

CARLY HOLDINGS LIMITED
ACN 066 153 982

ENTITLEMENT ISSUE PROSPECTUS

For a pro-rata renounceable entitlement issue of one (1) Share for every Share held by those Shareholders registered at the Record Date at an issue price of \$0.024 per Share together with one (1) free New Option for every two (2) Shares applied for and issued to raise up to \$2,791,727 (based on the number of Shares on issue as at the date of this Prospectus) (**Entitlement Offer**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Securities offered by this Prospectus should be considered as highly speculative.

Details of actions Eligible Shareholders can take, including how to accept the Entitlement Offer, are set out in Section 2.2 of this Prospectus.



IMPORTANT NOTICE

This Prospectus is dated 5 October 2022 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be made by an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your

financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Overseas shareholders

The Offers do not, and is not intended to, constitute an offer in any place or jurisdiction in which, or

to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Entitlement Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

For further information on overseas Shareholders please refer to Section 2.9.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Please refer to Section 6.2 for further details.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of New Options issued under this Prospectus in accordance with the Entitlement Offer. The Company and Mahe Capital will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (<https://investors.carly.co/>). By making an application under the Entitlement Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at (<https://investors.carly.co/>). If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 2 8889 3644 during office hours or by emailing the Company at shareholder@carly.co.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain.

Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 7.

All references to time in this Prospectus are references to Australian Western Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers,

regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please contact the Company Secretary by telephone on +61 2 8889 3644 or email at shareholder@carly.co.

CORPORATE DIRECTORY

Directors

Adrian Bunter
Non-Executive Chairman

Christopher Noone
CEO/Executive Director

Stephen Abolakian
Non-Executive Director

Robbie Blau
Non-Executive Director

Todd Hunter
Non-Executive Director

Michelle Vanzella
Non-Executive Director

Kevin Wundram
Alternate Director for Mr Blau

Company Secretary

Karen Logan

Registered Office

Suite 3, Level 7, 189 Kent Street,
SYDNEY NSW 2000

Telephone: + 61 2 8889 3644
Email: shareholder@carly.co
Website: <https://investors.carly.co/>

Auditor

HLB Mann Judd (WA Partnership)
Level 4, 130 Street
PERTH WA 6000

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

Share Registry*

Automic Registry Services
Level 5, 126 Phillip Street,
SYDNEY NSW 2000

Telephone: 1300 288 664
Email: hello@automic.com.au
Website: www.automic.com.au

Legal advisers

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Lead Manager

Mahe Capital Pty Ltd (AFSL 517246)
Level 8
99 St Georges Terrace
PERTH WA 6000

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1. KEY OFFERS INFORMATION

1.1 Timetable

Lodgement of Prospectus with the ASIC	5 October 2022
Lodgement of Prospectus and Appendix 3B with ASX	5 October 2022
Ex date	7 October 2022
Rights start trading	7 October 2022
Record Date for determining Entitlements as at 5:00pm	10 October 2022
Offers opening date, Prospectus sent out to Shareholders and Company announces this has been completed	11 October 2022
Rights stop trading	19 October 2022
Securities quoted on a deferred settlement basis	20 October 2022
Last day to extend the Closing Date	21 October 2022
Closing Date as at 5:00pm*	26 October 2022
ASX notified of under subscriptions	28 October 2022
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Shares and New Options	2 November 2022
Quotation of Shares and New Options issued under the Entitlement Offer*	3 November 2022

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Securities are expected to commence trading on ASX may vary.

1.2 Key statistics of the Offers

Shares

	Minimum Subscription (\$2,000,000) ¹	Full Subscription (\$2,791,727) ²
Offer Price per Share	\$0.024	\$0.024
Entitlement Ratio (based on existing Shares)	1:1	1:1
Shares currently on issue	116,321,978	116,321,978
Shares to be issued under the Entitlement Offer ³	83,333,333	116,321,978
Gross proceeds of the issue of Shares	\$2,000,000	\$2,791,727
Shares on issue Post-Offers	199,655,311	232,643,956

Notes:

1. Assuming the Minimum Subscription of \$2,000,000 is achieved under the Entitlement Offer.
2. Assuming the Full Subscription of \$2,791,727 is achieved under the Entitlement Offer.

- Refer to Section 4.1 for the terms of the Shares.

Options

	Minimum Subscription (\$2,000,000) ¹	Full Subscription (\$2,791,727) ²
Offer Price per New Option	Nil	Nil
Option Entitlement Ratio (based on Shares subscribed for and issued)	1:2	1:2
Options currently on issue	34,314,063	34,314,063
New Options to be issued under the Entitlement Offer ³	41,666,667	58,160,989
New Options to be issued pursuant to the Lead Manager Offer ^{4,5}	2,000,000	2,791,727
Gross proceeds of the issue of Options	nil	nil
Options on issue Post-Offers	77,980,730	95,266,779

Notes:

- Assuming the Minimum Subscription of \$2,000,000 is achieved under the Entitlement Offer.
- Assuming the Full Subscription of \$2,791,727 is achieved under the Entitlement Offer.
- Refer to Section 4.2 for the terms of the New Options.
- No funds will be raised from the Lead Manager Offer.
- Refer to Section 6.4.1 for a summary of the Lead Manager Mandate.

