



## Cobalt Blue Holdings Limited

(ASX: COB)

### General Meeting

A General Meeting of Cobalt Blue Holdings Limited ABN 90 614 466 607  
to be held at the Company's office at Suite 17.03, Level 17, 100 Miller Street, North Sydney, NSW  
commencing at 11:00am (AEST) on Monday, 2 August 2021.



**Cobalt Blue Holdings Limited ABN 90 614 466 607**  
**Address:** Level 17, 100 Miller Street, North Sydney, NSW 2060  
**Website:** [www.cobaltblueholdings.com](http://www.cobaltblueholdings.com)  
**Facebook:** [www.facebook.com/Cobalt.Blue.Energy](https://www.facebook.com/Cobalt.Blue.Energy)  
**LinkedIn:** [www.linkedin.com/company/cobalt-blue-holdings](https://www.linkedin.com/company/cobalt-blue-holdings)

## NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of the shareholders of Cobalt Blue Holdings Limited ABN 90 614 466 607 (the Company) will be held at the Company's office at Suite 17.03, Level 17, 100 Miller Street, North Sydney, NSW, commencing at 11:00am (AEST) on Monday 2 August 2021.

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Refer to the Explanatory Memorandum for further information on the proposed Resolutions.

By order of the Board of Cobalt Blue Holdings Limited.

A handwritten signature in blue ink, appearing to read 'Danny Morgan', followed by a horizontal line.

**Danny Morgan**  
Company Secretary  
23 June 2021

## AGENDA

### **RESOLUTION 1: RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES AND TRANCHE 1 PLACEMENT OPTIONS UNDER LISTING RULE 7.1**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary** resolution:

*“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 25,900,000 fully paid ordinary shares and 12,950,000 attaching Options under the Placement and on the terms set out in the Explanatory Memorandum.”*

A voting exclusion statement is set out below.

### **RESOLUTION 2: APPROVAL TO ISSUE THE TRANCHE 2 PLACEMENT SHARES AND TRANCHE 2 PLACEMENT OPTIONS**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary** resolution:

*“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholder approval is given for the Company to issue up to 24,100,000 fully paid ordinary shares and 12,050,000 attaching Options under the Placement and on the terms set out in the Explanatory Memorandum.”*

A voting exclusion statement is set out below.

### **RESOLUTION 3: APPROVAL TO AMEND TERMS OF EXISTING DIRECTOR OPTIONS**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary** resolution:

*“That, for the purpose of ASX Listing Rule 6.23.4 and for all other purposes, Shareholders approve the proposed amendment to the terms of the Director Options to allow the cashless exercise of such Options on the terms and conditions in the Explanatory Memorandum.”*

A voting exclusion statement is set out below.

### **RESOLUTION 4: APPROVAL TO AMEND TERMS OF EXISTING OPTIONS ISSUED TO EMPLOYEES AND CONTRACTORS**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary** resolution:

*“That, for the purpose of ASX Listing Rule 6.23.4 and for all other purposes, Shareholders approve the proposed amendment to the terms of Options issued to employees and contractors to allow the cashless exercise of such Options on the terms and conditions in the Explanatory Memorandum.”*

A voting exclusion statement is set out below.

## VOTING PROHIBITIONS AND EXCLUSION STATEMENTS

Listing Rule 14.11

Under Listing Rule 14.11, the Company will disregard any votes cast on the following Resolutions by the following persons:

