East 33 Limited

ASX ANNOUNCEMENT

For immediate release

22 March 2024

East 33 Limited – Notice of General Meeting

In accordance with the requirements under ASX Listing Rule 3.17.1, East 33 Limited (ASX: **E33**) ("**East 33**") attaches the Notice of General Meeting and Independent Expert's Report for a general meeting of shareholders of East 33 which will be held as a virtual only meeting at 10:00 am (AEST) on Tuesday, 23 April 2024 (**General Meeting**).

The Recapitalisation Transaction

As announced to the ASX on 29 February 2024, East 33 has entered into an Amended Convertible Note Subscription Agreement and Amended Facility Agreement with Yumbah Finance Pty Ltd (**Yumbah Finance**).

Those agreements require a number of resolutions contained in the Notice of General Meeting to be passed in order to become effective and document a structure whereby East 33 will have access to additional debt funding. Access to such debt funding is to be facilitated by way of the following transaction (**Recapitalisation Transaction**):

- the conversion of $5.0 million of the face value of the convertible note granted to Yumbah Finance in 2023 into ordinary shares in East 33 (**Conversion Shares**), with such number of Conversion Shares being determined by dividing $5.0 million of the face value by a minimum price of $0.021. The $5.0 million will be deemed to be paid by Yumbah Finance in reduction of the amount owing by East 33 under the facility agreement between East 33 and Yumbah Finance (**Facility Agreement**), which has a facility limit of $15.0 million plus capitalised interest and has $10.0 million drawn down, so bringing the amount owing under the Facility Agreement to $5.0 million plus capitalised interest; and
- following the Convertible Note Conversion, allowing East 33 to maintain the facility limit under the Facility Agreement at $15.0 million plus capitalised interest, meaning that, with the facility paid down by $5.0 million, East 33 will have access to a further $10.0 million that can be drawn under the Facility Agreement,

Rationale for the Recapitalisation Transaction

As announced to the market on 29 February 2024 and as foreshadowed in the Quarterly Activities Report lodged with the ASX on 22 January 2024, there are number of factors underpinning the requirement for the Recapitalisation Transaction:

- The need to repay the $5.5 million short-term debt due on 30 April 2024 requires the availability of further funding; and
- The FY24 harvest volume is now expected to be circa 4 million oysters, with volumes expected to rebound strongly in FY25. Prior actual harvest volumes achieved by East 33 were predicated on selling small, lower-margin oysters, and the previous FY24 forecast contained overly ambitious management forecasts of the maturation rate from juvenile to premium market grade oysters. The delayed sales are having a negative impact on the Company's cash reserves, which is unsustainable without access to additional working capital.

As announced on 29 February 2024, East 33 has completed its strategic review of its operations. Such results were announced to the ASX and are detailed once more in paragraph 1.2 of the Notice of Meeting.

The impact of the strategic review is that East 33 identified that it required additional capital in order to repay its short-term, debt, maintain its overall debt position, continue its business operations and deliver on the outcomes of such strategic review.

What approvals are being sought?

In order to implement the Recapitalisation Transaction, the General Meeting seeks the following Shareholder approvals:

- **Resolution 1 –** Approval of the Amended Convertible Note Subscription Agreement under ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act to allow Yumbah Finance to convert $5.0 million of the face value of the Convertible Note into Conversion Shares in reduction of $5.0 million of the amount owed to Yumbah under the Facility Agreement;
- **Resolution 2 –** Approval for the issue of the Conversion Shares to Yumbah Finance and the consequential increase in the Relevant Interest of Yumbah Finance (and its associated entities), under item 7 of s611 and Chapter 2E of the Corporations Act to ~55.82%; and
- **Resolution 3 –** Approval under ASX Listing Rule 10.1 for the entry into of the Amended Facility Agreement given such amendments are required to facilitate the Recapitalisation Transaction.

<u>The Independent Expert</u>

An Independent Expert's Report has been prepared in respect of Resolutions 2 and 3 is included in the Notice of General Meeting. The Independent Expert has determined that the proposal outlined in Resolution 2 is unfair but reasonable to the Non-Associated Shareholders and the proposal outlined in Resolution 3 is fair and reasonable to the Non-Associated Shareholders.

<u>Recommendation of the Independent Board Committee</u>

As detailed in the Notice of General Meeting, the non-conflicted Directors of East 33, being the Independent Board Committee of East 33, consisting of Ms Sarah Courtney, Mr Mike Ryan and Ms Veronica Papacosta chose to pursue the Recapitalisation Transaction on the basis that they consider it to be in the best interests of East 33 and the Non-Associated Shareholders given it:

- reduces the amount owed to Yumbah Finance to $5.0 million (plus accrued interest), given $5.0 million is to be repaid by East 33 by way of the issue of Conversion Shares to Yumbah Finance; and
- following the issue of the Conversion Shares, allows East 33 to maintain the facility under the Facility Agreement at $15.0 million plus capitalised interest, meaning that, with the loan facility paid down to $5.0 million (plus accrued interest), East 33 will have a further $10.0 million that can be drawn under the Facility Agreement. This will allow East 33 to:
    - repay the short-term debt of $5.5 million on 30 April 2024; and
    - have a balance undrawn amount of $4.5 million for working capital purposes.

The other Directors, being nominees of Yumbah Aquaculture Limited, make no recommendations in respect of the Recapitalisation Transaction.

Ultimately, however, the Recapitalisation Transaction will require the approval of Shareholders and, as such, Shareholders will have the ability to determine themselves (with the benefit of the Independent Expert's Report) whether they are comfortable proceeding with the Recapitalisation Transaction.

The advantages and disadvantages of the Recapitalisation Transaction are detailed in paragraph 1.5 of the attached Notice of Meeting. East 33 encourages shareholders to read these before making a decision with respect to how to vote.

This Announcement is authorised for release by the Independent Chair of East 33 Limited.

Announcement Ends

For further information, please contact:

Sarah Courtney – Independent Chair
Email: cosec@east33.sydney
Phone: +61 3 9692 7222

About East 33 Limited

East 33 is dedicated to pioneering the world's best oyster culture, by empowering the people behind it, caring for the places that support it, and delivering moments to be savoured. East 33 represents quality, a dedication to the authentic and an inspired future, focused on delivering a moment of joy.

East 33 is a vertically integrated Sydney Rock Oyster producer, processor, and supplier. Operations span all elements of the Sydney Rock Oyster industry from hatchery, nursery, and production farmers to processing facilities.

East 33's current operations are based in the Wallis Lake, Port Stephens and the Camden Haven River regions of NSW, and over 130 years of collective of farming knowledge. Learnings are being harnessed to deliver the next stage of improved breeding, technology, and sustainable farming techniques to propel the industry for generations to come.

Sydney Rock Oysters are extremely rare natively thriving in just 41 locations on the east coast of Australia centred on latitude 33 degrees – providing the namesake for East 33 Limited.

22 March 2024

Dear Shareholder,

Re: Notice of Meeting on Tuesday, 23 April 2024 at 10:00 am (AEST)

Notice is given that the General Meeting of shareholders of East 33 Limited (the "**Company**") will be held as a virtual only meeting via a webinar conferencing facility at 10:00 am (AEST) on Tuesday, 23 April 2024 **("General Meeting" or "Meeting")**.

The Company will not be dispatching physical copies of the Notice of Meeting. Instead, the Notice of Meeting, accompanying explanatory statement and Independent Experts Report (**Meeting Materials**) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company's website https://east33.sydney/pages/investors or at the Company's share registry's website https://investorcentre.linkgroup.com
- To register for the meeting, please use the following link: https://vistra.zoom.us/webinar/register/WN_eWqPrgTjQxmdnjOW0gM5BA
- A complete copy of the Meeting Materials has been posted to the Company's ASX Market announcements page at www.asx.com.au under the Company's ASX code "E33".
- If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting Materials and the voting instruction form.

If you would like to receive electronic communications from the Company in the future, please update your communication elections online at https://investorcentre.linkgroup.com. If you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online please contact our share registry Link Market Services Limited at registrars@linkmarketservices.com.au or on 1300 554 474 (within Australia) or +61 1300 554 474 (Outside Australia) between 8:30am and 7:30pm (AEST) Monday to Friday, to arrange a copy.

Details of how to register to attend the Meeting are contained in the Meeting Materials. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available through the ASX website at www.asx.com.au (ASX: E33) and on it's website at https://east33.sydney/pages/investors. Shareholders are encouraged to lodge their completed proxy forms in accordance with the instructions in the Notice of Meeting.

Yours sincerely,

Mathew Watkins
Company Secretary
East 33 Limited

Notice of General Meeting & Explanatory Statement

East 33 Limited ACN 636 173 281

To be held at:	Virtually – online (including to listen, vote and ask questions online during the General Meeting): https://vistra.zoom.us/webinar/register/WN_eWqPrgTjQxmdnjOW0gM5BA
To be held on:	Tuesday, 23 April 2024
Commencing:	10.00 a.m. AEST (Sydney, Australia time)

More information regarding online participation at the General Meeting (including how to vote and ask questions online during the General Meeting) is available in Section C of this Notice of General Meeting and Explanatory Statement.

Important Information

This Notice of General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

An Independent Expert's Report in respect of Resolutions 2 and 3 is included in this Notice of General Meeting and Explanatory Statement. The Independent Expert's Report has been prepared by BDO Corporate Finance Ltd (**Independent Expert**). The Independent Expert has determined that the proposal outlined in Resolution 2 is unfair but reasonable to the Non-Associated Shareholders and the proposal outlined in Resolution 3 is fair and reasonable to the Non-Associated Shareholders.

A copy of the Independent Expert's Report is contained in **Annexure A** of this Notice of General Meeting and Explanatory Statement. **It is recommended that all Shareholders read the Independent Expert's Report in full.**

Important dates

Deadline for lodgement of Proxy Forms for the General Meeting	10.00 a.m. AEST (Sydney, Australia time), Sunday, 21 April 2024
General Meeting	10.00 a.m. AEST (Sydney, Australia time), Tuesday, 23 April 2024
Completion of the conversion of $5.0 million under the Convertible Note *Subject to the relevant Resolutions being approved*	Friday, 26 April 2024

*Dates are indicative only and are subject to change. The occurrence of milestones after the General Meeting are conditional on the passing of the Resolutions at the General Meeting.

Letter from the Chair

Dear Shareholders,

We are pleased to invite you to the General Meeting of East 33 Limited (**Company**).

We are holding the General Meeting via a virtual platform at 10.00 a.m. AEST (Sydney, Australia time) on Tuesday, 23 April 2024. In order to attend, ask questions and vote virtually via the online platform at https://vistra.zoom.us/webinar/register/WN_eWqPrgTjQxmdnjOW0gM5BA, you will need to register by following the prompts which includes providing the following details:

- Shareholder name(s); and
- Your full registered address.

In accordance with Part 1.2AA of the *Corporations Act 2001* (Cth), the Company will only be dispatching physical copies of the Notice of General Meeting and Explanatory Statement (**Notice of General Meeting**) to Shareholders who have elected to receive the Notice of General Meeting in physical form. The Notice of General Meeting is being made available to Shareholders electronically and can be viewed and downloaded online on the Company's ASX market announcements page (ASX:E33).

Participating in the General Meeting online enables Shareholders to ask questions and cast direct votes at the appropriate times during the General Meeting. We recommend you register at least 15 minutes prior to the General Meeting.

Shareholders may only ask questions online once they have been verified. It may not be possible to respond to all questions. It is encouraged that Shareholders lodge questions prior to the General Meeting by submitting questions to the Company Secretary, Mathew Watkins, by email at cosec@east33.sydney.

A number of defined terms (capitalised) are used in the Notice of General Meeting. These terms, unless the context requires, are explained in the Glossary in Section A of this Notice of General Meeting.

Background to the Resolutions

The Recapitalisation Transaction

As announced to the ASX on 29 February 2024, East 33 entered into the:

- Amended Convertible Note Subscription Agreement; and
- Amended Facility Agreement,

(collectively, the **Recapitalisation Documents**).

The Recapitalisation Documents require the resolutions contained in this Notice of General Meeting to be passed in order to become effective.

The Recapitalisation Documents document a structure whereby East 33 will have access to additional debt funding. This is to be facilitated by way of:

- the conversion of $5.0 million of the Face Value of the Convertible Note (**Convertible Note Conversion**) into Shares (**Conversion Shares (Tranche 1)**), with such number of Conversion Shares (Tranche 1) being determined by dividing the $5.0 million of the Face Value (**Conversion Amount (Tranche 1**) by the Conversion Price.

  The $5.0 million will be deemed to be paid by Yumbah Finance in reduction of the amount owing by East 33 under the Facility Agreement, which, as at the date of this Notice of General Meeting has a Facility Limit of $15.0 million plus capitalised interest and has $10.0 million drawn down, so bringing the amount owing under the Facility Agreement to $5.0 million plus capitalised interest; and
- following the Convertible Note Conversion, allowing East 33 to maintain the Facility Limit under the Facility Agreement at $15.0 million plus capitalised interest, meaning that, with the Loan

Facility paid down by $5.0 million, East 33 will have a further $10.0 million that can be drawn under the Facility Agreement,

(**Recapitalisation Transaction**).

The proceeds from the Recapitalisation Transaction will then be applied as follows:

Item	Funds received	Funds applied
Convertible Note Conversion	$5.0 million which will become available following the issue of Shares on the Convertible Note Conversion in reduction of the Loan Facility.	N/A
Maintenance of Facility Limit under the Facility Agreement	• $10.0 million already drawn under the Loan Facility; • $5.0 million repaid under the Loan Facility (by way of the Convertible Note Conversion); and • $5.0 million plus capitalised interest loan balance under the Loan Facility. **$10.0 million available to be drawn**	Of the $10.0 million available to be drawn under the Loan Facility: • $5.5 million will be applied to the repayment of the Short-term Debt; and • $4.5 million will be applied for working capital.
Debt position	**$15.0 million plus capitalised interest (as a result of the Convertible Note Conversion) and assuming the Loan Facility is fully drawn**	**$15.0 million plus capitalised interest (as a result of the Convertible Note Conversion) and assuming the Loan Facility is fully drawn**

<u>Rationale for the Recapitalisation Transaction</u>

As announced to the market on 29 February 2024 and as foreshadowed in the Quarterly Activities Report lodged with the ASX on 22 January 2024, there are number of factors underpinning the requirement for this transaction:

- The need to repay the Short-Term Debt due on 30 April 2024 requires the availability of further funding; and
- The FY24 harvest volume is now expected to be circa 4m oysters, with volumes expected to rebound strongly in FY25. Prior actual harvest volumes achieved by East 33 were predicated on selling small, lower-margin oysters, and the previous FY24 forecast contained overly ambitious management forecasts of the maturation rate from juvenile to premium market grade oysters. The delayed sales are having a negative impact on the Company's cash reserves, which is unsustainable without access to additional working capital.

As announced to the market on 29 February 2024 and as foreshadowed in the Quarterly Activities Report lodged with the ASX on 22 January 2024, East 33 has now completed its strategic review of its operations. The results of this strategic review are as follows:

- <u>Harvest Re-profiling:</u> The stock on-hand aligns to the business' view prior to the commencement of the review, however, as previously foreshadowed (on 14 February 2024), the Company has made a strategic decision to delay the harvest of oysters that had previously been ear-marked for sale in FY24. It was determined that a revised forecast harvest schedule is needed to deliver consistent market grade oysters which will translate to the best possible commercial outcomes for the business. The Strategic Review has identified mechanisms to underpin the revised harvest profile, with a strong recovery expected in FY25 and beyond.
- <u>Supply Chain Improvement Plan:</u> The production pipeline within East 33 is subject to greater fluctuations than previously forecast within the farming business. There is a material strategic opportunity within the business however to stabilise production and bring the business to the current steady-state production volumes sooner than would otherwise be possible relying on internal hatchery and grow-out operations.

- Investment in Farm Infrastructure: East 33's farming assets have production synergies that have not yet been realised and, with a modest capital investment in infrastructure, can be leveraged to improve the business' position in the market. This investment will allow the business to increase oyster supply at strategic periods throughout the year and in doing so, take advantage of market opportunities not previously available to East 33.
- Organisational Re-alignment: A review of the management structures within East 33 has identified opportunities within the vertically integrated business to leverage internal functions and deliver commercial upside for the business. Further, the systems and processes across the business will continue to harmonize, increasing efficiencies across key functions.

The impact of this is that East 33 identified that it required additional capital in order to repay its Short-term Debt, maintain its overall debt position, continue its business operations and deliver on the outcomes of the strategic review.

What approvals are being sought?

This General Meeting seeks the approval of Shareholders for:

- **Resolution 1 –** Approval of the Amended Convertible Note Subscription Agreement under ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act to allow Yumbah Finance to convert $5.0 million of the Face Value of the Convertible Note, being the Conversion Amount (Tranche 1), into Conversion Shares (Tranche 1) at the Conversion Price. The Conversion Amount (Tranche 1) is payable by way of a reduction of $5.0 million of the Yumbah Debt under the Loan Facility;
- **Resolution 2 –** Approval for the issue of the Conversion Shares (Tranche 1) at the Conversion Price to Yumbah Finance and the consequential increase in the Relevant Interest of each of Yumbah Finance, YAL, RCPL and Mr Hall (and their associated entities), under item 7 of section 611 and Chapter 2E of the Corporations in reduction of the Yumbah Debt; and
- **Resolution 3 –** Approval under ASX Listing Rule 10.1 for the entry into of the Amended Facility Agreement given such amendments are required to facilitate the Recapitalisation Transaction.

The Independent Expert

An Independent Expert's Report in respect of Resolutions 2 and 3 is included in this Notice of General Meeting. The Independent Expert's Report has been prepared by BDO Corporate Finance Ltd (**Independent Expert**). The Independent Expert has determined that the proposal outlined in Resolution 2 is unfair but reasonable to the Non-Associated Shareholders and the proposal outlined in Resolution 3 is fair and reasonable to the Non-Associated Shareholders.

On the basis of the opinion of the Independent Expert, all of the Directors entitled to make a recommendation in respect of a particular Resolution recommend that you vote in favour of approving that Resolution. The other Directors, being Mr Ben Cameron and Mr Gary Higgins, do not provide a recommendation as they are nominees of YAL.

Voting

Virtual General Meeting

The Company is pleased to provide Shareholders with the opportunity to attend and participate in the General Meeting virtually through an online meeting platform which will be explained during the meeting.

Shareholders participating virtually will be able to watch, listen, ask questions and vote online.

Further instructions on how to vote virtually are provided for in Section C of the Notice of General Meeting.

Your vote is important

The business of the General Meeting affects your shareholding and your vote is important.

All resolutions will be decided on a poll. The poll will be conducted based on votes submitted by proxy and at the General Meeting.

Shareholders are strongly encouraged to complete and submit their vote by proxy by using one of the following methods:

Online	Lodge the Proxy Form online at www.linkmarketservices.com.au/login by following the instructions: Login to the Link Market Services website using the holding details as shown on the Proxy Form and click on 'Voting'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.
By post	Completing the enclosed Proxy Form and posting it to: Link Market Services, Locked Bag A14, Sydney South NSW 1235
By hand	Completing the enclosed Proxy Form and delivering it by hand to: Link Market Services, Parramatta Square, Level 22, Tower 6, 10 Darcy Street, Parramatta NSW 2150

Your Proxy Form must be received no later than 48 hours before the commencement of the General Meeting. Proxy Forms received later than this time will be invalid.

If you are unsure as to how to vote, we recommend that you speak with your professional adviser.

The Chair intends to vote all open proxies in favour of all resolutions, where permitted.

Contents of this booklet

With respect to the General Meeting, this booklet contains the following:

- The Notice of General Meeting for the General Meeting which contains information about the business to be conducted at the General Meeting, including the Resolutions to be put to the General Meeting (see Section B).
- Information explaining the business to be conducted at the General Meeting (see the Explanatory Statement at Section D).
- Information on how to vote, how to attend the General Meeting electronically and how to appoint a proxy to vote on the Resolutions to be passed at the General Meeting (see Section C).

Please read the whole of this booklet carefully as it provides important information on the General Meeting, items of business and the Resolutions that you, as a Shareholder, are being asked to vote on.

Should you wish to discuss the matters in this Notice of General Meeting, please do not hesitate to contact the Company Secretary, Mathew Watkins, on +61 3 9692 7222 or by email at cosec@east33.sydney.

By order of the Board

Dated 22 March 2024

Hon Sarah Courtney – Non-executive Chair
East 33 Limited

Section A – Glossary

$	Australian dollars.
AEST	Australian Eastern Standard Time.
Amended Convertible Note Subscription Agreement	The Amended and Restated Convertible Note Subscription Agreement, the material terms of which are summarised in paragraph 0 of the Explanatory Statement.
Amended Facility Agreement	The Amended and Restated Facility Agreement, the material terms of which are summarised in paragraph 0 of the Explanatory Statement.
ASIC	The Australian Securities & Investments Commission.
ASX	The Australian Securities Exchange operated by ASX Limited.
ASX Listing Rules	The listing rules of the ASX.
ASX Waiver	The ASX Waiver issued to East 33 on 14 August 2023, and as further described in paragraph 4.2 of the Explanatory Statement.
BDO	BDO Corporate Finance Ltd ACN 010 185 725.
Board	The board of directors of the Company.
Business Day	A day which is not a Saturday, Sunday or a bank or public holiday in New South Wales.
Chair	The chair of the General Meeting.
Company or East 33	East 33 Limited ACN 636 173 281.
Company Secretary	The company secretary of the Company.
Constitution	The constitution of the Company.
Convertible Note	The one (1) convertible note issued by East 33 to Yumbah Finance on 12 December 2023 pursuant to the terms of the Convertible Note Subscription Agreement to be revised by the Amended Convertible Note Subscription Agreement.
Convertible Note Conversion	The conversion of the Conversion Amount (Tranche 1) and the issue of the Conversion Shares (Tranche 1).
Convertible Note Subscription Agreement	The Convertible Note Subscription Agreement entered into between East 33 and Yumbah Finance on 16 August 2023 detailing the issue of the Convertible Note.
Conversion Amount (Tranche 1)	$5.0 million.
Conversion Date	No later than 15 Business Days after the date on which the Resolutions are approved by Shareholders.
Conversion Price	Means the higher of: • $0.021; or • a 10% discount to the 20-day volume weighted average price calculated to the last Trading Day prior to the Conversion Date. What this means is that the minimum price for which the Conversion Shares (Tranche 1) in East 33 may be issued, will be $0.021 per Conversion Share (Tranche 1).
Conversion Shares (Tranche 1)	A maximum of 238,095,238 Shares in East 33.
Corporations Act	The *Corporations Act 2001* (Cth).
Corporations Regulations	The *Corporations Regulations 2001* (Cth).
Crown Leases	The crown leases held in the name of East 33 Farming Limited ACN 643 368 521, M S Verdich & Sons Pty Ltd ACN 003 308 852 and Hamilton Supervisory Pty Ltd ACN 637 291 706, each being wholly owned subsidiaries of the Company.

Directors	The directors of the Company.
East 33 or Company	East 33 Limited ACN 636 173 281.
Equity Securities	Any type of security in the Company, including a Share, option, unit, convertible security, and as otherwise defined in the ASX Listing Rules.
Explanatory Statement	The explanatory statement accompanying the Notice of General Meeting and contained in Section D to this booklet.
Face Value	The total amount of the Yumbah Debt.
Facility Agreement	The Facility Agreement entered into on 15 August 2023 between Yumbah Finance and the Company, amongst others.
Facility Documents	The Facility Documents consist of the: • Facility Agreement; and • Securities.
Facility Limit	The facility limit under the Facility Agreement, being $15.0 million plus capitalised interest.
General Meeting	The general meeting of Shareholders.
General Security Deed	The General Security Deed entered into on 15 August 2023 between Yumbah Finance and the Company, amongst others.
Glossary	The glossary contained in Section A to this booklet.
Independent Board Committee	The independent board committee established by the Company, comprising of Ms Sarah Courtney, Ms Veronica Papacosta and Mr Mike Ryan, for the purpose of assisting in the assessment of the Loan Facility.
Independent Expert	BDO Corporate Finance Ltd.
Independent Expert Report	The Independent Expert Report prepared by the Independent Expert contained in Annexure A of the Notice of General Meeting and Explanatory Statement.
Loan Facility	The $15.0 million loan facility the subject of the Facility Documents, of which $10.0 million has been drawn as at the date of this Notice of General Meeting.
Mr Hall	Mr Anthony Hall.
Non-Associated Shareholders	The Shareholders of the Company that are not Yumbah Finance or its associated entities.
Notice of General Meeting	The notice of the General Meeting accompanying the Explanatory Statement for the General Meeting and contained in Section B to this booklet.
Other Securities	The mortgages over the Oyster Permits and Crown Leases of the Company and its Subsidiaries.
Oyster Permits	The oyster permits held in the name of East 33 Farming Pty Ltd ACN 643 368 521.
Proxy Form	Online proxy voting is available at www.linkmarketservices.com.au/login. If you require a paper proxy form please contact the Share Registry, Link Market Services on 1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia). Otherwise, please log your proxy vote online using the details outlined in the Notice & Access letter or using the personalised link which was sent to all Shareholders that have elected to receive online communications for notices of meeting.
RCPL	Research Corporation Pty Ltd ACN 076 543 756, a company controlled by Mr Hall.
Recapitalisation Documents	The Amended Convertible Note Subscription Agreement and the Amended Facility Agreement.
Recapitalisation Transaction	The transaction documents by way of the Recapitalisation Documents as detailed in paragraph 1.1 of the Explanatory Statement.
Relevant Event of Default	Has the meaning given to that term in paragraph 0 of the Explanatory Statement.

Relevant Interest	Has the meaning given to that term in section 608 of the Corporations Act and other relevant sections of the Corporations Act.
Relevant Interest Acquisition	The increase of the Relevant Interest of the Yumbah Entities on the basis of the issue of the Conversion Shares (Tranche 1).
Resolution(s)	The resolution(s) contained in the Notice of General Meeting.
Section	A section of this booklet.
Securities	The General Security Deed and the Other Securities provided by the Company and its Subsidiaries to secure the obligations of the Company under the terms of the Facility Agreement.
Security Transaction	Has the meaning given to that term in paragraph 4.2 of the Explanatory Statement.
Shareholders	The holders of all shares issued in the Company and **Shareholder** means any one of them.
Shares	All of the shares on issue in the share capital of the Company and **Share** means any one of them.
Short-term Debt	The total of $5.5 million owing to Anthony Rupnik, Tom Rupnik, Stephen Verdich and a controlled entity.
Special Resolution	Has the meaning given in section 9 of the Corporations Act.
Subsidiaries	Has the meaning given in section 9 of the Corporations Act.
Trading Day	Has the meaning given in ASX Listing Rule 19.12.
Voting Power	Has the meaning given in section 610 of the Corporations Act.
YAL	Yumbah Aquaculture Ltd ACN 082 219 636 (and where referred to in this Notice of General Meeting in relation to its Relevant Interest or Voting Power, also references its associated entities).
Yumbah Debt	The $10.0 million plus associated interest accrued in accordance with the Facility Agreement owing under the Facility Agreement to Yumbah Finance.
Yumbah Entities	Consist of Yumbah Finance, YAL and RCPL (including Mr Hall).
Yumbah Finance	Yumbah Finance Pty Ltd ACN 669 757 582 (and where referred to in this Notice of General Meeting in relation to its Relevant Interest or Voting Power, also references its associated entities).

Section B – Notice of General Meeting

Time and place

Notice is hereby given that the General Meeting will be held as follows:

- Held: Virtually at https://vistra.zoom.us/webinar/register/WN_eWqPrgTjQxmdnjOW0gM5BA
- Commencing at: 10.00 a.m. AEST (Sydney, Australia time) on Tuesday, 23 April 2024

The Directors have decided to convene the General Meeting virtually.

Further details about the virtual meeting can be found in **Section C** of the Notice of General Meeting.

Voting

Refer to **Section C** for details on how to vote.

Explanatory Statement

The Explanatory Statement which accompanies and forms part of this Notice of General Meeting describes the matters to be considered at the General Meeting.

Defined terms

Terms used in this Notice of General Meeting have the meaning given to them in the Glossary in **Section A** of this Notice of General Meeting.

SPECIAL BUSINESS

1. Resolution 1: Approval to amend the terms of the Convertible Note Subscription Agreement for the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, subject to the approval of Resolution 2, for the purposes of section 208 of the Corporations Act and ASX Listing Rule 10.11, and for all other purposes, the Company be authorised to amend the terms of the Convertible Note issued to Yumbah Finance on 12 December 2023 such that $5.0 million of the Yumbah Debt may be converted into Shares in East 33 at the Conversion Price (subject to approval under Resolution 2) in the manner and on the terms and conditions set out in the Explanatory Statement."

Short explanation

This Resolution is required under section 208 of the Corporations Act and ASX Listing Rule 10.11 to allow the terms of the Convertible Note, approved at the 2023 annual general meeting and issued to Yumbah Finance (being an entity associated with entities that together have a Voting Power of more than 30% in the Company) on 12 December 2023 to be revised pursuant to the terms of the Amended Convertible Note Subscription Agreement such that $5.0 million of the Face Value of the Convertible Note may be converted into Shares in East 33 at the Conversion Price (subject to approval of Resolution 2).

The $5.0 million of the Face Value is deemed to be paid by way of a reduction of $5.0 million of the Yumbah Debt payable by East 33 under the Loan Facility.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- Yumbah Finance and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- an associate of that person or persons.

However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. Resolution 2: Approval to issue the Conversion Shares (Tranche 1) to Yumbah Finance under item 7 of section 611 and Chapter 2E of the Corporations Act

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, subject to the approval of Resolution 1 for the purposes of item 7 of section 611 of the Corporations Act and section 208 of the Corporations Act, and for all other purposes, the Shareholders of the Company approve:

- *the issue and allotment of a maximum of 238,095,238 Conversion Shares (Tranche 1) to Yumbah Finance; and*
- *in doing so, the acquisition of a relevant interest in the issued voting Shares of the Company in excess of the threshold prescribed by section 606(1) of the Corporations Act by Yumbah Finance Pty Ltd ACN 669 757 582, Yumbah Aquaculture Ltd ACN 082 219 636, Research Corporation Pty Ltd ACN 076 543 756 and Mr Hall (and their associated entities),*
- *and otherwise on the terms and conditions set out in the Explanatory Statement."*

Short explanation

Section 606(1) of the Corporations Act states that a person must not acquire a Relevant Interest in the issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by, or on behalf of, the person and because of the transaction, that person's or someone else's Voting Power in the Company increases from 20% or below to more than 20%, or from a starting point that is above 20% and below 90%.

Item 7 of section 611 of the Corporations Act provides an exception to the prohibition, whereby a person may make an otherwise prohibited acquisition of a Relevant Interest in a company's voting shares if Shareholder approval is obtained.

Approval for the issue of the Conversion Shares (Tranche 1) to Yumbah Finance and the increase of the Relevant Interest in voting shares of each of Yumbah Finance, Yumbah Aquaculture Ltd ACN 082 219 636, Research Corporation Pty Ltd ACN 076 543 756 and Mr Hall is being sought under item 7 of section 611 and Chapter 2E of the Corporations Act.

Independent Expert Report

In accordance with ASIC Regulatory Guides 74 and 76, the Company has engaged BDO to provide an independent expert's report in respect of Resolution 2. Shareholders should carefully consider the Independent Expert's Report at **Annexure A** of the Explanatory Statement.

The Independent Expert's Report comments on the fairness and reasonableness of the proposed acquisition of the Voting Power and interest by Yumbah Finance.

BDO has determined that the acquisition of the Voting Power pursuant to Resolution 2 is unfair but reasonable to the Non-Associated Shareholders.

Voting exclusion statement: The Company will disregard any votes cast in favour of this Resolution by Yumbah Finance Pty Ltd ACN 669 757 582, Yumbah Aquaculture Ltd ACN 082 219 636, Research Corporation Pty Ltd ACN 076 543 756 and Mr Hall (and any associates of such a person).

3. Resolution 3: Amendment to Facility Agreement for the purposes of ASX Listing Rule 10.1

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.1 and for all other purposes, approval is given to allow East 33 to enter into the Amended Facility Agreement and, as such refresh the approval of:

*(a) the earlier grant by the Company and its Subsidiaries of a security to Yumbah Finance over all present and after acquired assets of the Company (or a subsidiary) (**Securities**); and*

(b) any subsequent disposals by the Company and its Subsidiaries to Yumbah Finance of its present and after acquired assets pursuant to any enforcement of the Securities,

on the terms and conditions described in the Explanatory Statement."

Short Explanation: At the 2023 annual general meeting of East 33, approval under ASX Listing Rule 10.1 was obtained for the grant of the Securities to Yumbah Finance to allow the assets of the Company to be disposed of to Yumbah Finance in the event the Securities are enforced (**Security Transaction**) for the purposes of ASX Listing Rule 10.1 and for all other purposes.

In order to implement the Recapitalisation Transaction, the Facility Documents are required to be amended. Given the amendments mean that East 33 will have the ability to re-draw $5.0 million under the Loan Facility (on the basis of the reduction of the Yumbah Debt subject to Resolution 1 and Resolution 2 being satisfied), the ASX have required that the Facility Documents be approved once more by Shareholders under ASX Listing Rule 10.1.

Independent Expert Report

In accordance with ASX Listing Rule 10.5.10, the Company has engaged BDO to provide an independent expert's report in respect of Resolution 3. Shareholders should carefully consider the Independent Expert's Report at **Annexure A** of the Explanatory Statement.

The Independent Expert's Report comments on the fairness and reasonableness of the Amended Facility Agreement.

BDO has determined that the Amended Facility Agreement pursuant to Resolution 3 is fair and reasonable to the Non-Associated Shareholders.

Voting exclusion statement: The Company will disregard any votes cast in favour of this Resolution by Yumbah Finance (and any associates of such a person) or any other person who will obtain a material benefit as a result of the transaction (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
  - 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

- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Section C – How to vote

1. How to vote

If you are entitled to vote at the General Meeting, you may vote by attending the General Meeting virtually or by attending the meeting by proxy by lodging your online Proxy Form at https://investorcentre.linkgroup.com outlined in the Notice & Access letter or use the personalised link which was sent to all Shareholders that have elected to receive online communications for notices of meeting.

Please note that if you intend to attend the meeting and/or vote at the meeting virtually, you will need your shareholder details for verification purposes.

2. Your vote is important

The business of the General Meeting affects your shareholding and your vote is important.

3. Corporations

To vote at the General Meeting, a Shareholder that is a corporation must appoint an individual to act as its representative. The appointment must comply with section 250D of the Corporations Act. Alternatively, a corporation may appoint a proxy.

4. Voting virtually

Participate and vote online

To vote at the General Meeting virtually, please ensure you have registered prior to the meeting by way of the link below where you will be prompted to answer questions including the following:

- Shareholder name(s); and
- Your full registered address.

Register in advance for the virtual meeting:

https://vistra.zoom.us/webinar/register/WN_eWqPrgTjQxmdnjOW0gM5BA

The Company will accept questions during the meeting either by submitting a question through the Q&A box located on screen or by raising the hand function also located on screen at which point the Company will allow your question verbally.

Participating in the General Meeting online enables Shareholders to ask questions and cast direct votes at the appropriate times during the General Meeting.

Please note, Shareholders may only ask questions online once they have been verified. It may not be possible to respond to all questions. It is encouraged that Shareholders lodge questions prior to the meeting by submitting your question to the Company Secretary, Mathew Watkins, by email at cosec@east33.sydney.

5. Voting in person

Given the General Meeting is being held virtually only, you will not be able to vote in person.

6. Voting by proxy

All Shareholders who are entitled to participate in and vote at the General Meeting have the right to appoint a proxy to participate in the General Meeting and vote in their place. A proxy need not be a Shareholder and can be an individual or a body corporate.

A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes which each proxy is entitled to exercise. If no proportion or number is specified, each proxy may exercise up to half of the Shareholder's votes.

Shareholders and their proxies should be aware that:

(a) if a proxy votes, they must cast all directed proxies as directed; and

(b) any directed proxies which are not voted will automatically default to the Chair, which must vote the proxies as directed.

To vote by proxy, you must complete and lodge the Proxy Form using one of the following methods:

Online	Lodge your proxy vote online at https://investorcentre.linkgroup.com/login
By post	East 33 Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia
By fax	+61 2 9287 0309
By hand	Link Market Services Limited Parramatta Square, Level 22, Tower 6, 10 Darcy Street, Parramatta NSW 2150

For further details on how to complete and lodge the Proxy Form, please refer to the instructions on the Proxy Form.

For your proxy appointment to be effective, it must be received by the Company not less than 48 hours before the General Meeting (i.e. by 10.00 a.m. AEST (Sydney, Australia time) on Sunday, 21 April 2024). Proxy Forms received later than this time will be invalid.

You can direct your proxy on how to vote (i.e. to vote 'for' or 'against', or to 'abstain' from voting on, each Resolution) by following the instructions either online or on the voting form. A proxy may decide whether to vote on an item of business, except where the proxy is required by law or the Constitution to vote, or abstain from voting in his or her capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may only vote on the item as directed. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit.

If you appoint the Chair as your proxy but do not direct the Chair on how to vote, then by completing and submitting your voting instructions you are expressly authorising the Chair to vote in favour of each item of business. The Chair intends to vote all available (including undirected) proxies in favour of all Resolutions, subject to the applicable voting exclusions and prohibitions.

You cannot lodge a direct vote and appoint a proxy for the same voting rights. The appointment of one or more duly appointed proxies will not preclude a Shareholder from attending the General Meeting and voting personally. If the Shareholder votes on a Resolution, the proxy must not vote as the Shareholder's proxy on that Resolution.

7. Eligibility to vote

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations that the persons eligible to vote at the General Meeting are those that are registered Shareholders at 7:00 p.m. AEST (Sydney, Australia time) on Sunday, 21 April 2024. If you are not the registered holder of a relevant Share at that time you will not be entitled to vote in respect of that Share.

8. Voting procedure – on a poll

Every question arising at this General Meeting will be decided on a poll. Upon a poll, every person entitled to vote who is present in person, at the virtual meeting or by proxy will have one vote for each voting share held by that person.

9. Enquiries

For all enquiries, please contact the Company Secretary, Mathew Watkins, by email at cosec@east33.sydney.

Section D – Explanatory Statement

This Explanatory Statement forms part of the Notice of General Meeting convening the General Meeting of Shareholders of the Company to be held commencing at 10.00 a.m. AEST (Sydney, Australia time) on Tuesday, 23 April 2024 via a virtual meeting platform.

Refer to **Section C** for details on how to attend and vote at the General Meeting.

This Explanatory Statement is to be read in conjunction with the Notice of General Meeting in **Section B**.

Purpose

The purpose of this Explanatory Statement is to provide information which the Directors believe is material to Shareholders in deciding whether or not to pass the Resolutions to be put forward in the General Meeting.

The Directors recommend Shareholders read the Notice of General Meeting and this Explanatory Statement in full before making any decisions relating to the Resolutions contained in the Notice of General Meeting.

Defined terms

Terms used in this Explanatory Statement have the meaning given to them in the Glossary in **Section A** of this Notice of General Meeting in which this Explanatory Statement is contained.

GENERAL INFORMATION

1. The Recapitalisation Transaction

1.1 Background

As announced to the ASX on 29 February 2024, East 33 entered into the:

(a) Amended Convertible Note Subscription Agreement; and

(b) Amended Facility Agreement,

(collectively, the **Recapitalisation Documents**).

The Recapitalisation Documents require, and are conditional on, the resolutions contained in this Notice of General Meeting to be passed in order to become effective.

The Recapitalisation Documents document a structure whereby East 33 will have access to additional capital. This is to be facilitated by way of:

(a) the conversion of $5.0 million of the Face Value under the Convertible Note (**Convertible Note Conversion**) into Shares (**Conversion Shares (Tranche 1)**), with such issue of Conversion Shares (Tranche 1) being determined by dividing the $5.0 million by the Conversion Price.

The $5.0 million will be deemed to be paid by Yumbah Finance in reduction of the amount owing by East 33 under the Facility Agreement, which, as at the date of this Notice of General Meeting has a Facility Limit of $15.0 million plus capitalised interest and has $10.0 million drawn down, so bringing the amount owing under the Facility Agreement to $5.0 million plus capitalised interest; and

(b) following the Convertible Note Conversion, allowing East 33 to maintain the Facility Limit under the Facility Agreement on $15.0 million plus capitalised interest, meaning that, with the Loan Facility paid down by $5.0 million, East 33 will have a further $10.0 million that can be drawn under the Facility Agreement, (**Recapitalisation Transaction**).