1.3 Key Risk Factors

Prospective investors should be aware that subscribing for Securities involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and its subsidiaries (collectively, the **Group**) and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 5.

1.4 Directors' Interests in Securities

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below:

Director	Shares	Unquoted Options	Quoted Options	Share Entitlement	New Option Entitlement	Entitlement \$
Christopher Noone ^{1,2}	1,033,875	6,646,666	129,125	1,033,875	516,938	\$24,813
Stephen Abolakian ^{3,4}	29,121,828	871,388	5,039,727	29,121,828	14,560,914	\$698,924

Director	Shares	Unquoted Options	Quoted Options	Share Entitlement	New Option Entitlement	Entitlement \$
Adrian Bunter ⁵	950,000	26,666	52,083	950,000	475,000	\$22,800
Robbie Blau ⁶	Nil	Nil	Nil	Nil	Nil	Nil
Todd Hunter ⁷	Nil	Nil	Nil	Nil	Nil	Nil
Michelle Vanzella	Nil	Nil	Nil	Nil	Nil	Nil
Kevin Wundram ⁶	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- 1,033,875 Shares are held by Mr Noone indirectly through Noone Holdings Pty Ltd as trustee for C&K Noone Family Trust.
- The following Options are held by Mr Noone indirectly through Noone Holdings Pty Ltd as trustee for C&K Noone Family Trust:
 - 26,666 Unquoted Options exercisable at \$0.3750 each on or before 31 October 2022;
 - 129,125 Quoted Options exercisable at \$0.16 each on or before 31 May 2023; and
 - 1,620,000 Unquoted T1 to T3 Executive Options exercisable at \$0.375 on or before 19 November 2025 and 5,000,000 Unquoted TA to TD Executive Options exercisable at between \$0.10 to \$0.30 each on or before 18 November 2026.
- 29,121,828 Shares, 871,388 Unquoted Options exercisable at \$0.375 each on or before 31 October 2022 and 5,039,727 Quoted Options exercisable at \$0.16 each on or before 31 May 2023 are held indirectly by Mr Abolakian through Willoughby Capital Pty Ltd as trustee for Willoughby Capital Trust (**Willoughby**). Mr Abolakian is a potential beneficiary of the trust.
- MNA Family Holdings Pty Ltd holds 612,500 Shares, 17,500 Unquoted Options exercisable at \$0.375 each on or before 31 October 2022 and 87,500 Quoted Options exercisable at \$0.16 each on or before 31 May 2023. Mr Abolakian's parents are directors and shareholders of MNA Family Holdings Pty Ltd and are beneficiaries of the Hishenk Pty Ltd Superannuation Fund. Mr Abolakian's father is sole director and both his parents are shareholders of Hishenk Pty Ltd.
- Mr Bunter holds 950,000 Shares, 26,666 Unquoted Options exercisable \$0.375 each on or before 31 October 2022 and 52,083 Quoted Options exercisable at \$0.16 each on or before 31 May 2023.
- SG Fleet Management Pty Limited (**SG Fleet**), a subsidiary of SG Fleet Group Limited, holds 22,977,932 Shares and 888,888 Unquoted Options exercisable at \$0.375 each on or before 31 October 2022 and 3,962,166 Quoted Options exercisable at \$0.16 each on or before 31 May 2023. Mr Blau is a director, shareholder and Chief Executive Officer of SG Fleet Group Limited, of which SG Fleet is a wholly-owned subsidiary. Mr Wundram is a director, shareholder and Chief Financial Officer of SG Fleet Group Limited.
- Turners Automotive Group Limited holds 5,000,000 Shares in the Company. Mr Hunter is the CEO and a shareholder of Turners.

The Board recommends all Shareholders take up their Entitlements. The Board advises that Mr Bunter and Mr Noone intend to take up their full Entitlements. Mr Abolakian has an interest indirectly via Willoughby and that intention is disclosed in Section 1.5 below. Mr Hunter, Ms Vanzella and Mr Blau do not hold any Securities in the Company.

1.5 Details of Substantial Holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Willoughby Capital Pty Ltd <Willoughby Capital A/C> ¹	29,734,328	25.56%
SG Fleet Management Pty Limited	22,977,932	19.75%

Notes:

1. MNA Family Holdings Pty Ltd holds 612,500 Shares, 17,500 Unlisted Options exercisable at \$0.3750 each on or before 31 October 2022 and 87,500 Listed Options exercisable at \$0.16 each on or before 31 May 2023. Mr Abolakian's parents are directors and shareholders of MNA Family Holdings Pty Ltd and are beneficiaries of the Hishenk Pty Ltd Superannuation Fund. Mr Abolakian's father is also the controller of Willoughby and accordingly MNA Family Holdings Pty Ltd and Willoughby are associates for the purposes of the Corporations Act.

The Company has been advised that it is the current intention of SG Fleet to take up 50% of its Entitlement under the Entitlement Offer subject to the Minimum Subscription being reached. Assuming SG Fleet takes up 50% of its Entitlement (assuming the Minimum Subscription of \$2,000,000 is achieved), SG Fleet's voting power in the Company will be reduced to 17.26%.

