

29th April 2021

Dear Shareholder

THE GO2 PEOPLE LTD – UPCOMING GENERAL MEETING OF SHAREHOLDERS

The GO2 People Ltd (ASX:GO2) (GO2 or the Company) will hold a General Meeting of its shareholders (the Meeting) on Monday, 31 May 2021 at 1/161 Great Eastern Highway, Belmont, commencing at 08.30am (WST). The Company advises shareholders that the Meeting will be held in compliance with the Australian Government's restrictions on public gatherings.

In accordance with temporary modifications to the Corporations Act under the Corporations (Coronavirus Economic Response) Determination (No. 3) 2020, the Company is not sending hard copies of the Notice of Meeting to Shareholders. The Notice of Meeting can be viewed and downloaded from this website link <https://thego2people.com.au/investor-centre>

The Board is aware that it may not be possible for Shareholders to attend the Meeting in person, and therefore strongly encourages Shareholders to vote by directed proxy. Proxy forms for the meeting should be lodged before 08:30am (WST) on Saturday, 29 May 2021. A copy of your personalised Proxy form is enclosed for convenience.

If it becomes necessary to make changes to the current arrangements for the Meeting, shareholders will be updated via the ASX Market Announcements Platform and also via the Company's website at <https://thego2people.com.au/investor-centre>

The Notice of Meeting should be read in its entirety. If a shareholder is in doubt as to how to vote, that shareholder should seek advice from an accountant, solicitor, or other professional adviser prior to voting.

The Company appreciates the understanding of shareholders during this time.

Yours faithfully



Matthew Thomson - Joint Company Secretary

The GO2 People Ltd
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Belmont, WA 6104
Phone: (08) 6151 9200
ASX: GO2
ACN: 616 199 896

www.thego2people.com.au

THE GO2 PEOPLE LTD

ACN 616 199 896

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 08:30 WST

DATE: 31st May 2021

PLACE: 1/161 Great Eastern Highway, Belmont WA

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

This Notice of Meeting 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.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 08:30am WST on 29 May 2021.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – APPROVAL TO ISSUE CONSIDERATION SHARES FOR THE ACQUISITION OF SKILL HIRE

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 194,439,675 Consideration Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely the Vendors) or an associate of that person (or those persons).

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) 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
 - (ii) 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 OF FINANCIAL ASSISTANCE

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

"That, pursuant to and in accordance with section 260B(3) of the Corporations Act and for all other purposes, approval is given for the Company to provide financial assistance to Vendors in accordance with the terms and conditions of the Acquisition (including any variation thereof), on the terms and conditions set out in the Explanatory Statement."

Dated: 29th April 2021

By order of the Board

A handwritten signature in black ink, appearing to read 'Matthew Thomson', written in a cursive style.

**Matthew Thomson
Company Secretary**

IMPORTANT INFORMATION

Voting by proxy

To vote by proxy, please sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

The Chair intends to vote undirected proxies on, and in favour of, all resolutions.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from the Company's share registry will need to verify your identity. You can register from 08:15am WST on the day of the meeting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6151 9200.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions. The ASX and its officers take no responsibility for the contents of this Notice.

1. RESOLUTION 1 – APPROVAL TO ISSUE CONSIDERATION SHARES TO VENDORS FOR THE ACQUISITION OF SKILL HIRE

1.1 Background to the Acquisition

As announced on 7 April 2021, the Company has entered into a share sale and purchase agreement (**Agreement**) with Asstock Pty Ltd (ACN 059 125 781) as trustee for the Stock Trust (**Asstock**), Shoreside Holdings Pty Ltd (ACN 074 187 741) as trustee for the Fitzpatrick Family Trust (**Shoreside**), BC Fund II Pty Ltd (ACN 159 952 315) as trustee for the Banksia Capital Fund II (**Banksia**), Goldfinch Discretionary Pty Ltd (ACN 600 386 454) as trustee for the Goldfinch Discretionary Trust (**Goldfinch**) and Everglades Investments Pty Ltd (ACN 152 461 660) as trustee for the Everglades Discretionary Trust (**Everglades**) under which the Company has conditionally agreed to acquire all of the issued capital of WA-based employment services provider, Skill Hire Australia Pty Ltd (ACN 143 386 707) (**Skill Hire**) from the Vendors (the **Acquisition**).