The proceeds from the Recapitalisation Transaction will then be applied as follows:

Item	Funds received	Funds applied
Convertible Note Conversion	$5.0 million which will become available by way of the issue of Shares on Convertible Note Conversion in reduction of the Loan Facility.	N/A
Maintenance of Facility Limit under the Facility Agreement	• $10.0 million already drawn under the Loan Facility; • $5.0 million repaid under the Loan Facility (by way of the Convertible Note Conversion); • $5.0 million plus capitalised interest loan balance under the Loan Facility. **$10.0 million available to be drawn**	Of the $10.0 million available to be drawn under the Loan Facility: • $5.5 million will be applied to the repayment of the Short-term Debt; and • $4.5 million will be applied for working capital.
Debt position	**$15.0 million plus capitalised interest (as a result of the Convertible Note Conversion) and assuming the Loan Facility is fully drawn**	**$15.0 million plus capitalised interest (as a result of the Convertible Note Conversion) and assuming the Loan Facility is fully drawn**

1.2 Strategic rationale for the Recapitalisation Transaction

As announced to the market on 29 February 2024 and as foreshadowed in the Quarterly Activities Report lodged with the ASX on 22 January 2024, there are number of factors underpinning the requirement for this transaction:

(a) The need to repay the Short-term Debt due on 30 April 2024 requires the availability of further funding; and

(b) The FY24 harvest volume is now expected to be circa 4 million oysters, with volumes expected to rebound strongly in FY25. Prior actual harvest volumes achieved by East 33 were predicated on selling small, lower-margin oysters, and the previous FY24 forecast contained overly ambitious management forecasts of the maturation rate from juvenile to premium market grade oysters. The delayed sales is having a negative impact on the Company's cash reserves, which is unsustainable without access to additional working capital.

As announced to the market on 29 February 2024 and as foreshadowed in the Quarterly Activities Report lodged with the ASX on 22 January 2024, East 33 has now completed its strategic review of its operations. The results of this strategic review are as follows:

(a) <u>Harvest Re-profiling:</u> The stock on-hand aligns to the business' view prior to the commencement of the review, however, as previously foreshadowed (on 14 February 2024), the Company has made a strategic decision to delay the harvest of oysters that had previously been ear-marked for sale in FY24. It was determined that a revised forecast harvest schedule is needed to deliver consistent market grade oysters which will translate to the best possible commercial outcomes for the business. The Strategic Review has identified mechanisms to underpin the revised harvest profile, with a strong recovery expected in FY25 and beyond;

(b) <u>Supply Chain Improvement Plan:</u> The production pipeline within East 33 is subject to greater fluctuations than previously forecast within the farming business. There is a material strategic opportunity within the business however to stabilise production and bring the business to the current steady-state production volumes sooner than would otherwise be possible relying on internal hatchery and grow-out operations;

(c) Investment in Farm Infrastructure: East 33's farming assets have production synergies that have not yet been realised and, with a modest capital investment in infrastructure, can be leveraged to improve the business' position in the market. This investment will allow the business to increase oyster supply at strategic periods throughout the year and in doing so, take advantage of market opportunities not previously available to East 33; and

(d) Organisational Re-alignment: A review of the management structures within East 33 has identified opportunities within the vertically integrated business to leverage internal functions and deliver commercial upside for the business. Further, the systems and processes across the business will continue to harmonize, increasing efficiencies across key functions.

The impact of this is that East 33 identified that it required additional capital in order to repay its Short-term Debt, maintain its overall debt position, continue its business operations and deliver on the outcomes of the strategic review.

If the Recapitalisation Transaction is not completed, East 33 will not have sufficient funding under its facilities to satisfy both the Short-term Debt and working capital requirements.

Separate to the Recapitalisation Transaction and as announced on 29 February 2024, Yumbah Finance has provided a waiver of the interest cover covenant and the impairment charges financial covenants for the 12 months ended 30 June 2024. Without such a waiver, East 33 had anticipated that it would be unable to comply with the interest cover covenant and the impairment charges financial covenants for the 12 months ended 30 June 2024, with each of these constituting a review event under the Facility Agreement.

1.3 The impact of the Recapitalisation Transaction on the balance sheet of East 33

A pro-forma snapshot of the balance sheet of East 33 as at 31 December 2023 and assuming, on a pro-forma basis, the completion of the Recapitalisation Transaction, the draw down of the entire $10.0 million available under the Amended Facility Agreement and the payment of the Short-Term Debt is detailed below:

Impact of Recapitalisation Transaction on E33 **Assets**	**E33 balances at Dec 23 $'000**	**Increase / (Decrease) due to the Transaction $'000**	**E33 after the Transaction $'000**
Current assets			
Cash and cash equivalents	2,473	4,500[1]	6,973
Trade and other receivables	3,565		3,565
Biological assets	3,632		3,632
Inventories	278		278
Total current assets	9,948		14,448
Non-current assets			
Biological assets	2,648		2,648
Property, plant, and equipment	9,841		9,841
Right-of-use assets	1,541		1,541
Intangible assets	24,266		24,266
Deferred tax assets	1,671		1,671
Total non-current assets	39,967		39,967
Total assets	**49,915**		**54,415**

Liabilities			
Current liabilities			
Trade and other payables	3,286		3,286
Deferred acquisition consideration	250		250
Borrowings	566		566
Financial liabilities at fair value	6,000	(5,500)[2]	500
Lease liabilities	281		281
Total current liabilities	10,383		4,883
Non-current liabilities			
Lease liabilities	1,374		1,374
Borrowings	9,455	5,000[3]	14,455
Deferred tax liability	1,603		1,603
Financial liabilities at fair value	273		273
Other liabilities	-		-
Total non-current liabilities	12,705		17,705
Total liabilities	**23,088**		**22,588**
Net assets	**26,827**		**31,827**
Equity			
Issued capital	56,997	5,000[4]	61,997
Reserves	22		22
Accumulated losses	(30,192)		(30,192)
Total equity	**26,827**		**31,827**

Notes:
1. This is the amount available assuming the draw down of the entire amount available under the Facility Agreement and following the payment of the Short-Term Debt.
2. This is the amount of the Short-Term Debt.
3. This is the amount outstanding under the Facility Agreement following the issue of the Conversion Shares (Tranche 1).
4. This reflects the issue of the Conversion Shares Tranche 1.

1.4 The Recapitalisation Documents

A snapshot of the material terms of the Recapitalisation Documents, the subject of the various Resolutions, is provided below:

The debt for equity swap – the conversion of $5.0 million of the Convertible Note

Pursuant to the terms of the Amended Convertible Note Subscription Agreement, it is proposed that the Convertible Note Subscription Agreement be amended such that:

(a) Yumbah Finance can convert $5.0 million of the Face Value (**Conversion Amount (Tranche 1)**) of the Convertible Note (**Convertible Note Conversion**) into Shares (**Conversion Shares (Tranche 1)**), with such number of Conversion Shares (Tranche 1) being determined by dividing the $5.0 million of the Face Value by the Conversion Price.

(b) The $5.0 million will be deemed to be paid by Yumbah Finance in reduction of the amount owing by East 33 under the Facility Agreement, which, as at the date of this Notice of General Meeting, has a Facility Limit of $15.0 million plus capitalised interest and has $10.0 million drawn down, so bringing the amount owing under the Facility Agreement to $5.0 million plus capitalised interest.

The Amended Convertible Note Subscription Agreement will take effect following the approval of Shareholders to Resolutions 1, 2 and 3.

Following the conversion of the Conversion Amount (Tranche 1), the balance of the Face Value under the Convertible Note (reflecting the balance of the Yumbah Debt):

(a) may be reduced by way of the reduction in the moneys owing under the Loan Facility; and

(b) may, pursuant to the terms of the Amended Convertible Note Subscription Agreement (subject to any necessary shareholder approvals at that stage):

(i) be repayable in whole or in part by way of the conversion of further balances of the Face Value (being the outstanding amount of the Yumbah Debt) into Shares on the termination date (i.e. the earlier of the maturity date (as that term is defined in the Facility Documents) and the date the Loan Facility may be earlier terminated due to a payment event of default or an insolvency event by East 33); and

(ii) in respect of the number of Shares, be determined by dividing the Face Value by the Conversion Price, with the amount payable by Yumbah Finance, being paid by way of the reduction of the amount owing by East 33 to Yumbah Finance under the Facility Agreement.

A high level snapshot of the proposed amendments as detailed in the Amended Convertible Note Subscription Agreement is as follows:

Item	Detail (in the original Convertible Note Subscription Agreement)	Proposed amendments to the Convertible Note Subscription Agreement (as detailed in the Amended Convertible Note Subscription Agreement)
Document:	Convertible Note Subscription Agreement	Amended Convertible Note Subscription Agreement
Issuer:	East 33	No change.
Subscriber:	Yumbah Finance	No change.
Convertible Note	One (1) Convertible Note	No change.
Face Value:	The Convertible Note has a Face Value being the amount of the secured money under the Facility Agreement at the earlier of: • the maturity date (as defined in the Facility Documents); and • the date the Loan Facility may be earlier terminated due to a payment event of default or an insolvency event by East 33 (**Relevant Event of Default**), (**Termination Date**).	No change.
Conversion:	Yumbah Finance may elect to convert all or part of the Face Value into Shares in East 33 during the period commencing on the Business Day that is 10 Business Days prior to the Termination Date and concluding on the date that is 10 Business Days after the Termination Date.	The Amended Convertible Note Subscription Agreement incorporates new provisions such that: • subject to the Shareholder approvals contained in Resolution 1 and Resolution 2, $5.0 million of the Face Value, being the 'Conversion Amount (Tranche 1)' will be converted into Shares by way of the issue of the Conversion Shares (Tranche 1); and • the Conversion Amount (Tranche 1) will be deemed to be paid by Yumbah Finance by way of the reduction in the Yumbah Debt equal to the Conversion Amount (Tranche 1), namely $5.0 million. The pricing for determining the number of Conversion Shares (Tranche 1) issued

		on conversion of the Conversion Amount (Tranche 1) is detailed below. The provisions relating to the conversion of the balance of the Face Value remain unchanged.
Conversion Price:	The number of Shares in East 33 that Yumbah Finance may acquire will be determined by dividing the Conversion Amount by the Conversion Price. The Conversion Price means the higher of: • $0.021; and • a 10% discount to the 20 day volume weighted average price calculated to the last Trading Day prior to the Conversion Date. What this means is that the minimum price for which the ordinary shares in East 33 may be issued will be $0.021 per ordinary share.	The Conversion Price remains unchanged. The number of Conversion Shares (Tranche 1) to be issued will be determined by dividing the Conversion Amount (Tranche 1), being $5.0 million by the Conversion Price, being the higher of: • $0.021; and • a 10% discount to the 20 day volume weighted average price calculated to the last Trading Day prior to the Conversion Date. What this means is that the minimum price for which the ordinary shares in East 33 may be issued will be $0.021 per ordinary share resulting in a maximum of 238,095,238 Conversion Shares (Tranche 1).
Conversion Condition:	In the event the issue of the ordinary shares may result in a contravention of the takeover thresholds by the Yumbah Entities, then such conversion will be subject to the approval of Non-Associated Shareholders of East 33 for the purposes of item 7 of section 611 of the Corporations Act. Any such notice of meeting containing a resolution relating to item 7 of section 611 of the Corporations Act will be accompanied by an independent expert report opining on whether the issue of the shares to the Yumbah Finance is fair and reasonable to the Non-Associated Shareholders of East 33.	No change. However, the issue of the Conversion Shares (Tranche 1) is subject to Shareholder approval in accordance with Resolution 2.
Cancellation of Convertible Note – on conversion or repayment of the balance under the Facility Agreement	On repayment of the Face Value of the Convertible Note, either: • by way of conversion in whole or part; or • the repayment of the secured money payable under the under the terms of the Facility Agreement, the Convertible Note will be cancelled.	No change, however on the issue of the Conversion Shares (Tranche 1), the balance of the Yumbah Debt will remain outstanding, meaning that the Convertible Note will remain on issue with a Face Value reflecting the balance of the Yumbah Debt.

The proposed amendments to the Facility Documents

In order to facilitate the Recapitalisation Transaction, it is proposed that a number of amendments be made to the Facility Documents.

The Amended Facility Agreement will take effect following the satisfaction or waiver of the following:

(a) The provision of a draw notice for the payment of the $5.5 million under the Short-Term Loan;

(b) The approval of the Resolutions;

(c) The issue of the Conversion Shares (Tranche 1);

(d) The provision of the results of the strategic review to Yumbah Finance, the results of which are detailed in this Notice of Meeting; and

(e) Other customary conditions precedents prior to the drawdown of funds under the Amended Facility Agreement.

A high level snapshot of the proposed amendments to the Facility Documents is as follows:

Item	Detail (in the original Facility Documents)	Proposed amendments to the Facility Documents (as detailed in the Amended Facility Agreement)
Financier:	Yumbah Finance	No change.
Borrower:	East 33	No change.
Guarantors:	All wholly owned subsidiaries of East 33 (**Subsidiaries**)	No change.
Facility Limit:	$15.0 million. Drawn and to be drawn as follows: • August 2023 - $8.0 million; • December 2023 - $1.0 million; • January 2024 - $4.0 million; and • June 2024 -$2.0 million.	The Facility Limit of $15.0 million plus capitalised interest will remain unchanged. The repayment of the $5.0 million by way of the issue of the Conversion Shares (Tranche 1) means that Yumbah Finance has allowed $5.0 million under the Facility Limit to be re-drawn. The draw down schedule has been revised such that the $10.0 million can be drawn down between 30 April 2024 and 30 June 2025 in amounts of not less than $500,000 and following the provision of a draw notice. In effect: • $5.5 million will be drawn down in April 2024 such that the short-term debt of $5.5 million can be repaid. • The balance $4.5 million may then be drawn down between 30 April 2024 and 30 June 2025.
Maturity Date:	Five years after the date of financial close.	No change.
Repayment:	• $0 in the first year; • $250,000 per quarter in the second year; • $350,000 per quarter in the third, fourth and fifth years; and • the outstanding balance at the end of the term.	No change.

Security Documents: (the Securities)	The same securities as were in place under the NAB arrangements, namely: • general security agreements over the Borrower and the Guarantors; • a guarantee from each of the Guarantors; • mortgages over all Crown Leases of East 33 and its Subsidiaries; and • mortgages over real property, including all oyster leases under which East 33 or a Guarantor is the sole lessee.	No change.
Prepayment:	Loans may be prepaid in whole or in part on 5 Business Days' prior notice (but, if in part, by a minimum of $100,000). Any prepayment shall be made without premium or penalty.	No change.
Interest:	The aggregate of: • 5% per annum; and • interest rate benchmark, BBSY (Bid).	No change.
Payment of Interest:	Interest will be capitalised for the first 12 months following the initial drawdown and then paid monthly.	No change. Interest payments will commence on 1 August 2024.
Financial covenants – Interest coverage:	Interest coverage based on earnings before interest, tax, depreciation and amortization (excluding non-cash impairments) will be: • 31 December 2023 - N/A; • 30 June 2024 - one (1) times; • 31 December 2024 - one (1) times; and • 30 June 2025 (and subsequent) - two (2) times. This is measured half yearly. If this is not satisfied, this will constitute a review event under the Loan Facility.	No change, however a waiver of this covenant for 30 June 2024 has been granted by Yumbah Finance.
Financial covenants – Impairment charges:	From June 2024 onward, the total non-cash impairment charge may not be greater than $0.5m for any 12-month period. If this is not satisfied, this will constitute a review event under the Loan Facility.	No change, however a waiver of this covenant for 30 June 2024 has been granted by Yumbah Finance.
Financial covenants – CAPEX V Depreciation:	From June 2024, maintenance CAPEX must not exceed depreciation for any 12-month period. If this is not satisfied, this will constitute a review event under the Loan Facility.	No change.
Requirement to consult	Not contained in the original Facility Agreement	East 33 and Yumbah Finance are required to consult in good faith with respect to a possible waiver, covenant amendment or strategy to rectify the breach in the event East 33 identifies that a financial covenant may not be satisfied, provided Yumbah Finance is made aware of this fact more than 3 months before

		the relevant financial covenant is due to be tested.
Events of default	The following are the key events of default which will allow Yumbah Finance to enforce the Facility Agreement: • Non-payment; • Insolvency; • Cross default; • Non-satisfaction of a wavier condition; • Incorrect statements or representations; • Judgement exceeding $500,000; • Material change or stoppage of business; • Change in control; • Material adverse event; • A material part of the Company business is destroyed or materially damaged; • Loss of, or failure to obtain, a material authorisation; • Investigation; and • A guarantee or security interest is enforced.	No change.

1.5 The advantages and disadvantages of the Recapitalisation Transaction

A summary of the advantages and disadvantages of the broader Recapitalisation Transaction is detailed below. These are contained in section 2.3.2 and 2.3.3 of the Independent Expert's Report.

Advantages	Disadvantages
Provides funding for working capital and to meet immediate loan repayments East 33 requires cash to: • Repay the Short-Term Debt entered into with each of the former Class A Redeemable Convertible Preference Shares ('RCPS') for a total of $5.5 million. The repayment date is 30 April 2024; and • Meet working capital requirements to progress the business following the strategic review. By converting $5 million of the Loan Facility and structuring the Recapitalisation Transaction to enable the overall facility limit to remain at $15 million, East 33 is effectively able to redraw an additional $5.0 million (i.e. the available funds to be drawn from will increase from $5 million to $10 million) under the terms of the Amended Facility Agreement. Access to an additional $4.5m of working capital will provide the mechanism for the delivery of the outcomes of the strategic review, which will improve the Company's performance. East 33 will not have access to this additional funding if Resolutions 1 and 2 are not approved.	**The Relevant Interest Acquisition is not fair** As detailed in the Independent Expert's Report at Annexure A, the proposed issue of the Conversion Shares (Tranche 1) and the Relevant Interest Acquisition is not considered fair to the Non-Associated Shareholders.

Conversion price at a premium to recent ASX share trades The conversion price for the issue of the Conversion Shares (Tranche 1) is the higher of $0.021 and a 10% discount to the 20-day volume weighted average price calculated to the last trading day prior to the conversion date ('the Conversion Price'). In relation to the Conversion Price: • In the period up to and including 27 February 2024, East 33 had a 1-week VWAP of $0.0184, a 1- month VWAP of $0.0201 and a 3-month VWAP of $0.0204. The conversion price under the Convertible Note Amendment being a minimum of $0.021) exceeds this amount; · • At the time of East 33's entitlement offer which was launched on 7 September 2022, the Company set an offer price of $0.033 per share which represented a discount of approximately 21.4% to the closing share price on 1 September 2022 and a 22.0% discount to the 10-day VWAP up to and including 1 September 2022. The 10% discount proposed for the Conversion Shares (Tranche 1) is below the entitlement issue discount; and • In circumstances that East 33 was to complete another entitlement issue or capital raising, it would be anticipated that a discount to the prevailing 20-day VWAP may be in the order of what was previously observed for the entitlement offer launched on 7 September 2022. There is no guarantee that East 33 would be able to raise capital at a higher price in circumstances that Resolutions 1 and 2 are not approved.	**Dilution of the East 33 Shareholders' Relevant Interest in the company** If Resolutions 1 and 2 are approved, the Yumbah Entities' Relevant Interest in East 33 shares will increase up to a maximum of 55.8%. This increase in shareholding will dilute the Non-Associated Shareholders' Relevant Interest in the Company and decrease their exposure to any upside in the value of East 33.
Provide strategic operational funding to the business: East 33 is in a position to capitalise on strategic value creation within its own supply chain. This will require additional working capital which is made available by the reduction of the Yumbah Debt.	**There is a potential for a significant number of East 33 shares to be sold on the open market** If the Convertible Notes are converted into East 33 shares, Yumbah Finance may elect to sell some (or all) of the converted shares on the open market. The selling of these shares may result in a significant downward pressure on the trading price of East 33's shares in circumstances that the supply of East 33's shares to the market outweighs the demand for East 33 shares. Notwithstanding the above, we note that certain Yumbah Entities (together with their associates) currently hold a material interest in East 33. Resultantly, this risk of a substantial shareholder selling its shares and potential resulting downward pressure on the trading price of East 33's shares remains in the absence of the issue of the Conversion Shares (Tranche 1).
Results in further alignment between Yumbah Finance and East 33 The Non-Associated Directors consider Yumbah Finance (and the other Yumbah Entities) to be supportive cornerstone investors that provided funds when East 33 required them (including YAL and RCPL underwriting the entitlement offer and	**Non-Associated Shareholders will lose control:** If the issue of the Conversion Shares is approved, Yumbah Finance's Relevant Interest in the Company will increase up to a maximum of 55.8%. In these circumstances, the Non-Associated Shareholders will collectively 'lose

Yumbah Finance refinancing the National Australia Bank loan facility). If the Recapitalisation Transaction is approved, the combined Relevant Interest of the Yumbah Entities will increase to a maximum ownership interest of 55.8%. Accordingly, the interests of Yumbah Finance and East 33 will be further aligned. As detailed in the Independent Expert's Report, cornerstone investors can often assist a company in a range of ways, including assisting to secure future funding and/or stimulating investor demand by enhancing the credibility of the company. The greater Yumbah Finance's shareholding in the Company, the more incentivised it will be to assist the Company with achieving its objectives.	control' of the Company (i.e. their collective interest in East 33 would be approximately 44.2%).
Only option currently available to raise the required capital The Non-Associated Directors considered several alternative options to provide East 33 with the requisite capital including an entitlement offer and alternative placement. Ultimately, the Non-Associated Directors formed the view that the Recapitalisation Transaction was the best path forward for the Company. As at the date of this Report, the Non-Associated Directors are not aware of any other options available to raise the required capital at a similar price per share.	**The Yumbah Entities as a group will have a controlling interest and be able to block resolutions** In circumstances that the Yumbah Entities' Relevant Interest increases above 50% under following the issue of the Conversion Shares (Tranche 1) (as will be the case if shares are issued at the minimum issue price of $0.021 per share), they will have a sufficient voting interest in the Company and the ability to block any ordinary or special resolutions (on which it is entitled to vote on at a general meeting of the Company).
	Potentially reduce the chance of receiving takeover offers in the future without the support of the Yumbah Entities If Resolutions 1 and 2 are approved, it may reduce the likelihood of East 33 receiving a takeover offer without the support of the Yumbah Entities. For any future bidder to acquire a controlling interest in East 33, the Yumbah Entities will be required to accept the offer or vote in favour of any scheme of arrangement. For completeness, in any event we note that under the existing Loan Facility, East 33 is not permitted to merge or consolidate with another entity, nor enter into a scheme of arrangement without the consent of Yumbah Finance.

A summary of the advantages and disadvantages of the Recapitalisation Transaction more specifically related to Resolution 3 and the Security Transaction are detailed below. These are contained in section 3.3.2 and 3.3.3 of the Independent Expert's Report.

Advantages	Disadvantages
The Security Transaction is Fair As detailed in the Independent Expert's Report at Annexure A, the Security Transaction is fair to the Non-Associated Shareholders.	East 33 has previously granted security to Yumbah Finance over all of its present and after acquired assets. This will not change irrespective of the outcome of the Recapitalisation Transaction as there is no change proposed to the underlying security documents as part of the Proposed Transaction. In circumstances where the Non-Associated Shareholders do not approve Resolution 3, the current security will remain in effect.
Access to additional funding under the Amended Facility Agreement In the event Resolution 3 is approved, but Resolutions 1 and/or 2 are not approved, Yumbah Finance and East 33 may still agree between	

them to proceed with the Amended Facility Agreement on the basis that Resolution 3 is not interdependent with Resolutions 1 and 2. However, in this circumstance, there would only be an additional $5 million that could be drawn down as the Convertible Note Conversion would not be able to proceed. If East 33 is unable to meet its future financial commitments (e.g. to repay the RCPS Loan), it will be a default under the Short-term Loan allowing the lenders under the Short-term Loans to take recovery action. Regardless of whether the lenders under the RCPS Loan take any debt recovery action, the non-payment when due and payable or within any applicable grace period, is also an event of default pursuant to the Yumbah Facility Agreement. The effect of a default is that Yumbah Finance may do one or more of the following; (a) declare that any amount owing to it is immediately due and payable, in which case East 33 must immediately pay to Yumbah Finance the such amounts; (b) declare that all or part of the balance owing for the Loan Facility is payable on demand; (c) terminate the Yumbah Finance obligations; and/or (d) cancel all or any part of the Loan Facility limit with immediate effect. To recover the Yumbah Debt, Yumbah Finance could enforce its security and appoint a receiver and manager or administrator pursuant to section 5.3A of the Corporations Act to East 33. Alternatively, East 33 may be required to voluntarily enter administration or liquidation if it does not have sufficient funds to satisfy the RCPS Loan when it falls due and meet its working capital requirements, and an alternatives source of funds cannot be found in the appropriate time frames If East 33 is placed into receivership or administration and the receiver/administrator is unable to obtain a superior proposal to the Recapitalisation Transaction, it is possible that shareholders will realise a value for their investment which is less than the value implied by the Recapitalisation Transaction or may not realise any value at all. An insolvency event involves costs of the insolvency practitioner that have a priority to certain creditors and a priority to distributions to the shareholders under the Corporations Act. These additional costs are likely to have a negative impact on the value of the shareholders' investment.	
New provisions in the Amended Facility Agreement The Amended Facility Agreement includes a provision that East 33 and Yumbah Finance are required to consult in good faith with respect to a possible waiver, covenant amendment or strategy to rectify the breach in the event East 33 identifies	

that a financial covenant may not be satisfied. This is provided: ▸ No default, potential default or review event is subsisting; ▸ Yumbah is made aware of this fact more than 3 months before the relevant financial covenant is due to be tested; and ▸ The Company has not relied on this provision at any time in the previous 12 month period.	
It is common for companies to grant security over their assets across the life of the loan when raising debt finance It is common for companies to grant security over their assets across the life of the loan when raising debt finance. In many cases, the granting of security assists a company to obtain the funding on terms that are more favourable than they otherwise would have acquired (if at all) if no security was granted. This is because the granting of security assists to reduce the risk to the financier of the borrower defaulting on their obligations.	

1.6 The Independent Board Committee

As the Company has two nominees of YAL on its Board, being Mr Ben Cameron and Mr Gary Higgins, the Company established an Independent Board Committee to assist in its assessment of the Recapitalisation Transaction and the process of negotiating and agreeing the terms of the Recapitalisation Documents.

The members of the Independent Board Committee are:

(a) Ms Sarah Courtney, non-executive Director and Chair of the Company (being an independent director);

(b) Mr Mike Ryan, non-executive Director of the Company (being an independent director); and

(c) Ms Veronica Papacosta, non-executive Director of the Company (being an independent director).

The non-conflicted Directors of East 33 chose to pursue the Recapitalisation Transaction for the following reasons:

(a) The Directors considered that on the basis that the Recapitalisation Transaction results in East 33:

(i) reducing the Yumbah Debt to $5.0 million (plus accrued interest), on the basis that $5.0 million is to be repaid by East 33 by way of the issue of Shares by way of the Convertible Note Conversion; and

(ii) following the Convertible Note Conversion, allowing East 33 to maintain the Facility Limit under the Facility Agreement at $15.0 million plus capitalised interest, meaning that, with the Loan Facility paid down to $5.0 million (plus accrued interest), East 33 will have a further $10.0 million that can be drawn under the Facility Agreement. This will allow East 33 to:

(A) repay the Short-term Debt; and

(B) have a balance undrawn amount of $4.5 million for working capital purposes, that the Recapitalisation Transaction is in the best interests of East 33 and the Non-Associated Shareholders.

(b) Ultimately, however, the Recapitalisation Transaction will require the approval of Shareholders and, as such, Shareholders will have the ability to determine themselves (with the benefit of the Independent Expert's Report) whether they are comfortable proceeding with the Recapitalisation Transaction.

1.7 The Independent Expert and the Independent Expert's Report

On the basis of the requirements under ASX Listing Rule 10.1, ASX Listing Rule 10.5.10, Chapter 2E of the Corporations Act, section 611 item 7 of the Corporations Act and ASIC Regulatory Guides 74 and 76, an Independent Expert's Report in respect of Resolutions 2 and 3 is included in this Notice of General Meeting.

The Independent Expert’s Report has been prepared by BDO Corporate Finance Ltd (**Independent Expert**).

The Independent Expert has considered the Recapitalisation Transaction as a whole and determined as follows:

Resolution	View
Resolution 2	The issue of the Conversion Shares (Tranche 1) and the increase of the Relevant Interests of the Yumbah Entities as detailed in Resolution 2, being the Relevant Interest Acquisition is Not Fair but is Reasonable.
Resolution 3	The Security Transaction as detailed in Resolution 3 is Fair and Reasonable.

On the basis of the opinion of the Independent Expert, all of the Directors entitled to make a recommendation in respect of a particular Resolution (being members of the Independent Board Committee) have made a decision to recommend that you vote in favour of approving that Resolution. The other Directors, being Mr Ben Cameron and Mr Gary Higgins, do not provide a recommendation as they are nominees of YAL.

1.8 The anticipated timetable to achieve the Recapitalisation Transaction

It is anticipated that the Recapitalisation Transaction will be implemented in accordance with the following timetable:

22 March 2024	Dispatch of Notice of General Meeting and Explanatory Statement
23 April 2024	General Meeting of Shareholders
26 April 2024	Issue of the Conversion Shares (Tranche 1)
30 April 2024	Draw-down under the Loan Facility
30 April 2024	Repayment of the Short-term Debt

1.9 The roadmap to the Resolutions

The resolutions for the Recapitalisation Transaction are contained within this Notice of General Meeting as follows:

Resolution	Detail	Location
Resolution 1	**Amended Convertible Note Subscription Agreement** Approval of the Amended Convertible Note Subscription Agreement under ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act, to allow Yumbah Finance to convert $5.0 million of the Face Value of the Convertible Note into Conversion Shares (Tranche 1) at the Conversion Price.	Paragraph 2 of the Explanatory Statement

	The Conversion Price is deemed to be repaid by way of a reduction of $5.0 million of the Yumbah Debt under the Loan Facility.	
Resolution 2	**Approval for the issue of the Conversion Shares (Tranche 1)** Approval for the issue of the Conversion Shares (Tranche 1) to Yumbah Finance under item 7 of section 611 and Chapter 2E of the Corporations Act, in reduction of the Yumbah Debt at the Conversion Price including approval for the increase of the Relevant Interest in voting shares of each of YAL, RCPL, and Mr Hall (and their associated entities).	Paragraph 3 of the Explanatory Statement
Resolution 3	**Amended Facility Agreement** Approval under ASX Listing Rule 10.1 for entry into the Amended Facility Agreement, given such amendments are required to facilitate the Recapitalisation Transaction.	Paragraph 4 of the Explanatory Statement

2. Resolution 1: Approval to amend the terms of the Convertible Note Subscription Agreement for the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act

2.1 Purpose of Resolution

By way of this Resolution 1, East 33 is seeking approval under ASX Listing Rule 10.11 and section 208 of the Corporations Act to incorporate a mechanism by way of the Amended Convertible Note Subscription Agreement to allow for $5.0 million of the Yumbah Debt to be repaid by East 33 by way of the issue of Shares.

This is documented in the Amended Convertible Note Subscription Agreement such that:

(a) subject to Shareholder approval, Yumbah Finance may convert $5.0 million of the Face Value of the Convertible Note into the Conversion Shares (Tranche 1) with such number of Conversion Shares (Tranche 1) being determined by dividing the $5.0 million by the Conversion Price; and

(b) the $5.0 million payable to East 33 for the issue of the Conversion Shares (Tranche 1) is deemed to be paid by Yumbah Finance by way of a $5.0 million reduction in the Yumbah Debt under the Loan Facility.

2.2 The law

At the 2023 annual general meeting of East 33, East 33 received shareholder approval for the purposes of ASX Listing Rule 10.11 and section 208 of the Corporations Act for the issue of the Convertible Note. The Convertible Note was issued on 12 December 2023.

East 33 now wishes to amend the terms of the Convertible Note by way of the Amended Convertible Note Subscription Agreement.

Given the proposed revised terms, East 33 considers that it is prudent to go back to Shareholders and seek a refreshed Shareholder approval for the Amended Convertible Note Subscription Agreement.

<u>Chapter 2E of the Corporations Act</u>

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Convertible Note constitutes the giving of a financial benefit and Yumbah Finance is a related party of the Company by virtue of section 228(6) of the Corporations Act.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to:

(a) a related party;

(b) a person who is, or was at the time in the 6 months before the issue or agreement, a substantial (30%+) holder in the entity;

(c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the entity and who has nominated a director to the board of the entity pursuant to a relevant agreement which gives them a right or expectation to do so;

(d) an associate of a person referred to in rules 10.11.1 to 10.11.3; or

(e) a person whose relationship with the entity is, in ASX's opinion, such that approval should be obtained,

unless an exception in ASX Listing Rule 10.12 applies.

Yumbah Finance is controlled by RCPL and YAL, the holdings of which, (together with their associates), equates to a Voting Power of ~36% of the Company. RCPL and YAL are consequently entities which fall under ASX Listing Rule 10.11.2. Consequently, Yumbah Finance is caught by ASX Listing Rule 10.11.4 given it is an associate of RCPL and YAL which are themselves caught by ASX Listing Rule 10.11.2.

As such, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that none of the exceptions set out in ASX Listing Rule 10.12 apply to the current circumstances.

If Resolution 1 is passed, the Company will be able to proceed with the amendment to the terms of the Convertible Note. In addition, because the terms of the Convertible Note have been approved by Shareholders, the issue of any Shares on conversion of the Convertible Note will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1, noting that the issue of the Shares on conversion of the Convertible Note nonetheless requires Shareholder approvals for the purposes of the Corporations Act under Resolution 2.

Refer to paragraph 2.4 for detail regarding the implications if Resolution 1 is not passed.

2.3 Information requirements

Information required by ASX Listing Rule 10.13

The following information is provided to satisfy ASX Listing Rule 10.13 (being the information required to be disclosed for the purposes of ASX Listing Rule 10.11).

Item	Detail
The name of the Party	Yumbah Finance.
Which category in ASX Listing Rules 10.11.1 – 10.11.5 does the person fall within and why	Yumbah Finance is controlled by RCPL and YAL, the holdings of which (together with their associates), equates to a Voting Power of ~36% of the Company. RCPL and YAL are consequently entities which fall under ASX Listing Rule 10.11.2. Consequently, Yumbah Finance would be caught by ASX Listing Rule 10.11.4 given it is an associate of RCPL and YAL which are themselves caught by ASX Listing Rule 10.11.2.

Number and class of securities	The Convertible Note was issued by East 33 on 12 December 2023. It is proposed that the terms of the one (1) Convertible Note held by Yumbah Finance be revised. As detailed in paragraph 0, the number of Shares in East 33 that Yumbah Finance may acquire will be determined by dividing the Conversion Amount (Tranche 1) by the Conversion Price. The Conversion Price means the higher of: • $0.021; and • a 10% discount to the 20 day volume weighted average price calculated to the last Trading Day prior to the Conversion Date. The Conversion Amount (Tranche 1) is all or part of the Face Value (as determined by Yumbah Finance). The Face Value is the amount of the secured moneys under the Facility Agreement at the earlier of: • the maturity date (as defined in the Facility Documents); and • the date the Loan Facility may be earlier terminated due to a payment event of default or an insolvency event by East 33. The provisions in the Amended Convertible Note Subscription Agreement have incorporated a mechanism for Yumbah Finance to convert $5.0 million of the Yumbah Debt (being the Conversion Amount (Tranche 1)) into the Conversion Shares (Tranche 1) at the Conversion Price. The Conversion Price is then deemed to be paid by way of a reduction of $5.0 million of the Yumbah Debt. ***Please note: The conversion of the Conversion Amount (Tranche 1) into the Conversion Shares (Tranche 1) at the Conversion Price is subject to Shareholder approval for the purposes of section 611 item 7 of the Corporations Act as detailed in Resolution 2.***
A summary of the material terms of the security	Please refer to paragraph 0 for a summary of the terms of issue of the Amended Convertible Note Subscription Agreement.
The date of issue of the securities	The Convertible Note was issued by East 33 on 12 December 2023. If this Resolution is approved, the revised Amended Convertible Note Subscription Agreement will take effect immediately following receipt of Shareholder approval.
The price or other consideration the entity will receive for the issue	The Convertible Note was issued by East 33 on 12 December 2023 for $10.00. In the event the Conversion Amount (Tranche 1) of the Convertible Note is converted into the Conversion Shares (Tranche 1) this will result in: • the floating Face Value of the Convertible Note (being the total of the Yumbah Debt) being reduced by $5.0 million; and • the amount remaining to be repaid to Yumbah Finance under the Yumbah Debt being reduced by $5.0 million. The Conversion Price of the Convertible Note is the higher of $0.021 and a 10% discount to the 20 day volume weighted average price calculated to the last Trading Day prior to the conversion date, which means there will be a floor price of $0.021 per ordinary share.
The purpose of the issue, including the intended use of any funds raised by the issue	The Convertible Note is being revised to provide a mechanism to allow for the conversion of the Conversion Amount (Tranche 1), being $5.0 million of the Face Value of the Convertible Note, into the Conversion Shares (Tranche 1). The Conversion Amount (Tranche 1) will be deemed to be paid by Yumbah Finance by way of a reduction in the Yumbah Debt owing to it by East 33 by $5.0 million. As such, no funds will be raised by the amendment to the terms of the Convertible Note or the Shares on conversion of the Convertible Note. It will, however, reduce the debt position of East 33 by $5.0 million.
If the person is a director and therefore	Not applicable.

a related party under rule 10.11.1 or an associate of, or person connected with, a director under rules 10.11.4 or 10.11.5 and the issue is intended to remunerate or incentivise the director, details of the director's current total remuneration package	
If the securities are issued under an agreement, a summary of the other material terms of the agreement	Please refer to paragraph 0 for details on the Amended Convertible Note Subscription Agreement.
A voting exclusion statement	A voting exclusion statement is set out in the Notice of General Meeting

Approval pursuant to ASX Listing Rule 7.1 is not required in order to ratify the issue of the Convertible Note to Yumbah Finance as approval is being obtained under ASX Listing Rule 10.11. Accordingly, under ASX Listing Rule 7.2 Exception 14, the issue of the Convertible Note and Shares on conversion of the Convertible Note to Yumbah Finance will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

<u>Information required by Chapter 2E of the Corporations Act and ASIC Regulatory Guide 76</u>

The following information is provided to satisfy the requirements of Chapter 2E of the Corporations Act and ASIC Regulatory Guide 76:

Item	Detail
Identity of the related party: s219(1)(a)	Yumbah Finance. Yumbah Finance is arguably a related party of East 33 on the basis that Yumbah Finance is controlled by RCPL and YAL, the holdings of which (together with their associates) equates to a Voting Power of ~36% of the Company.
Nature of the financial benefit: s219(1)(b)	The financial benefit is the issue of the Convertible Note itself. Refer to paragraph 0 for a summary of the amended terms of issue of the Convertible Note and the reasons for the issue.
Directors' recommendations: s219(1)(c)	The non-conflicted Directors, being Ms Sarah Courtney, Mr Mike Ryan and Ms Veronica Papacosta, members of the Independent Board Committee, recommend to Shareholders that they vote in favour of Resolution 1 as it provides a mechanism for the early repayment of $5.0 million, being the Conversion Amount (Tranche 1), under the Facility Agreement and for such amount to be repaid by way of the issue of Shares. The non-conflicted Directors note that if, at the end of the term of the Facility Agreement, Yumbah Finance has not been fully repaid, or in the event the Facility Agreement is repayable early as a result of a payment event of default under the Loan Facility or an insolvency event of East 33 or any of its Subsidiaries, then the balance amount of the Loan Facility will then also be able to be paid by way of the issue of Shares, if Yumbah Finance elects to do so. Further, assuming that Shareholders approve the amended terms of issue of the Convertible Note, then the issue of the Conversion Shares (Tranche 1) is subject to Shareholder approval, as detailed in Resolution 2.

<table>
<tr><td></td><td>Subject to the shareholding of the Yumbah Entities, any conversion of debt at the end of term of the Loan Facility (or earlier, in the event of a Relevant Event of Default) would be subject to a further Shareholder approval for the purposes of item 7 of section 611 of the Corporations Act. Such an approval would also require that an independent expert's report accompany the notice of general meeting provided to Shareholders and to opine as to whether the transaction is fair and reasonable to the Non-Associated Shareholders.

The other Directors, being Mr Ben Cameron and Mr Gary Higgins, do not provide a recommendation as they are nominees of YAL.</td></tr>
<tr><td>Directors' interest in the outcome: s219(1)(d)</td><td>The non-conflicted Directors, being Ms Sarah Courtney, Mr Mike Ryan and Ms Veronica Papacosta have no interest in the Convertible Note.

Mr Ben Cameron and Mr Gary Higgins are both nominees of YAL and have the following interests in East 33, YAL and RCPL:

<table><tr><th>Nominee Directors</th><th>Holding in East 33</th><th>Holding in YAL</th><th>Holding in RCPL</th></tr><tr><td>Mr Higgins</td><td>Nil</td><td>0.45%</td><td>Nil</td></tr><tr><td>Mr Cameron</td><td>Nil</td><td>1.54%</td><td>Nil</td></tr></table>
Neither Mr Ben Cameron or Mr Gary Higgins control YAL.

Neither Mr Ben Cameron and Mr Gary Higgins were involved in any negotiations relating to the Amended Facility Agreement or the Amended Convertible Note Subscription Agreement.</td></tr>
<tr><td>Other: s219(1)(e)</td><td>Nil.</td></tr>
<tr><td>Valuation of the financial benefit: ASIC Regulatory Guide 76</td><td>Refer to the valuation contained in Appendix C of the Independent Expert's Report as set out at Annexure A.

