

**ASX ANNOUNCEMENT**

**3 October 2024**

**Convertible Note Trust Deed Variation**

Mosaic Brands Limited (ASX:MOZ) attaches the terms of variation of the Convertible Note Trust Deed and its quoted Convertible Notes (ASX:MOZG), as approved by Convertible Note Holders at the Noteholder meeting held on 30 September 2024.

It is noted that to the extent ASX Listing Rule 7.1 would limit the number of Shares that could be issued in response to a Conversion Notice, the Company's obligation to issue shares is conditional upon the Company obtaining Shareholder approval for the purposes of Listing Rule 7.1. The Company intends to seek this approval at the Annual General Meeting.

*The announcement has been authorised by the Company Secretary*

– END –

*For further information please contact:*

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# Deed of Variation

**Convertible Note Trust Deed dated 28 September 2021**

Mosaic Brands Limited  
(ACN 003 321 579)

Melbourne Securities Corporation Ltd  
(ACN 160 326 545)

**Date:** 30 September 2024

## Parties

<b>Company</b>	<b>Name</b>	<b>Mosaic Brands Limited</b>
	ACN	003 321 579
	Address	61 Dunning Avenue, Rosebery NSW 2018
	Email	david.clarke@mosaicbrandsltd.com.au
	Attention	David Clarke
<b>Trustee</b>	<b>Name</b>	<b>Melbourne Securities Corporation Ltd</b>
	ACN	160 326 545
	Address	Level 2, 395 Collins Street, Melbourne VIC 3000
	Email	trustee@msc.group
	Attention	Company Secretary

## Background

- (a) The parties entered into the Convertible Note Trust Deed.
- (b) The parties propose to vary the terms of the Convertible Note Trust Deed in accordance with this deed.
- (c) The Trustee has received Noteholder approval under clause 12.2 of the Note Terms by way of special resolution to authorise it to agree to the variations.

## Operative provisions

### 1. Definitions and interpretation

#### 1.1 Definitions

**ASX** means ASX Limited ACN 008 624 691.

**Effective Date** means 30 September 2024.

**Convertible Note Trust Deed** means the convertible note trust deed between the Company and the Trustee dated on or about 28 September 2021. Any capitalised terms which are not defined in this deed have the same meaning as in the Convertible Note Trust Deed.

**Note Terms** means the terms and conditions of the convertible notes set out in Schedule 1 of the Convertible Note Trust Deed.

#### 1.2 Interpretation

Clause 1.2 (*Interpretation*) of the Convertible Note Trust Deed applies to this document as if set out in full in this document.

### 1.3 Trustee's limitation of liability

- (a) Clauses 13.1 (*Limitation of Liability*) - 13.3 (*Failure by the Company*) (inclusive) of the Convertible Note Trust Deed are incorporated into this deed, with any necessary changes.
- (b) Without limiting any indemnity given to the Trustee at law, the parties to this deed acknowledge that, subject to and in accordance with the Convertible Note Trust Deed, the Trustee is indemnified out of the Trust against any liability or loss arising from, and any costs properly incurred in connection with, complying with its obligations, and exercising its rights and discretions, under this deed.

### 1.4 Trustee liability must be limited and must be indemnified

The Trustee is not obliged to do or not do anything in connection with this deed (including enter into any transaction or incur any liability) unless:

- (a) the Trustee's liability is limited in a manner which is consistent with clause 13.1 (*Limitation of Liability*) of the Convertible Note Trust Deed;
- (b) the Trustee is indemnified (or otherwise put in funds) to its reasonable satisfaction against any liability or loss arising from, and any costs, charges and expenses (including those incurred in connection with advisers) properly incurred in connection with, doing or not doing that thing; and
- (c) it has received the relevant instructions from the relevant Noteholders.

### 1.5 Dealing by Trustee

- (a) The Company acknowledges that the Trustee may assign its rights and novate (or otherwise transfer) its obligations under this deed to any replacement note trustee that is appointed in accordance with the Convertible Note Trust Deed.
- (b) The Company agrees to enter into a novation deed with any such replacement note trustee in a form acceptable to the Trustee and such replacement note trustee (and, if the rights or obligations of the replacement note trustee would differ from those of the Trustee, on terms acceptable to the other parties).

