

AMENDMENTS TO CONVERTIBLE NOTES

18 JULY 2022: DC Two Limited (ASX: DC2) (“DC Two” or the “Company”), a vertically integrated revenue generating data centre, cloud and software business, wishes to provide an update to its capital raising announcement dated 2 May 2022, whereby it announced a capital raising of \$1,751,000 via the issue of 1,751,000 convertible notes with a face value of \$1.00 per note (**“Convertible Notes”**).

The Convertible Notes convert at a 20% discount to the 20 day volume weighted average price of the Company’s shares (**“Conversion Price”**). The Conversion Price is subject to price and ceiling floors.

Given the recent deterioration in market conditions and the associated fall in the Company’s share price (to a price below the proposed price floor), the Company is proposing to amend the floor and ceiling price of the Convertible Notes as follows:

- the floor price be amended from \$0.05 to \$0.025; and
- the ceiling price be amended from \$0.15 to \$0.08.

The Company expects that the reduction in price and ceiling floors will improve its ability to recover funds from the subscribers to the Tranche 2 Convertible Note and facilitate the equitable treatment of holders of the Tranche 1 and Tranche 2 Convertible Notes

The proposed amendments will increase the total number of fully paid ordinary shares and unquoted options that may be issued on conversion of the Convertible Notes, further details of which will be provided in the Company’s upcoming notice of general meeting.

As the Tranche 1 Convertible Notes have already been issued, the amendments to the floor and ceiling prices of the Tranche 1 Convertible Notes will be subject to shareholder approval pursuant to Listing Rule 6.23.4, which the Company will seek at the upcoming general meeting of shareholders.

This announcement has been approved for release by the Board of DC Two.

For more information please contact:

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Managing Director

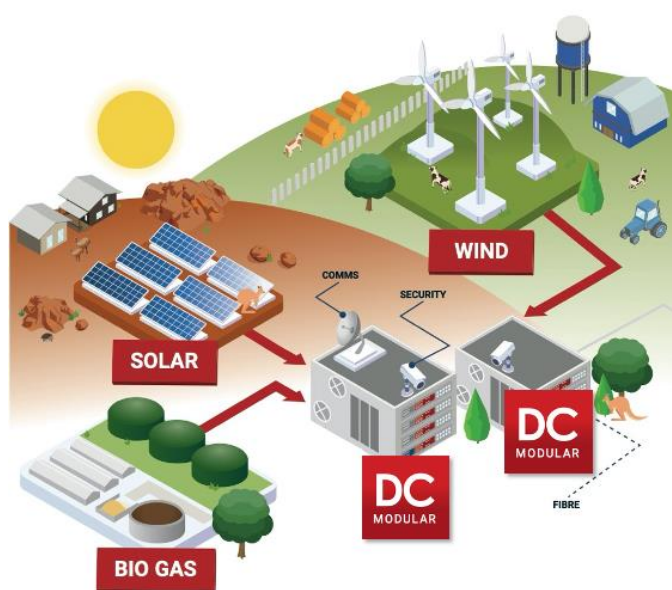
DC Two Limited

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ABOUT DC TWO

Established in 2012, DC Two offers a suite of vertically integrated services covering every part of the data centre and cloud technology stack. The Company offers a number of managed and integrated cloud services delivered from datacentres in Perth and Darwin and is currently rolling out DC Modular - a containerised "data centre in a box" innovation. DC Two also develops software assets to support our internal operations and provide enhanced control and flexibility, through automation and self-service, to our customers and technology partners, wherever they are.



ABOUT DC MODULAR

DC Two have developed a high density and transportable data centre that enables quick and easy deployment in any location. Based on durable ISO standard sea containers and non-ruggedized insulated variants, the transportable data centre only requires power and data connectivity and is suitable for high performance or supercomputing specific workloads.

FORWARD-LOOKING STATEMENTS

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices, or potential growth of DC

Two Limited, are, or may be, forward-looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results may differ materially from those expressed or implied by these forward-looking statements depending on various factors.