The Independent Expert has valued the Convertible Note at $275,000 for the conversion feature of the Convertible Note both prior to and following the Relevant Interest Acquisition. This information is not intended to imply a recommendation or opinion about whether or not the issue of the Convertible Note is fair and reasonable to Shareholders.</td></tr>
<tr><td>Disclosure of a relevant director's total remuneration package: ASIC Regulatory Guide 76</td><td>Not applicable.</td></tr>
<tr><td>Related party's existing interest: ASIC Regulatory Guide 76</td><td>Yumbah Finance is controlled by RCPL and YAL, the holdings of which together with their associates), equates to a Voting Power of ~36% of the Company. RCPL and YAL are consequently entities which fall under ASX Listing Rule 10.11.2.

Consequently, taking a conservative approach, East 33 considers that Yumbah Finance has a Voting Power of ~36% of the Company.</td></tr>
<tr><td>Dilution effect of the transaction on existing members' interests: ASIC Regulatory Guide 76</td><td>The issue of the Convertible Note did not have the effect of diluting the interests of existing members. It will, however have this effect on conversion of the Convertible Note.

The number of Shares in East 33 that Yumbah Finance may acquire on any conversion of the Convertible Note will be determined by dividing the Conversion Amount (Tranche 1) by the Conversion Price.

The Conversion Price means the higher of:
• $0.021; and
• a 10% discount to the 20 day volume weighted average price calculated to the last Trading Day prior to the Conversion Date.

What this means is that the minimum price for which the ordinary shares in East 33 may be issued, will be $0.021 per ordinary share.</td></tr>
</table>

	On the basis of the Conversion Amount (Tranche 1) and the Conversion Price, the maximum number of Conversion Shares (Tranche 1) that will be issued is 238,095,238. The issue of the Conversion Shares (Tranche 1) will increase the Voting Power of Yumbah Finance (along with that of the other Yumbah Entities to a maximum of 55.82%. This has a consequential dilution impact to Non-Associated Shareholders of 19.58%

2.4 **What happens if Resolution 1 is not approved**

Resolution 1 is interdependent with Resolution 2. If Resolution 1 or Resolution 2 are not approved, then East 33 will be unable to reduce the amount of the Yumbah Debt by $5.0 million, which means it not have access to the further $5.0 million re-draw under the Amended Facility Agreement.

Given the financial position of East 33, as detailed in the financial report for the half year ended 31 December 2023 and in the ASX Announcement of 29 February 2024, following its strategic review, if the amount of Yumbah Debt is not reduced by $5.0 million and if East 33 does not have access to a further cash amount of $5.0 million, then without an immediate alternative recapitalisation (which would require the consent of Yumbah Finance), East 33 will be unable to repay the Short-term Debt (given other payment obligations) which will bring into question whether East 33 will be able to continue as a going concern.

Further detail on the implications in the event Resolutions 1 and 2 are not passed and the Convertible Note Conversion does not complete, are contained in section 2.3.4 of the Independent Expert's Report.

2.5 **Voting exclusion and Directors' recommendations**

The independent directors, being Ms Sarah Courtney, Mr Mike Ryan and Ms Veronica, Papacosta recommend that Shareholders vote in favour of Resolution 1.

The other Directors, being Mr Ben Cameron and Mr Gary Higgins, do not provide a recommendation as they are nominees of YAL.

Resolution 1 of the General Meeting is an ordinary resolution and so it requires the approval of more than 50% of the votes cast by Shareholders.

The Chair of the General Meeting intends to vote undirected proxies in favour of Resolution 1.

A voting exclusion is contained in the Notice of General Meeting.

3. Resolution 2: Approval to issue the Conversion Shares (Tranche 1) to Yumbah Finance, under item 7 of section 611 and Chapter 2E of the Corporations Act

3.1 **Purpose of Resolution**

The Company is seeking Shareholder approval to issue and allot a maximum 238,095,238 Shares, being the "**Conversion Shares (Tranche 1)**" to Yumbah Finance on conversion of the Conversion Amount (Tranche 1), being $5.0 million and the consequential increase in the Relevant Interest of each of Yumbah Finance, YAL, RCPL and Mr Hall (and their associated entities) (together the '**Yumbah Entities**'), this is referred to as the **'Relevant Interest Acquisition'**.

As detailed in the Explanatory Statement for Resolution 1, the Conversion Amount (Tranche 1) will be deemed to be paid by Yumbah Finance by way of a reduction of $5.0 million of the Yumbah Debt.

The issue of the Conversion Shares (Tranche 1) is conditional upon the Non-Associated Shareholders approving the issue of the Conversion Shares (Tranche 1).

Resolution 2 is an ordinary resolution of the Company.

Approval for the issue of the Conversion Shares (Tranche 1) is being sought under item 7 of section 611 and Chapter 2E of the Corporations Act. An Independent Expert's Report (**IER**) has been prepared by BDO Corporate Finance Ltd (**Independent Expert**) to assess the fairness and reasonableness of the proposed acquisition of the Voting Power and interest by Yumbah Finance (and the other Yumbah Entities).

The Independent Expert has determined that the Relevant Interest Acquisition is **unfair but reasonable** to the Non-Associated Shareholders. The Independent Expert's Report can be found in **Annexure A** of this Notice of General Meeting and Shareholders are advised to carefully read the Independent Expert's Report before deciding on how to vote on this Resolution.

3.2 Regulatory requirements

ASX Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, the Company, as a listed company, must not issue Equity Securities to persons in a position of influence without Shareholder approval.

A person in a position of influence for the purposes of ASX Listing Rule 10.11 includes:

(a) a related party;

(b) a person who is, or was at any time in the 6 months before the issue of agreement, a substantial (30%+) holder in the Company;

(c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;

(d) an associate of a person referred to in (a) to (c) above; and

(e) a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in the ASX's opinion, the issue or agreement should be approved by Shareholders.

Yumbah Finance is controlled by RCPL and YAL, the holdings of which, (together with their associates), aggregate to a Voting Power of ~36% of the Company. RCPL and YAL are consequently entities which fall under ASX Listing Rule 10.11.2. Consequently, Yumbah Finance is caught by ASX Listing Rule 10.11.4 given it is an associate of RCPL and YAL which are themselves caught by ASX Listing Rule 10.11.2

Pursuant to exception 7 in ASX Listing Rule 10.12, ASX Listing Rule 10.11 does not apply to an issue of securities resulting from the conversion of convertible securities that were issued in compliance with the ASX Listing Rules.

Further, pursuant to exception 6 in ASX Listing Rule 10.12, ASX Listing Rule 10.11 does not apply to an issue of equity securities approved for the purposes of item 7 of section 611 of the Corporations Act.

As such, given that:

(a) the Convertible Note was issued in compliance with the ASX Listing Rules and the amendments to the terms of issue of the Convertible Note are subject to Shareholder approval in Resolution 1; and

(b) approval for the issue of the Conversion Shares (Tranche 1) is being sought for the purposes of item 7 of section 611 of the Corporations Act,

the Company is not required to seek Shareholder approval under ASX Listing Rule 10.11 for the issue of the Conversion Shares (Tranche 1) to Yumbah Finance.

Additionally, if approval is obtained under item 7 of section 611 of the Corporations Act, in accordance with exception 8 in ASX Listing Rule 7.2 separate approval is not required under ASX Listing Rule 7.1.

Item 7 of Section 611 of the Corporations Act

Section 606(1) of the Corporations Act states that a person must not acquire a Relevant Interest in the issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by, or on behalf of, the person and because of the transaction, that person's or someone else's Voting Power in the Company increases:

(a) from 20% or below to more than 20%; or

(b) from a starting point that is above 20% and below 90%.

The voting power of a person in a body corporate is determined in accordance with section 610 of the Corporations Act. The calculation of a person's voting power in a Company involves determining the voting shares in the Company in which the person and the person's associates have a "relevant interest".

According to section 12 of the Corporations Act, a person (**Second Person**) will be an 'associate' of the other person (**Primary Person**) if one or more of the following paragraphs applies:

(a) the Primary Person is a body corporate and the Second Person is:

(i) a body corporate the Primary Person controls;

(ii) a body corporate that controls the Primary Person; or

(iii) a body corporate that is controlled by an entity that controls the Primary Person;

(a) the Second Person has entered or proposes to enter into a relevant agreement with the Primary Person for the purpose of controlling or influencing the composition of the Company's board or the conduct of the Company's affairs; or

(b) the Second Person is a person with whom the Primary Person is acting or proposed to act, in concert in relation to the Company's affairs.

A person has a "relevant interest" in securities if they:

(a) are the holder of the securities;

(b) have the power to exercise, or control the exercise of, a right to vote attached to the securities; or

(c) have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the Relevant Interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

In the event the Conversion Shares (Tranche 1) are issued, these will be held by Yumbah Finance, an associated entity of YAL and RCPL.

Item 7 of section 611 of the Corporations Act provides an exception to the prohibition, whereby a person may make an otherwise prohibited acquisition of a Relevant Interest in a company's voting shares if Shareholder approval is obtained.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Conversion Shares (Tranche 1) constitutes giving a financial benefit and Yumbah Finance is a related party of the Company by virtue of section 228(6) of the Corporations Act.

3.3 Information requirements for the item 7 of section 611 of the Corporations Act approval

The following information is required to be provided to the Shareholders pursuant to the Corporations Act and ASIC Regulatory Guide 74 in respect of obtaining Shareholder approval under the exception for the passing of this Resolution 2.

Shareholders are also referred to the Independent Expert's Report (**IER**) contained in **Annexure A** of this Notice of General Meeting.

Material terms of the proposed acquisition of Conversion Shares (Tranche 1) and the Relevant Interest Acquisition:

The proposed allottee of the Conversion Shares (Tranche 1) is Yumbah Finance. Yumbah Finance is controlled by RCPL and YAL, the holdings of which, (together with their associates), equates to a Voting Power of ~36% of the Company.

The maximum number of Conversion Shares (Tranche 1) to be issued is 238,95,238 Shares.

The Conversion Shares (Tranche 1) will be fully paid on issue and will rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.

The Conversion Shares (Tranche 1) will be offered at an issue price of the higher of:

(a) $0.021; and

(b) a 10% discount to the 20 day volume weighted average price calculated to the last Trading Day prior to the Conversion Date.

What this means is that the minimum price for which the Conversion Shares (Tranche 1) in East 33 may be issued, will be $0.021 per ordinary share.

The Conversion Shares (Tranche 1) are intended to be issued on or around 26 April 2024, being the Conversion Date) but, in any event, no later than 1 month after the date of the General Meeting.

The subscription price for the Conversion Shares (Tranche 1) (namely the $5.0 million) will be deemed to be paid by way of a reduction in the Yumbah Debt owed by East 33 to Yumbah Finance by $5.0 million.

The terms for the proposed acquisition of the Conversion Shares (Tranche 1) are contained in the Amended Convertible Note Subscription Agreement. Refer to paragraph 0 of this Explanatory Statement for a summary of the terms of the Amended Convertible Note Subscription Agreement.

Why is approval under the exception in item 7 of section 611 of the Corporations Act needed?

As detailed in the background to Resolution 2, Shareholder approval is being sought for the Relevant Interest Acquisition for the issue of a maximum of 238,095,238 Conversion Shares (Tranche 1) to Yumbah Finance and the consequential increase in the Relevant Interest of each of the other Yumbah Entities in East 33.

In understanding the Relevant Interest and Voting Power of the Yumbah Entities, it is noted that:

(a) Mr Hall controls RCPL;

(b) Mr Hall holds a material interest in the capital of YAL; and

(c) RCPL holds 73% of Yumbah Finance, and YAL holds 27% of Yumbah Finance.

Mr Hall, RCPL and YAL, the holdings of which, equates to a Voting Power of ~36% of the Company, each are existing shareholders of the Company. Each has had their holdings disclosed per the requirements of section 671B of the Corporations Act.

As per the most recent ASX substantial holding notices issued in relation to East 33, dated 8 December 2023, YAL, Anthony Hall (and their associates), in aggregate, have a Voting Power in the shares of East 33 equal to approximately 36%, held as follows:

(a) YAL: 52,000,000 fully paid ordinary shares;

(b) Mr Hall: 626,398 fully paid ordinary shares; and

(c) RCPL (a company controlled by Mr Hall): 142,024,795 fully paid ordinary shares.

Following the completion of the Relevant Interest Acquisition and the issue of the Conversion Shares (Tranche 2), the Relevant Interest in the voting shares of each of the Yumbah Entities will change.

Shareholders should note that, for the purposes of this Resolution, East 33 has taken the conservative approach of assuming that each of Mr Hall, RCPL, YAL and Yumbah Finance will become "associates" for the purposes of Section 606 of the Corporation Act on closing of the Relevant Interest Acquisition. Accordingly, the aggregate voting power of all of these parties (and their related parties) will be combined in order to determine their increase in Voting Power under Section 606 of the Corporation Act.

On that basis, shareholder approval is sought under item 7 of section 611 of the Corporations Act for the Relevant Interest in the issued voting shares in East 33 of each of Mr Hall, RCPL, YAL and Yumbah Finance to increase from the starting points set out above, to 55.82%.

The table below sets out the holdings and percentage holdings in voting shares of each of RCPL, YAL, Mr Hall and Yumbah Finance as at the date of this Notice of General Meeting and assuming completion of the Relevant Interest Acquisition:

Table 1

	Prior to the issue of the Conversion Shares (Tranche 1)		Post the Conversion Shares (Tranche 1)	
	Number of shares	**Percentage holding**	**Number of shares**	**Percentage holding**
Mr Hall[1]	626,398	0.12%	626,398	0.08%
RCPL[1]	142,024,795	26.44%	142,024,795	18.32%
YAL[1]	52,000,000	9.68%	52,000,000	6.71%
Yumbah Finance[1]	0	0.00%	238,095,238 (maximum)	30.71%

Yumbah Finance (and associates) Relevant Interest[2]	**194,651,193**	**36.24%**	**432,746,431**	**55.82%**
Other East 33 Shareholders	342,437,506	63.76%	342,437,506	44.18%
Total shares outstanding (undiluted basis)[3]	**537,088,699**	**100.00%**	**775,183,937**	**100.00%**

1. Represents the direct holdings of each person in East 33.
2. Represents the expected Relevant Interest in the issued voting shares in East 33 of each of the Yumbah Entities (together with their associates) by virtue of completion of the Relevant Interest Acquisition and the transactions contemplated in this Notice of General Meeting.
3. In addition to the capital structure outlined in the above table, there are 93,820,833 performance rights outstanding as of 22 December 2023.

Therefore, the Yumbah Entities are considered the largest shareholders of East 33 with a combined interest of approximately 36% as at the date of this Notice of General Meeting[1].

The directors of Yumbah Finance are Mr David Wood (CEO of YAL) and Anthony Hall (controller of RCPL), and Yumbah Finance is co-owned by YAL and RCPL. The directors of YAL are Mr Gary Higgins, Mr Hall, Mr Jonathan Lillie, and Mr Ben Cameron. The Director of RCPL is Mr Hall.

Mr Hall is an Australian businessman with a background in science (holding a bachelor's and a master's degree in science from La Trobe University).

In 1983, Mr Hall co-founded Pro Medicus Limited (ASX:PME), a developer and supplier of healthcare imaging software and services to hospitals, diagnostic imaging groups, and other related health entities in Australia, North America, and Europe. Mr Hall has been the principal architect and developer of the core software systems, with his current focus on the transition to, and development of, Pro Medicus Limited's next generation radiology information systems.

Mr Hall is also passionate about aquaculture which led to him becoming a foundation investor in Coastal Seafarms which built an abalone farm at Narrawong (near Portland, Victoria) in 1999. Based on the position, detailed above, the potential increase in Relevant Interest and Voting Power of each of the Yumbah Entities to approximately 55.82% does therefore represent a significant change to the Yumbah Entities' Relevant Interest and Voting Power in the Company.

In terms of the intention of the Yumbah Entities, each of Yumbah Finance, YAL, RCPL and Mr Hall have confirmed that other than with respect to the Recapitalisation Transaction, it has no present intention to:

(a) change the business of the Company as it is currently contemplated it will be operated by the Company following the Company's strategic review;

(b) inject further capital into the Company;

(c) make changes regarding the future employment of the present employees of the Company;

(d) transfer any assets between the Company and themselves;

(e) redeploy any fixed assets of the Company; or

(f) significantly change the financial or dividend distribution policies of the Company.

These intentions are based on information concerning the Company, its business and the business environment which is known to the Yumbah Entities as at the date of this Notice of General Meeting.

[1] Based on the total number of fully paid ordinary shares on issue as at the date of this Notice of General Meeting.

These present intentions may change as new information becomes available, as circumstances change or in the light of all material information, facts and circumstances necessary to assess the operational, commercial, taxation and financial implications of those decisions at the relevant time. Accordingly, the statements set out above are statements of current intentions only.

Directorship interests

The Recapitalisation Transaction does not contain a requirement for any new Directors to be appointed to East 33 should the Recapitalisation Transaction complete and the Conversion Shares (Tranche 1) be issued to Yumbah Finance.

The non-conflicted Directors, being Ms Sarah Courtney, Mr Mike Ryan and Ms Veronica Papacosta have no interest in the Conversion Shares (Tranche 1).

Mr Ben Cameron and Mr Gary Higgins are both nominees of YAL and have the following interests in East 33, YAL and RCPL:

Nominee Directors	Holding in East 33	Holding in YAL	Holding in RCPL	Holding in Yumbah Finance
Mr Higgins	Nil	0.45%	Nil	Nil
Mr Cameron	Nil	1.54%	Nil	Nil

Neither Mr Ben Cameron nor Mr Gary Higgins control YAL.

All decisions relating to the Recapitalisation Transaction were approved by the non-conflicted Directors, and the nominees of YAL were not involved in any deliberations or negotiations with the Yumbah Entities.

Advantages and disadvantages

The Company considers that the issue of the Conversion Shares (Tranche 1) to Yumbah Finance has the following advantages and disadvantages:

Advantages	Disadvantages
Provides funding for working capital and to meet immediate loan repayments East 33 requires cash to: • Repay the Short-Term Debt entered into with each of the former Class A Redeemable Convertible Preference Shares ('RCPS') for a total of $5.5 million. The repayment date is 30 April 2024; and • Meet working capital requirements to progress the business following the strategic review. By converting $5 million of the Loan Facility and structuring the Recapitalisation Transaction to enable the overall facility limit to remain at $15 million, East 33 is effectively able to redraw an additional $5.0 million (i.e. the available funds to be drawn from will increase from $5 million to $10 million) under the terms of the Amended Facility Agreement. Access to an additional $4.5m of working capital will provide the mechanism for the delivery of the outcomes of the strategic review, which will improve the Company's performance. East 33 will not have access to this additional funding if Resolutions 1 and 2 are not approved.	**The Relevant Interest Acquisition is not fair** As detailed in the Independent Expert's Report at Annexure A, the proposed issue of the Conversion Shares (Tranche 1) and the Relevant Interest Acquisition is not fair to the Non-Associated Shareholders.

Conversion price at a premium to recent ASX share trades The conversion price for the issue of the Conversion Shares (Tranche 1) is the higher of $0.021 or a 10% discount to the 20-day volume weighted average price calculated to the last trading day prior to the conversion date ('the Conversion Price'). In relation to the Conversion Price: • In the period up to and including 27 February 2024, East 33 had a 1-week VWAP of $0.0184, a 1- month VWAP of $0.0201 and a 3-month VWAP of $0.0204. The conversion price under the Convertible Note Amendment being a minimum of $0.021) exceeds this amount; · • At the time of East 33's entitlement offer which was launched on 7 September 2022, the Company set an offer price of $0.033 per share which represented a discount of approximately 21.4% to the closing share price on 1 September 2022 and a 22.0% discount to the 10-day VWAP up to and including 1 September 2022. The 10% discount proposed for the Conversion Shares (Tranche 1) is below the entitlement issue discount; and • In circumstances that East 33 was to complete another entitlement issue or capital raising, it would be anticipated that a discount to the prevailing 20-day VWAP may be in the order of what was previously observed for the entitlement offer launched on 7 September 2022. There is no guarantee that East 33 would be able to raise capital at a higher price in circumstances that Resolutions 1 and 2 are not approved.	**Dilution of the East 33 Shareholders' Relevant Interest in the company** If Resolutions 1 and 2 are approved, the Yumbah Entities' Relevant Interest in East 33 shares will increase up to a maximum of 55.82%. This increase in shareholding will dilute the Non-Associated Shareholders' Relevant Interest in the Company and decrease their exposure to any upside in the value of East 33.
Provide strategic operational funding to the business: East 33 is in a position to capitalise on strategic value creation within its own supply chain. This will require additional working capital which is made available by the reduction of the Yumbah Debt.	**There is a potential for a significant number of East 33 shares to be sold on the open market** If the Convertible Notes are converted into East 33 shares, Yumbah Finance may elect to sell some (or all) of the converted shares on the open market. The selling of these shares may result in a significant downward pressure on the trading price of East 33's shares in circumstances that the supply of East 33's shares to the market outweighs the demand for East 33 shares. Notwithstanding the above, we note that certain Yumbah Entities (together with their associates) currently hold a material interest in East 33. Resultantly, this risk of a substantial shareholder selling its shares and potential resulting downward pressure on the trading price of East 33's shares remains in the absence of the issue of the Conversion Shares (Tranche 1).
Results in further alignment between Yumbah Finance and East 33 The Non-Associated Directors consider Yumbah Finance (and the other Yumbah Entities) to be supportive cornerstone investors that provided funds when East 33 required them (including YAL and RCPL underwriting the entitlement offer and	**Non-Associated Shareholders will lose control:** If the issue of the Conversion Shares is approved, Yumbah Finance's Relevant Interest in the Company will increase up to a maximum of 55.82%. In these circumstances, the Non-Associated Shareholders will collectively 'lose

Yumbah Finance refinancing the National Australia Bank loan facility). If the Recapitalisation Transaction is approved, the combined Relevant Interest of the Yumbah Entities will increase to a maximum ownership interest of 55.82%. Accordingly, the interests of Yumbah Finance and East 33 will be further aligned. As detailed in the Independent Expert's Report, cornerstone investors can often assist a company in a range of ways, including assisting to secure future funding and/or stimulating investor demand by enhancing the credibility of the company. The greater Yumbah Finance's shareholding in the Company, the more incentivised it will be to assist the Company with achieving its objectives.	control' of the Company (i.e. their collective interest in East 33 would be approximately 44.2%).
Only option currently available to raise the required capital The Non-Associated Directors considered several alternative options to provide East 33 with the requisite capital including an entitlement offer and alternative placement. Ultimately, the Non-Associated Directors formed the view that the Recapitalisation Transaction was the best path forward for the Company. As at the date of this Report, the Non-Associated Directors are not aware of any other options available to raise the required capital at a similar price per share.	**The Yumbah Entities as a group will have a controlling interest and be able to block resolutions** In circumstances that the Yumbah Entities' Relevant Interest increases above 50% under following the issue of the Conversion Shares (Tranche 1) (as will be the case if shares are issued at the minimum issue price of $0.021 per share), they will have a sufficient voting interest in the Company and the ability to block any ordinary or special resolutions (on which it is entitled to vote on at a general meeting of the Company).
	Potentially reduce the chance of receiving takeover offers in the future without the support of the Yumbah Entities If Resolutions 1 and 2 are approved, it may reduce the likelihood of East 33 receiving a takeover offer without the support of the Yumbah Entities. For any future bidder to acquire a controlling interest in East 33, the Yumbah Entities will be required to accept the offer or vote in favour of any scheme of arrangement. For completeness, we note that under the existing Loan Facility, East 33 is not permitted to merge or consolidate with another entity, nor enter into a scheme of arrangement without the consent of Yumbah Finance.

Independent Expert's Report

ASIC Regulatory Guide 74 provides that, to satisfy the obligation to disclose all material information on how to vote on a section 611 (item 7) resolution, the directors should provide members with an independent expert report (**IER**) or a detailed directors' report on the Recapitalisation Transaction.

Accordingly, the Company has appointed BDO Corporate Finance Ltd (**Independent Expert**), as an independent expert to produce the Independent Expert's Report. The Independent Expert's Report is contained in **Annexure A** of this Notice of General Meeting.

The Independent Expert has concluded that the acquisition of the Voting Power and interest by Yumbah Finance (and each of the other Yumbah Entities) is unfair but reasonable to the Non-Associated Shareholders of the Company, as at the date of the Independent Expert's Report.

The advantages and disadvantages of the acquisition of the Voting Power and interest by the Yumbah Entities are outlined in the Independent Expert's Report and are provided to enable Non-Associated Shareholders of the Company to determine whether they are better off if the acquisition of the Voting Power and interest proceeds as opposed to if it did not proceed.

Shareholders are advised to carefully read the Independent Expert's Report before deciding on how to vote on this Resolution 2.

3.4 Information required by Chapter 2E of the Corporations Act and Regulatory Guide 76

The following information is provided to satisfy the requirements of Chapter 2E of the Corporations Act and Regulatory Guide 76:

<table>
<tr><th>Item</th><th>Detail</th></tr>
<tr><td>Identity of the related party: s219(1)(a)</td><td>Yumbah Finance. Yumbah Finance is arguably a related party of East 33 on the basis that Yumbah Finance is controlled by RCPL and YAL, the holdings of which, (together with their associates), equates to a Voting Power of ~36% of the Company.</td></tr>
<tr><td>Nature of the financial benefit: s219(1)(b)</td><td>The financial benefit is the proposed issue of the maximum 238,095,238 Conversion Shares (Tranche 1).</td></tr>
<tr><td>Directors' recommendations: s219(1)(c)</td><td>The non-conflicted Directors, being Ms Sarah Courtney, Mr Mike Ryan and Ms Veronica Papacosta, recommend to Shareholders that they vote in favour of Resolution 2 as it provides a mechanism to allow $5.0 of the Yumbah Debt to be repaid by way of the issue of a maximum 238,095,238 Conversion Shares (Tranche 1).

The other Directors, being Mr Ben Cameron and Mr Gary Higgins, do not provide a recommendation as they are nominees of YAL.</td></tr>
<tr><td>Directors' interest in the outcome: s219(1)(d)</td><td>The non-conflicted Directors, being Ms Sarah Courtney, Mr Mike Ryan and Ms Veronica Papacosta have no interest in the Conversion Shares (Tranche 1).

Mr Ben Cameron and Mr Gary Higgins are both nominees of YAL and have the following interests in East 33, YAL and RCPL:
<table>
<tr><th>Nominee Directors</th><th>Holding in East 33</th><th>Holding in YAL</th><th>Holding in RCPL</th><th>Holding in Yumbah Finance</th></tr>
<tr><td>Mr Higgins</td><td>Nil</td><td>0.45%</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Mr Cameron</td><td>Nil</td><td>1.54%</td><td>Nil</td><td>Nil</td></tr>
</table>
Neither Mr Ben Cameron or Mr Gary Higgins control YAL.

Neither Mr Ben Cameron and Mr Gary Higgins voted on any resolutions relating to the Amended Facility Agreement or the Amended Convertible Note Subscription Agreement.</td></tr>
<tr><td>Other: s219(1)(e)</td><td>Nil.</td></tr>
<tr><td>Valuation of the financial benefit: ASIC Regulatory Guide 76</td><td>The Company has engaged BDO to provide a report on the transaction as an independent expert.

This Independent Expert's Report is set out at Annexure A to this Explanatory Statement. The Independent Expert's Report comments on the fairness and reasonableness of the Relevant Interest Acquisition.

BDO has determined that the Relevant Interest Acquisition. is unfair but reasonable to the Non-Associated Shareholders.

A valuation of the 238,095,238 Conversion Shares (Tranche 1) is detailed in section 10.2 of the Independent Expert's Report, which details a value range of between $4.5 million to $7.1 million.</td></tr>
<tr><td>Disclosure of a relevant director's total remuneration package: ASIC Regulatory Guide 76</td><td>Not applicable.</td></tr>
</table>

Related party's existing interest: ASIC Regulatory Guide 76	Yumbah Finance is controlled by RCPL and YAL, the holdings of which (together with their associates), equates to a Voting Power of ~36% of the Company. RCPL and YAL are consequently entities which fall under ASX Listing Rule 10.11.2. Consequently, taking a conservative approach, East 33 considers that Yumbah Finance has a Voting Power of ~36% of the Company.
Dilution effect of the transaction on existing members' interests: ASIC Regulatory Guide 76	The issue of the Conversion Shares (Tranche 1) will increase the Voting Power of each of the Yumbah Entities to a maximum of 55.82%. This has a consequential dilution impact to Shareholders of 19.58%

3.5 What happens if Resolution 2 is not approved

Resolution 2 is interdependent with Resolution 1. If Resolution 2 or Resolution 1 are not approved, then East 33 will be unable to reduce the amount of the Yumbah Debt by $5.0 million, which means it not have access to the further $5.0 million re-draw under the Amended Facility Agreement.

Given the financial position of East 33, as detailed in the financial report for the half year ended 31 December 2023 and in the ASX Announcement of 29 February 2024, following its strategic review, if the amount of Yumbah Debt is not reduced by $5.0 million and if East 33 does not have access to a further cash amount of $5.0 million, then without an immediate alternative recapitalisation (which would require the consent of Yumbah Finance), East 33 will be unable to repay the Short-term Debt (given other payment obligations) which will bring into question whether East 33 will be able to continue as a going concern.

Further detail on the implications in the event Resolutions 1 and 2 are not passed are contained in section 2.3.4 of the Independent Expert's Report.

3.6 Voting exclusion and Directors' recommendations

The non-conflicted Directors, being Ms. Sarah Courtney, Mr Mike Ryan and Ms Veronica, Papacosta recommend that Shareholders vote in favour of Resolution 2.

The other Directors, being Mr Ben Cameron and Mr Gary Higgins, do not provide a recommendation as they are nominees of YAL.

Resolution 2 of the General Meeting is an ordinary resolution and so it requires the approval of more than 50% of the votes cast by Shareholders.

The Chair of the General Meeting intends to vote undirected proxies in favour of Resolution 2.

A voting exclusion is contained in the Notice of General Meeting.

4. Resolution 3: Approval of the Amended Facility Agreement for the purposes of ASX Listing Rule 10.1

4.1 Purpose of Resolution

By way of this Resolution, East 33 is seeking approval under ASX Listing Rule 10.1 for the commencement of the Amended Facility Agreement given such amendments are required to facilitate the Recapitalisation Transaction.

Resolution 3 is an ordinary resolution of the Company.

4.2 Background of the Facility Documents

Background

As announced to the ASX on 16 August 2023, the Company and its Subsidiaries entered into a funding transaction with Yumbah Finance (**Loan Facility**) and signed the following documents:

(a) the Facility Agreement; and

(b) the following Securities in favour of Yumbah Finance in connection with the Facility Agreement:

(i) General Security Deed; and

(ii) Other Securities, consisting of mortgages over the Oyster Permits and, subject to receipt of ministerial consent, the Crown Leases,

(collectively, the **Facility Documents**).

The Facility Agreement documented a loan in the amount of $15.0 million plus capitalised interest repayable over a 5-year period and secured over all present and after acquired assets of East 33 and its Subsidiaries.

The Loan Facility constituted a whole of business facility and was ear-marked to be used for the full repayment of the balance outstanding of the $10.0 million loan facility in place with the National Australia Bank (**NAB Loan Facility**), the payment of $6.0 million payable under the Class A Redeemable Convertible Preference Shares (**RCPS**) due in January 2024 and other working capital requirements.

As detailed in ASX Guidance Note 24:

(a) the granting of security by an entity over its assets to secure a debt owing to a 10.1 party is regarded by the ASX as a disposal of those assets by the entity to the 10.1 party for the purposes of ASX Listing Rule 10.1; and

(b) If at the time the security is granted, the value of the assets equals or exceeds 5% of the equity interests of the entity, <u>the granting of the security will require security holder approval under ASX Listing Rule 10.1</u>,

(**LR 10.1 Approval Requirement**).

The proposed granting of the Securities by East 33 to Yumbah Finance triggered the LR 10.1 Approval Requirement.

In light of the pressing need for funding, on 14 August 2023, the ASX granted the Company a waiver (**ASX Waiver**) with respect to ASX Listing Rule 10.1 to enable East 33, without obtaining Shareholder approval, to grant Yumbah Finance an all-assets security over East 33 and its Subsidiaries to secure East 33's obligations under the Loan Facility.

The ASX waiver was provided on the following terms:

"1. *Based solely on the information provided, ASX Limited ('ASX') grants East 33 Limited (the '**Company'**) a waiver from Listing Rule 10.1 to the extent necessary to permit the Company and/or its subsidiaries to grant security over present and acquired assets of the Company and/or its subsidiaries in favour of Yumbah Finance Pty Ltd ('**Yumbah'**) without obtaining shareholder approval, on the following conditions:*

1.1 the Company releases an announcement to the market that provides:

1.1.1 the material terms of the loan agreement and the waiver from Listing Rule 10.1; and

1.1.2 a description of the reasons why the entity has chosen to obtain funding from the 10.1 party, rather than a lender that is not a 10.1 party and the steps the board of the entity has taken to satisfy itself that the transaction is being entered into on arm's length terms, and is fair and reasonable from the perspective of the holders of the entity's ordinary securities;

1.2. the security interest documents expressly provide that:

1.2.1. the security interest is limited to the funds due under the financial accommodation;

1.2.2. the security interest will be discharged when the funds due under the financial accommodation have been repaid in full;

1.2.3. in the event the security interest is enforced, the assets can only be disposed of to the 10.1 party or an associate of the 10.1 party if the disposal is first approved by the entity's security holders under Listing Rule 10.1; and

1.2.4. otherwise, if the holder of the security interest exercises, or appoints a receiver, receiver and manager or analogous person to exercise, any power of sale under the security interest, the assets must be sold to an unrelated third party on arm's length commercial terms and the net proceeds of sale distributed to the 10.1 party in accordance with their legal entitlements;

1.3. any variation to the terms of the financial accommodation or the security interest, which:

1.3.1. advantages the 10.1 party in a material respect;

1.3.2. disadvantages the entity in a material respect; or

1.3.3. is inconsistent with the terms of the waiver,

must be subject to security holder approval under Listing Rule 10.1; and

1.4. for each year while they remain on foot, a summary of the material terms of the financial accommodation and the security interest is included in the related party disclosures in the entity's audited annual accounts.

2. ASX has considered Listing Rule 10.1 only and makes no statement as to the Company's compliance with other listing rules."

As required by paragraph 1.2.3 of the ASX Waiver, East 33 sought Shareholder approval for the purposes of ASX Listing Rule 10.1 to allow the assets of the Company to be disposed of to Yumbah Finance in the event the Securities (detailed below) are enforced for the purposes of ASX Listing Rule 10.1 and for all other purposes. This is referred to as the "**Security Transaction**".

Approval under ASX Listing Rule 10.1 was obtained at the 2023 annual general meeting of East 33.

The ASX has confirmed that the Amended Facility Agreement will require the approval of Shareholders once more, for the purposes of ASX Listing Rule 10.1.

<u>The Facility Documents and the proposed amendments</u>

The key terms of the Facility Documents and the proposed revisions to the Facility Documents (being the Amended Facility Agreement) are set out in paragraph 0 of the Explanatory Statement.

On the basis of the financial position of East 33, announced in its Quarterly Activities Report in January 2024 and as detailed in its financial report for the half year ended 31 December 2023 and in the ASX Announcement following its strategic review, East 33 requires access to an additional $5.0 million. This additional $5.0 million will be available by way of the following:

(a) **The reduction of $5.0 million of the Yumbah Debt**

As detailed in Resolutions 1 and 2, the conversion of $5.0 million of the Face Value of the Convertible Note (**Convertible Note Conversion**) into Shares (**Conversion Shares (Tranche 1)**), with such number of Conversion Shares (Tranche 1) being determined by dividing the $5.0 million of the Face Value (**Conversion Amount (Tranche 1**) by the Conversion Price.

The $5.0 million will be paid by Yumbah Finance will be deemed to be paid in reduction of the amount owing by East 33 under the Facility Agreement, which, as at the date of this Notice of General Meeting has a Facility Limit of $15.0 million plus capitalised interest and has $10.0 million drawn down, so bringing the amount owing under the Facility Agreement to $5.0 million plus capitalised interest.

(b) **Allowing East 33 to maintain the Facility Limit under the Facility Agreement at $15.0 million**

Following the Convertible Note Conversion, allowing East 33 to maintain the Facility Limit under the Facility Agreement at $15.0 million plus capitalised interest, meaning that, with the Loan Facility paid down by $5.0 million, East 33 will have a further $10.0 million that can be drawn under the Facility Agreement

The Recapitalisation Transaction will create a balance sheet as detailed in paragraph 1.3.

The Recapitalisation Transaction will require the following key revisions to the Facility Documents, as detailed in the Amended Facility Agreement.

Facility Documents	Key amendments
Facility Limit:	The Facility Limit of $15.0 million plus capitalised interest will remain unchanged. The repayment of the $5.0 million by way of the issue of the Conversion Shares (Tranche 1) means that Yumbah Finance has allowed $5.0 million under the Facility Limit to be re-drawn. The draw down schedule has been revised such that the $10.0 million can be drawn down between 30 April 2024 and 30 June 2025 in amounts of not less than $500,000 and following the provision of a draw notice. $5.5 million will be drawn down in April 2024 such that the Short-term Debt of $5.5 million can be repaid.
Covenants:	No change, however a waiver has been granted by Yumbah Finance for the interest coverage covenant and impairment charges financial covenant for the 12 months ended 30 June 2024.
Requirement to consult	The Amended Facility Agreement contains a provision such that East 33 and Yumbah Finance are required to consult in good faith with respect to a possible waiver, covenant amendment or strategy to rectify the breach in the event East 33 identifies that a financial covenant may not be satisfied, provided Yumbah Finance is made aware of this fact more than 3 months before the relevant financial covenant is due to be tested.

Refer to paragraph 0 of the Explanatory Statement for further detail.

4.3 ASX Listing Rule 10.1

On the basis of discussions with the ASX, given the terms of the Amended Facility Agreement, East 33 is required to seek the approval of Shareholders under ASX Listing Rule 10.1 to the proposed amendments to the Facility Documents which are required in order to implement the Recapitalisation Transaction.

Shareholder approval is required under ASX Listing Rule 10.1 where an entity proposes to *dispose* of a *substantial asset* to:

(a) a related party of the entity;

(b) a child entity of the entity;

(c) *a person who is, or was at any time in the 6 months before the transaction or agreement, a substantial (10%) holder in the entity;*

(d) an associate of a person referred to in rules 10.1.1 to 10.1.3; or

(e) a person whose relationship to the entity or a person referred to in rules 10.1.1 to 10.1.4 is such that, in ASX's opinion, the transaction should be approved by security holders.

The Security falls within ASX Listing Rule 10.1.3 (i.e. paragraph (c) above) and involves the disposal of a substantial asset on the basis that:

(a) Yumbah Finance is controlled by RCPL and YAL who, together with their associates, have a combined Voting Power of ~36%;

(b) "dispose" includes using an asset as collateral (as is the case for the grant of the East 33 Securities); and

(c) pursuant to ASX Listing Rule 10.2, an asset is a "substantial asset" if its value is equal to 5% or more of the entity's equity interests. The Securities are secured over all of the present and after acquired assets of East 33.

Resolution 3 seeks the required Shareholder approval for the purposes of ASX Listing Rule 10.1 of the Company's grant of Securities to Yumbah Finance to allow the assets of the Company to be disposed of to Yumbah Finance in the event the Securities are enforced for the purposes of ASX Listing Rule 10.1 and for all other purposes, namely the Security.

4.4 Information required by ASX Listing Rule 10.5

The following information is provided for the purposes of ASX Listing Rule 10.5.1:

Disclosure obligation	Detail
The name of the person from whom the entity is acquiring the substantial asset or to whom the entity is disposing of the substantial asset	Yumbah Finance.
Which category in rules 10.1.1 – 10.1.5 the person falls within and why.	ASX Listing Rule 10.1.3. Yumbah Finance's controlling entities, RCPL and YAL, are major shareholders of the Company and their associates, holding an aggregate of ~36% of the issued share capital of the Company, and is therefore a substantial (10%+) holder in the Company.
Details of the asset being acquired or disposed of.	Details of the assets that may be acquired upon enforcement of the Securities is set out at paragraph 0. These consist of: • all assets of East 33 and its Subsidiaries; • the freehold land and Crown Leases of East 33 and its Subsidiaries (but not the Crown Licenses); and • all oyster leases under which East 33 or a Guarantor is the sole lessee.
The consideration for the acquisition or disposal.	There is no direct consideration provided for the disposal. A summary of the Securities, and the circumstances for enforcement of the Security, is set out at paragraph 0.
In the case of a disposal, the intended use of funds (if any) received for the disposal.	The Securities were provided by the Company and its Subsidiaries to support the terms of the Facility Agreement. Under the Facility Agreement, Yumbah Finance has loaned East 33 $15.0 million (with $10.0 million currently drawn down) and, as a result of Resolutions 1 and 2 being approved, will have a balance of $10.0 that can be drawn down. The further $10.0 million will be used to: • repay the $5.5 million Short-term Debt; and • contribute $4.5 million to working capital.