The Company has been advised that it is the current intention of Willoughby to take up 50% of its Entitlement under the Entitlement Offer subject to the Minimum Subscription being reached. Assuming Willoughby takes up 50% of its Entitlement (assuming the Minimum Subscription of \$2,000,000 is achieved), Willoughby's voting power in the Company will be reduced to 22.34%.

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offers.

1.6 Lead Manager

Mahe Capital Pty Ltd (AFSL 517246) (**Mahe Capital** or **Lead Manager**) has been appointed as the lead manager of the Entitlement Offer. Terms of the lead manager mandate and total fees payable to Mahe Capital are set out in Section 2.1.2 and Section 6.4.1 below.

1.7 Effect on Control

Based on current shareholding and Entitlements of Shareholders (including substantial Shareholders) as at the date of this Prospectus, regardless of the amount raised under the Offer, no Shareholder will increase their holding, to an amount in excess of 19.9% through applying for their Entitlements. In this regard, the Company also notes the intention of SG Fleet and Willoughby in relation to its respective Entitlements as set out in Section 1.5 above.

Further as set out in Section 2.6, on the basis of the allocation policy, no person will acquire, through participation in the Shortfall Offer a holding of Shares of, or increase their holding to, an amount in excess of 19.9% of all the Shares on issue on completion of the Offer.

There will be no change to any Shareholder's voting power as a result of the issue of the New Options. Where New Options are exercised into Shares, the

voting power of the Shareholders who exercise the New Options will increase. The likelihood of New Options being exercised is dependent on the price of Shares from time to time until the New Options expire.

1.8 Potential dilution on non-participating Shareholders

In addition to potential control impacts set out in Section 1.7, Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately up to 50%, assuming Full Subscription (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Entitlement Offer, are likely to be diluted by an aggregate of between 51.80% (at Minimum Subscription) and 50% (at Full Subscription) (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	1,000,000	0.860%	1,000,000	1,000,000	0.430%
Shareholder 2	500,000	0.430%	500,000	500,000	0.215%
Shareholder 3	150,000	0.129%	150,000	150,000	0.064%
Shareholder 4	40,000	0.034%	40,000	40,000	0.017%
Shareholder 5	5,000	0.004%	5,000	5,000	0.002%

Notes:

1. This is based on a share capital of 116,321,978 Shares as at the date of the Prospectus and assumes no Options currently on issue or other Shares are issued.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

2. DETAILS OF THE OFFERS

2.1 The Offers

2.1.1 Entitlement Offer

The Entitlement Offer is being made as a pro-rata renounceable entitlement issue of one (1) Shares for every Share held by Shareholders registered at the Record Date at an issue price of \$0.024 per Share together with one (1) New Option for every two (2) Shares subscribed for and issued. Fractional entitlements will be rounded down to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming no Shares are issued prior to the Record Date including on exercise or conversion of securities on issue) up to approximately 116,321,978 Shares and 58,160,989 New Options may be issued under the Entitlement Offer to raise up to \$2,791,727 (assuming Full Subscription). No funds will be raised from the issue of the New Options.

As at the date of this Prospectus the Company has 34,314,063 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Entitlement Offer. Please refer to Section 4.2 for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares. The New Options will be quoted, exercisable at \$0.06 each, on or before 31 October 2024 and otherwise on the terms set out in Section 4.2.

The purpose of the Entitlement Offer and the intended use of funds raised are set out in Section 3.

2.1.2 Lead Manager Offer

This Prospectus also includes the offer of up to 2,791,727 New Options (assuming Full Subscription) to be issued to Mahe Capital (or its nominee) as part of the consideration for lead manager services provided by Mahe Capital in connection with the Entitlement Offer (**Lead Manager Offer**).

The New Options offered under the Lead Manager Offer will be issued on the terms and conditions set out in Section 4.2. No funds will be raised from the issue of the New Options.

Only Mahe Capital may accept the Lead Manager Offer. A personalised Application Form in relation to the Lead Manager Offer will be issued to Mahe Capital (or its nominee) together with a copy of this Prospectus.

2.2 Entitlement Offer - What Eligible Shareholders may do

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form which can be accessed at <https://investor.automic.com.au/#/home>. Eligible Shareholders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
Take up all of your Entitlement	<p>(a) Should you wish to accept all of your Entitlement, then your application for Securities under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which can be accessed at https://investor.automic.com.au/#/home. Please read the instructions carefully.</p> <p>(b) Payment can be made by the methods set out in Section 2.3. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.</p>	Section 2.3 and Section 2.4.
Take up all of your Entitlement and also apply for Shortfall Securities	<p>(a) Should you wish to accept all of your Entitlement and apply for Shortfall Securities, then your application for your Entitlement and additional Shortfall Securities under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which can be accessed at https://investor.automic.com.au/#/home. Please read the instructions carefully.</p> <p>(b) Payment can be made by the methods set out in Section 2.3. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying.</p> <p>(c) If you apply for Shortfall Securities beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Securities is at the Company's absolute discretion as per the allocation policy set out in Section 2.6. Accordingly, your application for additional Shortfall Securities may be scaled-back.</p> <p>(d) The Company's decision on the number of Shortfall Securities to be allocated to you will be final.</p>	Sections 2.3, 2.4 and 2.6.
Sell all of your Entitlement on ASX	<p>(a) The Entitlements under the Entitlement Offer are renounceable which means that all or part of an Eligible Shareholder's rights to subscribe for Securities under the Entitlement Offer may be traded on ASX.</p> <p>(b) If you wish to sell all of your Entitlement</p>	N/A