1.2 Background to Skill Hire

Skill Hire is one of Australia's leading employment services providers. It brings together the benefits of a registered training organisation, a group training organisation and an employment agency to empower people towards gainful employment.

Leveraging an excellent reputation and a strong presence across Western Australia and South Australia, Skill Hire delivers services to a loyal client base which comprises over 100 companies located in Australia. Skill Hire offers a wide range of training courses and qualifications that span a number of different industries, including pre-employment programs, apprenticeships and traineeships. Skill Hire delivers highly regarded government funded training in addition to fee for service training, with revenue generated via both business-to-business and business-to-consumer models. Skill Hire also offers blue-collar labour hire services to their clients.

The Directors consider that the acquisition of a highly synergistic business such as Skill Hire will provide a number of key benefits to the GO2 group which will drive Shareholder value whilst providing a platform for future growth. The core business model of both businesses is heavily geared towards the re-training and re-deployment of a national workforce impacted by the covid-19 pandemic and addressing significant skills shortages in the resources, building and construction sectors.

Upon completion of the Acquisition, Skill Hire's founders Messrs Robert Stockdale and Tony Fitzpatrick will join the Board of the Company, and the Company also intends to recruit an additional Non-Executive Director prior to the Company's annual general meeting for 2021.

Furthermore, GO2's recently acquired permanent recruitment business, Hunter Executive Search Consultants Pty Ltd (**Hunter Executive**), is also expected to benefit from the group's enlarged client base, geographical footprint, and a wider range of service offerings to cross-sell to clients.

Refer to the Company's notice of meeting dated 5 February 2021 (**February Notice**) and the ASX announcement dated 12 March 2021 for further detail regarding Hunter Executive.

1.3 Material terms and conditions of Acquisition

As announced on 7 April 2021, the Company has entered into the Agreement under which it has conditionally agreed to acquire the issued capital of Skill Hire from the Vendors.

On 28 April 2021, the Company announced that it has entered into an amendment deed with respect to the Agreement. The material terms of the Acquisition (as amended) are as follows:

- (a) **Acquisition:** The Company will acquire 100% of the issued share capital of Skill Hire from the Vendors, being the existing shareholders and option holders of Skill Hire, on the terms and conditions summarised below.
- (b) **Conditions Precedent:** Completion of the Acquisition (**Completion**) is subject to satisfaction (or waiver) of the following conditions precedent:
 - (i) there being no material adverse change to either the Company, Skill Hire or the business of the Skill Hire prior to Completion;
 - (ii) the Company obtaining all required Shareholder approvals to complete the Acquisition and for the issue of Consideration Shares pursuant to the Listing Rules (being, the purpose of Resolution 1);
 - (iii) the exercise or cancellation of options to acquire shares in Skill Hire in accordance with their terms;
 - (iv) the Company obtaining Shareholder approval for the entry into a general security deed by each of Skill Hire and Skill Hire WA Pty Ltd (ACN 143 388 881) (a wholly owned subsidiary of Skill Hire) (**Skill Hire WA**) and certain of the Vendors under which security is granted over the assets of Skill Hire and Skill Hire WA, and the provision of a corporate guarantee from the Company, to secure repayment of the amounts owing to the Vendors under the Agreement (**General Security Deeds**) in accordance with the Corporations Act (being, the purpose of Resolution 2); and
 - (v) Skill Hire having a minimum cash balance as set out in the Agreement at Completion (after payment of the Completion Cash Payment (defined below)).
- (c) **Consideration:** The consideration payable for the Acquisition is as follows:
 - (i) the Company has agreed to issue to an aggregate of 194,439,675 Shares to the Vendors on completion of the Acquisition (**Consideration Shares**) in the following proportions:
 - (A) 48,279,371 Consideration Shares to Asstock (being, 24.83% of the Consideration Shares);