The timetable for completing the acquisition or disposal.	The Company and its Subsidiaries entered into the Facility Agreement and the Securities with Yumbah Finance on 15 August 2023. It is unclear when the disposal pursuant to the Securities will occur (if at all), as the Securities only become enforceable against East 33 and the relevant East 33 Subsidiary if it is in default under the Amended Facility Agreement. Refer to paragraph 0 for a snapshot of the events of default that may allow Yumbah Finance to enforce the Security. Please note that in the event Resolutions 1, 2 and 3 are passed, then at the earlier of: • the maturity date (as defined in the Facility Documents); and • the date the Loan Facility may be earlier terminated due to a payment event of default or an insolvency event by East 33, Yumbah Finance would (subject to any other necessary Shareholder approvals) have the ability to convert the balance outstanding under the Facility Agreement at that time into Shares in East 33.
If the acquisition or disposal is occurring under an agreement, a summary of any other material terms of the agreement.	A summary of the terms of the Amended Facility Agreement and the Securities is set out in paragraph 0.
A voting exclusion statement.	A voting exclusion statement is set out in the Notice of General Meeting
A report on the transaction from an independent expert.	The Company has engaged BDO to provide a report on the transaction as an independent expert. This Independent Expert's Report is set out at **Annexure A** to this Explanatory Statement. The Independent Expert's Report comments on the fairness and reasonableness of the Amended Facility Agreement. BDO has determined that Amended Facility Agreement is fair and reasonable to the Non-Associated Shareholders.

4.5 Independent Board Committee and Chapter 2E of the Corporations Act

Yumbah Finance is a related party of the Company by virtue of section 228(6) of the Corporations Act.

A “financial benefit” is defined in the Corporations Act in broad terms and can include the granting of security.

The giving of a financial benefit to a related party of a public company is ordinarily prohibited by Chapter 2E of the Corporations Act.

The exceptions to the general prohibition are where the benefit is given with the approval of shareholders or the benefit is given in one or more of the limited circumstances in which the giving of a financial benefit to a related party of a public company is permitted.

One exception to the general rule is where the provision of the financial benefit is on terms that would be reasonable in the circumstances if the company and the related party were dealing at arm’s length terms (or on terms less favourable than arm’s length).

As detailed in the ASX Announcement of 16 August 2023 and the notice of meeting for the 2023 annual general meeting, the non-conflicted Directors determined that the grant of the Securities to Yumbah Finance was reasonable in the circumstances if the Company and Yumbah Finance were dealing at arm’s length terms.

The only amendments to the Facility Documents contained in the Amended Facility Agreement are as detailed in paragraph 4.2. As such, the only additional 'financial benefit' being provided to the Yumbah Entities is that the re-draw of the additional $5.0 million is tied to the proposed issue of the maximum of 238,095,238 Conversion Shares (Tranche 1) in reduction of the Yumbah Debt. The issue of the 238,095,238 Conversion Shares (Tranche 1) is being separately approved under Chapter 2E of the Corporations Act as part of Resolution 2 contained in this Notice of General Meeting.

Solely in respect to the revisions to the Facility Agreement, contained in the amended Facility Agreement, the non-conflicted Directors have determined that the Amended Facility Agreement is reasonable in the circumstances as the Company and Yumbah Finance were dealing at arm's length terms for the following reasons:

(a) the Independent Board Committee was established by the East 33 board to negotiate and consider the terms of the Amended Facility Agreement;

(b) both Yumbah Finance and East 33 have separate legal representation and have negotiated the Amended Facility Agreement at arms' length;

(c) the Loan Facility was initially negotiated utilising the commercial terms of the NAB Loan Facility (originally entered into in 2021), being a facility with a third-party bank which could only be considered as an arm's length transaction, as a starting point and then with key revisions that were considered to be more favourable to East 33 and consequently less favourable to Yumbah Finance; and

(d) the Directors constituting the Independent Board Committee resolved that the terms of the Amended Facility Agreement were such that they were beneficial to East 33 in that they allowed for a re-draw of a further $5.0 million and would be reasonable in the circumstances if East 33 and Yumbah Finance were dealing at arm's length, or on terms that are less favourable to Yumbah Finance than those terms.

On this basis, the non-conflicted Directors have formed the view that the provision of such 'financial benefits' under the Amended Facility Agreement are expressly permitted by the arm's length exception under the Corporations Act, and the Company does not consider that East 33 is required to seek Shareholder approval for the purposes of Chapter 2E of the Corporations Act in order for the Amended Facility Agreement with Yumbah Finance to take effect.

4.6 What happens if Resolution 3 is not approved

If Resolution 3 is not approved, then the Amended Facility Agreement will not take effect. What this means is that East 33 will not have the relevant funding East 33 requires to satisfy both the Short-term Debt and working capital requirements.

Given the financial position of East 33, as detailed in the financial report for the half year ended 31 December 2023 and in the ASX Announcement of 29 February 2024, following its strategic review, if the additional finance is not available to it, the Board is of the view that without an immediate alternative recapitalisation (which would require the consent of Yumbah Finance), East 33 will be unable to repay the Short-term Debt and meet its other financial obligations, which will bring into question whether East 33 will be able to continue as a going concern.

East 33 has granted security over all its present and after acquired assets to Yumbah Finance and this will not change irrespective of whether or not Resolution 3 is approved.

If Resolution is 3 is not approved, the Relevant Interest Acquisition may still be approved as Resolutions 1 and 2 are not interdependent with Resolution 3.

Further detail on the implications in the event Resolutions 3 is not passed are contained in section 2.3.4 of the Independent Expert's Report.

4.7 Voting exclusion and Directors' recommendations

The non-conflicted directors, being Ms Sarah Courtney, Mr Mike Ryan and Ms Veronica Papacosta, recommend to the Shareholders that they vote in favour of Resolution 3.

The other Directors, being Mr Ben Cameron and Mr Gary Higgins, do not provide a recommendation as they are nominees of YAL.

Resolution 3 of the General Meeting is an ordinary resolution and so it requires the approval of more than 50% of the votes cast by Shareholders.

The Chair of the General Meeting intends to vote undirected proxies in favour of Resolution 3.

A voting exclusion is contained in the Notice of General Meeting.

Annexure A – Independent Expert's Report

See page over

East 33 Limited

Independent Expert's Report and Financial Services Guide

Opinion: The Relevant Interest Acquisition is Not Fair but Reasonable
Opinion: The Security Transaction is Fair and Reasonable

5 MARCH 2024

FINANCIAL SERVICES GUIDE

Dated: 5 March 2024

The Financial Services Guide ('FSG') is provided to comply with the legal requirements imposed by the Corporations Act 2001 and includes important information regarding the general financial product advice contained in this report ('this Report'). The FSG also includes general information about BDO Corporate Finance Ltd ABN 54 010 185 725, Australian Financial Services Licence No. 245513 ('BDOCF' or 'we', 'us' or 'our'), including the financial services we are authorised to provide, our remuneration and our dispute resolution.

BDOCF holds an Australian Financial Services Licence to provide the following services:

a) Financial product advice in relation to deposit and payment products (limited to basic deposit products and deposit products other than basic deposit products), securities, and interests in managed investment schemes excluding investor directed portfolio services;

b) Arranging to deal in financial products in relation to securities; and

c) Applying for, acquiring, varying or disposing of a financial product in relation to interests in managed investment schemes excluding investor directed portfolio services, and securities.

General Financial Product Advice

This Report sets out what is described as general financial product advice. This Report does not consider personal objectives, individual financial position or needs and therefore does not represent personal financial product advice. Consequently, any person using this Report must consider their own objectives, financial situation and needs. They may wish to obtain professional advice to assist in this assessment.

The Assignment

BDOCF has been engaged to provide general financial product advice in the form of a report in relation to a financial product. Specifically, BDOCF has been engaged to provide an independent expert's report to the shareholders of East 33 Limited ('East 33' or 'the Company') in relation to:

- The issue of East 33 shares on conversion of $5.0 million of a convertible note held by Yumbah Finance Pty Ltd ('Yumbah Finance'). The shares issued will result in Yumbah Finance and their associated entities (together 'the Yumbah Entities') relevant interest in East 33 increasing up to a maximum of 55.8% ('the Relevant Interest Acquisition'); and
- The granting of security over the Company's assets to Yumbah Finance ('the Security Transaction').

Further details of the Relevant Interest Acquisition and the Security Transaction are set out in Section 5. The scope of this Report is set out in detail in Section 4.3. This Report provides an opinion on whether or not each of the Relevant Interest Acquisition and the Security Transaction is 'fair and reasonable' to the non-associated East 33 shareholders ('the Non-Associated Shareholders') and has been prepared to provide information to the Non-Associated Shareholders to assist them to make an informed decision on whether to vote in favour of or against each of the Relevant Interest Acquisition and the Security Transaction. Other important information relating to this Report is set out in more detail in Section 4.

This Report cannot be relied upon for any purpose other than the purpose mentioned above and cannot be relied upon by any person or entity other than those mentioned above, unless we have provided our express consent in writing to do so. A shareholder's decision vote in favour of or against each of the Relevant Interest Acquisition and the Security Transaction is likely to be influenced by their particular circumstances, for example, their taxation considerations and risk profile. Each shareholder should obtain their own professional advice in relation to their own circumstances.

Fees, Commissions and Other Benefits we may Receive

We charge a fee for providing reports. The fees are negotiated with the party who engages us to provide a report. We estimate the fee for the preparation of this Report will be approximately $90,000 plus GST. Fees are usually charged as a fixed amount or on an hourly basis depending on the terms of the agreement with the engaging party. Our fees for this Report are not contingent on the outcome of either the Relevant Interest Acquisition or the Security Transaction.

Except for the fees referred to above, neither BDOCF, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of this Report.

Directors of BDOCF may receive a share in the profits of BDO Group Holdings Limited, a parent entity of BDOCF. All directors and employees of BDO Group Holdings Limited and its subsidiaries (including BDOCF) are entitled to receive a salary. Where a director of BDOCF is a shareholder of BDO Group Holdings Limited, the person is entitled to share in the profits of BDO Group Holdings Limited.

Associations and relationships

From time to time BDOCF or its related entities may provide professional services to issuers of financial products in the ordinary course of its business. These services may include audit, tax and business advisory services. In the last two years, BDOCF has completed an independent expert's report for East 33 (dated 18 September 2023).

The signatories to this Report do not hold any shares in East 33 and no such shares have ever been held by the signatories.

To prepare our reports, including this Report, we may use researched information provided by research facilities to which we subscribe or which are publicly available. Reference has been made to the sources of information in this Report, where applicable. Research fees are not included in the fee details provided in this Report.

Complaints Resolution

Internal Complaints Resolution Process

We are committed to meeting your needs and maintaining a high level of client satisfaction. If you are unsatisfied with a service we have provided you, we have avenues available to you for the investigation and resolution of any complaint you may have.

To make a formal complaint, please use the Complaints Form. For more on this, including the Complaints Form and contact details, see the BDO Complaints Policy available on our website.

Referral to External Dispute Resolution Scheme

BDO Corporate Finance is a member of AFCA (Member Number 10236).

Where you are unsatisfied with the resolution reached through our Internal Dispute Resolution process, you may escalate this complaint to the Australian Financial Complaints Authority (AFCA) using the contact details set out below.

Australian Financial Complaints Authority Limited
Mail: GPO Box 3, Melbourne VIC 3001
Online Address: http://www.afca.org.au
Email: info@afca.org
Phone: 1800 931 678
Fax: (03) 9613 6399
Interpreter Service: 131 450

Compensation Arrangements

BDOCF and its related entities hold Professional Indemnity insurance for the purpose of compensating retail clients for loss or damage suffered because of breaches of relevant obligations by BDOCF or its representatives under Chapter 7 of the Corporations Act 2001. These arrangements and the level of cover held by BDOCF satisfy the requirements of section 912B of the Corporations Act 2001.

Contact Details

BDO Corporate Finance Ltd

Location Address:	Postal Address:
Level 10 12 Creek Street BRISBANE QLD 4000	GPO Box 457 BRISBANE QLD 4001
Phone: (07) 3237 5999	Email: cf.brisbane@bdo.com.au
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CONTENTS

GLOSSARY

Reference	Definition
A$ or $	Australian dollars
ABV	Asset Based Valuation
AGM	Annual general meeting
Amended Facility Agreement, the	The Amended and Restated Facility Agreement, the material terms of which are summarised in paragraph 1.4 of the Notice of Meeting
APES 225	Accounting Professional and Ethical Standards Board professional standard APES 225 *Valuation Services*
ASIC	Australian Securities and Investment Commission
Assessed Transactions, the	Proposed Transaction that requires shareholder approval
ASX	Australian Securities Exchange
Base Case	The financial model used for internal management purposes prepared based on the opportunities identified in the strategic review but is contingent on securing additional working capital
BDO Persons	The partners, directors, agents or associates of BDO
BDOCF	BDO Corporate Finance Ltd
Board, the	The board of directors of the Company
CGU	Cash generating unit
CMB	CMB Seafoods Pty Ltd
CME	Capitalisation of maintainable earnings
COGS	Cost of Goods Sold
Company, the	East 33 Limited
Conversion Price, the	The higher of $0.021 or a price that's 10% lower than the average share price over the last 20 days.
Convertible Note Subscription Agreement, the	The convertible note issued by East 33 to Yumbah Finance on 12 December 2023
Corporations Act, the	The Corporations Act 2001 (Cth)
Directors, the	The Directors of the Company
DCF	Discounted Cash Flows
East 33	East 33 Limited
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
Financial Models, the	Forecasted financial model provided by the Company
Founders, the	Mr James Garton, Mr Guy Burnett, Mr Mark Nagy and Mr John Wilson
FSG	Financial Services Guide
FY	The financial year or 12-month period ended on 30 June
Hall, Mr	Mr Anthony Hall
IPO	Initial Public Offering
Loan Facility, the	East 33's binding loan documentation for the amount of $15 million with Yumbah Finance entered into on 15 August 2023

Reference	Definition
LR 10.1	ASX Listing Rule 10.1
LTM	Last-twelve-months
MBV	Market Based Valuation
Meeting, the	General meeting to be held on or around 23 April 2024
NAB Facility, the	East 33's $10 million loan facility with the National Australia Bank
Non-Associated Shareholders, the	The shareholders of East 33 who are not associated with Yumbah Finance
Non-Associated Directors, the	The directors of East 33 who are not associated with YAL
Note, the	East 33 has entered into binding documentation for the issue of a convertible note to Yumbah Finance
Notice of Meeting, the	The Notice of Meeting and Explanatory memorandum dated on or about 22 March 2024 prepared by East 33
NPAT	Net profit after tax
NTM	Next-twelve-months
POMS	Pacific Oyster Mortality Syndrome
Proposed Transaction, the	The recapitalisation transaction contained in the Notice of General Meeting
Prospectus, the	East 33's Prospectus dated 16 June 2021
QX	Marteiliosis or Aber disease
RCPL	Research Corporation Pty Ltd, a company controlled by Mr Hall
RCPS	Redeemable convertible preference shares
RCPS Loan	Class A Redeemable Convertible Preference Shares for a total of $5.5 million
Regulations, the	The Corporation Regulations 2001 (Cth)
Relevant Event of Default	Payment event of default under the Loan Facility or an insolvency event of East 33 or any of its subsidiaries
Relevant Interest Acquisition, the	Yumbah Finance's acquisition of a relevant interest in issued voting shares of East 33, including that of its associated entities
Report, this	This independent expert's report prepared by BDOCF and dated 5 March 2024
Resolution 1	Resolution 1 in the Notice of Meeting relating to approval of the Amended Convertible Note Subscription Agreement
Resolution 2	Resolution 2 in the Notice of Meeting relating to approval for the issue of the conversion shares to Yumbah Finance (i.e. the Relevant Interest Acquisition)
Resolution 3	Resolution 3 in the Notice of Meeting relating to approval of the Amended Facility Agreement under ASX Listing Rule 10.1
RG 111	Regulatory Guide 111: *Content of Expert Report*, issued by ASIC
RGs	Regulatory guides published by ASIC
Secured Liabilities, the	The outstanding balance of the Loan Facility in the event of default (including principal, interest, fees, costs, charges, duties, indemnities, guarantee obligations, damages and enforcement and preservation costs and all and any amounts due, owing or incurred)
Secured Property, the	The assets over which security for the Loan Facility is granted (the assets of East 33 and their subsidiaries)
Security Transaction, the	In the event the security is enforced, the assets of East 33 and its subsidiaries can be disposed of to Yumbah Finance
Shareholders, the	The holders of fully paid ordinary shares in the Company

Reference	Definition
Substantial Asset	As per ASX Listing Rule 10.2, if its value or the consideration for it is, or in ASX's opinion is, 5% or more of the value of the equity interests of the entity
Substantial Holder	As per ASX Listing Rule 10.1.3, a person who has relevant interest, or had a relevant interest at any time in the six months before the transaction, in at least 10% of the voting power of the company
Tax Losses, the	East 33's Deferred Tax Losses
Verdich	MS Verdich and Sons Pty Ltd
VWAP	Volume weighted average price
We, us, our	BDO Corporate Finance Ltd
YAL	Yumbah Aquaculture Ltd
Yumbah Finance	Yumbah Finance Pty Ltd
Yumbah Entities	Consist of Yumbah Finance, YAL and RCPL (including Mr Hall).
Yumbah Entities' Relevant Interest	The combined interest in the Company held by the Yumbah Entities

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PART I: ASSESSMENT OF THE ASSESSED TRANSACTIONS

The Non-Associated Shareholders
C/- Independent Board Committee
East 33 Limited
12 Point Road, Tuncurry
NSW, Australia, 2428

5 March 2024

Dear Non-Associated Shareholders,

1.0 Introduction

BDO Corporate Finance Ltd ('BDOCF', 'we', 'us' or 'our') has been engaged to provide an independent expert's report ('this Report') to the non-associated shareholders of East 33 Limited ('East 33' or 'the Company').

East 33 is currently pursuing a recapitalisation transaction ('the Proposed Transaction') with Yumbah Finance Pty Ltd ('Yumbah Finance'). A number of aspects of the Proposed Transaction require shareholder approval. A detailed summary of the Proposed Transaction is set out in the Notice of Meeting and Explanatory Memorandum dated on or about 22 March 2024 that this Report is included with (collectively, 'Notice of Meeting').

This Report has been commissioned to provide an independent expert opinion on the following transactions pertaining to the Proposed Transaction that requires shareholder approval ('the Assessed Transactions'):

- The issue of East 33 shares on conversion of the $5.0 million convertible note held by Yumbah Finance ('the Convertible Note'). With regards to this, we note the following:
  - Yumbah Finance is owned by Yumbah Aquaculture Limited ('YAL') and Research Corporation Pty Ltd ('RCPL'). We note that as at the date of this Report, the Yumbah entities (including Yumbah Finance, YAL, RCPL and Mr Anthony Hall, and together referred to as 'the Yumbah Entities') have a combined interest in the Company of approximately 36.2%;
  - We note that in the event that shares are issued on partial conversion of the Convertible Note, Yumbah Finance will receive up to a maximum of 238,095,238 shares in the Company (which will represent an interest of approximately 30.7%);
  - As stated in the Notice of Meeting, East 33 has taken the conservative approach of assuming that the Yumbah Entities and their associated entities will become "associates" for the purposes of Section 606 of the Corporations Act on closing of the proposed share issue to Yumbah Finance. Accordingly, the aggregate voting power of all of these parties (and their related parties) will be combined in order to determine their increase in voting power under Section 606 of the Corporations Act;
  - On that basis, shareholder approval is sought under item 7 of section 611 of the Corporations Act for the relevant interest in the issued voting shares in East 33 of each of Mr Hall, RCPL, YAL and Yumbah Finance and their associated entities to increase from the existing levels (in aggregate 36.2% and individually as set out in Table 5.1 below) to a maximum of 55.28%. We refer to the increase in the Yumbah Entities' Relevant Interest as 'the Relevant Interest Acquisition' due to the increase in ownership interest requiring approval by the Non-Associated Shareholders; and
- The granting of security over East 33's assets for all monies and obligations that may become due under the Amended Facility Agreement (as defined in the Notice of Meeting) ('the Security Transaction').

Under the Notice of Meeting, shareholders are to vote on the Relevant Interest Acquisition under Resolution 2 and the Security Transaction under Resolution 3.

Resolution 2 is interdependent on an additional resolution related to approval of the Amended Convertible Note Subscription Agreement (as defined in the Notice of Meeting) ('Resolution 1') and we refer to these resolutions for the Relevant Interest Acquisition collectively as 'Resolutions 1 and 2'.

Resolution 3, for the Security Transaction, is not dependent on Resolutions 1 and 2 and is referred to as 'Resolution 3'.

A more detailed description of the Proposed Transaction and the Assessed Transactions is set out in Section 5.0 of this Report.

In this Report, BDOCF has expressed an opinion as to whether or not each of the Assessed Transactions are ‘fair and reasonable’ to the shareholders of East 33 not associated with Yumbah Finance (‘the Non-Associated Shareholders’). The scope and purpose of this Report is detailed in Sections 4.3 and 4.4 respectively.

This Report, including Part I, Part II and the appendices, should be read in full along with all other documentation provided to the Non-Associated Shareholders including the Notice of Meeting.

2.0 Assessment of the Relevant Interest Acquisition

This section is set out as follows:

- Section 2.1 sets out the methodology for our assessment of the Relevant Interest Acquisition;
- Section 2.2 sets out our assessment of the fairness of Relevant Interest Acquisition;
- Section 2.3 sets out our assessment of the reasonableness of the Relevant Interest Acquisition;
- Section 2.4 provides our assessment of whether Relevant Interest Acquisition is fair and reasonable to the Non-Associated Shareholders.

2.1 Basis of Evaluation of the Relevant Interest Acquisition

The Australian Securities and Investments Commission ('ASIC') have issued Regulatory Guide 111: *Content of Expert Reports* ('RG 111'), which provides guidance in relation to independent expert's reports. RG 111 relates to the provision of independent expert's reports in a range of circumstances, including those where the expert is required to provide an opinion in relation to a takeover transaction. RG 111 states that the independent expert's report should explain the particulars of how the transaction was examined and evaluated as well as the results of the examination and evaluation.

The Relevant Interest Acquisition involves the Yumbah Entities' Relevant Interest in East 33 increasing from 36.2% up to a maximum of 55.8%. RG 111 specifically differentiates between control and non-control transactions in providing guidance on the type of analysis to complete. RG 111 suggests that where the transaction is a control transaction the expert should focus on the substance of the control transaction rather than the legal mechanism to affect it. In our opinion the Relevant Interest Acquisition is a control transaction as defined by RG 111 and we have assessed the Relevant Interest Acquisition by considering whether, in our opinion, it is fair and reasonable to the Non-Associated Shareholders.

Under RG 111, a transaction will be considered 'fair' if the value of the consideration to be received by the shareholders is equal to or greater than the value of the shares that are the subject of the transaction. To assess whether a transaction is 'reasonable', an expert should examine other significant factors to which shareholders may give consideration prior to accepting or approving the transaction. This includes comparing the likely advantages and disadvantages if the transaction is approved with the position of the shareholders if the transaction is not approved.

RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if, despite being 'not fair', the expert believes that there are sufficient reasons for security holders to accept an offer in the absence of a higher bid. Our assessment concludes by providing our opinion as to whether or not the Relevant Interest Acquisition is 'fair and reasonable'. While all relevant issues need to be considered before drawing an overall conclusion, we will assess the fairness and reasonableness issues separately for clarity.

We have assessed the fairness and reasonableness of the Relevant Interest Acquisition in Sections 2.2 and 2.3 below and provide an opinion on whether the Relevant Interest Acquisition is 'fair and reasonable' to the Non-Associated Shareholders in Section 2.4 below.

2.2 Assessment of Fairness of the Relevant Interest Acquisition

2.2.1 Basis of Assessment

RG 111 states that a transaction is fair if the value of the offer price or consideration is greater than the value of the securities subject to the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. When considering the value of the securities subject to an offer in a control transaction the expert should consider this value inclusive of a control premium and assume a 100% ownership interest.

In our view, it is appropriate to assess the fairness of the Relevant Interest Acquisition to the Non-Associated Shareholders as follows:

a) Determine the value of an East 33 share on a controlling interest basis prior to the Relevant Interest Acquisition;

b) Determine the value of an East 33 share on a minority interest basis after the Relevant Interest Acquisition; and

c) Compare the value determined in a) above with the value of b) to determine if the Relevant Interest Acquisition is fair.

In accordance with the requirements of RG 111, the Relevant Interest Acquisition can be considered 'fair' to the Non-Associated Shareholders if the value determined in b) above is equal to or greater than the value determined in a) above.

2.2.2 Value of an East 33 Share Prior to the Relevant Interest Acquisition on a Controlling Interest Basis

In our view, for the purposes of the analysis set out in this Report, it is appropriate to adopt a value in the range of $0.026 to $0.047 per East 33 share on a controlling interest basis. In forming this view, we considered a market based valuation ('MBV') methodology, the guideline comparable methodology and an asset based valuation ('ABV') methodology.

The Non-Associated Shareholders should note that our valuation range of East 33 is on the basis of a knowledgeable and willing, but not anxious, seller that is able to consider alternative options to the Relevant Interest Acquisition. In accordance with paragraph 111.15 of RG 111, we have not adjusted our valuation range for any financial distress that may be experienced by East 33 in circumstances that the Relevant Interest Acquisition is not approved by the Non-Associated Shareholders and an alternative source of funding is not available. We would ordinarily expect a company in financial distress to trade at lower values as there is a risk the company will be unable to complete an arm's length transaction within the available timeframe. We have considered the availability of alternative options available to East 33 to address any potential financial distress when considering the reasonableness of the Relevant Interest Acquisition in Section 2.3 of this Report.

Our valuation of East 33 is set out in Section 9.

2.2.3 *Value of an East 33 Share After the Relevant Interest Acquisition on a Minority Interest Basis*

Our valuation of East 33 following the Relevant Interest Acquisition, on a minority interest basis, is in the range of $0.019 to $0.030 per share.

The primary factors driving the change in the valuation range, pre and post the Relevant Interest Acquisition, are:

- Conversion of Convertible Note to equity: As part of the Relevant Interest Acquisition, East 33 will convert $5.0 million under the Convertible Note into shares, with the amount of shares being determined by dividing the $5.0 million by the conversion price. For the purposes of the analysis set out in this Report, we have assumed that the conversion price will be equal to the minimum of $0.021;
- Minority interest: We have calculated the value of East 33 on a minority interest basis following the Relevant Interest Acquisition.

Our valuation of East 33 following the Relevant Interest Acquisition is set out in Section 9 of this Report.

2.2.4 *Assessment of the Fairness of the Relevant Interest Acquisition*

To assess the fairness of the Relevant Interest Acquisition, it is appropriate to compare the value of an East 33 share prior to the Relevant Interest Acquisition on a controlling interest basis with the value of a share in East 33 on a minority interest basis assuming the Relevant Interest Acquisition is implemented. Pursuant to RG 111, the Relevant Interest Acquisition is fair if the value of the East 33 share following completion of the Relevant Interest Acquisition is greater than the value of an East 33 share prior to completion of the Relevant Interest Acquisition.

Table 2.1 below summarises our assessment of the fairness of the Relevant Interest Acquisition.

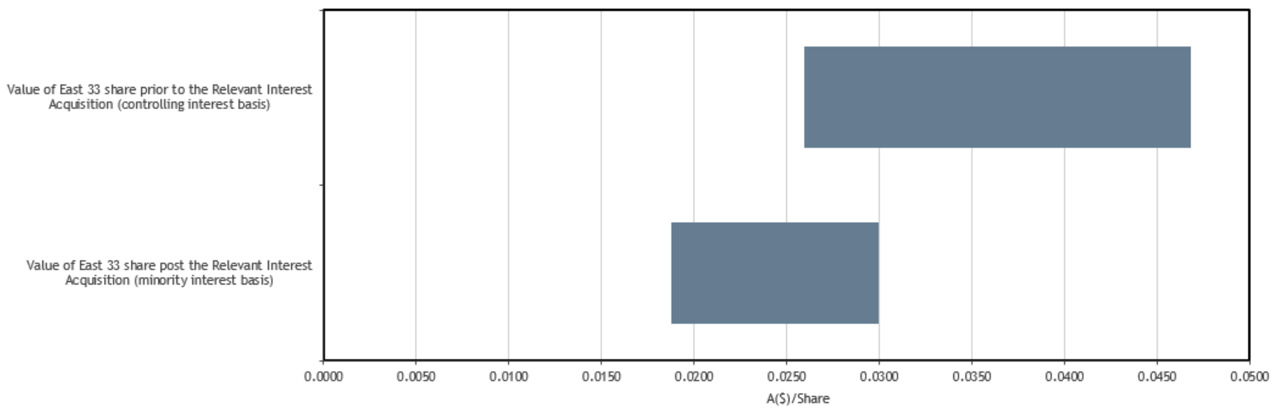
Table 2.1: Assessment of the Fairness of the Relevant Interest Acquisition

	Low	High
Value of an East 33 share prior to the Relevant Interest Acquisition (controlling interest)	$0.026	$0.047
Value of an East 33 share post the Relevant Interest Acquisition (minority interest)	$0.019	$0.030

Source: BDOCF Analysis

Figure 2.1 summarises our assessment of the fairness of the Relevant Interest Acquisition, setting out a graphical comparison of our valuation of an East 33 share prior to the Relevant Interest Acquisition on a controlling interest basis and our valuation of a share in East 33 on a minority basis following completion of the Relevant Interest Acquisition.

Figure 2.1: Fairness of the Relevant Interest Acquisition



Source: BDOCF analysis

With reference to Table 2.1 and Figure 2.1, we note:

- At the low and high ends of the valuation range, the value of East 33 post the Relevant Interest Acquisition on a minority basis is below the value of East 33 pre the Relevant Interest Acquisition on a controlling interest basis; and
- There is a downward shift in the value range of East 33 post the Relevant Interest Acquisition on a minority interest basis relative to the value of East 33 pre the Relevant Interest Acquisition on a controlling interest basis.

After considering the information summarised above and set out in detail in the balance of this Report, it is our view that, in the absence of any other information, the Relevant Interest Acquisition is **Not Fair** to the Non-Associated Shareholders as at the date of this Report.

2.3 Assessment of Reasonableness of the Relevant Interest Acquisition

2.3.1 Basis of Assessment

Under RG 111, a transaction is considered reasonable if it is fair. It may also be reasonable, despite not being fair, if after considering other significant factors the interests of the shareholders are reasonably balanced.

In addition to our fairness assessment set out in Section 2.2 above, to assess whether the Relevant Interest Acquisition is 'reasonable' we consider it appropriate to examine other significant factors to which the Non-Associated Shareholders may give consideration prior to forming a view on whether to vote in favour of or against the Relevant Interest Acquisition. This includes comparing the likely advantages and disadvantages of approving the Relevant Interest Acquisition with the position of a Non-Associated Shareholder if the Relevant Interest Acquisition is not approved, as well as a consideration of other significant factors.

Our assessment of the reasonableness of the Relevant Interest Acquisition is set out as follows:

- Section 2.3.2 sets out the advantages of the Relevant Interest Acquisition to the Non-Associated Shareholders;
- Section 2.3.3 sets out the disadvantages of the Relevant Interest Acquisition to the Non-Associated Shareholders;
- Section 2.3.4 sets out the position of the Non-Associated Shareholders if the Relevant Interest Acquisition is not approved; and
- Section 2.3.5 provides our opinion on the reasonableness of the Relevant Interest Acquisition to the Non-Associated Shareholders.

2.3.2 Advantages of the Relevant Interest Acquisition

Table 2.2 below outlines the potential advantages to the Non-Associated Shareholders of approving the Relevant Interest Acquisition.

Table 2.2: Potential Advantages of Approving the Relevant Interest Acquisition

Advantage	Explanation
Only option currently available to raise the required capital	The Non-Associated Directors considered several alternative options to provide East 33 with the requisite capital including an entitlement offer and alternative placement. Ultimately, the Non-Associated Directors formed the view that the Relevant Interest Acquisition was the best path forward for the Company. As at the date of this Report, the Non-Associated Directors are not aware of any other options available to raise the required capital at a similar price per share. For completeness, we note under the terms of the existing Yumbah Finance loan facility entered into on 15 August 2023 ('Loan Facility') relating to restricted dealings, Yumbah Finance's consent is required for East 33 to incur debt or issue shares to any person other than Yumbah Finance.
Provides funding for working capital and to meet immediate loan repayments	East 33 requires cash to: ▸ Repay the short-term debt facility entered into with each of the former Class A Redeemable Convertible Preference Shares ('RCPS') for a total of $5.5 million ('RCPS Loan'). The repayment date is 30 April 2024; and ▸ Meet working capital requirements to progress the business following the strategic review. By converting $5 million of the Loan Facility and structuring the Proposed Transaction to enable the overall facility limit to remain at $15 million, East 33 is effectively able to redraw an additional $5.0 million (i.e. the available funds to be drawn from will increase from $5 million to $10 million) under the terms of the Amended Facility Agreement. East 33 will not have access to an additional $5 million funding if Resolutions 1 and 2 are not approved. Resolution 3 is also required to be approved to drawdown any additional funds and we have discussed the implications of this in Section 3.3 below.

Advantage	Explanation
Conversion price at a premium to recent ASX share trades	The conversion price under the Relevant Interest Acquisition is the higher of $0.021 or a 10% discount to the 20-day volume weighted average price calculated to the last trading day prior to the conversion date ('the Conversion Price'). In relation to the Conversion Price we note the following: ▸ In the period up to and including 28 February 2024, East 33 had a 1-week VWAP of $0.0184, a 1-month VWAP of $0.0201 and a 3-month VWAP of $0.0204. The Conversion Price under the Relevant Interest Acquisition (being a minimum of $0.021) exceeds this amount; ▸ At the time of East 33's entitlement offer which was launched on 7 September 2022, the Company set an offer price of $0.033 per share which represented a discount of approximately 21.4% to the closing share price on 1 September 2022 and a 22.0% discount to the 10-day VWAP up to and including 1 September 2022. The 10% discount proposed for the Relevant Interest Acquisition is below the entitlement issue discount; and ▸ In circumstances that East 33 was to complete another entitlement issue or capital raising, we would expect the discount to the prevailing 20-day VWAP may be in the order of what was previously observed for the entitlement offer launched on 7 September 2022. There is no guarantee that East 33 would be able to raise capital at a higher price in circumstances that Resolutions 1 and 2 are not approved.
Results in further alignment between Yumbah Finance and East 33	The Non-Associated Directors consider Yumbah Finance (and the other Yumbah Entities) to be a supportive cornerstone investor that provided funds when East 33 required them (including YAL and RCPL underwriting the entitlement offer and Yumbah Finance refinancing the National Australia Bank loan facility). If the Recapitalisation Transaction is approved, the combined relevant interest of the Yumbah Entities will increase to a maximum ownership interest of 55.8%. Accordingly, the interests of Yumbah Finance and East 33 will be further aligned. Cornerstone investors can often assist a company in a range of ways, including assisting to secure future funding and/or stimulating investor demand by enhancing the credibility of the company. The greater Yumbah Finance's shareholding in the Company, the more incentivised it will be to assist the Company with achieving its objectives.

Source: BDOCF analysis

2.3.3 Disadvantages of the Relevant Interest Acquisition

Table 2.3 below outlines the potential disadvantages to the Non-Associated Shareholders of approving the Relevant Interest Acquisition.

Table 2.3: Potential Disadvantages of the Relevant Interest Acquisition

Disadvantage	Explanation
The Relevant Interest Acquisition is Not Fair	As set out in Section 2.2 above, the Relevant Interest Acquisition is Not Fair to the Non-Associated Shareholders as at the date of this Report.
Dilution of the East 33 Shareholders' relevant interest in the company	If Resolutions 1 and 2 are approved, the Yumbah Entities' Relevant Interest in East 33 shares will increase up to a maximum of 55.8%. This increase in shareholding will dilute the Non-Associated Shareholders' relevant interest in the Company and decrease their exposure to any upside in the value of East 33.
There is a potential for a significant number of East 33 shares to be sold on the open market	If the Convertible Notes are converted into East 33 shares, Yumbah Finance may elect to sell some (or all) of the converted shares on the open market. The selling of these shares may result in a significant downward pressure on the trading price of East 33's shares in circumstances that the supply of East 33's shares to the market outweighs the demand for East 33 shares. Notwithstanding the above, we note that certain Yumbah Entities currently hold a material interest in East 33. Resultantly, this risk of a substantial shareholder selling its shares and potential resulting downward pressure on the trading price of East 33's shares remains even in circumstances that the Relevant Interest Acquisition is not approved.
Non-Associated Shareholders will lose control	If the issue of the Conversion Shares is approved, the Yumbah Entities' Relevant Interest in the Company will increase up to a maximum of 55.8%. In these circumstances, the Non-Associated Shareholders will collectively 'lose control' of the Company (i.e. their collective interest in East 33 would be approximately 44.2%).
The Yumbah Entities as a group will have a controlling interest and be able to block resolutions	In circumstances that the Yumbah Entities' Relevant Interest increases above 50% under the Relevant Interest Acquisition (as will be the case if shares are issued at the minimum issue price of $0.021 per share), the Yumbah Entities will have a sufficient voting interest in the Company and the ability to block any ordinary or special resolutions (on which it is entitled to vote on at a general meeting of the Company).

Disadvantage	Explanation
Potentially reduce the chance of receiving takeover offers in the future without Yumbah Finance's support	If Resolutions 1 and 2 are approved, it may reduce the likelihood of East 33 receiving a takeover offer without the support of the Yumbah Entities. For any future bidder to acquire a controlling interest in East 33, the Yumbah Entities will be required to accept the offer or vote in favour of any scheme of arrangement. For completeness, we note that under the existing Loan Facility, East 33 is not permitted to merge or consolidate with another entity, nor enter into a scheme of arrangement without the consent of Yumbah Finance.

Source: BDOCF analysis

2.3.4 Position of the Non-Associated Shareholders if the Relevant Interest Acquisition is Not Approved

Table 2.4 below outlines the potential position of individual East 33 Non-Associated Shareholders if the Relevant Interest Acquisition is not approved.

Table 2.4: Position of the Non-Associated Shareholders if the Relevant Interest Acquisition is Not Approved

Position of Shareholders	Explanation
Risk of being placed into receivership or administration under part 5.3A of the Corporations Act	If Resolutions 1 and 2 are not passed at the Meeting, East 33 will not be able to reduce the balance of the Yumbah Debt by $5.0 million (by way of conversion to equity), which means it will not have access to the additional $5.0 million re-draw under the Amended Facility Agreement. Resolution 3 is also required to be approved to drawdown any additional funds and we have discussed the implications of this in Section 3.3 below. If East 33 is unable to meet its future financial commitments (e.g. to repay the RCPS Loan), it will be a Relevant Event of Default pursuant to the RCPS Loan Agreement. RCPS could serve a demand for payment and proceed to obtain a judgement which if unsatisfied, RCPS could commence proceedings for the winding up of East 33 to recover the debt owed. We have discussed the effect of a Relevant Event of Default further in Section 3.3 below.
East 33 may be unable to raise capital elsewhere to meet its need for funding	East 33 requires funding to sustain its operations following the completion of its strategic review. The Non-Associated Shareholders should note that further attempts to identify a suitable funding source may require considerable amounts of time and even if an alternative funding source was able to be identified, there is no guarantee that they would be on better terms than the Proposed Transaction. For completeness, we note that in October 2022, East 33 completed a fully underwritten entitlement offer at $0.033 per share with gross proceeds raised of $7.97 million. Under the offer, eligible East 33 shareholders subscribed for approximately 69 million shares raising $2.29 million and representing a participation rate of approximately 28.8%. The shortfall of approximately $5.68 million was allocated to the sub-underwriters under the terms of the underwriting agreement.
Shareholders will not be diluted	If Resolutions 1 and 2 are not approved, no conversion shares will be issued and the Non-Associated Shareholders will not have their collective interest diluted.
Level of control will remain unchanged	If Resolutions 1 and 2 are not approved, the Yumbah Entities' Relevant Interest will remain at 36.2%.
East 33 Shareholders will not be able to recover the costs incurred in relation to the Relevant Interest Acquisition	If Resolutions 1 and 2 are not approved, East 33 will not be able to recover the costs incurred in relation to the Relevant Interest Acquisition.

Source: BDOCF analysis

2.3.5 Assessment of the Reasonableness of the Relevant Interest Acquisition

In our opinion, after considering all of the issues set out in this Report, it is our view that, in the absence of any other information or a superior proposal, the Relevant Interest Acquisition is **Reasonable** to the Non-Associated Shareholders as at the date of this Report.

2.4 Our Opinion of the Relevant Interest Acquisition

Under RG 111, the Relevant Interest Acquisition is considered to be 'reasonable' if it is 'fair'. It may also be possible to conclude that the Relevant Interest Acquisition is 'reasonable' if there are sufficient valid reasons for the approval, notwithstanding that the Relevant Interest Acquisition may not be 'fair' to the shareholders.