Option	Key Considerations	For more information
	<p>on ASX, provide instructions to your stockbroker regarding the Entitlement you wish to sell on ASX. Trading of Entitlements will commence on ASX on 7 October 2022 and will cease on 19 October 2022.</p> <p>(c) There is no guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on ASX or that any particular price will be paid for the Entitlements sold on ASX.</p>	
<p>Take up a proportion of your Entitlement and sell the balance on ASX</p>	<p>(a) If you wish to take up only part of your Entitlement, your application must be made by completing the personalised Entitlement and Acceptance Form which can be accessed at https://investor.automic.com.au/#/home for the number of Securities you wish to take up and making payment using the methods set out in Section 2.3 below. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.</p> <p>(b) Subsequently, provide instructions to your stockbroker regarding the proportion of your Entitlement you wish to sell on ASX.</p>	<p>Section 2.3 and Section 2.4</p>
<p>Take up a proportion of your Entitlement and allow the balance to lapse</p>	<p>If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which can be accessed at https://investor.automic.com.au/#/home for the number of Securities you wish to take up and making payment using the methods set out in Section 2.3 below. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.</p>	<p>Section 2.3 and Section 2.4</p>
<p>Sell all or a proportion of your Entitlement other than on ASX</p>	<p>(a) You may elect to transfer all or a proportion of your Entitlement to another person other than on ASX. If the purchaser of your Entitlement is an Ineligible Shareholder or a person that would be an Ineligible Shareholder if they were a registered holder of Shares, that purchaser will not be able to take up the Entitlement they have purchased.</p> <p>(b) If you are a Shareholder on the issuer sponsored subregister and you wish to</p>	<p>N/A</p>

Option	Key Considerations	For more information
	<p>transfer all or a proportion of your Entitlement to another person other than on ASX, forward a completed standard renunciation and transfer form (obtainable from the Share Registry) and the applicable transferee's cheque for the Shares they wish to subscribe for payable to "Carly Holdings Limited" and crossed "Not Negotiable" to the Share Registry by post at any time after the issue of this Prospectus and on or before the Closing Date at the following address:</p> <p>By Post:</p> <p>Carly Holdings Limited c/- Automic Registry Services Level 5, 126 Phillip Street SYDNEY NSW 2000</p> <p>(c) If you wish to transfer all or a proportion of your Entitlement to or from another person on the CHES subregister you must engage your CHES controlling participant (usually your stockbroker). If the transferee wants to exercise some or all of the Entitlement, you should follow your stockbroker's instructions as to the most appropriate way to take up the Entitlement on their behalf. The Application Monies for Shares the transferee of the Entitlement wants to acquire must be received by Share Registry.</p>	
<p>Allow all or part of your Entitlement to lapse</p>	<p>(a) Shareholders should be aware that their Entitlement may have value. Entitlement are renounceable, which enable Eligible Shareholders who do not wish to take up part or all of their Entitlement to seek to sell or trade all or some of their Entitlement on ASX or otherwise.</p> <p>(b) If you do not wish to accept or trade any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement or dispose of your Entitlement by the Closing Date, the Entitlement Offer to you will lapse.</p>	<p>N/A</p>

2.3 Payment options

(a) **By BPAY®**

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 5:00pm (AEDT) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

Guidance where you have more than one CRN (Shareholding of Shares)

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. **Do not use the same CRN for more than one of your Shareholdings.** This can result in your Application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any Application in respect of your remaining Shareholdings will not be valid).

(b) **By Electronic Funds Transfer (overseas applicants)**

For payment by Electronic Funds Transfer (**EFT**) for overseas Eligible Shareholders, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole

number of Shares which is covered in full by your Application monies; and

- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

(c) **By Cheque**

Payment by cheque or cash will not be accepted.

2.4 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® or EFT will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety; and
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® or EFT payment instruction is given in relation to any Application monies, the application may not be varied or withdrawn except as required by law.

2.5 Minimum Subscription

The minimum subscription in respect of the Entitlement Offer is \$2,000,000 (**Minimum Subscription**).

No Securities will be issued until the minimum subscription has been received. If the minimum subscription is not achieved within 4 months after the date of issue of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their Application monies.

2.6 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer (**Shortfall Securities**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.024 being the price at which Shares have been offered under the Offer.

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Offer and potentially be allocated to other Eligible Shareholders or other third parties as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of Shares proposed to be issued under the Offer.

Eligible Shareholders who wish to subscribe for Securities above their Entitlement are invited to apply for Shortfall Securities under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Securities in accordance with Section 2.3.

The Board presently intends to allocate Shortfall Securities as follows:

- (a) to Eligible Shareholders who apply for an excess of their full Entitlement, so long as the issue of Shortfall Securities to that Eligible Shareholder would not take their voting power to in excess of 19.99%; and then
- (b) to other parties identified by the Directors, which may include parties who are not currently Shareholders.