Resolution	Persons excluded from voting
<b>Resolution 1</b> - Ratification of prior issue of Tranche 1 Placement Shares and Tranche 1 Placement Options under listing rule 7.1	Persons who participated in the issue of the Tranche 1 Placement Shares and Tranche 1 Placement Options or any of their respective associates.
<b>Resolution 2</b> – Approval to issue the Tranche 2 Placement Shares and Tranche 2 Placement Options	Persons who may participate in the proposed issue of the Tranche 2 Placement Shares and Tranche 2 Placement Options or a person who might obtain a material benefit if Resolution 2 is passed, except a benefit solely in the capacity as a holder of ordinary securities, or an associate of that person (or those persons).
<b>Resolution 3</b> - Approval to amend terms of existing Director Options	Any person who holds an Option that is the subject of the approval being sought under this Resolution or an associate of those persons.
<b>Resolution 4</b> - Approval to amend terms of existing Options issued to Employees and Contractors	Any person who holds an Option that is the subject of the approval being sought under Resolution 4 or an associate of those persons.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy or attorney for a person who is entitled to vote on a resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) it is cast by the person chairing the Meeting as proxy or attorney for a person who is entitled to vote on a resolution, in accordance with a direction given to the chair to vote in the resolution as the chair decides; or
- (c) it is cast by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - b. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## VOTING RIGHTS AND PROXIES

A member who is entitled to attend and vote at the Meeting has a right to appoint a proxy. This appointment may specify the proportion or number of votes that the proxy may exercise. The proxy need not be a member of the Company. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes that each proxy may exercise, each proxy may exercise half of the votes.

The Chairman of the Meeting intends to vote undirected proxies in favour of each Resolution.

In accordance with section 250BD of the Corporations Act, a person who is appointed as a proxy must not vote, on the basis of that appointment, on Resolution 3 or Resolution 4 (as those resolutions are connected, directly or indirectly, with the remuneration of a member of the Key Management Personnel), if the proxy is either a member of the Key Management Personnel or a Closely Related Party of such a member and the appointment does not specify the way the proxy is to vote on Resolution 3 or Resolution 4. This prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even though Resolution 3 and Resolution 4 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

However, the Company need not disregard votes on Resolutions 1, 2, 3 or 4, by: a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Section 250B of the Corporations Act stipulates that proxies must be delivered at least 48 hours prior to the Meeting. For the purposes of section 250B, the Board has determined that all proxies must be received by no later than 5.00 pm (AEST) 30 July 2021 or in the event of the meeting being adjourned at least 48 hours prior to the adjourned meeting, to the Company's Share Registry Service Provider, Computershare Investor Services Pty Limited as follows:

<b>By Mail:</b>	Computershare Investor Services Pty Limited GPO Box 242, Melbourne VIC 3001 Australia
<b>By fax:</b>	1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia);
<b>In Person:</b>	Computershare Investor Services Pty Limited Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067 Australia
<b>Lodge Electronically:</b>	In accordance with the instructions on the proxy form or for Intermediary Online Subscribers only (custodians) cast (on behalf of the Shareholder) online by visiting <a href="http://www.intermediaryonline.com">www.intermediaryonline.com</a>

### Corporate Representatives

A body corporate that is a shareholder, or that has been appointed as a proxy, is entitled to appoint any person to act as its representative. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative must submit a properly executed Certificate of Appointment of Corporate Representative (available from the Company's share registry) by no later than 5.00 pm (AEST) 30 July 2021, by one of the above identified methods.

## DATE FOR DETERMINING HOLDERS OF SHARES

For the purposes of regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) and ASX Settlement Operating Rule 5.6.1, the Directors have set 7:00pm (AEST) on 31 July 2021 as the time and date to determine holders of the Company's fully paid ordinary shares for the purposes of determining entitlements to attend and vote at the General Meeting. Share transfers registered after that deadline will be disregarded in determining entitlements to attend and vote at the General Meeting.

## EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company to explain the Resolutions to be put to Shareholders at the General Meeting on 2 August 2021. The Board recommends that Shareholders read the accompanying Notice of General Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

### 1. BACKGROUND TO CAPITAL RAISING

On 15 June 2021 the Company announced a capital raising for the issue to sophisticated, experienced or professional investors of a total of 50,000,000 Shares and 25,000,000 attaching Options to raise a total of \$15,000,000 comprising two tranches:

- (a) 25,900,000 Shares at an issue price of \$0.30 per Share, together with one free attaching Option for every two Shares subscribed for (exercisable at \$0.45, with an expiry date of 15 August 2022) to raise a total of \$7.77 million (before costs) (**Tranche 1 Placement**); and
- (b) 24,100,000 Shares at an issue price of \$0.30 per Share, together with one free attaching Option for every two Shares subscribed for (exercisable at \$0.45, with an expiry date of 15 August 2022) to raise an additional amount of \$7.23 million (before costs) (**Tranche 2 Placement**)  
(together, the **Placement**).

Funds raised from the Placement will be applied to fund further development of the Broken Hill Cobalt Project, including a demonstration plant, engineering and mining studies, geological and site activities, planning approvals and for general working capital purposes.

The Shares and Options the subject of the Tranche 1 Placement were issued, using the Company's 15% placement capacity under Listing Rule 7.1 and additional 10% placement capacity under ASX Listing Rule 7.1A as follows:

- (a) 18,900,000 Shares and 12,950,000 Options were issued, under ASX Listing Rule 7.1; and
- (b) 7,000,000 Shares were issued under ASX Listing Rule 7.1A.

Resolution 1 seeks ratification of the Listing Rule 7.1 capacity used for the Tranche 1 Placement.

Resolution 2 seeks Shareholder approval under Listing Rule 7.1 for the issue of the Tranche 2 Placement Shares and Tranche 2 Placement Options as the Company does not have sufficient placement capacity to issue these without prior shareholder approval.

### 2. RESOLUTION 1 - RATIFICATION OF PRIOR ISSUE OF THE TRANCHE 1 PLACEMENT SHARES AND ISSUE OF TRANCHE 1 PLACEMENT OPTIONS UNDER LISTING RULE 7.1

#### 2.1 General

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 of the Tranche 1 Placement (**Ratification**).

## 2.2 ASX Listing Rules 7.1 and 7.4

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

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1A allows a company to issue up to a further 10% of its issued share capital, subject to certain conditions including prior approval at the company's annual general meeting. The Company obtained approval to issue up to a further 10% of its issued share capital at its last annual general meeting, held on 27 November 2020.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

If Resolution 1 is passed, the issue of the Tranche 1 Placement Shares and the Tranche 1 Placement Options will be ratified and deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1. By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 1 is not passed, the Company's future capacity to issue equity securities without Shareholder approval will be impacted.

## 2.3 Technical information required by ASX Listing Rule 7.4

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

- (a) the Company has issued 25,900,000 Shares and 12,950,000 Options;
- (b) the issue price for the Shares was \$0.30 per Share and the Options were issued for nil additional cash consideration as they were issued as free attaching options to the Shares;
- (c) the Shares and Options were issued on 21 June 2021;
- (d) the Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares, and the Options were issued on the material terms and conditions set out in Schedule 1;
- (e) the Shares and Options were issued to sophisticated, experienced or professional investors identified by the Company and joint lead managers of the Placement, Blue Ocean Equities Pty Ltd and Cannacord Genuity (Australia) Limited.
- (f) the funds raised from the issue of the Shares and Options will be used to fund the Company's development activities and working capital as further described in Section 1 above; and
- (g) a voting exclusion statement is included in the Notice.

## 2.4 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of the approval of Resolution 1.

## 3. RESOLUTION 2 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES AND TRANCHE 2 PLACEMENT OPTIONS

### 3.1 General

Resolution 2 seeks Shareholder approval for the issue of the Shares and Options the subject of the Tranche 2 Placement.

A summary of ASX Listing Rule 7.1 is set out in section 2.2 above.

If Resolution 2 is passed, the Company can issue the Shares and Options the subject of the Tranche 2 Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX).

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Placement Shares and Tranche 2 Placement Options.