- (B) 48,279,371 Consideration Shares, to Shoreside (being, 24.83% of the Consideration Shares);
 - (C) 70,095,503 Consideration Shares to Banksia (being, 36.05% of the Consideration Shares); and
 - (D) 27,785,430 Consideration Shares to the ESOP Holders (being, 14.29% of the Consideration Shares);
- (ii) the Company has agreed to pay an aggregate of \$6,250,000 in cash to certain of the Vendors from Skill Hire's available cash balance on completion of the Acquisition (the **Completion Cash Payment**); and
- (iii) the Company has agreed to pay a deferred cash payment of \$3,250,000 to the Vendors no later than 24 months following Completion (the **Deferred Cash Payment**). The unpaid amount of the Deferred Cash Payment will accrue interest at a rate of 8% per annum.
- (d) **Board changes:** The Company will appoint Messrs Robert Stockdale and Tony Fitzpatrick as representatives of Skill Hire to the Board at Completion; and
- (e) **Escrow:** The Vendors and the Company's two largest Shareholders (Goldfinch and Everglades) have agreed that the Consideration Shares issued to them and the Shares held by them (respectively) will be subject to voluntary escrow (which restricts disposal and not exercise of voting rights) for a period of 12 months (50% of the Shares) and 24 months (50% of the Shares) from Completion (other than 2,500,000 of the Shares held by Goldfinch if Mr Paul Goldfinch is removed or retires as an Executive Director prior to the Company's next annual general meeting to be held in 2021).

1.4 Capital structure

The anticipated effect of the Acquisition on the capital structure of the Company will be as follows:

	Shares	Options ³
Current issued capital	176,439,675	16,250,000
Consideration Shares to be issued to Vendors	194,439,675	Nil
<i>Total following completion of Acquisition</i>	<i>370,879,350</i>	<i>16,250,000</i>
Deferred Scrip Consideration to be issued to the Hunter Vendors	29,920,000 ¹	Nil
Total	400,799,350²	16,250,000

Notes:

1. As set out in the February Notice and as approved by Shareholders on 10 March 2021, the Company has agreed to issue the Deferred Scrip Consideration to the Hunter Vendors following the finalisation and announcement of its FY21 results (refer to resolution 2 of the February Notice). The Deferred Scrip Consideration is that number of Shares equivalent to 3 times the net profit (being, the operating profit before interest and dividends) of Hunter Executive for FY21 (**Operating Profit**), less \$900,000, issued at a price per Share equal to the 14-day VWAP of Shares calculated prior to the date of issue (subject to minimum issue price of 3 cents and a maximum issue price of 8 cents). Accordingly, the maximum number of Shares which may be issued to the Hunter Vendors based on an Operating Profit of \$599,200 (100% growth from FY20) and a 14-day VWAP equal to \$0.03 per Share (being, the minimum issue price) is 29,920,000 Shares (which is the value used for the purposes of the table set out above and the balance of this Notice). Refer to section 3.3 of the February Notice for further detail regarding the number of Shares which may be issued pursuant to the Deferred Scrip Consideration based on various assumptions (all of which result in a lesser number of Shares being issued).
2. Assuming 29,920,000 Shares are issued to each of the Hunter Vendors and the Vendors.
3. Comprising:
 - (a) 2,500,000 unlisted options exercisable at \$0.225 each on or before 20 June 2021;
 - (b) 5,000,000 unlisted options exercisable at \$0.30 each on or before 20 June 2021;
 - (c) 7,500,000 unlisted options exercisable at \$0.40 each on or before 20 June 2021; and
 - (d) 1,250,000 unlisted options exercisable at \$0.30 each on or before 17 December 2021.