No Shares will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.99%.

The Company reserves the right to issue an Eligible Shareholder a lesser number of Shortfall Securities than applied for or no Shortfall Securities at all. However, the Directors do not intend to refuse an application for Shortfall Securities from Eligible Shareholders other than in circumstances of oversubscription or where acceptance may result in a breach of the Corporations Act. If the number of Shortfall Securities applied for by Eligible Shareholders exceeds the total Shortfall, the Shortfall Securities will be allocated among applying Eligible Shareholders proportionate to their existing holdings.

All decisions regarding the allocation of Shortfall Securities will be made by the Directors and will be final and binding on all applicants under the Shortfall Offer; as such there is no guarantee that any Shortfall Securities applied for will be issued to Eligible Shareholders.

The Company will have no liability to any Applicant who receives less than the number of Shortfall Securities they applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Securities under the Shortfall Offer any Application monies will be returned (without interest) as soon as practicable.

2.7 Quotation of Shares and New Options

Application for Official Quotation of the Shares and New Options offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Shares and New Options offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and New Options and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares and New Options is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

2.8 Issue of Securities

Securities issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.

Securities issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Securities issued is less than the number applied for, or where no issue is made surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all Application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Securities issued under the Offers will be mailed as soon as practicable after the issue of Securities and for Shortfall Securities issued under the Shortfall Offer as soon as practicable after their issue.

2.9 Overseas shareholders

The Offers do not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

New Zealand

The Shares and New Options are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the Entitlement Offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021. In addition, the Company is issuing New Options to existing shareholders of the Company for no consideration.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Nominees and custodians

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia and New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

2.10 Appointment of Nominee

Pursuant to ASX Listing Rule 7.7, the Company has appointed a nominee, Mahe Capital, to sell the Entitlements to which Ineligible Shareholders are entitled. The nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale.

The proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the relevant Ineligible Shareholders as described below.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the nominee must sell Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds. In this regard, the nominee will not be required to sell Ineligible Shareholders' Entitlements at a particular price.

Shareholders resident in Australia or New Zealand holding Securities on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offers do not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Offers

The purpose of the Entitlement Offer is to raise up to \$2,791,727 before costs. No funds will be raised from the Lead Manager Offer.

The funds raised from the Offer are intended to be applied in accordance with the table set out below:

Item	Proceeds of the Offer	Minimum Subscription (\$2,000,000)	%	Full Subscription (\$2,791,727)	%
1.	Vehicle supply, customer acquisition and sales and marketing activities	\$1,150,000	57%	\$1,750,000	63%
2.	Technology platform enhancements and R&D	\$400,000	20%	\$475,000	17%
3.	Operating, corporate and administrative expenses ¹	\$275,000	14%	\$325,000	12%
4.	Expenses of the Offer ²	\$163,227	8%	\$175,000	6%
5.	General working capital	\$11,773	1%	\$66,727	2%
	Total	\$ 2,000,000	100%	\$2,791,727	100%

Notes:

1. Funds allocated to operating, corporate and administrative expenses relate to ongoing expenditure of the Company, including fleet management, customer support and salaries and wages.
2. Refer to Section 6.8 for further details relating to the estimated expenses of the Offers.

In the event the Company raises more than the Minimum Subscription of \$2,000,000, the additional funds raised will be first applied towards item 1, followed by items 3, 2 and then 5. On completion of the Entitlement Offer, the Board believes the Company will have sufficient working capital to achieve these objectives.

In addition, it should be noted that the Company's budgets and forecasts will be subject to modification on an ongoing basis depending on the results achieved from its business activities and operations.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

3.2 Effect of the Entitlement Offer

The principal effect of the Offers, assuming Full Subscription is achieved, all Entitlements are accepted under the Entitlement Offer, and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, will be to:

- (a) increase the cash reserves by \$2,616,727 (after deducting the estimated expenses of the Entitlement Offer at Full Subscription) immediately after completion of the Entitlement Offer;
- (b) increase the number of Shares on issue from 116,321,978 as at the date of this Prospectus to up to 232,643,956 Shares; and
- (c) increase the number of Options on issue from 34,314,063 as at the date of this Prospectus to up to 95,266,779 Options.

3.3 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, is set out below.

Shares

	Number
Shares currently on issue	116,321,978
Shares offered pursuant to the Entitlement Offer ¹	116,321,978
Total Shares on issue after completion of the Offers	232,643,956

Notes:

1. Assuming that Full Subscription is achieved under the Entitlement Offer.

Options

	Number
Unquoted Options currently on issue:	11,695,081
Employee Options -T13 exercisable at \$0.50 each, on or before 1 January 2023 ¹	13,980
Employee Options -T14 exercisable at \$0.25 each, on or before 16 March 2023 ¹	60,000
Employee Options -T15 – exercisable at \$0.25 each, on or before 11 May 2023 ¹	120,000
Employee Options -T16 – Exercisable at \$0.25 each, on or before 1 September 2023 ¹	132,394
Unquoted Options exercisable at \$0.3750 each on or before 31 October 2022 ²	2,093,063
Executive Options 2020 exercisable at \$0.3750 on or before 19 November 2025 ²	1,620,000
Employee Options -T19 exercisable at \$0.0750 each on or before 1 September 2024 ²	1,349,193
Executive Options 2021 exercisable at \$0.10 to \$0.30 each on or before 18 November 2026 ²	5,000,000
Employee Options -T21 exercisable at 0.0540 each on or before 30 May 2025 ²	250,000