### 3.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 2:

- (a) the maximum number of Shares to be issued is 24,100,000 and the maximum number of Options to be issued is 12,050,000;
- (b) the Shares and Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules). The issue of the Tranche 2 Shares and Options may occur in multiple tranches.;
- (c) the issue price for the Shares will be \$0.30 per Share and the Options will be issued for nil cash consideration as they are being issued as free attaching options to the Shares;
- (d) the Shares and Options will be issued to sophisticated, experienced or professional investors identified by the Company and joint lead managers of the Placement, Blue Ocean Equities Pty Ltd and Cannacord Genuity (Australia) Limited.
- (e) the Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares, and the Options will be issued on the material terms and conditions set out in Schedule 1;
- (f) the funds raised from this issue of the Shares and Options will be used to fund the Company's development activities and working capital as further described in Section 1 above; and
- (g) a voting exclusion statement is included in the Notice.

### 3.3 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of the approval of Resolution 2.

## 4. RESOLUTION 3: APPROVAL TO AMEND TERMS OF EXISTING DIRECTOR OPTIONS

### 4.1 Background

Shareholders approved the issue of the following Options to Directors (or their nominees) (Director Options):

Director	Director Nominee holding option	Shareholder approval date	No of Options	Expiry Date	Exercise Price
Mr R Biancardi	Zacob Pty Ltd <R&L Biancardi Super Fund A/C>	5/3/2019	500.000	21/12/2021	\$0.25
Mr H Keller	Votraint (HK Super) Pty Ltd <Travinto No 20 Superannuation Fund>	5/3/2019	500,000	21/12/2021	\$0.25
Mr R McDonald	The Minera Group Pty Ltd	5/3/2019	750,000	21/12/2021	\$0.25

Resolution 3 seeks Shareholder approval to amend the terms of the Director Options by including a cashless exercise facility in the terms of the Director Options. Apart from the proposed amendment, the terms of the Director Options remain unchanged.

### 4.2 ASX Listing Rule 6.23

ASX Listing Rule 6.23.4 provides that a company must obtain shareholder approval to make a change to the terms of options on issue which is not prohibited under ASX Listing Rule 6.23.3. ASX Listing Rule 6.23.3 prohibits a change to the terms of options which has the effect of reducing the exercise price, increasing the period for exercise or increasing the number of securities on exercise. The proposed amendment is not prohibited under ASX Listing Rule 6.23.3, as it does not have the effect of reducing the exercise price, increasing the period for exercise or increasing the number of securities to be received on exercise of the Options.

### 4.3 Proposed change to Option terms

The Option holder may elect to pay the exercise price by using a cashless exercise facility. This election is only available to Option holders if they provide notice of their election to use the cashless exercise facility with two (2) business days' notice prior to the end of the relevant expiry period.

If an Option holder elects to use the cashless exercise facility, the Option holder will only be issued that number of Shares (rounded down to the nearest whole number) as determined by the following formula:

$$A = \frac{B(C-D)}{C}$$

where:

A = the number of Shares to be issued to the Option holder.

B = the number of Shares otherwise issuable upon the exercise of the Option or portion of the Option being exercised.

C = the market value of one Share (being the VWAP of a Share sold on ASX on the last 5 trading days on which sales were recorded) immediately before the relevant end of an exercise period.

D = the relevant Exercise Price.

### 4.4 Worked example

The following example demonstrates how the cashless exercise facility will operate in comparison to how the traditional mechanism currently works:

**Traditional exercise**

If an Option holder holds 50,000 Options (which have vested and are therefore capable of exercise), each with an exercise price of \$0.30 and they elect to exercise all of their Options by paying the exercise price, they would pay \$15,000 and receive 50,000 Shares.

**Cashless exercise**

If the Option holder elects to use the cashless exercise facility, and the market value of one Share prior to exercise is \$0.40, the option holder will pay no cash and receive 12,500 Shares (being  $50,000(\$0.40 - \$0.30)/\$0.40 = 12,500$  Shares).