1.5 Dilution

Assuming no Options are exercised or other Shares issued (including for the avoidance of doubt, the Deferred Scrip Consideration) and the Consideration Shares are issued, the shareholdings of existing Shareholders would be diluted by 52.43%.

1.6 Relevant Interest in Shares

Following issue of the Consideration Shares, the Vendors will have a relevant interest in Shares as set out in the table below.

	Consideration Shares	Relevant Interest in Shares then on issue in Company (%) ¹
Asstock	48,279,371	13.02%
Shoreside	48,279,371	13.02%
Banksia	70,095,503	18.90%
ESOP Holders	27,785,430	7.42%
Total	194,439,675²	52.43%

Notes:

1. Assuming there are 370,879,350 Shares on issue. The Company notes that interests of the Vendors will be diluted following issue of the Deferred Scrip Consideration to the Hunter Vendors.
2. The Company notes that the Vendors are not considered to be associates for the purposes of the Corporations Act.

1.7 Listing Rule 7.1

Resolution 1 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the Consideration Shares to the Vendors.

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

The proposed issue of the Consideration Shares does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1.

The issues therefore require the approval of Shareholders under Listing Rule 7.1.

1.8 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Consideration Shares to the Vendors. In addition, the issue of the Consideration Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 1 is not passed, the Company will not be able to proceed with the issue of the Consideration Shares, and the Acquisition will not proceed on its current terms, or potentially at all.

Resolution 1 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Consideration Shares.

1.9 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 1:

- (a) the Consideration Shares will be issued to the Vendors, being:
 - (i) Asstock Pty Ltd (ACN 059 125 781) as trustee for the Stock Trust (an entity associated with Mr Robert Stockdale) (**Asstock**);
 - (ii) Shoreside Holdings Pty Ltd (ACN 074 187 741) as trustee for the Fitzpatrick Family Trust (an entity associated with Mr Tony Fitzpatrick) (**Shoreside**);
 - (iii) BC Fund II Pty Ltd (ACN 159 952 315) as trustee for the Banksia Capital Fund II (**Banksia**); and
 - (iv) the ESOP Holders;
- (b) the maximum number of Consideration Shares to be issued is 194,439,675;

- (c) the Consideration Shares will be issued in the following proportions:
 - (i) 48,279,371 Consideration Shares will be issued to Asstock;
 - (ii) 48,279,371 Consideration Shares will be issued to Shoreside;
 - (iii) 70,095,503 Consideration Shares will be issued to Banksia; and
 - (iv) 27,785,430 Consideration Shares will be issued to the ESOP Holders;
- (d) the Consideration Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Consideration Shares will occur on the same date;
- (e) the Consideration Shares will be issued for nil cash consideration, in part consideration for the Acquisition of Skill Hire;
- (f) the purpose of the issue of the Consideration Shares is to part satisfy the Company's obligations under the Agreement. Accordingly, no funds will be raised from the issue of the Consideration Shares;
- (g) the Consideration Shares are being issued to the Vendors under the terms of the Agreement. A summary of the material terms of the Agreement is set out in Section 1.3 above; and
- (h) the Consideration Shares are not being issued under, or to fund, a reverse takeover.
- (i)

2. RESOLUTIONS 2 – APPROVAL OF FINANCIAL ASSISTANCE

2.1 Background

As set out above, a condition precedent to the Acquisition is the Company obtaining Shareholder approval for entry into the General Security Deeds under which security will be granted over the assets of Skill Hire and Skill Hire WA to secure repayment of amounts owing by the Company to the Vendors under the Agreement.

The Company is required to obtain Shareholder approval as the granting of security pursuant to the General Security Deeds constitutes the giving of financial assistance under Part 2J.3 of the Corporations Act.

2.2 Part 2J.3 and in particular, sections 260A and 260B of the Corporations Act

A company may be regarded as giving financial assistance if it gives something needed in order for a transaction to be carried out or something in the nature of aid or help. Common examples of financial assistance include issuing a debenture, giving security over the company's assets, and giving a guarantee or indemnity in respect of another person's liability. Grant of security pursuant to the General Security Deed in this context are or may be considered to be financial assistance.

