

16 April 2021

Dear Shareholder

## NOTICE TO INELIGIBLE SHAREHOLDERS OF RENOUNCEABLE RIGHTS ISSUE

We write to you as the registered holder of Cycliq Group Ltd (ASX: CYQ) (**Cycliq** or the **Company**) shares as at today's date. As advised in the Company's ASX announcement dated 7 April 2021, Cycliq is undertaking a fully underwritten renounceable pro-rata rights issue to eligible shareholders of ordinary fully paid shares in the Company at an issue price of \$0.001 per share and on the basis of 1.8 new shares (**New Shares**) for every 1 share held at the record date on Thursday 22 April 2021 (**Record Date**) together with 1 free attaching option (**New Option**) for every 2 New Shares issued (**Entitlement Offer**). Pursuant to the Entitlement Offer the Company will issue up to 4,146,646,613 New Shares and 2,073,323,307 New Options to raise approximately \$4,146,000 (before costs).

The Entitlement Offer is fully underwritten by CPS Capital Pty Ltd (**CPS Capital** or **Underwriter**).

The Entitlement Offer is available to all Cycliq shareholders (**Shareholders**) registered on the Record Date whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

Subject to the satisfactory completion of the Entitlement Offer, funds will be used to improve relationships with suppliers, research and develop new and improved products, to develop an e-commerce platform to sell those products directly to the consumer, to further develop the upRIDE platform, and to acquire larger volumes of stock to enable the largest market in the world to be penetrated – the United States of America, where there is already significant latent demand for the Company's products.

### Ineligible Shareholders

The Company has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers under the Prospectus to ineligible foreign shareholders. Accordingly, in compliance with ASX Listing Rule 7.7.1(b), the Company wishes to advise you that it will not be extending the Entitlement Offer to you.

In compliance with ASX Listing Rule 7.7.1(c), the Company has appointed CPS Capital (**Nominee**) as nominee for foreign holders with registered addresses outside of Australia or New Zealand (**Ineligible Foreign Shareholders**). The Company advises these Ineligible Foreign Shareholders that the Nominee will arrange for the sale of the rights to subscribe for the New Shares under the Entitlement Offer that would have been given to these Ineligible Foreign Shareholders, and if they are sold, for the net proceeds to be sent to the Ineligible Foreign Shareholders. The Nominee will have an absolute and sole discretion (subject to market conditions) to determine the timing and the price at which the rights may be sold and the manner of any such sale. CPS Capital will not be paid a fee in respect of its role as Nominee, although will be entitled to commission upon the sale of the rights.

Any interest earned on the proceeds of the sale of these rights will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the Ineligible Foreign Shareholders.

The net proceeds of the sale of these rights will then be forwarded by the Company as soon as practicable to the Ineligible Foreign Shareholders, in proportion to their share of such rights (after deducting brokerage commission and other expenses). Please note it is possible that no net proceeds will be available for distribution to Ineligible Foreign Shareholders, after the costs of the sale have been paid to the Nominee. We will inform you in due course of the outcome of the sale of your rights.

There is no guarantee that the Nominee will be able to sell the rights of Ineligible Foreign Shareholders on ASX and Ineligible Foreign Shareholders may receive no value for the rights. Both the Company and the Nominee take no responsibility for the outcome of the sale of such rights or the failure to sell such rights.



For all enquiries concerning the Entitlement Offer, please contact the Company Secretary, Arron Canicaïs, by telephone on +61 8 6555 2950 and for all general shareholder enquiries, please contact Advanced Share Registry Ltd on 1300 113 258 (within Australia) and +61 8 9389 8033 (outside Australia).

Yours sincerely

Arron Canicaïs  
Company Secretary  
Cycliq Group Ltd