**4.5 Benefits of the proposed amendment**

The Directors consider there are a number of benefits to the Company in offering a cashless mechanism including:

- limiting dilution to existing Shareholders as fewer Shares are issued under the cashless exercise facility; and
- making retention of the Shares issued on exercise more attractive as the option holder would not need to sell all or part of the Shares to recoup the monies paid to exercise the Options.

Whilst less cash would be received by the Company where the cashless exercise facility is used, this is not seen as a material consideration as these Options were not issued for the purpose of raising funds, but principally to provide reasonable remuneration for the recipients, and to assist in attracting and incentivising the Directors.

If the proposed changes to the Option terms are approved, it will allow cashless exercise facilities for the Option holders.

If the proposed changes to the Option terms are not approved, cashless exercise facilities for Option holders will not be available and the Option terms will not be amended.

**4.6 Recommendation**

As all of the Directors have a material personal interest in the Resolution, the Directors abstain from making a resolution in relation to this Resolution.

**5. RESOLUTION 4: APPROVAL TO AMEND TERMS OF EXISTING OPTIONS ISSUED TO EMPLOYEES AND CONTRACTORS****5.3 Background**

In previous years, a number of Options have been issued to employees and contractors, the terms of which contemplate exercise in a traditional manner, being the payment of the exercise price in cash with receipt of one new Share per Option exercised. The Directors seek to amend the terms of Options issued to employees and contractors to include a cashless exercise facility. The cashless exercise facility will enable Option holders to set-off the exercise cost of their Options against the number of Shares which they are entitled to receive upon the exercise of their Options. Whether the cashless exercise facility will be utilised by an option holder (assuming Resolution 4 is approved) will be at the absolute discretion of the Option holder.

The change to the terms of the employee and contractor Options to introduce the cashless exercise facility have been conditionally approved by the Board, with such approval being subject to Shareholder approval under ASX Listing Rule 6.23.4 at the meeting. Each individual holder of

existing Options offered a cashless exercise facility will also be required to agree to that change in order for it to be effective in respect of that holder's Options.

Options affected by this resolution are set out in the table below:

Issue Date	Number	Type	Exercise Price	Expiry Date
21/12/2018	394,250	Issued under the Company's Employee Option Plan	\$0.30	21/12/2021
26/6/2019	698,250	Issued under the Company's Employee Option Plan	\$0.30	21/12/2021
21/9/2020	3,030,000	Issued under the Company's Employee Option Plan	\$0.14	24/8/2023
21/9/2020	150,000	General Issue to two contractors	\$0.14	24/8/2023

#### 5.4 ASX Listing Rule 6.23

ASX Listing Rule 6.23.4 provides that a company must obtain shareholder approval to make a change to the terms of options on issue which is not prohibited under ASX Listing Rule 6.23.3. ASX Listing Rule 6.23.3 prohibits a change to the terms of options which has the effect of reducing the exercise price, increasing the period for exercise or increasing the number of securities on exercise. The proposed amendment is not prohibited under ASX Listing Rule 6.23.3 as it does not have the effect of reducing the exercise price, increasing the period for exercise or increasing the number of securities to be received on exercise of the Options.

#### 5.5 Proposed change to Option terms

The Option holder may elect to pay the exercise price by using the cashless exercise facility. This election is only available to Option holders if they provide notice of their election to use the cashless exercise facility with two (2) business days' notice prior to the end of the relevant expiry period.

If an Option holder elects to use the cashless exercise facility, the Option holder will only be issued that number of Shares (rounded down to the nearest whole number) as determined by the following formula:

$$A = \frac{B(C-D)}{C}$$

where:

A = the number of Shares to be issued to the Option holder.

B = the number of Shares otherwise issuable upon the exercise of the Option or portion of the Option being exercised.

C = the market value of one Share (being the VWAP of a Share sold on ASX on the last 5 trading days on which sales were recorded) immediately before the relevant end of an exercise period.

D = the relevant Exercise Price.