	Number
Employee Options -T22 exercisable at \$0.0720 each on or before 30 May 2025 ²	250,000
Employee Options -T23 exercisable at \$0.0437 on or before 1 September 2025 ²	806,451
Quoted Options on issue:	22,618,982
Options exercisable at \$0.16 each on or before 31 May 2023 ²	22,618,982
Total Options on issue as at the date of this Prospectus	34,314,063
New Options to be issued pursuant to the Entitlement Offer ^{3,4}	58,160,989
New Options to be issued under the Lead Manager Offer ^{3,4}	2,791,727
Total Options on issue after completion of the Offer	95,266,779

Notes:

1. The terms of these Options provide that the record date for the purposes of determining entitlements to any new such issue, will be such date required under the Listing Rules to afford the Optionholder an opportunity to exercise the Options held by the Optionholder.
2. The terms of these Options provide that there are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
3. Assuming that Full Subscription is achieved under the Entitlement Offer, and no take up of Entitlements by the Associated Parties.
4. The Company will apply for Official Quotation of the New Options on ASX.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 150,636,041 Shares and on completion of the Offers (assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date) would be 327,910,735 Shares (assuming Full Subscription, no take up of Entitlement by the Associated Parties and including the exercise of the New Options to be issued pursuant to the Lead Manager Offer).

No Shares, Options or Performance Rights on issue are subject to escrow restrictions, either voluntary or ASX imposed.

3.4 Pro-forma balance sheet

The audited pro-forma balance sheet as at 30 June 2022 shown below has been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Options or convertible securities are exercised prior to the Record Date and including expenses of the Offers.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	PROFORMA Minimum Raise	PROFORMA Full Raise
	\$	\$
CURRENT ASSETS		
Cash	2,642,180	3,422,134
Trade and other receivables	248,921	248,921
Other current assets	74,855	74,855
TOTAL CURRENT ASSETS	2,965,956	3,745,910
NON-CURRENT ASSETS		
Property, plant & equipment	271,277	271,277
Right of Use asset (Office Lease)	935,484	935,484
Intangible assets	7,967	7,967
Other non-current assets	200,255	200,255
TOTAL NON-CURRENT ASSETS	1,414,983	1,414,983
TOTAL ASSETS	4,380,939	5,160,893
CURRENT LIABILITIES		
Trade and other payables	848,306	848,306
Other current liabilities	170,865	170,865
Lease liability	377,291	377,291
TOTAL CURRENT LIABILITIES	1,396,462	1,396,462
NON-CURRENT LIABILITIES		
Lease liability	594,020	594,020
Other liabilities	28,472	28,472
Total Non-current Liabilities	622,492	622,492
TOTAL LIABILITIES	2,018,954	2,018,954
NET ASSETS (LIABILITIES)	2,361,985	3,141,939

	PROFORMA Minimum Raise	PROFORMA Full Raise
	\$	\$
EQUITY		
Issued capital	25,371,654	26,151,608
Reserves	905,610	905,610
Accumulated losses	(23,915,279)	(23,915,279)
TOTAL EQUITY	2,361,985	3,141,939

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

4.2 Terms of New Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the New Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.06 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00pm (AEDT) on or before 31 October 2024 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The New Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The New Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the New Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment

of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the New Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.

(k) **Change in exercise price**

A New Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Option can be exercised.

(l) **Transferability**

The New Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(m) **Quotation**

Application will be made by the Company to ASX for quotation of the New Options.

5. RISK FACTORS

5.1 Introduction

The Securities offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

5.2 Material risks

Risk Category	Risk
COVID-19 risk	<p>The novel coronavirus COVID-19 (COVID-19) is causing a significant change in economic conditions and the way in which businesses and consumers operate. This creates significant uncertainty and additional risk to the group for business planning and forecasting. The impact of the COVID-19 pandemic is ongoing and has caused significant disruption to global automotive supply chains which has resulted in a deficit of new cars in Australia and a substantial increase in the demand for and prices of used cars. The limited supply of vehicles is being experienced by automotive dealers, corporate fleets and Carly alike. The situation is ongoing and is also dependent on the efficacy and long-term performance of COVID-19 vaccines and measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided. The extent to which geographical lockdowns are used to limit mobility may impact the level of demand and access to vehicles.</p> <p>The Board regularly assesses the latest State and Federal</p>