In our opinion, in the absence of any other information or a superior offer, the Relevant Interest Acquisition is **Not Fair but Reasonable** to shareholders as at the date of this Report.

Shareholders must have regard to the information set out in the balance of this Report, including the appendices and the Important Information set out in Section 4, before deciding whether to vote in favour of or against the Relevant Interest Acquisition.

3.0 Assessment of the Security Transaction

This section is set out as follows:

- Section 2.1 sets out the methodology for our assessment of the Security Transaction;
- Section 2.2 sets out our assessment of the fairness of the Security Transaction;
- Section 2.3 sets out our assessment of the reasonableness of the Security Transaction; and
- Section 2.4 provides our assessment of whether the Security Transaction is fair and reasonable to the Non-Associated Shareholders.

3.1 Basis of Evaluation of the Security Transaction

This Report has been prepared for the purpose of meeting certain requirements of the ASX Listing Rules (refer Section 4.4 below).

The ASX Listing Rules do not provide guidance in relation to the definition of 'fair and reasonable'. In determining whether the Security Transaction is considered fair and reasonable we have had regard to the guidance provided by Regulatory Guide 111: *Content of Expert Reports* ('RG 111'). RG 111 provides guidance as to what matters an independent expert should consider to assist security holders to make an informed decision about transactions.

RG 111 suggests that where an expert is to assess whether a related party transaction is 'fair and reasonable' for the purpose of complying with ASX Listing Rule 10.1 ('LR 10.1'), the assessment should not be applied as a composite test. That is, the expert should assess separately whether the transaction is 'fair' and 'reasonable'. The expert's report should explain how the particulars of the transaction were evaluated as well as the results of the examination and evaluation.

We have assessed the fairness and reasonableness of the Security Transaction in Sections 3.2 and 3.3 below and concluded on our opinion of the Security Transaction in Section 3.4 below.

3.2 Assessment of Fairness of the Security Transaction

3.2.1 Basis of Assessment

RG 111 states that a related party offer is fair if the value of the financial benefit to be provided by the entity to the related party is equal to or less than the value of the consideration being provided to the entity. This comparison should be made:

- Assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length; and
- If the transaction is considered to be a control transaction, assuming 100% ownership of the target irrespective of whether the consideration is scrip or cash.

The purpose of this Report, so far as it pertains to the Security Transaction, is summarised in Section 4.4.2 and notes that using an asset as collateral in a related party transaction is considered a disposal under the ASX Listing Rules. Our fairness assessment considers the circumstance where there is a default and the security for East 33's binding loan documentation for the amount of $15 million with Yumbah Finance ('the Loan Facility') is called by Yumbah Finance, through enforcement actions such as the appointment of a receiver to the assets over which security is granted ('the Secured Property').

Under RG 111, in the case of the Security Transaction, the proceeds flowing from the sale of the Secured Property by a receiver in the event of default pursuant to the terms of the Loan Facility constitutes the financial benefit to be provided to Yumbah Finance. The consideration provided by Yumbah Finance to East 33 is the outstanding amount on the Loan Facility that will be reduced/satisfied from the sale of the Secured Property in the event of a default in relation to the Loan Facility.

Having regard to the above, the Security Transaction is 'fair' if the value of the security provided to Yumbah Finance (i.e. the value of the proceeds flowing to Yumbah Finance from the sale of the Secured Property) is equal to or less than the value of the amounts due pursuant to the security in the event of a default on the Loan Facility.

Under the terms of the Loan Facility, as set out in the relevant documents, Yumbah Finance's entitlement in the event of default is limited to the outstanding amount under the terms of the Loan Facility, including principal, interest, fees, costs, charges, expenses, duties, indemnities, guarantee obligations, damages and enforcement and preservation costs and all and any amounts due, owing or incurred ('the Secured Liabilities').

If the proceeds received from the sale of the Secured Property through the enforcement process are greater than the Secured Liabilities and any amounts that have priority at law, then Yumbah Finance will only receive the amount necessary to satisfy the Secured Liabilities at the time the Secured Property is sold. Any surplus is remitted to the entity that owned the Secured Property at the time it was sold and to which the surplus relates (i.e. the relevant mortgagor/guarantor/pledger or any insolvency officer if one is appointed to the relevant entity). Once any amounts owing to other parties (such as a liquidator if one is appointed) and other creditors have been repaid, any surplus funds that remain in that entity may be returned to that relevant entity's shareholders.

For completeness, we note that in Australia, in the event of a default under the terms of the Loan Facility, Yumbah Finance may exercise its powers of enforcement and appoint a controller[1] to recover the Secured Liabilities, which may involve a sale of the relevant Secured Property (either to an unrelated third party or to Yumbah Finance). We note that if appointed, a controller has an obligation under section 420A of the Corporations Act to take all reasonable care to sell the Secured Property at:

- Not less than that market value (if it has a market value at the time of sale); or
- Otherwise, the best price that is reasonably obtainable having regard to the circumstances existing when the Secured Property is sold.

Given the above, a controller will usually take a number of steps to ensure they have complied with the relevant legislation. These steps can include the following:

- Advertising the property for sale to the market so that the eventual price is determined in accordance with market demand and has regard to the existing circumstances of the property and the market when sold;
- Obtaining a market valuation from a valuer with the relevant expertise and credentials; and
- Choosing a method of sale which is suited to the type of property.

Having regard to the above, in our view, it is appropriate to assume for the purposes of our analysis in this Report that, in the event of a default in relation to the Loan Facility, and the appointment of a controller, any sales process pursued to divest the Secured Property is legally required to be conducted in a manner to realise market value (or otherwise, the best price that is reasonably obtainable) as at the time of sale, having regard to the existing state of the assets and the market.

Accordingly, if Yumbah Finance opts to participate in the sale process in order to purchase the Secured Property (rather than receive the proceeds from a sale of the Secured Property to a third party), the consideration paid by Yumbah Finance would be determined by the competitiveness of the sale process with the Secured Property usually sold to the party with the best offer in terms of price and conditions of sale and taking into account the obligations on a controller pursuant to the Corporations Act. Yumbah Finance's ability to purchase the Secured Property will depend on whether it is the party with the best offer (e.g. the highest bidder at a sale by public auction).

For completeness, we note that in the event where a controller is unable to sell the Secured Property (either to a third party or to Yumbah Finance), Yumbah Finance may be able to acquire the Secured Property via foreclosure by an application to the relevant Court or Registrar General in the applicable jurisdiction. However, where a financier, a receiver or an attorney in exercising its powers under a security seeks to exercise any right in the nature of foreclosure (whether pursuant to section 61 of the Real Property Act (NSW), section 129 of the PPSA or otherwise) there are several requirements that must be met in order for foreclosure to occur. We have summarised these requirements below:

- Default in payment must have subsisted for 6 months;
- Notice of the intention to make the application must be served on all interested parties (mortgagor; other registered mortgagees; caveators; holders of prior unregistered interests etc);
- The land, estate or interest mortgaged or charged must have been offered for sale at a public auction by a licensed auctioneer in respect of which the mortgagor was given notice in accordance with section 57 of the Real Property Act (NSW);
- The highest bid at the auction must have not been sufficient to satisfy the money secured together with expenses; and
- The above must be certified by statutory declaration (and by the auctioneer in relation to the auction matters) and accompanied by such other proof of matters that the Registrar General may require.

Given the difficulty and extent of the above requirements, we do not envisage that Yumbah Finance would seek to foreclose over the Secured Property but would rather seek to obtain the assets through the sale process conducted by the controller (e.g. purchase the Secured Property at public auction). Notwithstanding this, we have considered this outcome in our opinion of fairness below.

3.2.2 Opinion of Fairness

To assess whether the Security Transaction is fair, we have compared the value of the proceeds flowing to Yumbah Finance from the sale of the Secured Property to the value of the Secured Liabilities owing to Yumbah Finance in the event of a default of the Loan Facility under several scenarios. In considering the various possible scenarios, we note the following:

- In the scenario where the value of the proceeds from the sale of the Secured Property (after payment of amounts that have priority at law) is greater than the value of the Secured Liabilities, Yumbah Finance are only entitled to receive the proceeds equal to the balance of the Secured Liabilities. As mentioned previously, in the event that

[1] 'Controller' in relation to property of a corporation means a receiver or receiver and manager of the property or anyone else who (whether or not as agent for the corporation) is in possession or has control of that property for the purpose of enforcing a security interest.

Yumbah Finance purchase the Secured Property, the proceeds received following the sale (the effective reimbursement) will not exceed the outstanding balance of the Secured Liabilities;

- In the scenario where the value of the proceeds from the sale of the Secured Property (after payment of amounts that have priority at law) is equal to the Secured Liabilities, Yumbah Finance are entitled to receive all of the sale proceeds;
- In the scenario where the value of the proceeds from the sale of the Secured Property (after payment of amounts that have priority at law) is less than the Secured Liabilities, Yumbah Finance are entitled to receive all of the sale proceeds. To the extent the Secured Liabilities exceed the value of the proceeds received from the sale of the Secured Property, and all Secured Property of the mortgagor and guarantors has been enforced and realised, Yumbah Finance are an unsecured creditor of the mortgagor and guarantors, under the terms of the Loan Facility, for the shortfall. If the mortgagor and guarantors have no other assets or capacity to pay, Yumbah Finance may suffer a loss equal to the shortfall; and
- In the scenario where Yumbah Finance seeks to foreclose over the Secured Property, a prerequisite for an application for foreclosure is that the value that could be realised (at the time a public auction was conducted by a controller) was not sufficient to satisfy the obligations under the Secured Liabilities. As a result, we would expect that the value of the Secured Property at the time of foreclosure would be less than the Secured Liabilities.

Table 3.1 below summarises the potential outcomes from the settlement of the Loan Facility under a default scenario where the Secured Property is sold/disposed by an enforcement action.

Table 3.1: Potential Settlement Scenarios for the Secured Liabilities in the Event of a Sale by Enforcement Action

Scenario	Consequence	Fairness
Value of Secured Property > Secured Liabilities[1]	Security provided = liabilities settled	Fair
Value of Secured Property = Secured Liabilities[1]	Security provided = liabilities settled	Fair
Value of Secured Property < Secured Liabilities[1]	Security provided < liabilities owing	Fair

Source: BDOCF Analysis

1 After payment of amounts that have priority at law.

Having regard to the potential settlement scenarios summarised above, in all circumstances Yumbah Finance are entitled to receive a maximum amount equal to the Secured Liabilities, in circumstances where the Secured Property is sold in an enforcement action.

After considering the information above, it is our view that in the absence of any further information, the Security Transaction is **Fair** to the Non-Associated Shareholders as at the date of this Report.

3.3 Assessment of Reasonableness of the Security Transaction

3.3.1 Basis of Assessment

Under RG 111, a transaction is considered reasonable if it is fair. It may also be reasonable, despite not being fair, if after considering other significant factors the interests of the shareholders are reasonably balanced.

In addition to our fairness assessment set out in Section 3.2 above, to assess whether the Security Transaction is 'reasonable' we consider it appropriate to examine other significant factors to which the Non-Associated Shareholders may give consideration prior to forming a view on whether to vote in favour of or against the Security Transaction. This includes comparing the likely advantages and disadvantages of approving the Security Transaction with the position of a Non-Associated Shareholder if the Security Transaction is not approved, as well as a consideration of other significant factors.

Our assessment of the reasonableness of the Security Transaction is set out as follows:

- Section 3.3.2 sets out the advantages of the Security Transaction to the Non-Associated Shareholders;
- Section 3.3.3 sets out the disadvantages of the Security Transaction to the Non-Associated Shareholders;
- Section 3.3.4 sets out the position of the Non-Associated Shareholders if the Security Transaction is not approved; and
- Section 3.3.5 provides our opinion on the reasonableness of Security Transaction to the Non-Associated Shareholders.

3.3.2 Advantages of the Security Transaction

Table 3.2 below outlines the potential advantages to the Non-Associated Shareholders of approving the Security Transaction.

Table 3.2: Potential Advantages of the Security Transaction

Advantage	Explanation
The Security Transaction is Fair	In our view, the Security Transaction is fair to the Non-Associated Shareholders as at the date of this Report. In accordance with RG111, a transaction is considered reasonable if it is fair. Refer to Section 3.2 of this Report for our assessment of fairness of the Security Transaction.
Access to additional funding under the Amended Facility Agreement	The ability to drawdown the additional funding under the Amended Facility Agreement is conditional on the approval of all three resolutions in the Notice of Meeting. In the event Resolution 3 is approved, but Resolutions 1 and/or 2 are not approved, Yumbah Finance and East 33 may still agree between them to proceed with the Amended Facility Agreement on the basis that Resolution 3 is not interdependent with Resolutions 1 and 2. However, in this circumstance, there would only be an additional $5 million that could be drawn down as the Convertible Note conversion would not be able to proceed. If East 33 is unable to meet its future financial commitments (e.g. to repay the RCPS Loan), it will be a Relevant Event of Default pursuant to the RCPS Loan Agreement. RCPS could serve a demand for payment and proceed to obtain a judgement which if unsatisfied, RCPS could commence proceedings for the winding up of East 33 to recover the debt owed. Regardless of whether RCPS takes any debt recovery action, the non-payment when due and payable or within any applicable grace period, is also a Relevant Event of Default pursuant to the Yumbah Finance Facility Agreement. The effect of a Relevant Event of Default is Yumbah Finance may do one or more of the following; a) declare that the Secured Money is immediately due and payable, in which case East 33 must immediately pay to Yumbah Finance the Secured Money; b) declare that all or part of the balance owing for the Facility is payable on demand; c) terminate the Yumbah Finance obligations; and/or d) cancel all or any part of the Yumbah Finance Facility limit with immediate effect. To recover the Yumbah Finance debt Yumbah Finance could enforce its security and appoint a receiver and manager or administrator pursuant to section 5.3A of the Corporations Act to East 33. Alternatively, East 33 may be required to voluntarily enter administration or liquidation if it does not have sufficient funds to satisfy the RCPS Loan when it falls due and meet its working capital requirements, and an alternatives source of funds cannot be found in the appropriate time frames If East 33 is placed into receivership/administration and the receiver/administrator is unable to obtain a superior proposal to the Proposed Transaction, it is possible that shareholders will realise a value for their investment which is less than the value implied by the Proposed Transaction or may not realise any value at all. An insolvency event involves costs of the insolvency practitioner that have a priority to certain creditors and a priority to distributions to the shareholders under the Corporations Act. These additional costs are likely to have a negative impact on the value of the shareholders investment.
New provisions in the Amended Facility Agreement	The Amended Facility Agreement includes a provision that East 33 and Yumbah Finance are required to consult in good faith with respect to a possible waiver, covenant amendment or strategy to rectify the breach in the event East 33 identifies that a financial covenant may not be satisfied. This is provided: ▸ No Default, Potential Default or Review Event is subsisting; ▸ Yumbah Finance is made aware of this fact more than 3 months before the relevant financial covenant is due to be tested; and ▸ The Company has not relied on this provision in the previous 12-month period.
It is common for companies to grant security over their assets across the life of the loan when raising debt finance	It is common for companies to grant security over their assets across the life of the loan when raising debt finance. In many cases, the granting of security assists a company to obtain the funding on terms that are more favourable than they otherwise would have acquired (if at all) if no security was granted. This is because the granting of security assists to reduce the risk to the financier of the borrower defaulting on their obligations.

Source: BDOCF analysis

3.3.3 Disadvantages of the Security Transaction

East 33 has previously granted security to Yumbah Finance over all its present and after acquired assets. This will not change irrespective of the outcome of the Security Transaction as there is no change proposed to the underlying security documents as part of the Proposed Transaction. In circumstances where the Non-Associated Shareholders do not approve Resolution 3, the current security will remain in effect.

3.3.4 Position of the Shareholders if the Security Transaction is Not Approved

We note that if the Security Transaction is not approved:

- East 33 will not be able to access any further funds from Yumbah Finance under either the Facility Agreement or the Amended Facility Agreement. Approval of all three resolutions in the Notice of Meeting is a condition precedent to the Amended Facility Agreement;
- East 33 has granted security over all its present and after acquired assets to Yumbah Finance and this will not change irrespective of the outcome of the Security Transaction; and

- The Relevant Interest Acquisition may still be approved as Resolutions 1 and 2 are not interdependent on Resolution 3. Our assessment of the Relevant Interest Acquisition is set out in Section 2.

3.3.5 Assessment of the Reasonableness of the Security Transaction

In our opinion, after considering all of the issues set out in this Report, it is our view that the Security Transaction is **Reasonable** to the Non-Associated Shareholders as at the date of this Report.

3.4 Our Opinion of the Security Transaction

After considering the above assessments, it is our view that, in the absence of any other information, the Security Transaction is **Fair and Reasonable** as at the date of this Report.

Before forming a view on whether to vote in favour of or against the Security Transaction, Non-Associated Shareholders must:

- Have regard to the information set out in the balance of this Report, including the Important Information set out in Section 3;
- Consult their own professional advisers; and
- Consider their specific circumstances.

4.0 Important Information

4.1 Read this Report, and Other Documentation, in Full

This Report, including Part I, Part II and the appendices, should be read in full to obtain a comprehensive understanding of the purpose, scope, basis of evaluation, limitations, information relied upon, analysis, and assumptions underpinning our work and our findings.

Other information provided to the Non-Associated Shareholders in conjunction with this Report should also be read in full, including the Notice of Meeting prepared by East 33 and dated on or about 22 March 2024.

4.2 Shareholders' Individual Circumstances

Our analysis has been completed and our conclusions expressed at an aggregate level having regard to the Non-Associated Shareholders as a whole. BDOCF has not considered the impact of the Relevant Interest Acquisition or the Security Transaction on the particular circumstances of individual Non-Associated Shareholders. Individual Non-Associated Shareholders may place a different emphasis on certain elements of the Relevant Interest Acquisition and the Security Transaction relative to the emphasis placed in this Report. Accordingly, individual Non-Associated Shareholders may reach different conclusions as to whether or not the Relevant Interest Acquisition and/or the Security Transaction is fair and reasonable in their individual circumstances.

The decision of an individual Non-Associated Shareholder to vote in favour of or against the Relevant Interest Acquisition and/or the Security Transaction is likely to be influenced by their particular circumstances and accordingly, the Non-Associated Shareholders are advised to consider their own circumstances and seek their own independent advice.

Voting in favour of or against the Relevant Interest Acquisition and/or the Security Transaction is a matter for individual Non-Associated Shareholders based on their expectations as to the expected value, future prospects and market conditions together with their particular circumstances, including risk profile, liquidity preference, portfolio strategy and tax position. The Shareholders should carefully consider the Notice of Meeting. Non-Associated Shareholders who are in doubt as to the action they should take in relation to the Relevant Interest Acquisition and/or the Security Transaction should consult their professional adviser.

With respect to the taxation implications of the Relevant Interest Acquisition and the Security Transaction, it is strongly recommended that the Non-Associated Shareholders obtain their own taxation advice, tailored to their own particular circumstances.

4.3 Scope

In this Report we provide our opinion on whether each of the Relevant Interest Acquisition and the Security Transaction is fair and reasonable to the Non-Associated Shareholders.

This Report has been prepared at the request of the directors of East 33 who are not associated with Yumbah Aquaculture ('the Non-Associated Directors') for the sole benefit of Non-Associated Shareholders, to assist them in their decision to vote in favour of or against the Relevant Interest Acquisition or the Security Transaction. This Report is to accompany the Notice of Meeting to be sent to the Non-Associated Shareholders to consider the Relevant Interest Acquisition or the Security Transaction and was not prepared for any other purpose. Accordingly, this Report and the information contained herein may not be relied upon by anyone other than the Non-Associated Directors and the Non-Associated Shareholders without our written consent. We accept no responsibility to any person other than the Non-Associated Directors and the Non-Associated Shareholders in relation to this Report.

This Report should not be used for any other purpose and we do not accept any responsibility for its use outside this purpose. Except in accordance with the stated purpose, no extract, quote or copy of this Report, in whole or in part, should be reproduced without our written consent, as to the form and context in which it may appear.

We have consented to the inclusion of this Report with the Notice of Meeting. Apart from this Report, we are not responsible for the contents of the Notice of Meeting or any other document associated with the Relevant Interest Acquisition or the Security Transaction. We acknowledge that this Report may be lodged with regulatory authorities to obtain the relevant approvals prior to it being made available to the Non-Associated Shareholders.

The scope of procedures we have undertaken has been limited to those procedures required in order to form our opinion. Our procedures did not include verification work nor constitute an audit or assurance engagement in accordance with Australian Auditing and Assurance Standards. In preparing this Report we considered a range of matters, including the necessary legal requirements and guidance of the Corporations, the Corporation Regulations 2001 ('the Regulations'), the regulatory guides ('RGs') published by ASIC, the listing requirements of the relevant exchanges (where relevant) and commercial practice.

In forming our opinion, we have made certain assumptions and outline these in this Report including:

- We have performed our analysis on the basis that the conditions precedent to the Relevant Interest Acquisition and the Security Transaction are satisfied;
- That matters such as title to all relevant assets, compliance with laws and regulations and contracts in place are in good standing, and will remain so, and that there are no material legal proceedings, other than as publicly disclosed;

- All information which is material to the Non-Associated Shareholders' decision on the Relevant Interest Acquisition and the Security Transaction has been provided and is complete, accurate and fairly presented in all material respects;
- ASX announcements and other publicly available information relied is accurate, complete and not misleading;
- If the Relevant Interest Acquisition and/or the Security Transaction is approved, that it will be implemented in accordance with the stated terms;
- The legal mechanism to implement the Relevant Interest Acquisition and the Security Transaction is correct and effective;
- There are no undue changes to the terms and conditions of the Relevant Interest Acquisition or the Security Transaction, or complex issues unknown to us; and
- Other assumptions, as outlined in this Report.

In this Report we have not provided any taxation, legal or other advice of a similar nature in relation to either the Relevant Interest Acquisition or the Security Transaction. East 33 has engaged other advisors in relation to those matters.

East 33 has acknowledged that the Company's engagement of BDOCF is as an independent contractor and not in any other capacity, including a fiduciary capacity.

The statements and opinions contained in this Report are given in good faith and are based upon our consideration and assessment of the information provided by the board of directors of the Company ('Board'), executives and Management of all the entities.

4.4 Purpose of this Report

An independent expert, in certain circumstances, must be appointed to meet the requirements set out in the Corporations Act, the Regulations, RGs and in some cases the listing requirements of the relevant exchanges. These requirements have been set out in Sections 4.4.1 and 4.4.2 below.

4.4.1 Requirements of the Corporations Act

Section 606 of the Corporations Act states that, subject to the exceptions set out in Section 611, a 'relevant interest' in issued voting shares in a listed company cannot be increased from 20% or below to more than 20%, or increased from a starting point that is above 20% and below 90%. A 'relevant interest' is broadly defined as an interest giving the holder the power to control the right to vote or dispose of shares.

If the Proposed Transaction is approved, Yumbah Finance will be issued up to 238 million fully paid ordinary East 33 shares. Following the Proposed Transaction, the Yumbah Entities' Relevant Interest in East 33 (by virtue of completion of the Relevant Interest Acquisition and the transactions contemplated in the Notice of General Meeting) will increase from approximately 36.2% to up to 55.8%. In these circumstances, an exemption from section 606 must be sought under item 7 of section 611 of the Corporations Act. For reasons set out in the Notice of Meeting, shareholder approval is also being sought under item 7 of section 611 of the Corporations Act for the relevant interest in the issued voting shares in East 33 of each of Mr Hall, RCPL and YAL to increase from their current starting points (refer Table 5.1 below) to 55.28%.

Item 7 of section 611 allows a party to gain a relevant interest in shares of a public company and their associates that would otherwise be prohibited under subsection 606(2) of the Corporations Act if the proposed transaction is approved in advance by a resolution passed at a general meeting of the company, and:

- No votes are cast in favour of the resolution by any party who is associated with the party acquiring the shares, or by the party acquiring the shares; and
- There was full disclosure of all information known by both the party proposing to make the acquisition, their associates, and the company in relation to the transaction which was material to a decision on how to vote on the resolution.

ASIC RG 74: *Acquisitions Approved by Members* states that the obligation to supply shareholders with all material information can be satisfied by either:

- Undertaking a detailed examination of the Proposed Transaction themselves, if they consider that they have sufficient expertise; or
- Commissioning an independent expert's report.

We have been requested to prepare this independent expert's report to provide additional information to the Non-Associated Shareholders to assist them to form a view on whether to vote in favour of or against the Relevant Interest Acquisition.

4.4.2 *Listing Requirements*

ASX Listing Rule 10.1 states that an entity must ensure that neither it, nor any of its subsidiaries, acquires a substantial asset from, or disposes of a substantial asset to, a substantial holder or a related party without the approval of non-associated shareholders.

ASX Listing Rule 10.2 defines an asset as substantial if its value or the consideration for it is, or in ASX's opinion is, 5% or more of the value of the equity interests of the entity, as set out in the latest accounts given to the ASX in accordance with the ASX listing rules ('Substantial Asset'). Based on ASX Listing Rule 10.1.3, a substantial holder is a person who has relevant interest, or had a relevant interest at any time in the six months before the transaction, in at least 10% of the voting power of the company ('Substantial Holder').

According to ASX Listing Rule 19, the definition of 'dispose' includes using an asset as collateral and disposing of part of an asset. To secure a liability against a company's assets creates an obligation to dispose of the company's assets in the event the company default on the liability.

The Security Transaction involves the granting of security over the assets of East 33 and its subsidiaries for all monies and obligations that may become due to Yumbah Finance under the terms of the Amended Facility Agreement. As the Security Transaction involves using a Substantial Asset as collateral for the Facility with a Substantial Holder, being Yumbah Finance (as a result of the Yumbah Entities Relevant Interest), pursuant to ASX Listing Rule 10.1, the Security Transaction requires approval of the Non-Associated Shareholders.

Under ASX Listing Rule 10.5, where shareholder approval is sought for the purpose of complying with ASX Listing Rule 10.1, the notice of meeting distributed to shareholders in relation to the transaction must include a report prepared by an independent expert, which states the expert's opinion as to whether the transaction is fair and reasonable to the non-associated shareholders.

East 33 are seeking shareholder approval under ASX Listing Rule 10.1 and this Report has been prepared to comply with the requirements of ASX Listing Rules 10.1, 10.2 and 10.5, having regard to the Security Transaction.

4.5 Current Market Conditions

Our opinion and the analysis set out in this Report is based on economic, commodity, market and other conditions prevailing at the date of this Report. Such conditions can change significantly over relatively short periods of time and may have a material impact on the results presented in this Report and result in any valuation or other opinion becoming quickly outdated and in need of revision.

In circumstances where we become aware of and believe that a change in these conditions, prior to the general meeting to be held on or around 23 April 2024 ('the Meeting'), results in a material statement in this Report becoming misleading, deceptive or resulting in a material change in valuation, we will provide supplementary disclosure to East 33. BDOCF is not responsible for updating this Report following the Meeting or in the event that a change in prevailing circumstance does not meet the above conditions.

4.6 Reliance on Information

East 33 recognises and confirms that, in preparing this Report, except to the extent to which it is unreasonable to do so, BDOCF, BDO Services Pty Ltd or any of the partners, directors, agents or associates (together 'BDO Persons'), will be using and relying on publicly available information and on data, material and other information furnished to BDO Persons by East 33, its Management, and other parties, and may assume and rely upon the accuracy and completeness of, and is not assuming any responsibility for independent verification of, such publicly available information and the other information so furnished.

Unless the information we are provided suggests the contrary, we have assumed that the information provided was reliable, complete and not misleading, and material facts were not withheld. The information provided was evaluated through analysis and inquiry for the purpose of forming an opinion as to whether or not each of the Relevant Interest Acquisition and the Security Transaction is fair and reasonable.

We do not warrant that our inquiries have identified or verified all of the matters which an audit, extensive examination or due diligence investigation might disclose. In any event, an opinion as to whether a corporate transaction is fair and reasonable is in the nature of an overall opinion rather than an audit or detailed investigation.

It is understood that the accounting information provided to us was prepared in accordance with generally accepted accounting principles.

Where we relied on the views and judgement of Management, the information was evaluated through analysis and inquiry to the extent practical. Where we have relied on publicly available information, we have considered the source of the information and completed our own analysis to assist us to determine the accuracy of the information we have relied on. However, in many cases the information we have relied on is often not capable of external verification or validation and on that basis we provide no opinion or assurance on the information.

The Non-Associated Directors represent and warrant to us for the purpose of this Report, that all information and documents furnished by East 33 (either by Management directly or through its advisors) in connection or for use in the preparation of this Report do not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements therein. We have received representations from the Non-Associated Directors in relation to the completeness and accuracy of the information provided to us for the purpose of this Report.

Under the terms of our engagement, East 33 has agreed to indemnify BDO Persons against any claim, liability, loss or expense, costs or damage, arising out of reliance on any information or documentation provided, which is false or misleading or omits any material particulars, or arising from failure to supply relevant documentation or information.

4.7 Glossary

Capitalised terms used in this Report have the meanings set out in the glossary. A glossary of terms used throughout this Report is set out immediately following the Table of Contents at the start of this Report.

All dollar ('$') references in this Report are in Australian dollars unless otherwise stated.

4.8 Sources of Information

This Report has been prepared using information obtained from sources including the following:

- East 33 annual reports for the years ended 30 June 2021, 30 June 2022 and 30 June 2023;
- East 33 ASX announcements;
- The financial models provided by Management ('the Financial Models')
- The Notice of Meeting dated on or about 22 March 2024;
- The East 33 and Yumbah Finance First Amendment Deed dated 28 February 2024;
- The Deed of Amendment and Restatement of Convertible Note Subscription Agreement dated 28 February 2024;
- Capital IQ;
- IBISWorld;
- Other research publications and publicly available data as sourced throughout this Report;
- Various transaction documents provided by the Management of East 33 and their advisors;
- Discussions and other correspondence with East 33, Management and their advisers.

4.9 APES 225 Valuation Services

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 *Valuation Services* ('APES 225'). A Valuation Engagement is defined by APES 225 as 'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.'

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

4.10 Forecast Information

Any forecast financial information referred to in this Report has originated from the Company's Management and is adopted by the Directors in order to provide us with a guide to the potential financial performance of East 33. There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to event(s) and transaction(s) that have not yet occurred and may not occur. Actual results are likely to be different from the forecast financial information since anticipated event(s) or transaction(s) frequently do not occur as expected and the variation between actual results and those forecast may be material.

The directors' best-estimate assumptions on which the forecast is based relate to future event(s) and/or transaction(s) that Management expect to occur and actions that Management expect to take and are also subject to uncertainties and contingencies, which are often outside the control of East 33. Evidence may be available to support the directors' best-estimate assumptions on which the forecast is based however, such evidence is generally future-oriented and therefore speculative in nature. In certain circumstances, we may adjust the forecast assumptions provided by Management to complete our valuation work. In this instance, the forecasts we have adopted for our valuation work will not be the same as the forecasts provided by Management.

BDOCF cannot and does not provide any assurance that any forecast is representative of results or outcomes that will actually be achieved. While we have considered the forecast information to the extent we considered necessary to complete the analysis set out in this Report, we have not been engaged to provide any form of assurance conclusion on any forecast information set out in this Report. We disclaim any assumption of responsibility for any reliance on this Report, or on any forecast to which it relates, for any purpose other than that for which it was prepared. We have assumed, and relied on representations from certain members of Management, that all material information concerning the prospects and proposed operations of East 33 has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

4.11 Qualifications

BDOCF has extensive experience in the provision of corporate finance advice, including takeovers, valuations and acquisitions. BDOCF holds an Australian Financial Services Licence issued by ASIC for preparing expert reports pursuant to the Listing Rules of the ASX and the Corporations Act.

BDOCF and its related parties in Australia have a wide range of experience in transactions involving the advising, auditing or expert reporting on companies that have operations domestically and in foreign jurisdictions. BDO in Queensland and in Australia is a national association of separate partnerships and entities and is a member of the international BDO network of individual firms.

Mark Whittaker and Scott Birkett have prepared this Report with the assistance of staff members. Mr Whittaker, BCom (Hons), CA, CFA, and Mr Birkett, BBusMan/Bcom, CFA, are directors of BDOCF. Both Mr Whittaker and Mr Birkett have extensive experience in corporate advice and the provision of valuation and professional services to a diverse range of clients, including large private, public and listed companies, financial institutions and professional organisations. Mr Whittaker and Mr Birkett are considered to have the appropriate experience and professional qualifications to provide the advice offered within this Report.

BDO Corporate Finance Ltd

Mark Whittaker
Director

Scott Birkett
Director

PART II: INFORMATION SUPPORTING OUR OPINION ON THE ASSESSED TRANSACTIONS

5.0 Overview of the Proposed Transaction

This section is structured as follows:

- Section 5.1 provides a background for the Proposed Transaction and parties involved;
- Section 5.2 provides a brief description of the Proposed Transaction;
- Section 5.3 summarises the Assessed Transactions; and
- Section 5.4 summaries the strategic rationale for the Proposed Transaction

This section is a summary only and should not be treated as a complete description of the Proposed Transaction. The Non-Associated Shareholders should refer to the Notice of Meeting and any subsequent disclosures for additional information relating to the Proposed Transaction and the key parties involved.

5.1 Background to the Proposed Transaction and Parties Involved

5.1.1 Background of the Proposed Transaction

On 16 August 2023, East 33 announced that it had entered into binding loan documentation with Yumbah Finance for a loan in the amount of $15.0 million ('the Loan Facility'). The Loan facility constitutes a whole of business facility and, amongst other uses, was used to repay an existing facility in place with the National Australia Bank.

The Loan Facility was repayable over a 5-year period and secured over all present and after acquired assets of East 33 and its subsidiaries. As announced by East 33 on 22 January 2024, the Loan Facility currently has a drawn balance of $10.0 million and $5.0 million remains undrawn. The drawdown of the remaining $5.0 million is subject to discussion and agreement between Yumbah Finance and East 33.

In addition to the Loan Facility announced on 16 August 2023, East 33 issued a Convertible Note to Yumbah Finance ('the Convertible Note') detailing that if, at the end of the term of the Loan Facility, Yumbah Finance has not been fully repaid, or in the event the Loan Facility is repayable early as a result of a payment event of default under the Loan Facility or an insolvency event of East 33 or any of its subsidiaries, the Convertible Note will be convertible into shares in East 33 at the election of Yumbah Finance (subject to any further shareholder approval required at the time of conversion).

In January 2024, East 33 announced the commencement of a review into the business' strategy and go-forward position in response to challenging operating conditions. East 33's current stock on hand aligns with expectations, however projected pricing for their farm oysters won't be met due to inaccuracies in previous forecasts regarding oyster maturation rates. The review concluded that a revised harvest schedule is necessary to ensure consistent production of market-grade oysters, optimising commercial results.

East 33 identified that it required additional capital in order to repay its short-term debt, maintain its overall debt position and fund its business operations. East 33 also advised Yumbah Finance that existing financial covenants set out in the Loan Facility documentation will not be satisfied at all times up to and including 30 June 2024. This includes the financial covenants that relate to:

- the ratio of earnings before interest, tax, depreciation and amortisation ('EBITDA') to interest expense for the 12 month period ending 30 June 2024; and
- the total non-cash impairment for the 12 month period ending 30 June 2024.

The Proposed Transaction, summarised in Section 5.2 below, relates to amendments to the Loan Facility and Convertible Note referred to above to assist in facilitating the additional capital requirements from the strategic review.

5.1.2 Summary of the Parties Involved

This section provides an overview of the Yumbah Entities. However, due to limitations of information from publicly available sources, we are only able to provide a description of Mr Hall and YAL.

Mr Hall

As mentioned previously, Yumbah Finance is owned by YAL and RCPL.

Mr Hall first invested in the Company on 26 April 2022 and, as at the date of this Report, the Yumbah Entities hold an interest in the Company of approximately 36.2%.

Mr Hall is an Australian businessman with a background in science (holding a bachelor's and a master's degree in science from La Trobe University).

In 1983, Mr Hall co-founded Pro Medicus Limited (ASX:PME), a developer and supplier of healthcare imaging software and services to hospitals, diagnostic imaging groups, and other related health entities in Australia, North America, and Europe. Mr Hall has been the principal architect and developer of the core software systems, with his current focus on the transition to, and development of, Pro Medicus Limited's next generation radiology information systems.

Mr Hall is also passionate about aquaculture which led to him becoming a foundation investor in Coastal Seafarms which built an abalone farm at Narrawong (near Portland, Victoria) in 1999.

YAL

Coastal Seafarms merged with Southseas Abalone Limited, which owned an abalone farm at Port Lincoln, in 2008. Following the merger, additional abalone farms were acquired at Kangaroo Island and Bicheno in Tasmania. In 2016, Mr. Hall lead a restructure of the group and joined the board. At this time, the group changed its name to Yumbah Aquaculture Ltd ('YAL').

In 2017, YAL entered into a hatchery joint venture to produce oyster spat with Cameron's of Tasmania and subsequently, acquired Cameron's of Tasmania in 2021. YAL continued its strategy of multi-species and multi-sites with the acquisition of mussel producers Bay Sea Farms in 2021 and Eyre Peninsula Seafoods in 2023.

YAL has its head office, an abalone feed manufacturing plant, and a processing/batching facility in Adelaide.

YAL's group portfolio now includes the following:

- Mussel operations in Victoria and South Australia, growing more than 2,600 tonnes a year;
- Abalone production at four farms in Tasmania, Victoria, and South Australia producing more than 750 tonnes a year;
- Production of more than 150 million oyster spat per year from South Australia and Tasmania hatcheries for farms in South Australia, New South Wales, and Tasmania; and
- Farmed mature oyster production of about 450,000 dozen per year from two sites in Tasmania, with investment committed to grow to 650,000 dozen.

5.2 Description of the Proposed Transaction

As announced to the ASX on 29 February 2024, East 33 has entered into the:

- Amended Convertible Note Subscription Agreement; and
- Amended Facility Agreement (collectively, the 'Recapitalisation Documents')

The Recapitalisation Documents require the resolutions contained in the Notice of General Meeting to be passed in order to become effective. These documents are summarised in detail in the Notice of Meeting.

Broadly, the effect of the Proposed Transaction is to:

- Enable the conversion of $5.0 million of the Loan Facility into a maximum of 238,095,238 ordinary shares to be issued to Yumbah Finance. The ultimate number of Conversion Shares to be issued will be determined by dividing the Conversion Amount, being $5.0 million, by the Conversion Price, being the higher of:
  - $0.021 (this conversion price would lead to the maximum number of shares being issued); or
  - A 10% discount to the 20-day volume weighted average price calculated to the last trading day prior to the conversion date, being the date no later than 15 business days following approval of the Relevant Interest Acquisition. We note the conversion shares are intended to be issued on or around 26 April 2024 but, in any event, no later than 1 month after the date of the General Meeting.
- The conversion of $5.0 million of the Loan Facility into ordinary shares will result in the Loan Facility drawn balance reducing by $5.0 million. Following the conversion, the amount owing under the Facility Agreement will be $5.0 million. For the avoidance of doubt, we note that the limit of the Loan Facility will remain at $15.0 million and East 33 will have a further $10.0 million that can be drawn under the Facility Agreement. These funds are expected to be used as follows:
  - $5.5 million will be applied to the repayment of the short-term debt; and
  - $4.5 million will be used for working capital.
- Provide a revised draw down schedule with $5.5 million available by 30 April 2024 and an addition $4.5 million able to be drawn down between 30 April 2024 and 30 June 2025;
- Provide a waiver from Yumbah Finance to East 33 of the breach of existing financial covenants that East 33 has advised Yumbah Finance will not be satisfied at all times up to and including 30 June 2024;

- Continue the Convertible Note being a mechanism to allow any of the outstanding amount under the Loan Facility to be repaid by way of the issue of East 33 ordinary shares if, at the end of the term of the Loan Facility, Yumbah Finance has not been fully repaid, or in the event the Loan Facility is terminated or repayable early as a result of a payment event of default under the Loan Facility or an insolvency event of East 33 or any of its subsidiaries. In the event the issue of the ordinary shares may result in a contravention of the takeover thresholds, then such conversion will be subject to the approval of Non-Associated Shareholders of East 33 for the purposes of section 611 item 7 of the Corporations Act.

The Recapitalisation Documents are summarised in further detail in the Notice of Meeting.

5.3 Assessed Transactions

This Report has been commissioned to specifically provide an independent expert opinion to assist the Non-Associated shareholders to vote on certain aspects of the Proposed Transaction (i.e. those pertaining to the Assessed Transactions). We discuss each of the Assessed Transactions below.

5.3.1 Relevant Interest Acquisition

East 33 is seeking shareholder approval under item 7 of section 611 of the Corporations Act for the issue and allotment of a maximum of 238,095,238 East 33 ordinary shares to Yumbah Finance on conversion of $5 million of the Convertible Note and the consequential increase in the relevant interest of each of Yumbah Finance, YAL, RCPL and Mr Hall (and their associated entities).

Under 606(1) of the Corporations Act, a person must not acquire a relevant interest in the issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by, or on behalf of, the person and because of the transaction, that person's or someone else's voting power in the Company increases:

- from 20% or below to more than 20%; or
- from a starting point that is above 20% and below 90%.