#### 5.4 Worked example

The following example demonstrates how the cashless exercise facility will operate in comparison to how the traditional mechanism currently works:

##### ***Traditional exercise***

If an Option holder holds 50,000 Options (which have vested and are therefore capable of exercise), each with an exercise price of \$0.30 and they elect to exercise all of their Options by paying the exercise price, they would pay \$15,000 and receive 50,000 Shares.

##### ***Cashless exercise***

If the Option holder elects to use the cashless exercise facility, and the market value of one Share prior to exercise is \$0.40, the option holder will pay no cash and receive 12,500 Shares (being  $50,000(\$0.40 - \$0.30)/\$0.40 = 12,500$  Shares).

#### 5.5 Benefits of the proposed amendment

The Directors consider there are several benefits in offering a cashless exercise facility including:

- limiting dilution to existing Shareholders as fewer Shares are issued under the cashless exercise facility;
- making retention of the Shares issued on exercise more attractive as the Option holder would not need to sell all or part of the Shares to recoup the monies paid to exercise the Options; and
- making Option exercise a more attractive prospect for those employees or contractors who may otherwise not have ready access to cash.

Whilst less cash would be received by the Company where the cashless exercise facility is used, this is not seen as a material consideration as these Options were not issued for the purpose of raising funds, but principally to provide reasonable remuneration for the recipients, and to assist in attracting and incentivising the employees and contractors.

If the proposed changes to the Option terms are approved, it will allow cashless exercise facilities for the Option holders.

If the proposed changes to the Option terms are not approved, cashless exercise facilities for Option holders will not be available and the Option terms will not be amended.

#### 5.6 Recommendation

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

## INTERPRETATION

For the purposes of interpreting the Explanatory Memorandum and the Notice of General Meeting:

- (a) the singular includes the plural and vice versa;
- (b) words importing any gender include the other genders;
- (c) reference to any statute, ordinance, regulation, rule or other law includes all regulations, and other instruments and all consolidations, amendments, re-enactments or replacements for the time being in force;
- (d) all headings, bold typing and italics (if any) have been inserted for convenience of reference only and do not define, limit or affect the meaning or interpretation of the Explanatory Memorandum or the Notice of General Meeting;
- (e) reference to persons includes bodies corporate and government authorities, and in each and every case includes a reference to the person's executors, administrators, successors and substitutes (including, without limitation, persons taking by novation and assignment); and
- (f) reference to \$ is a reference to the lawful tender for the time being and from time-to-time of the Commonwealth of Australia.

## GLOSSARY

**AEST** means Australian Eastern Standard Time as observed in Sydney, New South Wales.

**Associate** has the meaning given to that term in ASX Listing Rule 19.12.

**ASX** means ASX Limited ABN 98 008 624 691.

**ASX Listing Rules** means the official listing rules issued and enforced by the ASX, as amended from time-to-time.

**Board** or **Board of Directors** mean the board of Directors of the Company.

**Closely Related Party** has the meaning given in section 9 of the Corporations Act.

**Company** means Cobalt Blue Holdings Limited ABN 90 614 466 607.

**Constitution** means the constitution of the Company, as amended from time-to-time.

**Corporations Act** means the *Corporations Act 2001 (Cth)* as amended from time-to-time.

**Director Options** has the meaning in Section 4.1.

**Equity Securities** has the same meaning as in the ASX Listing Rules.

**Explanatory Memorandum** means this explanatory memorandum.

**General Meeting** means the general meeting to commence at 11:00am (AEST) on 2 August 2021 and notified to the Company's Shareholders by this Notice.

**Key Management Personnel** has the meaning in Accounting Standard AASB 124 Related Party Disclosure and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

**Listing Rule** means the listing rules of the ASX.

**Meeting** means the General Meeting.

**Notice** means this notice of General Meeting.

**Option** means an option in the issued capital of the Company that, when exercised, converts into one fully paid ordinary share in the issued capital of the Company on the terms set out in the Explanatory Memorandum.