Risk Category	Risk
	<p>Government updates in relation to the COVID-19 pandemic and implements and adjusts measures and policies as necessary. The Board will continue to regularly assess expenditure levels and the financial position of the group and growth opportunities that may be available to the business as a result of the COVID19 pandemic. The Company will communicate to the market any material changes to its precautionary measures in response to any COVID19 related disruption.</p>
<p>Level of demand and supply for assets</p>	<p>Group revenues depend upon attracting demand and supply for services. The success of the online services is influenced by the number of new users, the number of subscribers, the number of vehicle assets and other factors that affect the amount of revenues.</p> <p>A decline in supply or demand could lead to a decline in the number of assets and subscribers and volume of subscription transactions which in turn could impact the financial results of the Group</p> <p>Management deploys various paid and unpaid strategies to acquire supply and demand, both independently and in conjunction with strategic partners, to increase demand for subscriptions and grow the number of vehicle assets.</p> <p>Management monitors and regularly optimises customer acquisition and conversion activities based on strategic partnership opportunities and anticipated demand and vehicle availability and seasonality.</p>
<p>Innovation risk</p>	<p>The Group's ability to retain, increase, and engage its users and address their evolving needs and to increase revenues will depend heavily on management's ability to successfully create, launch and grow demand for new products, both independently and in conjunction with strategic partners. While the Group dedicates significant resources to understanding its vehicle suppliers, subscribers need and upgrading its product offering and sharing economy platform to remain innovative and in tune with trends, the Group's owners and subscribers may not be satisfied with its offerings or perceive that its offerings do not cater to their needs. Remaining innovative and developing new and unique product offerings require investment and configuration that requires monetary and internal resource investment which may erode the Group's competitive position and adversely affect the growth and profitability of the Group.</p> <p>The Group fosters a culture that encourages management to quickly develop and launch new and innovative products and introduce improvements to existing products. Management monitors and regularly assesses its products and adjusts resources deployed to and expended upon the various initiatives based on the feedback from its users and strategic partners and the Group's ability to successfully monetise its products offerings.</p>
<p>Growth risk</p>	<p>The Group's ability to increase revenues will depend heavily</p>

Risk Category	Risk
	<p>on management's ability to successfully retain, increase and engage its users and grow demand for its products both independently and in conjunction with strategic partners. The Group currently prioritises user engagement and strategic partnerships over short-term financial results, and management may make product decisions that may reduce the Group's short-term revenue or profitability if management believes that the decisions are consistent with current priorities of the businesses and benefit vehicle suppliers and subscribers and will thereby improve Group's financial performance over the medium to long term. These decisions may not produce the long-term benefits that management expects, in which case user growth and engagement, relationships with strategic partners and results of operations could be harmed.</p> <p>Management of growth is critical to the business but places pressure on resourcing, innovation and evolution of the businesses. The Board, together with management, continue to implement initiatives that it believes will deliver value to the Group by meeting customer needs and effectively utilising available financial resources.</p>
Insurance risk	<p>The Company, where economically feasible, may insure its operations in accordance with industry practice. However, even if insurance is taken out, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance of all risks associated with the Company's operations is not always available and where available the costs may be prohibitive.</p> <p>The Group business has a fleet insurance policy to cover owners and drivers of vehicles used for subscription. The insurance policy requires the Group to cover an initial component of claims, some or all of which may be recovered from the subscriber of the vehicle. The Group's business plan takes into account the payment of the first component of claims and settlement of some other damages claims. The Group has maintained a policy with the same insurer since inception. The claims paid out by the insurer are less than the cumulative premiums paid by the Group. The Group continues to monitor its insurance position with a view to ensuring ongoing insurance coverage and with the experience developed has undertaken discussions with possible alternative insurance providers. The Group does not expect there to be an issue in relation to obtaining insurance, however there can be no guarantee that the current insurer will continue to offer insurance coverage that is commercially acceptable to the Group and no guarantee that alternative insurance can be obtained on terms that may be commercially acceptable to the Group.</p>
Regulatory risks	<p>The introduction of new policies or legislation or amendments to existing policies or legislation and the failure by governments to act promptly to introduce new or amend</p>

Risk Category	Risk
	<p>existing policies or legislation that governs Group operations or contractual obligations, could impact adversely on the operations and, ultimately, the financial performance of the Group.</p> <p>In conjunction with its strategic partners, management monitors the policies and regulations that apply to Group operations and regularly engages and consults with government agencies.</p>
<p>Privacy and cyber security risks</p>	<p>The Group collects, transmits and stores commercial and financial information. Advances in computer capabilities, increasingly sophisticated tools and methods used by hackers and cyber terrorists, new discoveries in the field of cryptography or other developments may result in the Group's failure or inability to adequately protect its commercially sensitive information or against a disruption to the Group's online marketplaces. The Group relies upon the availability of its online services to provide services to its clients. Hackers could render the online services unavailable through a denial of service or other disruptive attacks. Although the Group has strategies in place to minimise such attacks, these strategies may not be successful. Unavailability of the online services could lead to a loss of revenues whilst the Group is unable to provide its product offerings and services. Further, it could hinder the Group's abilities to retain existing users or attract new users, which would have a material adverse impact on growth of the businesses.</p> <p>The Group has established measures and systems to minimise the likelihood of security breaches and these systems are regularly monitored for development or improvement. Network security and penetration testing assessments are conducted by third party auditors on Group systems.</p>
<p>Finance risk</p>	<p>There is no certainty regarding the ability of the Group to raise sufficient funds to meet its needs into the future. The Group's future capital requirements depend on a number of factors including its ability to generate sufficient income from its operations. The Group will need to raise additional capital from equity or debt sources. There can be no assurance that the Group will be able to raise such capital on favourable terms or at all. If adequate funds are not available on acceptable terms the Group may not be able to develop its business to the desired level or at all, and this may have an adverse impact on the Group's operations.</p> <p>The Board regularly assesses the financial position of the Group and continues to assess all funding alternatives available to ensure that it can continue to make good progress on all strategic growth areas and maintain focus on growing both demand for and supply of assets.</p>
<p>Intellectual Property risk</p>	<p>The Company has developed online products for its businesses. In particular, the Company has developed a platform to support its product offerings and facilitate transactions between vehicle owners and subscribers. The laws relating to intellectual property assist to protect the</p>