Table 5.1 below summarises the expected movement in the Yumbah Entities' Relevant Interest in East 33 assuming the maximum number of conversion shares are issued. In Table 5.1 we have also included Mr Anthony Hall, RCPL and YAL being entities that own/control Yumbah Finance.

Table 5.1: Change of Yumbah Finance's Relevant Interest in East 33 following the Relevant Interest Acquisition

	Prior to the issue of the Conversion Shares (Tranche 1)		Post the Conversion Shares (Tranche 1)	
	Number of shares	Percentage holding	Number of shares	Percentage holding
Mr Hall[1]	626,398	0.12%	626,398	0.08%
RCPL[1]	142,024,795	26.44%	142,024,795	18.32%
YAL[1]	52,000,000	9.68%	52,000,000	6.71%
Yumbah Finance[1]	0	0.00%	238,095,238 (maximum)	30.71%
Yumbah Finance (and associates) Relevant Interest[2]	**194,651,193**	**36.24%**	**432,746,431**	**55.82%**
Other East 33 shareholders	342,437,506	63.76%	342,437,506	44.18%
Total shares outstanding (undiluted basis)[3]	**537,088,699**	**100.00%**	**775,183,937**	**100.00%**

Source: BDO analysis

1 Represents the direct holdings of each person in East 33.

2 Represents the expected relevant interest in the issued voting shares in East 33 of each of the Yumbah Entities (together with their associates) by virtue of completion of the Relevant Interest Acquisition and the transactions contemplated in the Notice of General Meeting.

3 In addition to the capital structure outlined in the above table, there are 93,820,833 performance rights outstanding as of 22 December 2023.

As the Yumbah Entities' Relevant Interest in East 33 increases in the manner contemplated in section 606(1) of the Corporations Act, approval for the issue of the Conversion Shares is being sought. East 33 shareholders will vote on the Relevant Interest Acquisition in Resolution 2 of the Notice of Meeting.

5.3.2 Security Transaction

At the time of entering into the Loan Facility, East 33 through a combination of ASX Waiver and shareholder approval granted Yumbah Finance an all-assets security over East 33 and its subsidiaries to secure East 33's obligations under the Loan Facility.

On the basis of discussions with the ASX, given the terms of the Amended Facility Agreement, East 33 is required to seek the approval of shareholders under ASX Listing Rule 10.1 to the proposed amendments to the Facility Documents which are required in order to implement certain elements of the Proposed Transaction. This is despite their being no change to the underlying security provided to Yumbah Finance as a result of the Proposed Transaction.

Resolution 3 in the Notice of Meeting relates to 'the Security Transaction' and seeks the required shareholder approval for the purposes of ASX Listing Rule 10.1 of East 33's grant of security to Yumbah Finance to allow the assets of the Company to be disposed of in the event the security is enforced.

5.4 Strategic Rationale for the Proposed Transaction

As announced to the market on 29 February 2024 and foreshadowed in the Quarterly Activities Report lodged with the ASX on 22 January 2024, there are number of factors underpinning the requirement for the Relevant Interest Acquisition. Specifically, we note the following:

- The Company requires additional funding to repay its short-term debt obligations by 30 April 2024; and
- The FY24 harvest volume is now expected to be approximately four million oysters, with volumes expected to rebound strongly in FY25. Prior actual harvest volumes achieved by East 33 were predicated on selling small, lower-margin oysters, and the previous FY24 forecast contained overly ambitious management forecasts of the maturation rate from juvenile to premium market grade oysters. The delayed sales is having a negative impact on the Company's cash reserves, which is unsustainable without access to additional working capital.

As announced to the market on 29 February 2024 and as foreshadowed in the Quarterly Activities Report lodged with the ASX on 22 January 2024, East 33 has now completed its strategic review of its operations. The results of this strategic review are as follows:

- Harvest re-profiling: The stock on-hand aligns to the business' view prior to the commencement of the review, however, as previously foreshadowed (on 14 February 2024), the Company has made a strategic decision to delay the harvest of oysters that had previously been ear-marked for sale in FY24. It was determined that a revised forecast harvest schedule is needed to deliver consistent market grade oysters which will translate to the best possible commercial outcomes for the business. The Strategic Review has identified mechanisms to underpin the revised harvest profile, with a strong recovery expected in FY25 and beyond;
- Supply chain improvement plan: The production pipeline within East 33 is subject to greater fluctuations than previously forecast within the farming business. There is a material strategic opportunity within the business however to stabilise production and bring the business to the current steady-state production volumes sooner than would otherwise be possible relying on internal hatchery and grow-out operations;
- Investment in farm infrastructure: East 33's farming assets have production synergies that have not yet been realised and, with a modest capital investment in infrastructure, can be leveraged to improve the business' position in the market. This investment will allow the business to increase oyster supply at strategic periods throughout the year and in doing so, take advantage of market opportunities not previously available to East 33; and
- Organisational re-alignment: A review of the management structures within East 33 has identified opportunities within the vertically integrated business to leverage internal functions and deliver commercial upside for the business. Further, the systems and processes across the business will continue to harmonize, increasing efficiencies across key functions.

The impact of this is that East 33 identified that it required additional capital in order to repay its short-term debt obligations, maintain its overall debt position, continue its business operations and deliver on the outcomes of the strategic review.

6.0 Background of East 33

This section is set out as follows:

- Section 6.1 provides an overview and background information on East 33;
- Section 6.2 summarises the corporate structure of East 33;
- Section 6.3 summarises the equity structure of East 33;
- Section 6.4 summarises the share market trading in East 33 shares; and
- Section 6.5 summarises the historical financial information of East 33.

6.1 Background

East 33 is an ASX listed company (ASX: E33) headquartered in Tuncurry, NSW, Australia. The Company is a vertically integrated oyster producer, processor and supplier that specialises in Sydney Rock Oysters. East 33 was incorporated in September 2019 and listed on the ASX in July 2021.

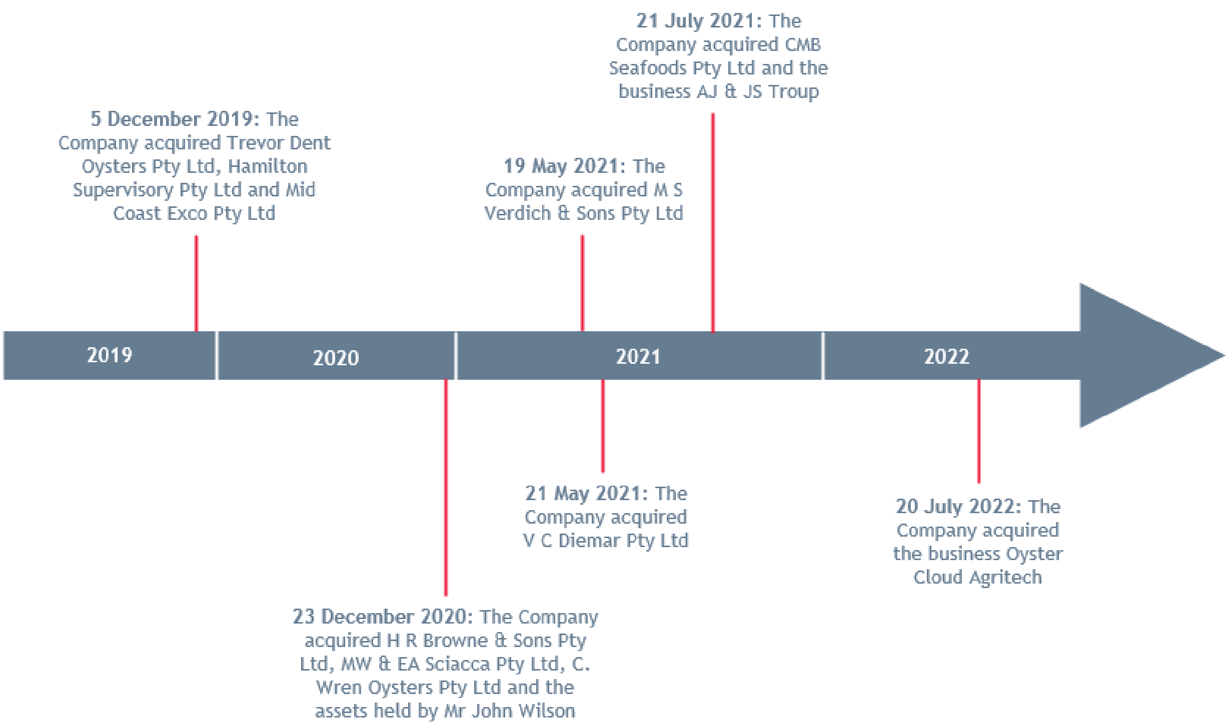
East 33 was founded by Mr James Garton, Mr Guy Burnett, Mr Mark Nagy (business executives with no prior experience in the oyster industry) and Mr John Wilson (an experienced oyster farmer) ('the Founders'). Prior to incorporating the Company, the Founders formed relationships with key industry players including farmers, hatcheries and distributors.

Following this, the Founders developed a strategic plan to consolidate some of these key industry players under one entity and structurally change the Sydney Rock Oyster industry.

6.1.1 Acquisition and Consolidation History

East 33 are selective of the businesses and assets they acquire, ensuring the investment decisions made align with a specific investment criterion. Due to the scale of the Company's acquisition and consolidation strategy, East 33 implemented a staged acquisition approach, acquiring assets both prior to and following their initial public offering. Figure 6.1 below summarises the history of East 33's acquisitions.

Figure 6.1: Historical Acquisitions



Source: East 33's Prospectus dated 16 June 2021 ('the Prospectus') and ASX Announcements

With regards to Figure 6.1 above, we note the following:

- On 5 December 2019, East 33 completed the acquisition of Trevor Dent Oysters Pty Ltd, Hamilton Supervisory Pty Ltd and Mid Coast Exco Pty Ltd. The acquisition of these companies provided East 33 with approximately 37.7 hectares of oyster leases (located at Wallis Lake and Port Stephens), an export approved warehouse (located at Tuncurry, NSW), a restaurant, oyster bar and marina (located at Wallis Lake) and certificates for the export of fish products to China and Japan;

- On 23 December 2020, East 33 completed the acquisition of H R Browne & Sons Pty Ltd, MW & EA Sciacca Pty Ltd, Wren Oysters Pty Ltd and the assets held by Mr John Wilson. These acquisitions provided the Company with plant and equipment, interests in certain leases and licences, approximately 34.9 hectares of oyster leases (located in Port Stephens and Wallis Lake) and oyster stock;
- On 19 May 2021, East 33 completed the acquisition of M S Verdich & Sons Pty Ltd ('Verdich'). This acquisition provided the Company with plant and equipment, interest in certain leases and licences, freehold land, approximately 63.5 hectares of oyster leases (located in Wallis Lake, the Manning River and Port Stephens) and oyster stock;
- On 21 May 2021, East 33 completed the acquisition of V C Diemar Pty Ltd. This acquisition provided the Company with plant and equipment, oyster stock and approximately 33.9 hectares of oyster leases (located in Port Stephens);
- On 21 July 2021, East 33 completed the acquisition of CMB Seafoods Pty Ltd ('CMB') (a large oyster processing and distribution facility located in Bankstown, NSW) and the business AJ & JS Troup (an oyster hatchery located in Camden Haven); and
- On 20 July 2022, East 33 completed the acquisition of the business Oyster Cloud Agritech. Oyster Cloud Agritech is an Agri-tech cloud-based oyster farm management software which enables farm management, inventory tracking, workflow optimisation and network planning.

6.1.2 Supply and Distribution

East 33 primarily supply their Sydney Rock Oysters to customers in New South Wales. The Company's supply lines are a combination of:

- Direct supply from its own farming operations; and
- The purchase from a wide range of third-party farmers. The Company purchases oysters on an ad hoc basis from a selected group of farmers who meet specific quality criteria.

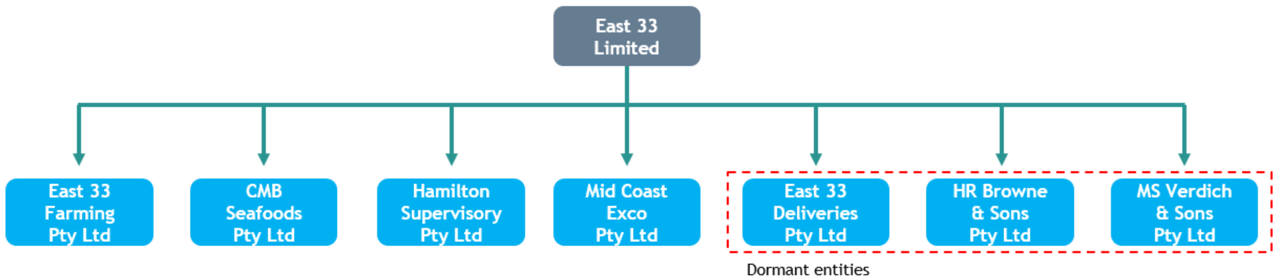
East 33 has a diversified sales base covering a number of key markets and sales channels. Specifically, East 33 sell their Sydney Rock Oysters through the following domestic channels:

- Direct to restaurants;
- Direct to retailers;
- Direct to food service customers; and
- To wholesalers or other intermediaries who sell to the above channels.

6.2 Corporate Structure of East 33

Figure 6.2 below provides an overview of the corporate structure of East 33.

Figure 6.2: Corporate Structure of East 33



Source: ASX Announcements

With regards to the non-dormant entities in Figure 6.2 above, we note:

- All of the subsidiaries depicted above are 100% owned by East 33;
- East 33 Farming Pty Ltd: This entity holds all of the Company's farming operations and is one of the largest Sydney Rock Oyster farming operations in Australia;
- CMB: This entity is an established seafood trading company servicing restaurants, wholesalers, distributors and retailers across New South Wales. CMB's oyster processing facility processes over 15 million oysters a year, representing approximately 25% of total industry production;
- Hamiltons Supervisory Pty Ltd: This entity trades as East Thirty-Three Degrees and is the entity that holds the Company's restaurant, oyster bar and marina; and
- Mid Coast Exco Pty Ltd: This entity holds the Company's export license.

6.3 Equity Structure of East 33

6.3.1 Ordinary Shares

As at 21 February 2024, East 33 had 537,088,699 ordinary shares on issue. The substantial shareholders are set out in Table 6.1.

Table 6.1: Substantial Shareholders

Shareholders	Number of Shares	Percentage Holding
The Yumbah Entities	194,651,193	36.24%
Other shareholders	342,437,506	63.76%
Total shares on issue	**537,088,699**	**100.00%**

Source: East 33's ASX Announcements

1 The Yumbah Entities include the shares held by Mr Hall (626,398 shares), RCPL (142,024,795 shares) and YAL (52,000,000 shares).

6.3.2 Unlisted Securities on Issue

Performance Rights

As at 26 February 2024, the Company has 93,820,833 outstanding performance rights that on issue.

We note that 75 million of these were performance rights were issued to the then executive directors of the Company on completion of the IPO. We note that these performance rights have an expiry date of 31 December 2024, an exercise price of $nil and are subject to the following vesting conditions:

- Tranche 1: 11.11% will vest upon the Company achieving an Earnings Before Interest and Tax ('EBIT') of $7.3 million by 30 June 2022 and 11.11% will vest upon the Company generating cash from operations of $6.8 million or more by 30 June 2022;
- Tranche 2: 11.11% will vest upon the Company achieving an EBIT of $16.0 million by 30 June 2023 and 11.11% will vest upon the Company generating cash from operations of $15.0 million or more by 30 June 2023;
- Tranche 3: 11.11% will vest upon the Company achieving an EBIT of $20.0 million by 30 June 2024 and 11.11% will vest upon the Company generating cash from operations of $18.0 million or more by 30 June 2024; and
- Tranche 4: 33.34% will vest upon the Company achieving a share price of $1 or more as measured by a 20-trading day volume weighed average price ('VWAP') by 30 June 2024.

We note that the remaining 18,820,833 performance rights were issued to Mr Justin Welch on 22 December 2023 (in accordance with the terms of his appointment as CEO). These performance rights have an exercise price of $nil and are subject to the achievement of various share price, return on net assets and ESG targets. For completeness, we note that the vesting date for these rights (assuming the conditions are met) are between 30 June 2024 to 30 June 2026.

Options

On 27 November 2023, Sarah Courtney (a director of the Company) was issued with 1 million options. With regards to these options, we note the following:

- The options will vest on 30 June 2024, so long as Sarah Courtney is a director of the Company at that time;
- The expiry date of the options is 27 November 2026 (being three years from the date of issuance); and
- The exercise price of the options is $nil.

Convertible Note

On 12 December 2023, East 33 issued a Convertible Note under the terms of the Convertible Note Subscription Agreement ('Convertible Note Subscription Agreement') entered into on 16 August 2023 between Yumbah Finance and the Company.

Under the terms of the Convertible Note, it was detailed that:

- If, at the end of the term of the Loan Facility, Yumbah Finance had not been fully repaid, or in the event the Loan Facility was repayable early as a result of a payment event of default under the Loan Facility or an insolvency event of East 33 or any of its subsidiaries ('Relevant Event of Default'), the Convertible Note would be convertible into Shares in East 33 at the election of Yumbah Finance;
- The floating face value of the Convertible Note would be the amount remaining to be repaid to Yumbah Finance (principal, interest and any other secured money) at the end of the term of the Loan Facility (or earlier in the event of an earlier Relevant Event of Default); and
- The conversion price of the Convertible Note would be the higher of $0.021 or a 10% discount to the 20-day volume weighted average price calculated to the last trading day prior to the conversion date, which means the floor price would be $0.021 per Share.

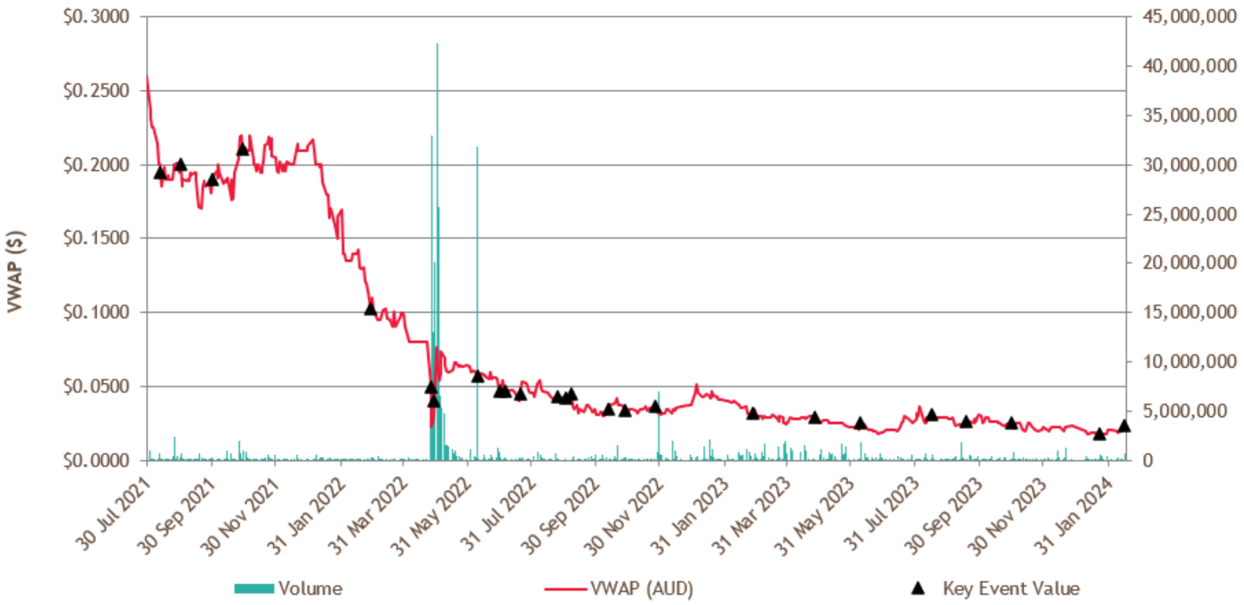
The Convertible Note was issued as a mechanism to allow for the repayment of the Facility Agreement on the earlier of the maturity date and a Relevant Event of Default by way of the issue of Shares. As such, no funds were raised by the issue of the Convertible Note or the Shares on conversion of the Convertible Note (other than a reduction in debt).

6.4 Share Trading Data of East 33

6.4.1 Share Trading Data

Figure 6.3 displays the VWAP and daily volume of East 33 shares traded on the ASX over the period 30 July 2021 to 20 February 2024.

Figure 6.3: Daily VWAP and Volume of East 33 Shares Traded from 30 July 2021 to 20 February 2024



Source: Capital IQ as at 19 February 2024

Over the period graphed in Figure 6.3 above, East 33's daily VWAP displays a period low of $0.0170 on 24 January 2024 and a period high of $0.2604 on 30 July 2021.

In addition to the share price and volume data of East 33 shown above, we have also provided additional information in Table 6.2 below to assist readers to understand the possible reasons for the movement in East 33's share price over the period analysed. The selected ASX announcement references in Table 6.2 below correspond to those displayed in Figure 6.3 above.

Table 6.2: Selected East 33 ASX Announcements from 30 July 2021 to 20 February 2024

Date	Announcement
12/08/2021	East 33 announced that despite changes to operating conditions due to COVID, there was no change to its FY22 EBIT guidance of $7.59 million.
31/08/2021	East 33 released its FY21 Results Presentation which included a total revenue of $32.66 million (6.2% above prospectus) and a Net Profit After Tax ('NPAT') loss of $3.5 million (42.9% below prospectus). This was primarily due to an increase in other revenue attributed to gain on business combination (representing acquisition value less than market value) and depreciation above expectations because the fair value of assets taken on were greater than expected.
30/09/2021	East 33 released full year statutory accounts with an EBITDA loss of $2.8 million and a total comprehensive loss for the year of $5.5 million. This was due to a significant increase in employee benefits expenses, legal costs, finance costs, and total cost of sales.
29/10/2021	East 33 released its annual report to shareholders and quarterly activities/appendix 4C cash flow report. This included a $11 million increase in the biological assets owned by East 33 and a decrease in cash and cash equivalents from $2.96 million to $0.8 million which was primarily driven by the acquisitions made by East 33.
28/02/2022	East 33 announced results for the first half of FY22 and revised guidance for FY22 including a 9.5 million decrease in the anticipated distribution of oysters compared to prospectus and a $8.09 million decrease in expected EBIT compared to prospectus. This was due to the abnormal rain conditions that impacted supply in February and COVID impacting labour which restricted harvest volume.
22/04/2022	East 33 provided a trading update and withdrew its FY22 guidance. The update mentioned the impact of prolonged and heavy rain, as well as the impact of Marteiliosis or Aber disease (colloquially known as 'QX') in Port Stephens. These two factors were estimated to account for the loss of between 11-17 million harvestable oysters.
26/04/2022	East 33 announced that, as a result of the heavy rain and impact of QX, the estimate of harvestable oysters had decreased from 20 million to 12 million.

Date	Announcement
10/06/2022	East 33 announced it had entered into an agreement to acquire the industry leading agri-tech assets, Oyster Cloud for $475,000. Oyster Cloud is an aquaculture management technology system which enables farm management, inventory tracking and workflow optimisation. East 33 confirmed that the acquisition was to be funded with cash at bank, would not change the structure or composition of the Board of East 33, and would not require shareholder approval.
01/07/2022	East 33 announced its trading results for June 2022 which include a decrease in harvest volume of 19% compared to June 2021 but an increase in group operating revenue of 37% compared to June 2021. East 33 referenced that market demand continued to significantly outweigh market supply and that the June/July period was the lowest sales period each year due to the seasonal cycle of Sydney Rock Oysters.
06/07/2022	East 33 announced the material completion of the fiscal management plan in response to the severe external environmental shocks in Q1 of calendar year 2022. East 33 also announced a senior debt-restructure with their NAB lending facility including NAB agreeing to waive the capital amortisation payments for 12 months, resulting in providing a cashflow relief of $2.5 million over the balance of CY22 and CY23.
20/07/2022	East 33 announced the completion of the acquisition of Oyster Cloud.
30/08/2022	East 33 announced their FY22 results including a 4.2% increase in production compared to FY21 and an 8% increase in adjusted EBITDA. The decreased production came as a result of a detailed review conducted by East 33 that found that at least 30% of all Sydney Rock Oysters had been lost a result of the prolonged rains, floods, and QX outbreak in Port Stephens. The increased adjusted EBITDA came as a result of increased sales volume outweighing an increase in expenses as well as an increase in other income which included gains on acquisitions of business of $4.1 million.
07/09/2022	East 33 announced a fully underwritten 1 for 1.15 pro-rata non-renounceable Entitlement Offer launched to raise approximately $7.97 million to acquire shares. Funds were raised to strengthen East 33's balance sheet, provide working capital, and funds for capital expenditure to increase farming productivity. The Entitlement Offer at the $0.033 Offer Price per share was stated to result in the issue of 241,436,470 new fully paid ordinary shares. The offer was fully underwritten by Shaw and Partners Limited.
12/10/2022	East 33 announced the entitlement offer closed on 6 October 2022, with eligible shareholders subscribed for approximately 69,549,581 new shares, raising approximately $2.29 million. Under the sub-writing agreement, demand was received for a total of $9.125 million, giving a shortfall of approximately $5.68 million that was allocated to the sub-underwriters. This resulted in Mr Stephen Picton, as a sub underwriter, becoming a substantial shareholder and Mr Anthony Hall (together with YAL) becoming the largest shareholder, holding approximately 35% as a result of the sub-underwriting.
28/10/2022	East 33 released its annual report for FY22 to shareholders. Revenue was reported to be $22.6 million (up from $8.4 million in FY21), with the growth driven by the acquisition of a distribution business during the financial year. Conversely, EBITDA fell from a loss of $2.8 million in FY21 to a loss of $6.1 million in FY22, with this decline driven by a significant increase in employee benefits expense and decline in the fair value of biological assets as a result of poor weather conditions and the outbreak of disease.
27/02/2023	East 33 released its Half Yearly Report and Accounts which included a business update, farming update, and price, production & revenue results. Reported EBITDA for the six months to December 2022 was a loss of $0.4 million compared to $0.1 million for the six months to December 2021. This was driven by higher labour costs and increased administration expenses. East 33 also emphasised its focus on growing hatchery production and further improving farming practises and management.
16/08/2023	East 33 announced the Company has entered into a $15 million Loan Facility with Yumbah Finance Pty Ltd for the refinance of its National Bank of Australia bank loan facility. East 33 also announced that it had been granted a waiver by the ASX from Listing Rule 10.1 to enable East 33, without obtaining Shareholder Approval, to grant Yumbah Finance an all assets security over East 33 and its subsidiaries to secure East 33's and its subsidiaries obligations under the Loan Facility.
28/08/2023	East 33 announced that it had completed its first draw down of $8.0 million under the Loan Facility with Yumbah Finance and had fully repaid the balance of $6,711,128.89 outstanding under the $10.0 million NAB Facility loan.
18/09/2023	East 33 released its annual report for FY23. Whilst the Company reported a loss for the year, they saw an increase to revenue of approximately 9% in comparison with the previous financial year.
30/10/2023	East 33 announced that the Company has reached a mutual written agreement with Yumbah Finance Pty Ltd to re-profile the drawdown schedule within the loan facility (see announcement on 16 August 2023) such that $2 million of the remaining $7 million available to be drawn under the loan facility will occur in November 2023 and December 2023.
22/01/2024	East 33 announced the completion of the buyback of class A redeemable convertible preference shares ('RCPS'). The Company also announced it has entered into a short-term debt facility with each of the former Class A RCPS holders for a total of $5.5 million.
14/02/2024	East 33 announced that they expect the harvest volumes for FY24 to be approximately 4 million. The Company also announced that they expect volumes to rebound strongly in FY25.

Source: ASX Announcements and Capital IQ

6.4.2 Liquidity of East 33 Shares on the ASX

The rate at which equity instruments are traded is generally referred to as the 'liquidity' of the equity instruments. Changes in liquidity may impact the trading price of equity instruments. This is particularly dependent on the number of equity instruments required to be bought and/or sold and the time period over which the equity instrument holder needs to buy and/or sell those equity instruments. Depending on the circumstances, a movement in market price may or may not represent a shift in value of either the equity instruments or a shift in value of the company to which the equity instruments relate as a whole.

Table 6.3 summarises the monthly liquidity of East 33 shares from 1 February 2023 to 27 February 2024. Liquidity has been summarised by considering the following:

- Volume of East 33 share trades per month;
- Value of total trades in East 33 shares per month;
- Number of East 33 shares traded per month as a percentage of total East 33 shares outstanding at the end of the month;
- Volume weighted average price per month; and
- The monthly low and high share price of East 33.

Table 6.3: Liquidity of East 33 Shares on the ASX

Month	Volume	Shares Outstanding	Volume / Shares Outstanding	Monthly Low Share Price	Monthly VWAP	Monthly High Share Price
February 2024 (to 27th)	1,643,830	537,088,700	0.31%	$0.0170	$0.0207	$0.0230
January 2024	2,469,610	537,088,700	0.46%	$0.0170	$0.0184	$0.0230
December 2023	3,634,700	537,088,700	0.68%	$0.0190	$0.0217	$0.0240
November 2023	1,947,590	521,488,700	0.37%	$0.0200	$0.0217	$0.0250
October 2023	2,178,960	519,088,700	0.42%	$0.0230	$0.0250	$0.0310
September 2023	4,823,050	519,088,700	0.93%	$0.0210	$0.0246	$0.0310
August 2023	2,793,740	519,088,700	0.54%	$0.0250	$0.0280	$0.0360
July 2023	1,881,900	519,088,700	0.36%	$0.0190	$0.0231	$0.0300
June 2023	5,597,830	519,088,700	1.08%	$0.0180	$0.0224	$0.0270
May 2023	9,081,470	519,088,700	1.75%	$0.0220	$0.0250	$0.0300
April 2023	6,159,410	519,088,700	1.19%	$0.0260	$0.0285	$0.0300
March 2023	11,317,500	519,088,700	2.18%	$0.0240	$0.0273	$0.0350
February 2023	5,991,960	519,088,700	1.15%	$0.0320	$0.0347	$0.0410
Total Pre-Transaction Announcement	**59,521,550**	**522,746,450**	**11.39%**	**$0.0170**	**$0.0259**	**$0.0410**

Source: Capital IQ as at 28 February 2024

6.5 Historical Financial Information of East 33

This section sets out the historical financial information of East 33. As this Report contains only summarised historical financial information, we recommend that any user of this Report read and understand the additional notes and financial information contained in East 33's annual reports, including the full Statements of Profit or Loss, Statements of Financial Position and Statements of Cash Flows.

East 33's financial statements have been audited by HLB Mann Judd. BDOCF has not performed any audit or review of any type on the historical financial information of East 33 and we make no statement as to the accuracy of the information provided. However, we have no reason to believe that any of the information provided is false or misleading.

6.5.1 Statements of Profit or Loss

Table 6.4 summarises the Consolidated Statement of Profit or Loss of East 33 for the 12 month periods ended 30 June 2020, 2021, 2022 and 2023.

Table 6.4: East 33 Consolidated Statement of Profit or Loss

	12 Months Ended 30-Jun-2020 Audited ($'000)	12 Months Ended 30-Jun-2021 Audited ($'000)	12 Months Ended 30-Jun-2022 Audited ($'000)	12 Months Ended 30-Jun-2023 Audited ($'000)
Revenue				
Oyster farming	321	4,322	2,599	2,303
Oyster distribution	-	-	17,906	20,664
Corporate and sundry	1,709	4,073	2,131	1,654
Total revenue	**2,030**	**8,395**	**22,636**	**24,621**
Cost of sales	(727)	(6,637)	(16,515)	(17,344)
Gross profit	**1,303**	**1,758**	**6,121**	**7,277**
Biological assets change in fair value	72	158	(4,247)	3,403
Other income	391	4,575	783	173
Expenses				
Employee benefits expense	(1,706)	(4,866)	(10,102)	(11,588)
Marketing expenses	(424)	(920)	(549)	(169)

	12 Months Ended 30-Jun-2020 Audited ($'000)	12 Months Ended 30-Jun-2021 Audited ($'000)	12 Months Ended 30-Jun-2022 Audited ($'000)	12 Months Ended 30-Jun-2023 Audited ($'000)
Occupancy expenses	(20)	(191)	(386)	(511)
Legals costs	-	(1,631)	(56)	(125)
Acquisition related costs	-	(601)	-	-
Share based payments	-	-	(31)	-
Administration expenses	(942)	(1,063)	(1,591)	(1,578)
Total operating expenses	**(3,092)**	**(9,272)**	**(12,715)**	**(13,971)**
Fair value gain (loss) on financial assets and liabilities	-	-	3,940	(270)
EBITDA	**(1,326)**	**(2,781)**	**(6,118)**	**(3,388)**
Depreciation and amortisation expense	(272)	(702)	(2,009)	(1,981)
Goodwill impairment	-	-	-	(2,943)
Finance costs	(263)	(2,061)	(835)	(885)
Loss before income tax expense	**(1,861)**	**(5,544)**	**(8,962)**	**(9,197)**
Income tax expense	-	68	-	(1)
Loss after income tax expense for the year	**(1,861)**	**(5,476)**	**(8,962)**	**(9,198)**
Loss on Common Control Combinations	(111)	-	-	-
Total comprehensive loss for the year	**(1,972)**	**(5,476)**	**(8,962)**	**(9,198)**

Source: East 33's FY21 annual report, FY22 annual report and FY23 annual report

With reference to Table 6.4 above, we note the following:

- Revenue has increased in each of the financial periods displayed. The yearly growth from FY20 to FY22 is in line with the acquisitions made by the Company. Specifically, we note the following:
  - In FY20, the revenue generated by the Company was sourced from the two oyster farms and a restaurant that East 33 acquired in December 2019;
  - The increase in revenue from FY20 to FY21 is in line with the acquisition of another six oyster farms (four in December 2020 and two in May 2021);
  - The increase in revenue from FY21 to FY22 is in line with the acquisition of CMB, which provided the Company with its distribution service line. East 33's distribution service line is their primary source of revenue, comprising 79.1% and 83.9% of total revenue in FY22 and FY23 respectively; and
  - The revenue growth from FY22 to FY23 is due to the growth of their oyster distribution service line rather than additional acquisitions;
- Cost of sales has increased in from FY20 to FY23 which appears to be in line with revenue growth;
- The Company's biological assets refer to their oysters. In accordance with *AASB 141 Agriculture*, East 33 are required to estimate the fair value of these assets in each period. The biological assets change in fair value represents the movement in the fair value of these assets;
- East 33's total operating expenses have increased in each period from FY20 to FY23. The primary driver of this growth and the Company's largest operating cost is employee benefits expense. The increase in employee benefits expense appears to be in line with the Company's acquisitions and revenue growth. With regards to East 33's other operating expenses, we note the following:
  - The legal costs incurred in FY21 primarily relate to a threat of litigation received by the Company immediately prior to the conclusion of the IPO process. The East 33 board sought to resolve the matter commercially, resulting in a settlement agreement with the claimants, pursuant to which East 33 agreed to pay the claimants $1.62 million in four tranches; and
  - Administration costs are comprised of insurance, professional fees, licences, consultants, bank fees, IT related expenses, provisions and other costs;
- The fair value gain (loss) on financial assets and liabilities represents the movement in the fair value of the RCPS the Company issued in relation to the acquisition of Verdich and CMB; and
- The Company's goodwill relates to previous business combinations. East 33 have allocated goodwill between two cash generating units ('CGU') being oyster farming and oyster distribution. The impairment expense incurred in FY23 refers to an impairment of both their oyster farming CGU (impairment of $1.4 million) and their distribution CGU (impairment of $1.5 million).

6.5.2 *Statements of Financial Position*

Table 6.5 summarises East 33's statements of financial position as at 30 June 2020, 2021, 2022 and 2023.

Table 6.5: East 33's Summarised Consolidated Statements of Financial Position

	As at 30-Jun-20 Audited ($'000)	As at 30-Jun-21 Audited ($'000)	As at 30-Jun-22 Audited ($'000)	As at 30-Jun-23 Audited ($'000)
Current assets				
Cash and cash equivalents	2,959	849	3,408	893
Trade and other receivables	458	2,346	1,670	1,557
Biological assets	1,168	7,293	2,017	3,099
Inventories	67	209	235	265
Assets held for sale	-	-	650	-
Total current assets	**4,652**	**10,697**	**7,980**	**5,814**
Non-current assets				
Biological assets	519	5,399	3,192	2,198
Property, plant and equipment	2,654	9,337	11,464	10,288
Right-of-use assets	336	1,725	1,811	1,591
Intangible assets	2,684	12,370	30,152	27,003
Deferred tax assets	-	622	609	1,671
Other non-current assets	-	274	-	-
Total non-current assets	**6,193**	**29,727**	**47,228**	**42,751**
Total assets	**10,845**	**40,424**	**55,208**	**48,565**
Current liabilities				
Trade and other payables	676	2,494	2,024	2,160
Deferred acquisition consideration	324	15,182	680	1,179
Borrowings	11,436	13,693	502	4,309
Lease liabilities	47	188	314	186
Financial liabilities at fair value	-	-	-	5,930
Total current liabilities	**12,483**	**31,557**	**3,520**	**13,764**
Non-current liabilities				
Lease liabilities	334	1,833	1,726	1,532
Deferred tax liability	-	554	541	1,603
Deferred acquisition consideration	-	-	1,129	100
Borrowings	-	-	8,802	100
Financial liabilities at fair value	-	-	5,660	-
Other liabilities	-	1,200	800	400
Provisions	-	-	126	-
Total non-current liabilities	**334**	**3,587**	**18,784**	**3,735**
Total liabilities	**12,817**	**35,144**	**22,304**	**17,499**
Net assets	**(1,972)**	**5,280**	**32,904**	**31,066**
Equity				
Issued capital	-	12,728	49,283	56,643
Reserves	-	-	31	-
Accumulated losses	(1,972)	(7,448)	(16,410)	(25,577)
Total equity	**(1,972)**	**5,280**	**32,904**	**31,066**

Source: East 33's FY21 annual report, FY22 annual report and FY23 annual report

With reference to Table 6.5 above, we note the following:

- Biological assets (current and non-current) relate to the fair value of the Company's oyster stock. The increase from FY20 to FY21 was primarily driven by the biological assets acquired through business combinations. The decrease from FY21 to FY22 was primarily driven by mortality and low yield associated with a disease that infiltrated Port Stephens and losses due to floods. The movement from FY22 to FY23 is primarily driven by an increase in the fair value of the assets;
- Property, plant and equipment is comprised of plant and equipment, buildings and improvements, motor vehicles, office equipment and computer equipment. The increase in property plant and equipment from FY20 to FY22 is primarily driven by acquisitions through business combinations. The decrease from FY22 to FY23 is primarily driven by depreciation and disposals;
- Right of use assets is comprised of oyster and crown leases and property leases;

▸ Intangible assets are comprised of goodwill (which as mentioned previously is split between a farming CGU and a distribution CGU), oyster and crown leases and software. The movements in this account from FY20 to FY22 is in line with additions due to business combinations, provisional accounting adjustments and amortisation. The decrease in intangible assets from FY22 to FY23 is primarily driven by an impairment to goodwill of approximately $2.9 million;

▸ The Company's deferred acquisition consideration relates to both outstanding cash and equity payments for business combinations. We note, the majority of payments for the Company's pre-IPO acquisitions were deferred consideration (such that the Company could make the payments with the proceeds following their IPO). As a result, the deferred consideration balance is largest as at 30 June 2021 (we note, East 33's IPO completed in July 2021). As at 30 June 2023, the deferred acquisition consideration (current and non-current) relates to the acquisitions of AJ & JS Troup and Oyster Cloud;

▸ With regards to the Company's borrowings (current and non-current), we note the following:

- In FY20, borrowings were comprised of a convertible note which the Company issued to fund operations and acquisitions prior to the IPO of the Company;
- In FY21, borrowings were comprised of convertible notes (approximately $5.0 million) and short-term loans (approximately $8.7 million). We note that in this period, the Company issued a second convertible note (however, the balance of the convertible notes decreased due to a significant portion converting to equity). We note, the short-term loans comprised the following:
  - The Amal loan of $7.6 million which was secured as a bridging facility to settle vendor liabilities. We note, the loan carried a monthly interest of 3% and is secured by all assets in the Company; and
  - The Rupnik loan of $0.5 million secured to pay vendor liabilities. The loan carried a usage fee of $150k.
- In FY22, current borrowings comprised short term loans of $502k as the convertible notes were converted to equity and the Amal loan balance of $8.2 million and the Rupnik loan balance of $650k were repaid in full;
- In FY22, non-current borrowings were primarily comprised of a $10.0 million loan the Company secured from NAB on 21 July 2021 ('the NAB Facility'); and
- In FY23, current and non-current borrowings are comprised of the NAB facility (a current liability of approximately $4.3 million) and equipment finance loans (a current and non-current liability of approximately $42k and $100k respectively). For completeness, we note the decrease in non-current liabilities (and subsequent increase in current liabilities) from FY22 to FY23 is in line with the reclassification of the NAB Facility from a non-current to a current liability;

▸ Lease liabilities (current and non-current) are comprised of right of use liabilities and finance lease liabilities; and

▸ Financial liabilities held at fair value relate to the RCPS issued pursuant to share purchase agreements entered into with the owners of CMB and Verdich.