**Placement** has the meaning given in Section 1 of the Explanatory Memorandum.

**Related Party** has the meaning given to that term in section 228 of the Corporations Act.

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

**Shareholder** means a shareholder of the Company.

**Trading Day** means a day determined by the ASX to be a Trading Day, notified to market participants, and otherwise as defined by the ASX Listing Rules.

**Tranche 1 Placement** has the meaning given in Section 1 of the Explanatory Memorandum.

**Tranche 2 Placement** has the meaning given in Section 1 of the Explanatory Memorandum.

**VWAP** means the arithmetic average of the daily volume weighted average price of ordinary shares in the Company traded on the ASX.

## REGISTERED OFFICE

### **Cobalt Blue Holdings Limited**

ABN 90 614 466 607

Address: Suite 17.03, Level 17, 100 Miller Street, North Sydney, NSW 2060

Telephone: +61 2 8287 0660

Website: [www.cobaltblueholdings.com](http://www.cobaltblueholdings.com)

## SCHEDULE 1 TERMS OF PLACEMENT OPTIONS

The Placement Options have an exercise price of \$0.45 per option and an expiry date of 15 August 2022.

The material terms of the Placement Options are as follows:

- (a) The Options will be issued for no consideration.
- (b) Each Option entitles the holder to be issued one Share.
- (c) The Options may be exercised at any time prior to the expiry date, in whole, upon payment of the exercise price per Option.
- (d) The Options are non-transferable and no application will be made for quotation.
- (e) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). Options may only be exercised by the Option holder in whole by completing the Notice of Exercise and forwarding the same to the Secretary of the Company to be received prior to the expiry date. The Notice of Exercise must state the number of Options exercised, the consequent number of Shares to be issued and the identity of the proposed subscribers. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Option.
- (f) All Shares issued upon the exercise of the Options will rank equally in all respects with the Company's then issued Shares. The Company must apply to ASX for quotation of Shares issued on exercise of Options.
- (g) There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Options. Thereby, the Option holder has no rights to a change in the exercise price of the Option or a change to the number of underlying securities over which the Option can be exercised except in the event of a bonus issue. The Company will ensure, for the purposes of determining entitlements to any issue, that Option holder will be notified of a proposed issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
- (h) If from time to time on or prior to the Expiry Date the Company makes a bonus issue of securities to holders of Shares in the Company (**Bonus Issue**), then upon exercise of their Options a holder will be entitled to have issued to them (in addition to the Shares which they are otherwise entitled to have issued to them upon such exercise) the number of securities which would have been issued to them under that Bonus Issue if the Options had been exercised before the record date for the Bonus Issue.
- (i) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Option holder shall be reconstructed (as appropriate) in accordance with the Listing Rules.
- (j) The Options may not be exercised by or on behalf of a person in the United States unless the Options and the underlying Shares have been registered under the US Securities Act of 1933 and applicable state securities laws, or an exemption from such registration requirement is available.



COB  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Need assistance?

 **Phone:**  
1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)

 **Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00 am (AEST) Saturday 31 July 2021**.

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### PARTICIPATING IN THE MEETING

#### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**  
**SRN/HIN: I9999999999**  
**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

## Proxy Form

Please mark  to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Cobalt Blue Holdings Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Cobalt Blue Holdings Limited to be held at the Company's office at Suite 17.03, Level 17, 100 Miller Street, North Sydney, NSW on Monday, 2 August 2021 at 11:00 am and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 3 and 4 (except where I/we have indicated a different voting intention in step 2) even though Items 3 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 3 and 4 by marking the appropriate box in step 2.

### Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Ratification of prior issue of Tranche 1 Placement Shares and Tranche 1 Placement Options under listing rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval to issue the Tranche 2 Placement Shares and Tranche 2 Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to amend terms of existing Director Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval to amend terms of existing Options issued to Employees and Contractors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

COB

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Computershare



