of

## Appendix 1 - Timetable

Summary of Key Dates	Date/Time
Return signed Sub-underwriting Letter	8.00am on Tuesday, 1 December 2020
Record date for Entitlement Offer	on Friday, 4 December 2020
Entitlement Offer closes	5.00pm on Thursday, 17 December 2020
Shortfall Bookbuild	Friday, 18 December 2020
Settlement date for Entitlement Offer	Wednesday, 23 December 2020
Issue and quotation of Securities under Entitlement Offer	Thursday, 24 December 2020

The above timetable is indicative only and is subject to ASX approval, and may change without notice to or consultation with You. All references are to Sydney, Australia time.





**Aitken Murray**  
Capital Partners

**Wilsons Corporate Finance Limited**  
ACN 057 547 323 / AFS Licence No: 238383  
Level 32, Governor Macquarie Tower  
1 Farrer Place  
Sydney, NSW 2000  
Telephone: +61 8247 6600

L1, 52 Victoria St, Paddington,  
Sydney, NSW, 2021, Australia  
[www.amcps.com.au](http://www.amcps.com.au)

## Appendix 2 – Shortfall Confirmation of Sub-underwriting Commitment

18 December 2020

PRIVATE AND CONFIDENTIAL

URGENT

Sayman Pty Limited as trustee for the  
Lindsay Hannan Family Trust (**Sub-  
Underwriter #1**)  
Michael Ashton Hannan (**Sub-Underwriter  
#2**)  
Adrian Thomas O'Connor (**Sub-Underwriter  
#3**)  
Richard Ashton Charles O'Connor (**Sub-  
Underwriter #4**)  
James Michael Hannan (**Sub-Underwriter  
#5**)  
(each a **Sub-Underwriter** and together **You**)

EMAIL CONFIRMATION REQUIRED  
BY 4.00PM, FRIDAY, 18 DECEMBER 2020


Dear Investor

### SHORTFALL CONFIRMATION - SUB-UNDERWRITING LETTER ("LETTER") BETWEEN THE JOINT LEAD MANAGERS AND EACH SUB-UNDERWRITER IN RELATION TO THE ENTITLEMENT OFFER SET OUT BELOW

Further to our Letter dated Tuesday, 1 December 2020 and subject to the terms and conditions of that Letter, the Information Materials and the Master ECM Terms dated 26 October 2020, available on the AFMA website at <http://www.afma.com.au/standards.documentation.html>, as applied by and incorporated by reference into the Letter and this Shortfall Confirmation (together, the **Terms**), the Joint Lead Managers are pleased to confirm that You have been allocated the number of Shortfall Securities set out below in accordance with the Terms.

Capitalised terms have the meaning given in the Letter, the Information Materials and the Terms.

#### Shortfall Securities

Sub-Underwriter	Number of Shortfall Securities allocated to you at A\$0.005 per Shortfall Security
Sub-Underwriter #1	

Sub-Underwriter #2	[●]
Sub-Underwriter #3	[●]
Sub-Underwriter #4	[●]
Sub-Underwriter #5	[●]
Sub-Underwriter #6	[●]

#### Settlement details – CARD Form

Please sign and return the attached CARD Form by 4.00pm on Friday, 18 December 2020 to the Joint Lead Managers (to the attention of the person and to the relevant email address indicated below):

**Attention:** Will Lawrence

**Email:** [will.lawrence@wilsonsadvisory.com.au](mailto:will.lawrence@wilsonsadvisory.com.au)

Yours sincerely

**Rob Snow**  
Head of Corporate Finance  
Wilsons Corporate Finance Limited

**Will Lawrence**  
Director  
Wilsons Corporate Finance Limited

**Angus Aitken**  
Partner  
Aitken Murray Capital Partners Pty Ltd

**John Murray**  
Partner  
Aitken Murray Capital Partners Pty Ltd

## CARD Form

THIS CARD FORM MUST BE COMPLETED AND RETURNED BY NO LATER THAN 4.00PM (SYDNEY, AUSTRALIA) ON FRIDAY, 18 DECEMBER 2020 TO WILSONS VIA EMAIL WILL.LAWRENCE@WILSONSADVISORY.COM.AU