Under section 260A of the Corporations Act, a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- (a) giving the assistance does not materially prejudice:
 - (i) the interests of the company of its shareholders; or
 - (ii) the company's ability to pay its creditors.
- (b) the assistance is approved by shareholders under section 260B of the Corporations Act; or
- (c) the assistance is exempted under section 260C of the Corporations Act.

Under section 260A(2) of the Corporations Act, financial assistance may be given before or after the acquisition of shares.

Under section 260B(1) of the Corporations Act, shareholder approval for financial assistance must be given by a special resolution passed at a general meeting of the company (Skill Hire and Skill Hire WA) that provided the assistance, or a resolution agreed to by all ordinary shareholders. Skill Hire and Skill Hire WA will each obtain the agreement of all their respective ordinary shareholders to the provision of such assistance.

Under section 260B(3) of the Corporations Act, if, immediately after the acquisition of shares to which the financial assistance relates, the company which provided the financial assistance (i.e. Skill Hire and its subsidiary) will have a holding company (i.e. the Company) that:

- (a) is a listed corporation; and
- (b) is not itself a subsidiary of a domestic corporation,

the financial assistance must also be approved by a special resolution passed at a general meeting of the body corporate that will be the holding company.

In this case:

- (a) on and from Completion, Skill Hire and its subsidiary will become subsidiaries of the Company; and
- (b) the Company is not a subsidiary of any other company,

therefore, pursuant to Resolution 2, the Company seeks Shareholder approval for the provision of financial assistance by Skill Hire and its subsidiary pursuant to the General Security Deeds.

In addition, the Company also seeks Shareholder approval for the provision of financial assistance by the Company pursuant to a corporate guarantee.

2.3 Reasons for and effect of giving the financial assistance

The grant of the security pursuant to the General Security Deeds is required to enable the Company to complete the Acquisition. As such, if the General Security Deeds are not entered to, the Acquisition will not complete.

2.4 Other information material to the decision

The Directors consider that this Notice contains all of the information known to the Company which would be material to the Shareholders in deciding whether to approve the Resolution 2.

The Directors are of the view that the Acquisition adds significant value for Shareholders and that approving the financial assistance is in the best interests of Shareholders.

For the reasons stated above, the Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

2.5 ASIC Notification

In accordance with section 260B(5) of the Corporations Act, a copy of this Notice of Meeting was lodged with ASIC before being provided to Shareholders.

In the event Shareholder approval is obtained, notification of the passing of Resolution 2 will also be given to the ASIC as well as notification of intention to give the financial assistance.

In accordance with section 260B(6) of the Corporations Act, the financial assistance the subject of Resolution 2 will not be given until 14 days after the ASIC has been notified of the passing of this Resolution 2.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691), or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

Company means The Go2 People Limited (ACN 616 199 896).

Consideration Shares means the 194,439,675 Shares to be issued to the Vendors in part consideration for the acquisition of Skill Hire, as detailed in Sections 1.1 and 1.3(c).

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

ESOP Holders means the employees of Skill Hire who have been issued options to acquire shares in the capital of Skill Hire.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

General Security Deeds means the general security deeds to be entered into between each of Skill Hire and Skill Hire WA and certain of the Vendors, under which security is granted over the assets of Skill Hire and Skill Hire WA to secure repayment of amounts owing to the Vendors under the Agreement.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Skill Hire WA means Skill Hire WA Pty Ltd (ACN 143 388 881), a wholly owned subsidiary of Skill Hire.

Vendors means Asstock Pty Ltd (ACN 059 125 781) as trustee for the Stock Trust, Shoreside Holdings Pty Ltd (ACN 074 187 741) as trustee for the Fitzpatrick Family Trust, BC Fund II Pty Ltd (ACN 159 952 315) as trustee for the Banksia Capital Fund II and the ESOP Holders.

WST means Western Standard Time as observed in Perth, Western Australia.