6.5.3 Statements of Cash Flows

Table 6.6 summarises East 33's Statement of Cash Flows for the 12 month periods ended 30 June 2020, 2021, 2022 and 2023.

Table 6.6: East 33's Summarised Consolidated Statements of Cash Flows

	12 Months Ended 30-Jun-20 Audited ($'000)	12 Months Ended 30-Jun-21 Audited ($'000)	12 Months Ended 30-Jun-22 Audited ($'000)	12 Months Ended 30-Jun-23 Audited ($'000)
Cash flows from operating activities				
Receipts from customers	2,414	8,386	22,954	24,759
Government grants received	-	350	639	-
Payment of legal settlement	-	-	(420)	(400)
Payments to suppliers and employees	(3,885)	(11,431)	(25,672)	(27,882)
Income taxes paid	-	-	(268)	(32)
Interest paid on borrowings	-	-	(382)	(673)
Net cash used in operating activities	**(1,471)**	**(2,695)**	**(3,149)**	**(4,228)**

	12 Months Ended 30-Jun-20 Audited ($'000)	12 Months Ended 30-Jun-21 Audited ($'000)	12 Months Ended 30-Jun-22 Audited ($'000)	12 Months Ended 30-Jun-23 Audited ($'000)
Cash flows from investing activities				
Payment for purchase of businesses, net of cash acquired	(6,261)	(9,867)	(11,499)	-
Payment for vendor finance	-	-	(9,725)	(666)
Payments for investors	-	(501)	-	-
Payments for property, plant and equipment	(316)	(288)	(2,522)	(243)
Payments for intangible assets	(180)	(6)	-	(225)
Receipts from sale of assets/ businesses	-	-	-	955
Net cash used in investing activities	**(6,757)**	**(10,662)**	**(23,746)**	**(179)**
Cash flows from financing activities				
Proceeds from share capital and convertible notes	11,187	4,944	32,000	7,967
Net proceeds from borrowings	-	8,100	10,061	224
Repayment of borrowings	-	-	(9,657)	(5,305)
Capital raising transaction costs	-	(1,693)	(2,534)	(607)
Repayment of lease liabilities	-	(104)	(416)	(387)
Net cash provided by financing activities	**11,187**	**11,247**	**29,454**	**1,892**
Net increase/ decrease in cash and cash equivalents	2,959	(2,110)	2,559	(2,515)
Cash and cash equivalents at the beginning of the financial period	-	2,959	849	3,408
Cash and cash equivalents at the end of the financial period	**2,959**	**849**	**3,408**	**893**

Source: East 33's FY21 annual report, FY22 annual report and FY23 annual report

With reference to Table 6.6 above, we note the following:

- The movements in East 33's cash over each of the financial periods displayed is in line with the following:
  - The consistent loss making of the Company and by extension the need for East 33 to utilise their cash reserves to fund the operations of the Company;
  - The cash used to fund the acquisitions made by the Company; and
  - The proceeds received by the Company from borrowings and the issuance of capital;
- With regards to East 33's cash flows from investing, we note:
  - The Company have made acquisitions in each financial year from FY20 to FY23. See Section 5.1.1 for more information on these acquisitions; and
  - Payment for vendor financing relates to payments made to settle acquisitions; and
- With regards to cash flows from financing activities, we note:
  - In FY20 and FY21, the Company received proceeds from the issuance of convertible notes and in FY22 and FY23, the Company received proceeds from the issuance of share capital. Specifically, in FY22 East 33 raised proceeds following the completion of their IPO and in FY23 from the completion of an entitlement issue. We note, the capital raising costs are related to both the IPO and entitlement issue; and
  - The net proceeds from borrowings relate to the Amal loan, the Rupnik loan and the NAB Facility (discussed in Section 5.5.2). We note, the borrowing costs relate to the repayment of these accounts.

7.0 Industry Overview

East 33 operates in the aquaculture and seafood industry, specifically as a producer and supplier of Sydney Rock Oysters.

The information presented in this section has been compiled from a range of publicly available sources, together with information taken from various databases to which we subscribe. BDOCF has not independently verified any of the information and we recommend that users of this Report refer to the original source of any information listed in this section. This section should be referred to as a guide only.

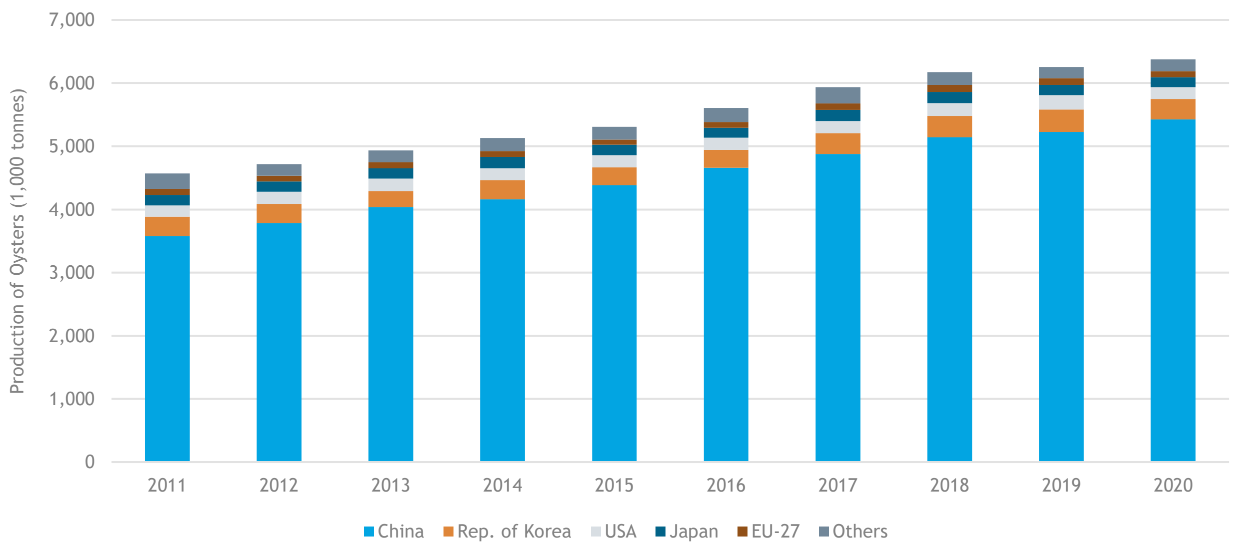
7.1 Global Oyster Industry

7.1.1 Industry Overview

Oyster farming is one of the oldest forms of aquaculture, with oysters farmed in many countries. Oyster farming has seen significant growth over the past decades, with population growth, shifting dietary preferences, income growth, access to supply, and consumers pursuing a healthier lifestyle all supporting the industry's rapid growth. Around the world there are 12 farmed species of oysters and over 200 different varieties. As stated by a report by the European Market Observatory for Fisheries and Aquaculture Products, in 2020, 98% of oyster production came from aquaculture production[2]. Between 2011 and 2020, global oyster production increased by 39%, mainly due to the significant increase in aquaculture production, which saw a 43% increase. According to a report by IMARC Group, the global oyster market is expected to grow at a CAGR of 2% between 2024-2032[3].

China is the main producer in the market, accounting for more than 85% of the ~6 million tonnes of oysters produced each year, as seen in Figure 7.1 below. Beyond China, production is stagnant, with production limited by factors such as disease, parasites, and regulatory issues.

Figure 7.1: Production of Oysters in 2021 for the Top 5 Producers of Oysters Globally



Source: FAO Fish Stat accessed via EUMOFA report (2022)

7.1.2 Threats to Global Oyster Industry

There are several factors that have the potential to significantly harm the global oyster industry. The most prominent threat is climate change, specifically the rising acidity of oceans and marine heatwaves. As the ocean becomes more acidic, there is less carbonate in the water which the oysters rely on to build their shells, therefore leading to the shells becoming thinner, slowing growth, and ultimately increasing death rates. Further, research from the University of Sydney found that ocean acidification led to oysters becoming more vulnerable to predation and disease[4]. An increase in the number of marine heatwaves – a period of warm water that lasts five days or longer, where temperatures are in the top 10% of events typically experienced in that region – has also had a significant effect on the oyster industry. Marine heatwaves lead to outbreaks of diseases that can be fatal to oysters and reduce the reproduction rate of the species[5].

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[2] *Accessed via European Market Observatory for Fisheries and Aquaculture products report "Oysters in the EU" dated October 2022*

[3] *Accessed via IMARC Group report "Oyster Market Report by Oyster Type (Cupped Oyster, Pacific Cupped Oyster, American Cupped Oyster, Penguin Wing Oyster, and Others), End User (Foodservice, Retail), Packaging Form (Fresh, Frozen, Canned, and Others), and Region 2024-2032" dated 2023*

[4] *Accessed via NSW Government article "Acidic oceans challenge oyster survival" dated March 2017*

[5] *Accessed via ABC article "Marine heatwaves threatening oyster industry and affecting Great Barrier Reef, scientists warn" dated 25 November 2019*

Additional factors such as overfishing, disease, marine pollution, and habitat loss also threaten the global oyster industry.

7.2 Australian Oyster Industry

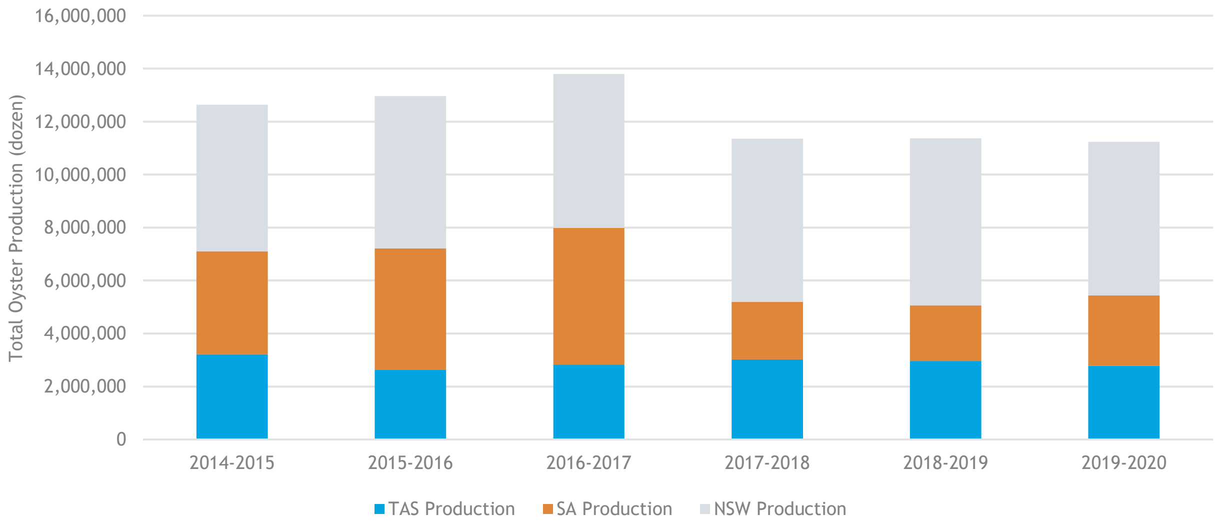
7.2.1 Australian Oyster Industry Overview

The Australian oyster industry has expanded significantly in recent decades, with Australia having a reputation globally of being a supplier of safe, high-quality oysters and using sustainable aquaculture practises. Australia produces an estimated 11 million dozen oysters annually with an estimated farm gate production value of $90-100 million[6].

Australia produces two types of oysters: the Sydney Rock Oyster and the Pacific Oyster. The most recent data released from the NSW Department of Primary Industries states that in 2019, 54% of Australian oysters produced were Sydney Rock Oysters and the remaining 46% were Pacific Oysters.

99% of oyster production in Australia occurs across New South Wales, Tasmania, and South Australia, with a vast majority of this production occurring in aquaculture facilities[7].

Figure 7.2: Production of Oysters across New South Wales, South Australia, and Tasmania



Source: Oysters Australia (2020)

Exports of Australian oysters are relatively small, with Oysters Australia stating that only 1% of all Australian oysters are exported. This is primarily due to the strong demand from the domestic market giving little incentive for the industry to export significant volumes. Of the 1% of oysters that are exported, Hong Kong makes up a majority of the market, with over 75% exported oysters going to the Asian nation each year.

In August 2021, Marteiliosis or Aber disease (colloquially known as 'QX') was detected for the first time in Port Stephens, NSW's second-largest oyster producing estuary which produces 16% of the nation's oysters. QX is a seasonal disease caused by the parasite Martelia sydneyi and usually occurs in late summer. Infected oysters show non-specific signs including lack of growth, loss of condition, and pale digestive glands on gross inspection. In areas that QX occurs, stock losses of up to 90% can be observed as a result of a single outbreak. As a result of the August 2021 outbreak, it was estimated that between 11 and 17 million saleable oysters were lost from East 33's Port Stephen's aquacultural facility which accounted for ~30% of East 33's total oysters. Further pressure from the implications from COVID-19 and flooding during this time meant that East 33 and similar oyster producers faced significant hardship.

Additionally, Pacific Oyster Mortality Syndrome ('POMS') poses as a significant threat in the Australia oyster industry, with POMS causing rapid death and high mortality rates in farmed Pacific Oysters – up to 100% within days of being detected[8]. The highest mortalities occur in juvenile oysters (between three and six months in age), however oysters across all stages of the life cycle have been recorded as susceptible. In order to combat this threat of disease, a number of governments across Australia have begun offering testing services where oysters can be tested in a laboratory for QX and POMS.

[6] *Accessed via CSIRO report "Bio sensors discovering the secret life of oysters" not dated*

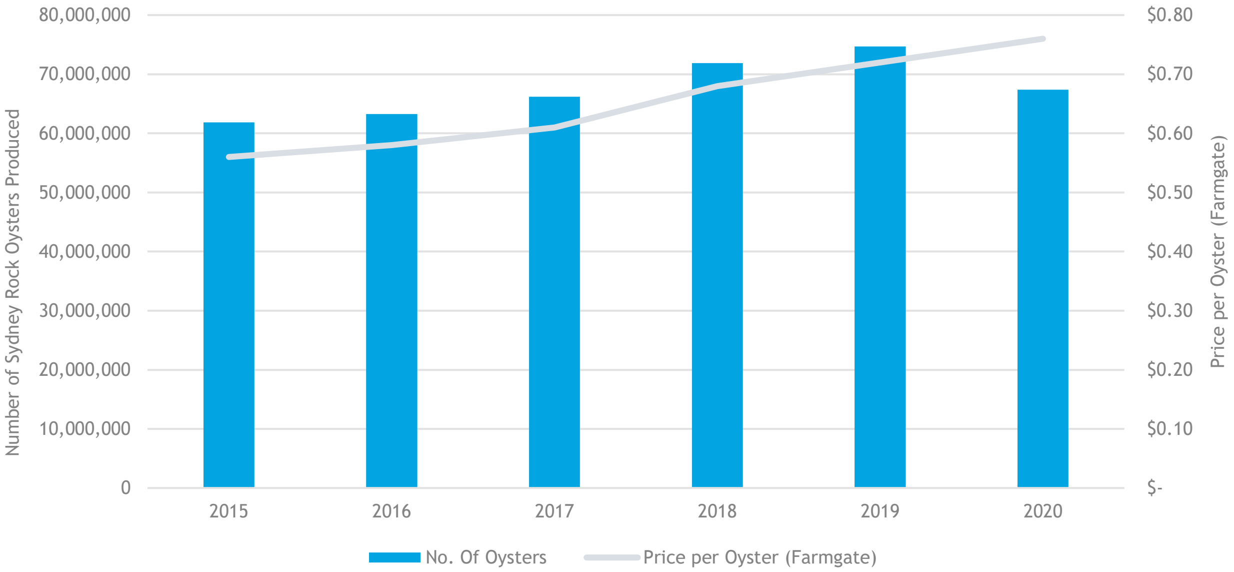
[7] *Accessed via Oysters Australia report "2020-2025: Oysters Australia Strategic Plan" dated 2020*

[8] *Accessed via Government of South Australia Department of Primary Industries and Regions website "Pacific Oyster Mortality Syndrome (POMS)" not dated*

7.2.2 Sydney Rock Oysters

All the oysters produced by East 33 are Sydney Rock Oysters. Sydney Rock Oysters are Australia's most produced oysters, with a current annual production of over 106 million oysters worth more than $35 million, making it New South Wales's most valuable aquacultural industry[9]. Native to Australia, Sydney Rock Oysters make up just 1% of oysters globally and are characterised by their rich, sweet, and intense flavour. The production of Sydney Rock Oysters accounts for over 90% of oyster production in NSW and has seen significant growth over the past decade as seen in Figure 7.3 below.

Figure 7.3: Production and Price of Sydney Rock Oysters between 2015-2020



Source: NSW Department of Primary Industries (2021)

Exports of Sydney Rock Oysters are still relatively small, accounting for less than 1% of the total value of Sydney Rock Oysters produced. However, the industry is exploring the potential to expand markets through exportation, with the thought that this would have the added advantage of improving the price of oysters in the local market[10].

7.2.3 Australian Oyster Industry Outlook

The Australian oyster industry has several key opportunities over the coming years that are of great significance. The most significant opportunity is the rapid development of technology which is transforming the way food is produced around the globe. The application of this technology is attracting significant new capital into the food industry. Examples of technology that has the potential to be utilised by the Australian oyster industry includes gene editing, artificial intelligence through data management, the introduction of nanomaterials, synthetic biology, and environmental sensors[11]. Further, the engagement of oyster producers with complimentary industries such as the Food & Tourism industry provides an additional opportunity for oyster producers to expand their businesses. Companies such as East 33 have begun to expand into this space, with producers offering restaurants and tours of their facilities adjacent to their production business.

As a part of the Oysters Australia Strategic Plan for 2020-2025, five key programs were established based on industry feedback following an industry consultative process. These five programs and their desired outcomes were as follows:

- Product & Innovation: increase the sustainable, efficient production of oysters and their management on farm;
- Risk Management: minimise the impact of disease, waterway contamination, climate change and other risks;
- People & Knowledge: knowledge, skills & networks are developed, increasing the industry's human & data resources;
- Post Harvest and Market Development: build consumer demand for oysters and increase profitability through the supply chain; and
- Industry Profile & Regulation: the oyster industry is recognised as a legitimate and responsible user of public resources and operates under a constructive regulation.

[9] *Accessed via NSW Government article "Oyster industry in NSW" not dated*

[10] *Accessed via New South Wales Department of Primary Industries report "Farming the Sydney rock oyster" dated August 2005*

[11] *Accessed via Oysters Australia report "2020-2025: Oysters Australia Strategic Plan" dated 2020*

8.0 Common Valuation Methodologies

A 'fair market value' is often defined as the price that reflects a sales price negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, with both parties at arm's length. The valuation work set out in this Report assumes this relationship.

The valuation methodologies we have considered in this Report include the discounted cash flow ('DCF'), capitalisation of maintainable earnings ('CME'), asset-based valuation ('ABV'), market-based valuation ('MBV') methodologies and industry specific metrics.

8.1 Discounted Cash Flows ('DCF')

The DCF approach calculates the value of an entity by adding all of its future net cash flows discounted to their present value at an appropriate discount rate. The discount rate is usually calculated to represent the rate of return that investors might expect from their capital contribution, given the riskiness of the future cash flows and the cost of financing using debt instruments.

In addition to the periodic cash flows, a terminal value is included in the cash flow to represent the value of the entity at the end of the cash flow period. This amount is also discounted to its present value. The DCF approach is usually appropriate when:

- An entity does not have consistent historical earnings but is identified as being of value because of its capacity to generate future earnings; and
- Future cash flow forecasts can be made with a reasonable degree of certainty over a sufficiently long period of time.

Any surplus assets, along with other necessary valuation adjustments, are added to the DCF calculation to calculate the total entity value.

8.2 Guideline Comparable Method

The guideline comparable method is a common market approach and involves:

- Identifying the valuation metrics/comparable evidence that are used by participants in the relevant market. In a business valuation, common metrics used for comparison will include revenue, EBITDA, EBIT, net profit after tax and book values. The choice will typically depend on the industry and characteristics of the business being valued;
- Identifying the relevant guideline publicly-traded comparable and relevant comparable transactions and calculating the key valuation metrics for those transactions. If limited comparable companies and transactions exist, we may also consider the prices of identical or similar businesses that are listed or offered for sale;
- Performing a comparative analysis of qualitative and quantitative similarities and differences between the comparable and the subject asset;
- Making necessary adjustments, if any, to the valuation metrics to reflect differences between the subject asset and the comparable; and
- Applying the adjusted valuation metrics to the subject asset.

8.3 Asset Based Valuation ('ABV')

An ABV is used to estimate the fair market value of an entity based on the book value of its identifiable net assets. The ABV approach using a statement of financial position alone may ignore the possibility that an entity's value could exceed the book value of its net assets. However, when used in conjunction with other methods which determine the value of an entity to be greater than the book value of its net assets, it is also possible to arrive at a reliable estimate of the value of intangible assets including goodwill.

Alternatively, adjustments can be made to the book value recorded in the statement of financial position in circumstances where a valuation methodology exists to readily value the identifiable net assets separately and book value is not reflective of the true underlying value. Examples of circumstances where this type of adjustment may be appropriate include when valuing certain types of identifiable intangible assets and/or property, plant and equipment.

The ABV approach is most appropriate where the assets of an entity can be identified and it is possible, with a reasonable degree of accuracy, to determine the fair value of those identifiable assets.

8.4 Market Based Valuation ('MBV')

An MBV methodology determines a value for an entity by having regard to the value at which securities in the entity have recently been purchased. This approach is particularly relevant to:

- Entities whose shares are traded on an exchange. The range of share prices observed may constitute the market value of the shares where a sufficient volume of shares is traded and the shares are traded over a sufficiently long period of time; and/or

- Entities for which it is possible to observe recent transactions relating to the transfer of relatively large parcels of shares (e.g. recent capital raisings).

For listed entities, the range of share prices observed may constitute the market value of the shares in circumstances where sufficient volumes of shares are traded and the shares are traded over a sufficiently long period of time. Share market prices usually reflect the prices paid for parcels of shares not offering control to the purchaser.

8.5 Industry Based Metrics (Comparable Analysis)

It is often appropriate to have regard to industry specific valuation metrics in addition to the traditional valuation approaches outlined above. These metrics are particularly relevant in circumstances where it is reasonably common for market participants to have regard to alternative measures of value.

9.0 Valuation of East 33 Prior to the Relevant Interest Acquisition

This section sets out our valuation of East 33 shares prior to the Relevant Interest Acquisition and is structured as follows:

- Section 9.1 sets out our view of the most appropriate methodology to value East 33;
- Section 9.2 sets out our valuation of East 33 having regard to a MBV approach;
- Section 9.3 sets out our valuation under the guideline comparable method approach;
- Section 9.4 sets out a comparison of our valuation with the net assets of the Company; and
- Section 9.5 sets out the value of an East 33 share adopted prior to the Relevant Interest Acquisition.

9.1 Valuation Approach

9.1.1 Information Considered in Forming a View on an Earnings Based Valuation Methodology

East 33 listed on the ASX on July 2021. In the prospectus at the time of listing, East 33's statutory consolidated forecast for FY22 (which was reviewed by HLB Mann Judd) indicated:

- Gross revenue of $49.1 million;
- Gross profit of $25.1 million;
- EBITDA of $8.8 million; and
- NPAT of $5.0 million.

East 33 was ultimately unable to meet the statutory consolidated forecast for FY22 for a range of reasons including:

- Since its listing, East 33's performance has been negatively impacted by environmental factors, including QX disease, extreme rainfall, and estuary closures in the 4th quarter of FY22. These conditions have led to increased mortality rates among oysters and reduced production of Sydney Rock Oysters;
- Covid-19 caused ongoing operational challenges in the hospitality sector when restrictions lifted as the sector adapted to health and safety protocols, reduced capacity from social distancing measures and supply chain disruptions;
- Post-listing, the consolidation and optimisation of farming practices have been more challenging than expected, delaying cost efficiency gains;
- Variable oyster quality due to different farming techniques and high levels of 'catch' (wild oysters and other organisms) has affected stock quality;
- Following the prolonged flooding and QX disease in FY22, all independent directors that existed at IPO resigned due to a change in the overall company strategy, which disrupted operations;
- Recently, delays in farm-gate sales were caused by slower oyster conditioning and the closure of Wallis Lake, a primary production region; and
- A recent notable shortage in Sydney Rock Oysters has pressured CMB's procurement efforts, leading to lower supply volumes.

After a number of earnings guidance updates to address the impacts of the above, East 33 ultimately generated revenue in FY22 of $22.6m and a loss at the EBITDA level of $6.1 million.

East 33 are recovering from the historical issues and Management expect FY24 EBITDA to be improved, albeit remaining negative.

Management have prepared several medium-term projections for the period up to FY27. In relation to these projections we note Management is refining the company's strategic approach to enhance supply chain efficiency, improve profit margins and foster growth through various strategies. These include:

- Developing a more efficient harvest strategy to enhance margins and integrate farming with distribution more effectively;
- Enhancing distribution through effective customer partnerships to reduce outstanding receivables and strengthen working capital;
- Streamlining farming operations;
- Enhancing biological asset recovery via hatchery innovations and improved farming practices;
- Introducing a more accurate grading system based on actual oyster size to enhance value; and
- Capitalising on expected production increases to enhance the distribution business and expand market share.

The anticipated outcome of the above operational enhancements is projected to lead to more consistent EBITDA generation by FY26.

While these improvements are expected to gradually reflect in East 33's underlying free cash flows[12], Management expect negative free cash flow in FY24. However, the situation is projected to improve in FY25, FY26 and FY27, with free cash flows turning positive (albeit remaining under $2 million in the base case projection).

9.1.2 Selected Valuation Approach

In our view, it is appropriate to value East 33 using an MBV methodology and the guideline comparable method.

In relation to the MBV approach, we note it is generally possible to complete an MBV for a company when there is readily observable market for the trading of the company's shares. The shares of East 33 are traded on the ASX. It is possible to consider the valuation of East 33 using the MBV methodology as there is a readily observable market for the trading of shares in East 33. East 33 also completed a significant capital raising in October 2022 which resulted in the number of shares on issue at the time increasing by approximately 87.0%.

In relation to the guideline comparable method, we note:

- We consider it appropriate to make reference to EBITDA and revenue multiples;
- In the current circumstances and as described in Section 9.1.1 above (i.e. historical EBITDA losses in FY22 and FY23), we have formed the view that it is more appropriate for the purposes of the analysis set out in this Report to calculate implied multiples based off the enterprise values arrived at in our MBV; and
- We have compared our implied multiples to the comparable companies and formed a view on whether the implied multiples are within a reasonable range.

After considering the forecast financial information provided to us in the Company's financial models ('the Financial Models'), we have formed a view that the majority of the value in DCF methodology would be in the terminal value and that this would not provide any further insight to value beyond our guideline comparable method.

In addition to the above, we consider it appropriate to cross-check the equity values implied by our adopted valuation range for East 33 with the net asset value of East 33.

9.2 Market Based Valuation Approach

Our MBV methodology of East 33 prior to the Relevant Interest Acquisition is set out as follows:

- Section 9.2.1 sets out East 33's recent share trading data;
- Section 9.2.2 sets out an overview of East 33's prior share issuances;
- Section 9.2.3 sets out our conclusion of the MBV of East 33; and
- Section 9.2.4 sets out the implied enterprise value of East 33 having regard to our MBV.

9.2.1 Analysis of East 33's Share Trading Data

East 33's ordinary shares are listed on the ASX and trade under the ticker 'E33'. Information relating to the recent share trading data of East 33's ordinary shares along with an analysis of recent announcements made by the Company to the ASX are set out in Section 6.4.1 of this Report.

For the purposes of our MBV, we have considered the low daily VWAP, VWAP and high daily VWAP of East 33 shares over 1 week, 1 month, 3 months, 6 months, 9 months and 12 months up to and including 28 February 2024, being the last date East 33 traded prior to announcing the Relevant Interest Acquisition (on 29 February 2024).

Table 9.1: East 33's VWAP for Specified Periods up and Including 28 February 2024

Period up to and Including 28 February 2024	Low Daily VWAP ($)	VWAP ($)	High Daily VWAP ($)
1 Week	$0.0181	$0.0184	$0.0230
1 Month	$0.0180	$0.0201	$0.0230
3 Months	$0.0176	$0.0204	$0.0230
6 Months	$0.0176	$0.0224	$0.0306
9 Months	$0.0176	$0.0230	$0.0360
12 Months	$0.0176	$0.0249	$0.0360

Source: Capital IQ as at 29 February 2024

With regards to Table 9.1 above, we note:

- East 33's share price has generally decreased over the last 12 month period. This has led to each of the VWAP's shown decreasing over each period from the 12 month VWAP to the 1 week VWAP;

[12] Being the cash available for distribution to the stakeholders of the Company following payment of all expenses and reinvestments.

- The daily VWAPs have been as low as $0.0176 over the 12 month period and as high as $0.0360; and
- The decrease in the price of East 33's shares has occurred over a longer time horizon then the past 12 months. For example, following the Company's IPO, the price of the shares traded as high as $0.2659 per share. For more information on the movements in the Company's share price since IPO, refer to Figure 6.3 and Table 6.2 in Section 6.4.1.

9.2.2 Analysis of East 33's Historical Share Issuance

In this section we consider material issues of East 33 shares over the last three years.

Initial Public Offering ('IPO')

East 33 listed on the ASX in July 2021, following the issuance of 160 million shares at an offer price of $0.20 per share, raising $32 million (before costs).

At the time of IPO, East 33 was forecasting financial performance much better than what was ultimately achieved. We have summarised reasons for this in Section 9.1.1 above.

In our view, the offer price under the IPO is no longer a reflection of the markets view on the value of a share in East 33. To assist readers with understanding possible reasons for the movements in East 33's share price, we have set out information on the Company's announcements which may correspond to share price movements (refer Section 6.4.1) and commentary on the historical performance of the Company (refer Section 6.5 and Section 9.1.1).

Entitlement Offer

On 7 September 2022, East 33 announced that the Company had launched a fully underwritten non-renounceable entitlement offer to raise approximately $7.97 million. The entitlement offer was undertaken at an offer price of $0.033 per share which represented a discount (at the time) of:

- Approximately 21.4% based on the closing share price on 1 September 2022 of $0.042; and
- Approximately 22.0% to the 10-day VWAP up to and including 1 September 2022.

Notwithstanding the above, we note that on the close of the offer (on 6 October 2022), eligible shareholders had only subscribed for approximately 69.5 million shares, raising approximately $2.29 million and representing a participation rate of approximately 28.8%. Following the allocation of the $2.29 million to eligible shareholders, there was a shortfall of approximately $5.68 million (171.88 million shares) which was allocated to the sub-underwriters. We note that this resulted in YAL, RCPL and their associated entities increasing their relevant interest in the Company from 8.13% to 34.68%.

Following the issue of shares under the entitlement offer, the number of East 33 shares increased from approximately 276 million to approximately 517 million, an increase of approximately 87.5%.

9.2.3 Conclusion on MBV

Having regard to the information set out above, in our view it is appropriate to adopt a value of $0.020 to $0.036 per East 33 share on a minority interest basis for our market based valuation. In relation to our valuation range we note:

- The low end of our range broadly reflects the VWAP (from 3 months to 1 month) up to and including 28 February 2024 (being $0.0204 and $0.0201 respectively);
- The high end of the range reflects the high daily VWAP over the 12 month period prior to 28 February 2024. In forming our view of an appropriate high end to adopt for our MBV, we considered the material number of shares issued under the 7 September 2022 entitlement offer at $0.033 per share.

Having regard to our control premium discussion set out in Appendix A, the application of a control premium of 30% (being the midpoint of the control premium range) to this valuation would result in a value (of a share in East 33 on a controlling interest basis) in the range of **$0.026 to $0.047**.

9.2.4 Enterprise Value Implied by Our MBV

Having regard to our adopted MBV range for East 33 on a controlling interest basis set out in Section 9.2.4 above, we have set out (in Table 9.2 below) the enterprise value of the Company implied by our MBV.

Table 9.2: Implied Enterprise Value of East 33

$'000s	Section	Low	High
MBV (controlling interest basis) $/share	**Section 9.2.4**	**$0.026**	**$0.047**
No. shares outstanding prior to the Relevant Interest Acquisition	Section 6.3.1	537,088,699	537,088,699
Equity value of East 33 attributable to all shareholders		**13,964**	**25,136**
Value of unlisted securities on issue assumed to vest	Section 6.3.2	515	928
Equity value of East 33 attributable to all security holders		**14,480**	**26,063**
Less: cash and cash equivalents		(2,720)	(2,720)
Add: loans (current and non-current)		17,148	17,148
Enterprise value of East 33		**28,908**	**40,492**

Source: BDOCF Analysis

With regards to Table 9.2 above, we note the following:

- The equity value of East 33 has been calculated by multiplying the MBV (on a controlling interest basis) by the number of shares outstanding prior to the Relevant Interest Acquisition;
- As set out in Section 6.3.2, East 33 have 93,820,833 outstanding performance rights and 1,000,000 outstanding zero exercise price options on issue to directors of the Company. For the purposes of our valuation, we have assumed that both the 18,820,833 performance rights issued to Mr Justin Welsh and the 1,000,000 zero exercise price options issued to Sarah Courtney also vest. To calculate the value of these securities, we have multiplied the number of securities assumed to vest by our low and high MBV[13];
- We have calculated the surplus assets and liabilities of the Company to be approximately negative $14.4 million. We note that the balance of surplus assets and liabilities (be it positive or negative) is typically added to the enterprise value of a company to calculate equity value (i.e. enterprise value + surplus assets – surplus liabilities = equity value). Notwithstanding this, as we have already calculated the equity value, we deduct the value of surplus assets and add back the value of surplus liabilities to reach enterprise value (i.e. equity value – surplus assets + surplus liabilities = enterprise value);
- To determine the value of East 33's surplus assets and liabilities, we have considered the latest management accounts available as at 31 January 2024 and have made inquiries with Management in relation to any material adjustments required to reflect the fair market value of the assets and liabilities. We note that whilst the Meeting is expected to occur in April 2024, we have included the balance of East 33's surplus assets and liabilities as at 31 January 2024. We note that the January accounts were the latest available and the best proxy for the balance of the net debt as at the date of the Meeting. We have not been provided with sufficient information to calculate the movements in these accounts from 31 January 2024 to the date of the Meeting. The surplus assets and liabilities included in Table 9.2 above includes the following:
  - Cash and cash equivalents: We have included the balance of East 33's cash and cash equivalents as at 31 January 2024;
  - Loans (current and non-current): we have included the balance of East 33's loans as at 31 January 2024. We note the loans are comprised of the following:
    - Current loans: We have included the Company's insurance financing ($183k), a dispute settlement owing ($400k), borrowings ($566k), vendor finance ($250k), MS Verdich short term loans ($2.6k) and the short-term debt facility entered into to repay the Class A RCPS ($5.5 million);
    - Non-current loans: We have included the Company's derivatives at fair value ($273k)[14], NAB vehicle loans ($176k) and the Yumbah Finance loan under the Facility Agreement[15] ($9.8 million); and
  - For completeness, we note that Management have advised us that the loan balances set out above include accrued interest.

[13] The low is calculated as 19,820,833 x $0.0260 and at the high is calculated as 19,820,833 x $0.0468.
[14] We note this relates to the Convertible Note derivative liability which we have discussed in Appendix C, including our view on value following the Relevant Interest Acquisition. For completeness, we note that our consideration of value was broadly in line with the balance in the January 2024 management accounts and we consider it appropriate to adopt the management accounts number for the purpose of our valuation work. Adopting our calculated number would not result in a material difference to the valuation work set out in this Report.
[15] We note that a portion of the Yumbah Finance loan under the Facility Agreement is included in current liabilities as borrowings ($566k).

9.3 Guideline Comparable Method

9.3.1 Overview

Our guideline comparable method is set out as follows:

- Section 9.3.2 sets out the basis of the financial model used to source forecast revenue and EBITDA figures for East 33;
- Section 9.3.3 sets out the pro forma revenue and EBITDA expected at the time of IPO, along with the actual revenue and EBITDA generated in FY22 and FY23. We have made reference to revenue and EBITDA noting:
  - EBITDA, as opposed to other earnings measures, is independent of the direct financial impacts of capital structure and taxes. Adopting EBITDA as an earnings measure also assists in removing irregularities that may arise from differences in depreciation and amortisation accounting policies of different companies, including those that may arise from acquisition related amortisation; and
  - Revenue is often used where companies are loss making or marginally profitable. Noting East 33 has been historically loss making at the EBITDA level and is not expecting consistent EBITDA figures until FY26, we consider it appropriate to also consider revenue multiples;
- In the current circumstances and as described in Section 9.1.1 above (e.g. historical EBITDA losses in FY22 and FY23), we have formed the view that it is more appropriate for the purposes of the analysis set out in this Report to calculate implied multiples based off the enterprise values arrived at in our MBV. Our calculation of the implied multiples is set out in Section 9.3.4;
- Section 9.3.5 sets out our comparison of our implied multiples to the comparable companies; and
- Section 9.3.6 sets out our conclusion on the guideline comparable method.

9.3.2 Basis of the Financial Model Utilised for Forecast Revenue and EBITDA

Our valuation of East 33 is based on the following:

- The Financial Models provided by Management, including:
  - Management's 'Base Case' revenue and EBITDA forecast model used for internal management purposes;
  - Management's 'Up-side' revenue and EBITDA forecast model used for internal management purposes; and
  - Management's 'Biological Asset Forecast' model used for internal management purposes.
- The 'Base Case' financial model serves as the foundational scenario, reflecting the Company's expected performance under operational strategies resulting from the strategic review and requiring additional working capital;
- The 'Up-side' model forecasts more robust financial performance compared to the 'Base Case', with substantial growth at both the revenue and EBITDA level. It reflects an optimistic growth trajectory that leverages potential funding opportunities to scale operations and penetrate markets more aggressively;
- The Biological Asset Forecast model is used by Management to project the valuation of biological assets, factoring in variables such as yield rates, market prices, and biological growth patterns;
- Each of these models have been created by Management at different times for internal purposes and include various timeframes and assumptions relating to the expected future performance of East 33 under the relevant scenario. These models adopt Management's best estimates in each scenario of:
  - Revenue and other income growth rates;
  - COGS and other expenses growth rates; and
  - The fair value of biological assets;
- Our critical analysis of the reasonableness of the Financial Models and the underlying assumptions including:
  - Analysing the integrity and mathematical accuracy of the Financial Models;
  - Making enquiries of Management to confirm the reasonableness of company specific assumptions and the basis of the forecast; and
  - Considering the impact of key industry risks, growth prospects and general economic outlook; and
- Completing research to determine reasonable macro-economic assumptions to adopt.

Our work in relation to the Financial Models did not include undertaking a review in accordance with ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*. We do not express an opinion on the achievability of the forecast and the assumptions adopted in the Financial Models do not represent projections. Rather, the assumptions are intended to reflect the assumptions that could reasonably be adopted by industry participants in their pricing of similar businesses. Nothing has come to our attention through our procedures to suggest the assumptions underlying the Financial Models are not reasonable for the purposes of the valuation.

9.3.3 Key Assumptions of the Financial Models

This section sets out the key assumptions adopted in the Financial Models.

Projected Revenue

In relation to the revenue forecast set out in the Financial Models, we note:

- Revenue projections for the farming segment are derived from anticipated oyster harvest volumes, which are aligned with both planned production targets and market demand. These forecasts also take into account the expected pricing, which varies according to the oyster's type, size, and quality;
- Revenue predictions for the distribution segment are based on the projected availability of oysters for sale, sourced both from East 33's farming operations and from third-party suppliers. These forecasts incorporate anticipated sales prices, which are determined by the oysters' type, size, and quality;
- Restaurant revenue predictions consider seasonality and apply an increase factor from the last period; and
- Movements in the fair value of biological assets are determined based on their assessed valuations considering expected changes in market conditions and biological growth patterns.

Cost of Goods Sold ('COGS')

Regarding the COGS assumptions in the Financial Models, we note:

- COGS projections for the farming segment are based on estimated harvest volumes, calculated from historical yields, anticipated advancements in aquaculture practices, and environmental influences on oyster growth. These projections are adjusted for expected sales prices, which vary with the oysters' type, size, and quality;
- COGS projections for the distribution segment are determined by the expected volume of oysters available for sale, sourced from both East 33's farming operations and third-party suppliers. These estimates account for the procurement cost, which is influenced by the type, size, and quality of the oysters;
- COGS for the restaurant segment are based on an increase factor from the last period, adjusted for seasonality; and
- COGS are forecasted to align proportionally with revenue expansion across all the business segments, reflecting a consistent cost-to-income ratio as the business scales.

Expenses

The main expenses in the model include:

- Employment expenses;
- Rent and outgoings expenses;
- General expenses;
- Consulting
- Lease expenses;
- Depreciation; and
- Finance costs.