### PART 1 – DETAILS OF OFFER AND DECLARATION

Entity / Offeror	Ovato Limited
Description of Offer	Pro Rata Renounceable Entitlement Offer - shortfall sub-underwriting confirmation
Declaration	<p>By returning this CARD Form, You confirm (for the benefit of each of the Company, the Joint Lead Managers and each of their respective Affiliates):</p> <ul style="list-style-type: none"> <li>— Your irrevocable agreement to acquire Your Allocation of Shortfall Securities on the terms of this Shortfall Confirmation and to the extent applicable, the Master ECM Terms ("Terms") dated 26 October 2020 available on the AFMA website at: <a href="http://www.afma.com.au/standards/documentation">http://www.afma.com.au/standards/documentation</a>;</li> <li>— You have read and understood and agree to be bound by and comply with the Terms, including without limitation the Acknowledgments, Warranties, Undertakings, variations and Foreign Jurisdiction Representations, as applied by and incorporated by reference into this Shortfall Confirmation and any selling restrictions in the Information Materials;</li> <li>— You confirm that by acquiring the Shortfall Securities, You will be deemed to have represented, warranted and agreed as to the matters covered by the Terms that apply and are incorporated by reference in this Shortfall Confirmation, and as to any additional representation, warranty, variation and agreement set out in this Shortfall Confirmation;</li> <li>— In particular, You confirm that by acquiring the Shortfall Shares, You will be deemed to have represented and warranted that You are not in the United States and You are purchasing the Shortfall Shares in an "offshore transaction" (as defined in Regulation S under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act; and</li> <li>— You understand Your settlement obligations.</li> </ul>

### PART 2 – DETAILS OF ALLOCATION

Bidder Name	Sayman Pty Limited as trustee for the Lindsay Hannan Family Trust (Sub-Underwriter #1) Michael Ashton Hannan (Sub-Underwriter #2) Adrian Thomas O'Connor (Sub-Underwriter #3) Richard Ashton Charles O'Connor (Sub-Underwriter #4) James Michael Hannan (Sub-Underwriter #5)		
Contact name	[Insert]	Code	HAN
Email	[Email]		
		Number of Securities	Total Amount
Securities at A\$0.005 each		[●]	A\$[●]«A»

### PART 3 – SETTLEMENT DETAILS / CARD FORM

Trade Date	Settlement Date	Price	Settlement Code	Settlement ISIN
Monday, 21 December 2020	Wednesday, 23 December 2020	A\$0.005 / Security	[OVTXX]	[●]

SETTLEMENT DATE: SETTLEMENT IS DELIVERY VERSUS PAYMENT AT 9.00AM ON WEDNESDAY, 23 DECEMBER 2020

In order for the Offeror to settle Your Securities on a delivery versus payment basis (DvP), please complete the table below, detailing Your custodian and Your various allocation quantities (if applicable), and email to Will Lawrence on [will.lawrence@wilsonsadvisory.com.au](mailto:will.lawrence@wilsonsadvisory.com.au) (Attn: Will Lawrence) by 4.00pm (Sydney, Australia time) on Friday, 18 December 2020.

You must also immediately instruct Your settling custodian to settle with Pershing Securities Australia Pty Ltd (PID 1792) on Wednesday, 23 December 2020, DvP with a Transaction basis of "I" (IPO) and a stock code of "[OVTXX]" quoting Bid Reference Number "[HAN]".

**Note:** No further application form is required to be completed by Your custodian. If more than one CARD Form is required this must be noted below and all forms must be emailed together and at the same time.



The Terms apply to this CARD Form. Capitalised terms used but not defined in this document have the meaning given to them in the Terms.

Number of Allocated Securities	A/C Name / Code	Australian Custodian Details	CHESS PID#

ADDITIONAL INFORMATION			
Omgeo-CTM or IOS required? (Circle)	Yes	No	If Yes, which acronym / BIC?

#### Settlement Contact Details

Australian Settlement Contact Name	Email address
	Phone No.

Settlement queries should be directed to Ashley Coffey (Phone: +61 3212 1338, Email:  
Ashley.coffey@wilsonsadvisory.com.au.