### 1.6 Trustee assumes no obligations

The Trustee will not be deemed by virtue of this deed to have assumed any obligation of the Company or any other person under any law.

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## 2. Amendments to the Convertible Note Trust Deed

The parties agree that with effect on and from the Effective Date, the Note Terms in Schedule 1 of the Convertible Note Trust Deed are varied as follows:

#### (a) Note Principal Amount

The definition of "Note Principal Amount" in section 14.2 of the Note Terms is amended to read as follows:

**"Note Principal Amount** means, in respect of a Note, the Face Value for that Note (being \$1.5279 per Note as at 1 October 2024) plus all capitalised interest that has

been added in accordance with section 2.3, subject to further amendment in accordance with the Note Terms."

(b) **Maturity Date**

The definition of "Maturity Date" in section 14.2 of the Note Terms is amended by replacing "30 September 2024" with "31 March 2026".

(c) **Interest Rate**

The definition of "Cash Interest Rate" in section 14.2 of the Note Terms is amended by replacing "8.00% per annum" with "20.00% per annum".

(d) **Minimum Conversion Price**

The last line of clause 3.3 of the Note Terms is amended by replacing "\$0.25" with "\$0.10".

(e) **Shareholder approval condition**

A new clause 3.8 is inserted in the Note Terms as follows:

**"3.8 Shareholder approval condition**

Despite anything else in these Note Terms, to the extent that ASX Listing Rule 7.1 would limit the number of Shares that could be issued in response to a Conversion Notice, the Company's obligation to issue such Shares will (to that extent) be conditional upon the Company obtaining Shareholder approval for the purposes of ASX Listing Rule 7.1. The Company will treat such a Conversion Notice as remaining on foot pending such approval."

### 3. **Acknowledgment**

- (a) The Company acknowledges and agrees that the variations to the Convertible Note Trust Deed made by this deed do not affect the validity or enforceability of the Convertible Note Trust Deed.
- (b) With effect on and from the Effective Date, each party is bound by the Convertible Note Trust Deed and the Convertible Note Trust Deed continues in full force and effect as varied by this deed.
- (c) The Company acknowledges and agrees that (without restating, re-executing or amending any Transaction Security Interest) each Transaction Security Interest continues in full force and effect to guarantee and secure (as applicable) all of its liabilities and obligations under the Transaction Documents (including liabilities and obligations as amended by this deed).

### 4. **General**

#### 4.1 **Further action**

The Company must do all things necessary or desirable to give effect to the variations and this deed.

#### **4.2 Severability**

A provision of this deed that is illegal, invalid or unenforceable in a jurisdiction is ineffective in that jurisdiction to the extent of the illegality, invalidity or unenforceability. This does not affect the validity or enforceability of that provision in any other jurisdiction, nor the remainder of this deed in any jurisdiction.

#### **4.3 Counterparts**

This deed may be executed in any number of counterparts and by the parties on separate counterparts. Each counterpart constitutes the deed of each party who has executed and delivered that counterpart.

#### **4.4 Governing law and jurisdiction**

This deed is governed by the law of New South Wales and each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales. The Company waives any right to object to an action being brought in those courts, including on the basis of an inconvenient forum or those courts not having jurisdiction.

#### **4.5 Electronic signature and exchange**

Without limitation, the parties:

- (a) consent to each other party executing this deed by any method of electronic signature that other party uses (at that other party's discretion), including signing on an electronic device or by digital signature; and
- (b) agree that this deed may be exchanged by hand, post, facsimile or any electronic method that evidences a party's execution of this deed, including by a party forwarding a copy of its executed counterparty by hand, post, facsimile or electronic means to the other party.

## Executed as a deed

Signed, sealed and delivered by  
**Mosaic Brands Limited (ACN 003 321 579)**  
in accordance with section 127 of the  
*Corporations Act 2001* (Cth)



Signature of director

Richard Facioni

Name of director (print)



Signature director/secretary

David Clarke

Signature director/secretary (print)

Signed, sealed and delivered by  
**Melbourne Securities Corporation Ltd (ACN 160 326 545)** in accordance with section  
127 of the *Corporations Act 2001* (Cth)



Signature of director

Shelley Brown

Name of director (print)



Signature ~~director~~/secretary

Lauree Blair

Signature ~~director~~/secretary (print)