9.3.4 Revenue and EBITDA of East 33

Table 9.3 below sets out the revenue and EBITDA of East 33, incorporating the FY22 Prospectus figures, along with the FY22 and FY23 actual results.

Table 9.3: Summary of Revenue and EBITDA of East 33

	FY22P	FY22A	FY23A
Revenue	**49,100**	**22,636**	**24,621**
EBITDA	8,790	(6,118)	(3,388)
Biological assets - change in fair value	(1,700)	(4,247)	3,403
EBITDA (excl. change in fair value of biological assets)	**10,490**	**(1,871)**	**(6,791)**

Source: East 33's 2022 and 2023 Annual Reports, the Prospectus, the Financial Models and BDOCF Analysis

With regards to Table 9.3 above, we note the following:

- Pro forma forecasts from the Prospectus didn't eventuate due to factors outlined in Section 9.1.1, including unprecedented rainfall and COVID-19 impacts on labour and supply;
- Despite these challenges, revenue remained relatively stable for FY22 and FY23;

- Adjustments were made to account for fluctuations in the fair value of biological assets, separating them from EBITDA to clearly show the core operational performance;
- EBITDA is expected to move from a negative figure in FY23 towards a more stable, positive outcome by FY26 (assuming sufficient access to working capital); and
- Management have prepared a range of projected outcomes based on the level of funding that is able to be accessed. East 33 consider the expected future financial performance and financial position under each of these scenarios to be commercially sensitive information and accordingly, this information has not been disclosed in this Report.

East 33 is responsible for the financial information. BDOCF has not performed any audit or review of any type on the historical or forecast financial information of East 33 and we make no statement as to the accuracy of the information provided. BDOCF has not been instructed to and has not completed any formal audit, review or due diligence procedures on the financial information provided to us beyond a critical analysis of the assumptions adopted and enquiry of Management.

9.3.5 Multiples Implied by our MBV

Having regard to Management's East 33's historical and projected (under the 'Base Case' model) revenue and EBITDA, we have calculated the implied multiples based on the valuation arrived at under our MBV. We have set this out in Table 9.4 below. We note:

- Management have prepared a range of projected outcomes based on the level of funding that is able to be accessed. East 33 consider the expected future financial performance and financial position under each of these scenarios to be commercially sensitive information and accordingly, this information has not been disclosed in this Report;
- We consider FY23 revenue to provide a sufficiently meaningful result for the purposes of this analysis; and
- EBITDA in FY23 was negative. Under a range of projected scenarios, the implied EV/EBITDA multiple remains above 10.0x.

Table 9.4: Implied Revenue and EBITDA Multiples

$'000s	Section	Value Adopted
Enterprise value of East 33 (midpoint)[1]	Section 9.2.4	34,700
Implied revenue multiple[2]		**1.4**
Implied EBITDA multiple[3]		**Greater than 10.0**

Source: The Financial Model, BDOCF Analysis

1 The enterprise value adopted in the above table represents the midpoint of the range calculated in Table 9.2 (i.e. the midpoint of $28.9 million to $40.5 million).

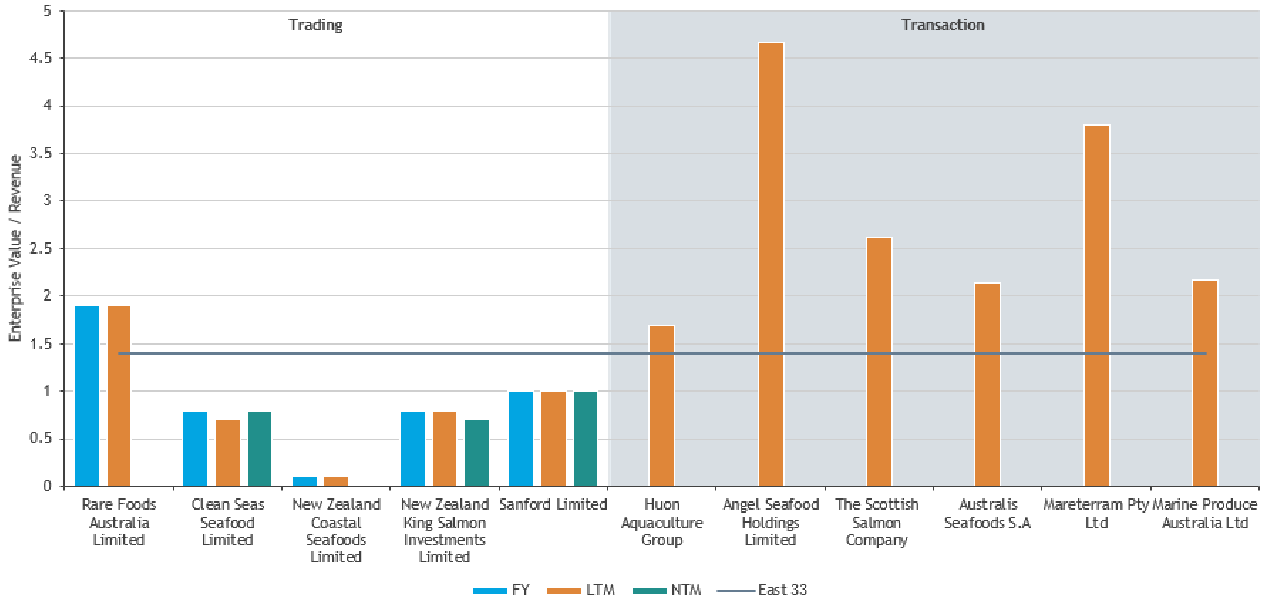
2 Calculated as enterprise value of East 33 (midpoint) / adopted revenue.

3 Calculated as enterprise value of East 33 (midpoint) / adopted EBITDA.

9.3.6 Comparison of Our Implied Multiples and Broadly Comparable Trading and Transaction Multiples

In Figures 9.1 and 9.2 below, we have set out our implied revenue and EBITDA multiples in comparison with broadly comparable trading and transaction multiples. For more information on the trading and transaction multiples, refer to Appendix B.

Figure 9.1: Implied East 33 Revenue Multiples and Broadly Comparable Trading and Transaction Multiples

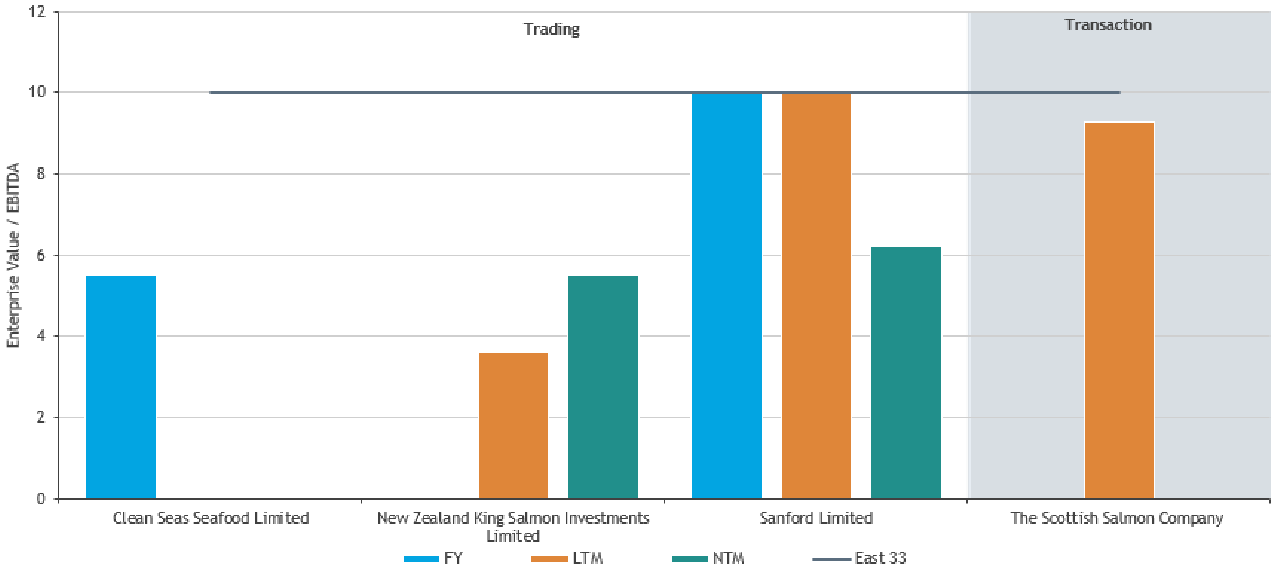


Source: Capital IQ, BDOCF Analysis

With regards to Figure 9.1 above, we note the following:

- Excluding the multiples for Rare Foods Australia Limited, the EV/revenue multiple for East 33 is larger than the multiples of broadly comparable trading companies; and
- The EBITDA/revenue multiple for East 33 is below the comparable transaction multiples.

Figure 9.2: Implied East 33 EBITDA Multiple and Broadly Comparable Trading and Transaction Multiples



Source: Capital IQ, BDOCF Analysis

1 Of the comparable trading and transaction companies that had EBITDA data available (enabling us to calculate a multiple), we have excluded the EV/EBITDA multiple of Angel Seafood Holdings Limited and New Zealand King Salmon Investments Limited on the basis it is not meaningful (i.e. outliers).

With regards to Figure 9.2 above, East 33's EV/EBITDA multiple exceeds the trading and transaction multiples of the broadly comparable companies.

9.3.7 Guideline Comparable Method Conclusion

Having regard to the information set out in Section 9.3 above, we note that that the enterprise value implied by our MBV does not appear unreasonable. Specifically, we note the following:

- East 33's revenue multiple when, considered as a whole, appeared broadly in line with the comparable trading companies and the comparable transactions;

- Whilst the enterprise value under the EBITDA multiples appeared high, the Company is currently going through a re-building process. We note that under the 'Up-side' model, EBITDA is expected to increase, in particular, in FY26 and FY27. The increased EBITDA results in a reduction in the projected FY26 and FY27 enterprise value to EBITDA multiples (albeit remaining above 10.0x) which is more inline with the comparable companies and comparable transactions;
- Incorporating the revenue from the 'Up-side' model results in a reduction in the forecast FY26 and FY27 enterprise value to revenue multiples to be more inline with the comparable trading companies (which are below the comparable transactions). All else equal, you would expect a forecast FY26 and FY27 revenue multiple be lower relative to a historical multiple as a result of forecast underlying year-on-year growth.

9.4 Comparison of Valuation to Net Assets

As a cross-check to our MBV and guideline comparable method approach, we have also considered a net asset valuation of East 33 utilising the Company's January 2024 management accounts. As at 31 January 2024, East 33 had a net asset value of approximately $28.9 million.

Of East 33's net asset value, a considerable portion of the Company's assets (approximately $26.6 million) are intangible assets. As set out in our discussion of the Company's historical financial information (refer Section 6.5), intangible assets are comprised of goodwill, oyster/crown leases and software.

With regards to the Company's goodwill, we note the following:

- Prior to the Company's IPO, the balance of East 33's goodwill was approximately $358k (recognised as a farming CGU);
- Following their IPO (and the Company's acquisition of CMB and the business AJ & JS Troup), East 33 recognised an additional $17.4 million of goodwill. Of which, approximately $16.3 million was attributed to the acquisition of CMB and recognised as part of a distribution CGU and approximately $1.1 million was attributed to the acquisition of the business AJ & JS Troup and recognised as part of a farming CGU. For completeness, we note that the goodwill attributed to the distribution and farming CGU's following this acquisition was approximately $16.3 million and $1.4 million respectively; and
- During the 2023 financial year, East 33 impaired the value of their goodwill by approximately $2.9 million. We note that the Company completely impaired the goodwill in their farming CGU (approximately $1.4 million) and partially impaired the goodwill of their distribution CGU (approximately $1.5 million). Resultantly, the balance of East 33's goodwill as at 31 January 2024 (approximately $14.8 million) relates solely to their distribution business and by extension, the Company's acquisition of CMB.

With regards to the Company's oyster and crown leases, we note the following:

- We understand that the oyster lease market is thinly traded and lacks the sophistication otherwise characterising agricultural markets, limiting the means of defining contractual prices associated with oyster lease sales. By extension, it is difficult to determine the value of oyster leases and any valuation would likely be dependent on a number of key items (which may not be available). We note that some of these key items may include:
  - The expiry terms of the occupancy and the likelihood of the lease owner exercising their option to extend the occupancy term;
  - The profit and loss accounts and production particulars for each individual farm (assuming a collection of oyster leases as is the case of East 33);
  - An assessment of the plant infrastructure and machinery required for the ongoing use in operation of the farms; and
  - The ability to use a $/ha valuation as it fails to capture the intricacies associated with water quality, water volume, existing and potential infrastructure, position of existing stakeholder and key competitors, international export licenses and production history at each location etc.
- Having regard to the above, we have adopted the balance of oyster and crown leases as set out in the Company's 31 January 2024 management accounts. We note that oyster and crown lease acquisition costs are measured on the cost basis and carried at cost less accumulated amortisation except for leases acquired through business combinations which are recorded at fair value on acquisition;
- An oyster lease is required when a person or corporation wishes to develop an area of public water land for oyster cultivation[16] and a crown lease provides exclusive possession to the holder to occupy and use crown land for a specified term and purpose[17].

With regards to the Company's software, we note that it relates to East 33's acquisition of the business Oyster Cloud Agritech. The software enables farm management, inventory tracking, workflow optimisation and network planning.

In Table 9.6 below, we have included software and goodwill in the balance of 'intangible assets' and have separately split out the balance of oyster and crown leases.

[16] Accessed via NSW Governments Department of Primary Industries 'Application for oyster lease – information kit' dated 2014
[17] Accessed via NSW Government Department of Planning, Industry and Environment 'Oyster farming on crown land' not dated

In accordance with the above, we consider it appropriate to consider the net asset value of the Company both inclusive and exclusive of intangible assets. We have set out a summary of East 33's net asset value in Table 9.9 below.

Table 9.6: Net Asset Value of East 33 as at 31 January 2024

$'000s	Net Assets (excluding intangible assets)	Net Assets
Cash	2,720	2,720
Biological assets (current and non-current)	6,744	6,744
Oyster and crown leases	9,076	9,076
Intangible assets[1]	-	15,190
Property, plant and equipment		
Land and buildings	4,523	4,523
Plant and equipment	1,833	1,833
Oyster lease - development costs	3,017	3,017
Other	385	385
Property, plant and equipment	**9,757**	**9,757**
Other current and non-current assets[2]	2,208	2,208
Total assets	**30,505**	**45,695**
Loans (current)[3]	(6,902)	(6,902)
Loans (non-current)[4]	(9,811)	(9,811)
Other current and non-current liabilities[5]	(2,348)	(2,348)
Total liabilities	**(19,061)**	**(19,061)**
Net assets	**11,444**	**26,634**
Number of East 33 shares outstanding prior to the Relevant Interest Acquisition (diluted)[6]	556,909,532	556,909,532
Net assets per share	**0.0205**	**0.0478**

Source: February 2024 Management Accounts, East 33 FY24 Half Year Report, BDOCF Analysis

1 Includes goodwill and software.

2 Includes trade receivables, inventory (finished good and other) and other current assets. We note, we have excluded right of use assets and deferred tax assets for the purposes of calculating the Company's net asset position.

3 Includes insurance financing ($183k), a dispute settlement owing ($400k), borrowings ($566k), vendor finance ($250k), MS Verdich short term loans ($2.6k) and the short-term debt facility entered into to repay the Class A RCPS ($5.5 million).

4 Includes a debit balance of $436k relating to borrowing costs, derivatives at fair value ($273k), NAB vehicle loans ($176k) and the Yumbah loan ($9.8 million). As mentioned previously, we note that a portion of the Yumbah Finance loan is included in current liabilities (as 'borrowings' of approximately $566k).

5 Includes trade and other payables, employee benefits and other liabilities. We note we have excluded right of use lease liabilities and deferred tax liabilities for the purpose of calculating the Company's net debt position.

6 We have included the 18,820,833 performance rights issued to Justin Welch and the 1,000,000 options issued to Sarah Courtney. For more information on the Company's unlisted securities outstanding refer to Section 6.3.2.

With regard to Table 9.6 above, we note the following:

- The net assets (excluding intangible assets) per share of $0.021 is below the low end of the MBV valuation range of $0.026. One explanation for this could be that the market is allowing some value for East 33's intangible assets (being goodwill and software); and
- The net assets per share (including intangible assets) of $0.048 is broadly in line with the high end of our MBV valuation range of $0.047. One explanation for this could be that the market is allowing some value for East 33's intangible assets (being goodwill and software) that is broadly in line with the book value.

Based on the above comparison, we consider that the net asset cross-check provides broad support for our assessed value of East 33.

9.5 Value Adopted for East 33's Shares Prior to the Relevant Interest Acquisition on a Controlling Interest Basis

Having regard to our valuation of East 33's shares, in our view, for the purpose of our assessment of the Relevant Interest Acquisition it is appropriate to adopt a value as at the date of this Report in the range of $0.026 to $0.047 per East 33 share on a controlling interest basis. In relation to this valuation range we note:

- The valuation range aligns with our MBV;
- The guideline comparable method broadly supported the value determined under the MBV; and
- The low end of valuation range broadly aligns with East 33's net tangible assets per share and the high end of the valuation range is slightly below the net asset per share (including intangible assets).

The Non-Associated Shareholders should note that our valuation range of East 33 is on the basis of a knowledgeable and willing, but not anxious, seller that is able to consider alternative options to the Relevant Interest Acquisition. In accordance with paragraph 111.15 of RG 111, we have not adjusted our valuation range for any financial distress that may be experienced by East 33 in circumstances that the Relevant Interest Acquisition is not approved by the Non-Associated Shareholders and an alternative source of funding is not available. We would ordinarily expect a company in financial distress to trade at lower values as there is a risk the Company will be unable to complete an arm's length transaction within the available timeframe. We have considered the availability of alternative options available to East 33 to address any potential financial distress when considering the reasonableness of the Relevant Interest Acquisition in Section 2.3 of this Report.

10.0 Valuation of East 33 following the Relevant Interest Acquisition

10.1 Valuation Methodology

In our view, to determine the value of East 33 post the Relevant Interest Acquisition it is appropriate to:

a) Adopt the equity value of East 33 attributable to all security holders prior to the Relevant Interest Acquisition (as set out in Table 9.2);

b) Increase the equity value from step a) above by the $5 million of debt that will be converted into shares. We have made no further adjustments as the additional amounts expected to be drawn down will be used to repay debt and otherwise appear as cash. As a result the adjustments will net out to nil;

c) Subtract the value attributable to East 33's performance rights;

d) Increase the number of shares outstanding by 238,095,238 million to reflect the shares to be issued under the Relevant Interest Acquisition. Noting where the East 33 share price has been trading in the month ending February 2024, we have assumed a conversion price of $0.021 resulting in the maximum number of shares being issued;

e) Apply a minority interest discount consistent with the value considered in Section 9.2.3; and

f) Calculate the value of an East 33 share on a minority interest basis following the Relevant Interest Acquisition.

10.2 Our Valuation of East 33 following the Relevant Interest Acquisition

Table 10.1 below sets out our valuation of East 33 following the Relevant Interest Acquisition on a minority interest basis.

Table 10.1: Value of East 33 Post the Relevant Interest Acquisition

$'000s	Section	Low	High
Equity value of East 33 attributable to all security holders prior to the Relevant Interest Acquisition	**Section 9.2.4**	**14,480**	**26,063**
Increase in equity value due to conversion of $5 million of the Loan Facility from debt to equity		5,000	5,000
Equity value of East 33 attributable to all security holders post the Relevant Interest Acquisition		**19,480**	**31,063**
Less: value of unlisted securities on issue assumed to vest	Section 9.2.4	(515)	(928)
Equity value of East 33 attributable to shareholders post the Relevant Interest Acquisition		**18,964**	**30,136**
Number of shares on issue prior to the Relevant Interest Acquisition	Section 6.3.1	537,088,699	537,088,699
Number of shares issued under the Relevant Interest Acquisition	Section 5.3.1	238,095,238	238,095,238
Number of shares on issue following the Relevant Interest Acquisition		**775,183,937**	**775,183,937**
Equity value per share attributable to shareholders ($/share) - control		**0.024**	**0.039**
Minority interest discount	Appendix A	-23.1%	-23.1%
Equity value per share attributable to shareholders ($/share) - minority		**0.0188**	**0.0299**

Source: BDOCF Analysis

For the purposes of the analysis set out in this Report, in our view it is appropriate to adopt a value per East 33 share in the range of $0.0188 to $0.0299 on a minority interest basis following the Relevant Interest Acquisition.

We note that in circumstances that Yumbah Finance is issued approximately 238.1 million shares in East 33, this would equate to a value of approximately $4.5 million to $7.1 million at the minority share value set out in in Table 10.1 above of $0.0188 to $0.0299.

We note for completeness that this value range ($4.5 million to $7.1 million) for the 238.1 million shares (i.e. the maximum number of shares which can be issued under the Relevant Interest Acquisition, if approved) has been used as the value of Tranche 1 of the conversion shares for the purposes of the Chapter 2E approval in Resolution 2 in the Notice of Meeting.

Appendix A: Control Premium Analysis

A controlling interest in a company is usually regarded as being more valuable than a minority interest as it provides the owner with control over the operating and financial decisions of the company, the right to set the strategic direction of the company, control over the buying, selling and use of the company's assets, and control over appointment of staff and setting financial policies.

The increase in value for a controlling interest is often observed where an acquirer launches a takeover bid, or some other mechanism for control, for another company. For the purposes of our research on control premiums, we have defined a controlling interest to be an interest where the acquirer has acquired a shareholding of greater than 50% in the target company.

Generally, control premiums may be impacted by a range of factors including the following:

- Specific acquirer premium and/or special value that may be applicable to the acquirer;
- Level of ownership in the target company already held by the acquirer;
- Market speculation about any impending transactions involving the target and/or the sector that the target belongs to;
- The presence of competing bids; and
- General market sentiment and economic factors.

To form our view of an appropriate range of control premium applicable to East 33 for the purposes of this Report, we have considered information which includes:

- Recent independent expert's reports which apply control premiums in the range of 20% to 40%;
- Various industry and academic research, which suggests that control premiums are typically within the range of 20% to 40%;
- Our own research on control premiums implied by the trading data of ASX listed companies. The average and median control premium found in our research are approximately within the range of 20% and 40%, based on one-day, one-week, and one-month prior trading prices;
- Various valuation textbooks; and
- Industry practice.

Having regard to the information set out above, in our view, it is appropriate to consider control premiums within the range of 20% to 40% for the purposes of assessing the Relevant Interest Acquisition within the context of this Report.

Appendix B: Comparable Trading Companies and Precedent Transaction Analysis

This section sets out information in relation to comparable companies that we consider broadly comparable to East 33. The information set out below includes a summary of the information that we have considered and the assumptions that we have adopted. This section is set out as follows:

- Section B.1 summarises trading multiples and descriptions for those listed companies we consider broadly comparable to East 33 in addition to providing an overview of each company; and
- Section B.2 summarises transaction multiples and descriptions of transactions where we consider the target to be broadly comparable to East 33.

B.1 Multiples of Broadly Comparable Trading Companies

It is useful to analyse the current trading multiples of exchange listed comparable companies to assist with our guideline comparable method valuation. Comparable trading multiples need to be treated with caution as not all companies operating in comparable industries can be readily compared to East 33.

Table B.1 and B.2 below set out the metrics and descriptions of the companies we consider broadly comparable to East 33. For Table B.1 specifically, we have considered three separate methodologies to estimate an EV/EBITDA and EV/revenue multiple:

- Financial year ('FY'): This EV/EBITDA and EV/Revenue multiple considers each listed companies' EBITDA and revenue as calculated by Capital IQ based on each company's most recently published annual results;
- Last-twelve-months ('LTM'): This EV/EBITDA and EV/Revenue multiple considers each listed companies' EBITDA and revenue as calculated by Capital IQ based on each company's last twelve months of published financial reports, including quarterly and/or mid-year financial results where applicable; and
- Next-twelve-months ('NTM'): This EV/EBITDA and EV/Revenue multiple considers each listed companies' forward (forecast) EBITDA and revenue based on broker estimates, as available in Capital IQ. As at the date of this Report, no forecast EBITDA and revenue estimate was available for Rare Foods Ltd, Murray Cod Ltd and New Zealand Coastal Seafoods Ltd.

Table B.1: Broadly Comparable Trading Company Multiples

				EV/REVENUE			EV/EBITDA		
Company	Financial Reporting Period	Country	Market capitalisation ($m)	FY	LTM	NTM	FY	LTM	NTM
Australia and New Zealand Mollusc and Aquafarmers									
Rare Foods Australia Limited	Aug-23	Australia	9.2	1.9x	1.9x	NM[1]	NM[1]	NM[1]	NM[1]
Clean Seas Seafood Limited	Dec-23	Australia	50.3	0.8x	0.7x	0.8x	5.5x	NM[1]	NM[1]
Murray Cod Australia Limited	Sep-23	Australia	103.4	9.7x	11.4x	NM[1]	NM[1]	NM[1]	NM[1]
New Zealand Coastal Seafoods Limited	Jun-23	New Zealand	0.3	0.1x	0.1x	NM[1]	NM[1]	NM[1]	NM[1]
New Zealand King Salmon Investments Limited	Jan-23	New Zealand	148.8	0.8x	0.8x	0.7x	118.2x	3.6x	5.5x
Sanford Limited	Mar-23	New Zealand	337.4	1.0x	1.0x	1.0x	10.0x	10.0x	6.2x
Mean			**108.0**	**2.4x**	**2.6x**	**0.8x**	**19.2x**	**NM[1]**	**0.5x**
Median			**77.0**	**0.9x**	**0.9x**	**0.8x**	**2.7x**	**NM[1]**	**5.5x**
Min			**0.3**	**0.1x**	**0.1x**	**0.7x**	**NM[1]**	**NM[1]**	**5.7x**
Max			**337.4**	**9.7x**	**11.4x**	**1.0x**	**118.2x**	**10.0x**	**6.2x**

Source: Capital IQ as at 28 February 2024, BDO Analysis

1 Not meaningful

Although the companies listed in Table B.1 above may be considered broadly comparable to East 33, differences exist between East 33 and each of the comparable companies. Specifically, we note that:

- The companies in Table B.1 are different in size compared to East 33 in terms of market capitalisation;
- Whilst East 33 operates solely in Australia, the geographic regions in which some of the companies operate extend beyond Australia, with some operating solely in New Zealand;
- The products and services offered by the companies in Table B.1 are often different to the ones provided by East 33. Some companies offer a broad range of products and have diversified revenue streams compared to East 33 which focuses solely on oyster farming and distribution; and
- Some of the comparable companies are listed on different exchanges compared to East 33.

Table B.2: Broadly Comparable Company Descriptions

Company	Company description
Rare Foods Australia Limited	Rare Foods Australia Limited engages in the abalone ranching business in Australia, Asia, Europe, and North America. It is involved in the harvesting of abalone; deployment and maintenance of artificial reef; and processing and distribution of the Greenlip abalone from the ocean ranching operations in Flinders Bay, Australia. The company was formerly known as Ocean Grown Abalone Limited and changed its name to Rare Foods Australia Limited in November 2021. Rare Foods Australia Limited was incorporated in 2011 and is based in Augusta, Australia.
Clean Seas Seafood Limited	Clean Seas Seafood Limited, together with its subsidiaries, operates in the aquaculture industry in Australia, Europe, North America, Asia, and internationally. The company engages in the propagation, harvesting, growing, and selling of Spencer Gulf Yellowtail Kingfish; and production and sale of fingerlings. The company was incorporated in 2000 and is based in Royal Park, Australia.
Murray Cod Australia Limited	Murray Cod Australia Limited, together with its subsidiaries, engages in breeding, growing, and marketing freshwater table fish in Australia. It is also involved in breeding and selling Murray Cod, Golden Perch, and Silver Perch as fingerlings. In addition, the company constructs and sells aquaculture equipment. Murray Cod Australia Limited was incorporated in 2010 and is headquartered in Griffith, Australia.
New Zealand Coastal Seafoods Limited	New Zealand Coastal Seafoods Limited, together with its subsidiaries, engages in the production processing, distribution, and export of seafood products and nutraceutical marine ingredients in New Zealand and internationally. It primarily offers dried ling maw, bulk ling fish maw, and bulk dried greenshell mussels; and nutraceutical ingredients, such as green lipped mussel powder, oyster powder, and astaxanthin extract products. The company was founded in 2016 and is based in Nedlands, Australia.
New Zealand King Salmon Investments Limited	New Zealand King Salmon Investments Limited, together with its subsidiaries, engages in the farming, processing, and sale of premium salmon products in New Zealand, North America, Australia, Japan, Europe, and internationally. It offers whole fish, fillets, raw portions, cold smoked, wood roasted, salmon and potato cakes, caviar, oil, kibble, and pet treats, as well as ready to cook portion with sauce sachet. The company sells its products to chefs, consumers, retailers, and wholesalers under the Ōra King, Regal, Southern Ocean, Omega Plus, and New Zealand King Salmon brands. New Zealand King Salmon Investments Limited was incorporated in 2008 and is headquartered in Nelson, New Zealand.
Sanford Limited	Sanford Limited engages in the harvesting, processing, and selling of seafood products. It operates through Wildcatch and Aquaculture segments. The company catches and processes inshore and deepwater fish species, as well as farms, harvests, and processes mussels and salmon. Its seafood products include Antarctic toothfish, arrow squid, barracouta, gemfish, ghost shark, greenshell mussels, hake, hapuku, hoki, john dory, kahawai, king salmon, lemon sole, ling, monkfish, New Zealand sole, orange roughy, red cod, scampi, silver warehou, smooth oreo dory, snapper, southern blue whiting, trevally, and yellowbelly flounder. It operates in New Zealand, North America, China, Australia, Europe, Other Asian countries, Japan, the Middle East, South Korea, Hong Kong, Central and South America, Africa, and Pacific. The company was founded in 1881 and is headquartered in Auckland, New Zealand.

Source: Capital IQ

B.2 Multiples of Broadly Comparable Transactions

We have also considered the multiples implied by recent sales transactions that involved companies broadly comparable to East 33.

The price achieved in a sales transaction generally provides reliable evidence of earnings multiples for a valuation as it represents the market value of a controlling interest (including a control premium) in the asset being acquired. We note, however, that each sales transaction is a product of a combination of factors which may or may not be specific to East 33, including:

- Economic factors;
- Regulatory framework;
- General investment and share market conditions;
- Synergy benefits specific to the acquirer; and
- The number of potential buyers.

We have conducted research into transactions involving companies that operate in the agricultural industry. The information needs to be considered with caution for reasons which include the following:

- The transactions often involve companies that differ in size compared with East 33;
- The transactions involve companies operating in different product segments to East 33;
- The financial information available on each of the transactions is limited; and
- Some of the transactions occurred outside of Australia under different regulatory and economic environments.

The results of our independent research, based on databases we subscribe to, is detailed in Table B.3 below. A description of each of the target companies in the broadly comparable transactions set out in Table B.3 and Table B.4 below.

Table B.3: Historical Comparable Transactions

Target	Acquirer	Completion date	Enterprise Value ($M)	Implied Historical EV/Revenue	Implied Historical EV/EBITDA
Angel Seafood Holdings Limited	Laguana Bay Group Pty Ltd	Jun-22	38	4.7x	135.3x
Huon Aquaculture Group	JBS S.A	Nov-21	721	1.7x	NM[1]
The Scottish Salmon Company	P/F Bakkafrost	Mar-20	986	2.6x	9.3x
Australis Seafoods S.A.	Beijing Joyvio Zhencheng Technology Co., Ltd.	Jul-19	1,238	2.1x	NM[1]
Marine Produce Australia Ltd	Barramundi Asia Pty Ltd	Aug-18	28	2.2x	NM[1]
Mareterram Pty Ltd	Sea Harvest International	Jul-16	62	3.8x	NM[1]
New Zealand King Slamon Investments Ltd	Oregon Group Ltd	Jul-14	165	1.7x	50.9x
Mean			**463**	**2.7x**	**30.1x**
Median			**165**	**2.2x**	**30.1x**
Min			**28**	**1.7x**	**9.3x**
Max			**1,238**	**4.7x**	**50.9x**

Source: Capital IQ as at 28' February

1 Not meaningful

A description of each of the target companies in the broadly comparable transactions set out in Table B.3 above is set out in Table B.4 below.

Table B.4: Target Descriptions - Broadly Comparable Transactions

Company	Company description
Angel Seafood Holdings Limited	Angel Seafood Holdings Limited produces, manufactures, markets, and sells organic and sustainable oysters in Australia and Asia. The company also exports its products. Angel Seafood Holdings Limited was incorporated in 2016 and is headquartered in Port Lincoln, Australia. As of June 21, 2022, Angel Seafood Holdings Limited was taken private.
Huon Aquaculture Group	Huon Aquaculture Group is an Australian company that operates in the aquaculture industry, specifically focusing on Atlantic salmon farming in Tasmania. They offer a range of products and services related to salmon, including slow smoked salmon that is rich in Omega-3. The company is based in Dover, Tasmania.
The Scottish Salmon Company	The Scottish Salmon Company PLC produces, processes, markets, and sells Scottish seafood products primarily in Scotland. The company provides Scottish Salmon. It offers its products under the Native Hebridean Salmon, Tartan Salmon Label Rouge, and Lochlander Salmon brand names. The company also exports its products to 26 countries. The Scottish Salmon Company PLC was incorporated in 2009 and is headquartered in Edinburgh, the United Kingdom. As of October 8, 2019, The Scottish Salmon Company PLC operates as a subsidiary of P/F Bakkafrost.
Australis Seafoods S.A	Australis Seafoods S.A., through its subsidiaries, produces, markets, and sells salmon in Chile and internationally. Its products include a range of Atlantic salmon - salar, Pacific salmon - coho, and trout products. Australis Seafoods S.A. was incorporated in 2007 and is based in Las Condes, Chile. As of July 1, 2019, Australis Seafoods S.A. operates as a subsidiary of Beijing Joyvio Zhencheng Technology Co., Ltd.
Marine Produce Australia Ltd	Marine Produce Australia Limited, together with its subsidiaries, operates in the seafood and aquaculture industry in Australia. It engages in the farming of fin fish in sea cages. The company develops and operates its Barramundi sea cage farm that covers 1,340 hectares in the ocean waters of Cone Bay in the Kimberley. Marine Produce Australia Limited is headquartered in Subiaco, Australia. As of August 8, 2018, Marine Produce Australia Limited operates as a subsidiary of Barramundi Group Ltd.
Mareterram Pty Ltd	Mareterram operates as an integrated agribusiness with a focus on the seafood industry. It holds a significant presence in the Shark Bay Prawn Fishery in Western Australia, where it primarily catches King, Tiger, and Endeavour prawns, as well as scallops. The company is distinguished for being the largest license holder within this fishery, which has been certified by the Marine Stewardship Council for its sustainable fishing practices. Mareterram Foods serves as the sales and marketing arm of the company, managing the sales of Norwest products from Shark Bay alongside other premium, sustainably caught seafood sourced from a global network of suppliers.
New Zealand King Salmon Investments Limited	New Zealand King Salmon Investments Limited, together with its subsidiaries, engages in the farming, processing, and sale of premium salmon products in New Zealand, North America, Australia, Japan, Europe, and internationally. It offers whole fish, fillets, raw portions, cold smoked, wood roasted, salmon and potato cakes, caviar, oil, kibble, and pet treats, as well as ready to cook portion with sauce sachet. The company sells its products to chefs, consumers, retailers, and wholesalers under the Ōra King, Regal, Southern Ocean, Omega Plus, and New Zealand King Salmon brands. New Zealand King Salmon Investments Limited was incorporated in 2008 and is headquartered in Nelson, New Zealand.

Source: Capital IQ

APPENDIX C: CONSIDERATION OF THE VALUE OF THE CONVERSION FEATURE OF THE FLOATING NOTE

In completing our valuation we have considered the value of the floating note.

C.1 Summary of Terms

The terms of the floating note include:

- The Convertible Note has a Face Value being the amount of the Secured Money under the Facility Agreement at the earlier of:
  - The Maturity Date (as defined in the Facility Documents); and
  - The date the Loan Facility may be earlier terminated due to a payment event of default or an insolvency event by East 33 (Relevant Event of Default), (Termination Date).
- Yumbah Finance may elect to convert all or part of the Face Value (Conversion Amount) into Shares in East 33 during the period commencing on the Business Day that is 10 Business Days prior to the Termination Date and concluding on the date that is 10 Business Days after Termination Date.
- The Conversion Price means the higher of:
  - $0.021; or
  - a 10% discount to the 20 Day VWAP calculated to the last trading day prior to the Conversion Date.
- In the event the issue of the ordinary shares may result in a contravention of the takeover thresholds by Yumbah Finance (inclusive of associates), then such conversion will be subject to the approval of non-associated Shareholders of East 33 for the purposes of section 611 item 7 of the Corporations Act.
- The Face Value of the Convertible Note may be repaid by either:
  - conversion in whole or part in line with the conversion terms above; and
  - the repayment of the remaining Secured Money payable under the under the terms of the Facility Agreement, following which the Convertible Note will be cancelled.

C.2 Consideration of Value

In considering the value to adopt for the floating note, we have considered matters including:

- The repayment profile for the Loan Facility is $1.0 million in the second year and $1.4 million in the third, fourth and fifth years for a total repayment amount of $5.2 million. This means that in circumstances that the full $15 million is drawn down as expected and, allowing for interest, that the final balance on the Loan Facility at the maturity date is approximately $11 million;
- The break even share price for the $0.021 conversion price becoming a 10% discount to VWAP is $0.023 (being $0.021 divided by 90%). We have assumed that the holder of the floating note would not convert into shares if their view of the value of the share price was less than $0.021. For the purposes of this Report, we believe it is appropriate to assume that the maximum value of the conversion feature of the floating note is akin to a 11.1% uplift (being 1 divided by 90%). This assumes that the 20-day VWAP is an appropriate proxy for the prevailing value of East 33 at the time. In 5 years time, an 11.1% uplift on $11 million would equate to approximately $1.2 million;
- Calculating the present value of the uplift assuming 4.25 years until maturity date and a discount rate of 17.5%[18] would result in the present value of the conversion uplift halving from $1.2 million to $600k;
- We have applied a 50% discount to the $600k to arrive at a value for the conversion feature of the floating note of $300k. In considering the 50% discount, we noted that there is no certainty that the floating note will convert for reasons including:
  - Shareholder approval will likely be required. There is no guarantee this will be able to be obtained;
  - Yumbah Finance may be of the view that the formula for the conversion price results in a value in excess of their view of a value of a share in East 33;
  - East 33 may be in an improved financial position and able to repay and/or refinance the outstanding debt amounts (prior to the period where conversion can be elected);
- In circumstances that there is an event of default, the balance that may be converted into shares will be higher as less repayments are likely to have been made. The conversion premium is also likely to be accessed earlier than the ultimate maturity date. We do not consider any further changes to value are required for these circumstances; and

[18] We consider a discount rate of 15% to 20% appropriate in the circumstances, and 17.5% represents the midpoint of this range.

- At times, Monte Carlo simulations can be used to model a spectrum of different outcomes. In this case, we consider that the uncertainty that exists in many of the assumptions to be modelled would result in the Monte Carlo valuation methodology being no more accurate than the approach set out above.

C.3 Treatment for Purposes of this Report

After consider the above, we have formed the view that for the purposes of the valuation work set out in this Report, it is appropriate to adopt the 31 January 2024 book value of $275k for the conversion feature of the floating note for the purposes of our valuation work both prior to and following the Relevant Interest Acquisition.

EAST 33

ACN 636 173 281

LODGE YOUR VOTE

ONLINE
https://investorcentre.linkgroup.com

BY MAIL
East 33 Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150

ALL ENQUIRIES TO
Telephone: 1300 554 474 Overseas: +61 1300 554 474

X99999999999

PROXY FORM

I/We being a member(s) of East 33 Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

☐ **the Chairman of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **10:00am (AEST) on Tuesday, 23 April 2024** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting, you can participate by logging in via Zoom at:
https://vistra.zoom.us/webinar/register/WN_eWqPrgTjQxmdnjOW0gM5BA

The Chairman of the Meeting intends to vote all available proxies in favour of all items of business.

STEP 2

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

Resolutions	For	Against	Abstain*
1 Approval to amend the terms of the Convertible Note Subscription Agreement for the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act			
2 Approval to issue the Conversion Shares (Tranche 1) to Yumbah Finance under item 7 of section 611 and Chapter 2E of the Corporations Act			
3 Amendment to Facility Documents for the purposes of ASX Listing Rule 10.1			

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name and email address of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

(a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and

(b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting Virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (AEST) on Sunday, 21 April 2024,** being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

ONLINE
https://investorcentre.linkgroup.com

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

BY MOBILE DEVICE

QR Code

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link **https://investorcentre.linkgroup.com** into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

BY MAIL
East 33 Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

BY FAX
+61 2 9287 0309

BY HAND
delivering it to Link Market Services Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

*during business hours Monday to Friday (9:00am - 5:00pm) and subject to public health orders and restrictions