Risk Category	Risk
	<p>Company's proprietary rights in the intellectual property relevant to the Company's businesses. However, trademark registration, although an indicator of valid intellectual property ownership, is not indefeasible as any errors in the registration process can lead to registration being challenged or revoked. Accordingly, the Company cannot be certain that the validity, ownership or authorised use of intellectual property relevant to the Company's businesses will not be successfully challenged by third parties. In addition, there can be no guarantee that unauthorised use or copying of the Company's software, data, specialised technology or algorithms will be prevented.</p> <p>The Company has also sought and received protection of certain of its intellectual property, namely trademarks in Australia.</p>
<p>Vehicle Acquisition and Resale Risk</p>	<p>The Group acquires its own vehicles for the purpose of supplying these vehicles to subscribers. In acquiring these vehicles, the Group is exposed to changing market prices for new vehicles due to market supply and demand. The Group will at times place forward orders for new vehicles and is exposed to potential delays in the delivery of new vehicles. In acquiring new vehicles, the Group will be exposed to changing market conditions for second-hand vehicles. These market changes may have a positive or negative impact on the resale value of the second-hand vehicle. The Group is unable to predict with certainty what the value of the vehicle will be at a future point in time.</p> <p>The Group acquires a range of make and model of vehicle and engages with a range of partners and motor vehicle dealers to ensure prices for new vehicles are appropriately benchmarked. Where forward orders are placed, the Group looks to establish cancellable contracts in the event the supply of the vehicle is delayed. The Group takes a conservative view on the potential resale value of a vehicle and does not expose itself financially to large, end of term balloon payments where vehicles are financed via third party funders.</p>
<p>Interest Rate Risk</p>	<p>The Group has established an asset finance facility which will enable the Group to finance motor vehicle purchases at the prevailing asset finance market interest rate. The structure of the facility means that as each vehicle is purchased, it is possible that the interest rate used to finance a vehicle will be different from previous acquisitions.</p> <p>The Group monitors and reviews every vehicle acquisition quote to ensure that the prevailing asset finance market interest rate is applied at the time vehicles are acquired. The contractual terms are such that the interest rate and monthly payment are fixed for the term of each vehicle loan, and the term will be a maximum of four years from the date of acquisition of the relevant vehicle.</p>

5.3 Company specific

Risk Category	Risk
<p>Potential for dilution</p>	<p>In addition to potential control impacts set out in Section 1.8, Shareholders should note that if they do not participate in the Entitlement Offer, their shareholdings are likely to be diluted by approximately up to 50% (as compared to their shareholdings and number of Shares on issue as at the date of this Prospectus).</p> <p>It is not possible to predict what the value of the Company or a Share will be following the completion of the Entitlement Offer being implemented and the Directors do not make any representation as to such matters.</p> <p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.038 is not a reliable indicator as to the potential trading price of Shares after implementation of the Entitlement Offer.</p>
<p>Control risk</p>	<p>Willoughby and SG Fleet are currently the largest Shareholders of the Company and have a relevant interest in approximately 25.56% and 19.75% of the Shares in the Company respectively.</p> <p>The Company has been advised that it is the current intention of SG Fleet to take up 50% of its Entitlement under the Entitlement Offer subject to the Minimum Subscription being reached. Assuming SG Fleet takes up 50% of its Entitlement (assuming the Minimum Subscription of \$2,000,000 is achieved), SG Fleet's voting power in the Company will be reduced to 17.26%.</p> <p>The Company has been advised that it is the current intention of Willoughby to take up 50% of its Entitlement under the Entitlement Offer subject to the Minimum Subscription being reached. Assuming Willoughby takes up 50% of its Entitlement (assuming the Minimum Subscription of \$2,000,000 is achieved), Willoughby's voting power in the Company will be reduced to 22.34%.</p> <p>Willoughby and SG Fleets significant interest in the capital of the Company means that they are individually in a position to potentially influence the financial decisions of the Company, and their interests may not align with those of all other Shareholders.</p>
<p>Additional requirements for capital</p>	<p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Entitlement Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its operations. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the</p>

Risk Category	Risk
	Company.

Risk Category	Risk
<p>Going Concern</p>	<p>In the Company's annual report for the financial year ended 30 June 2022 (Financial Report), the independent auditor's report contained an emphasis of matter in relation to going concern. The emphasis of matter draws attention to Note 1(b) of the financial report and states that the factors described in that going concern note to the financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.</p> <p>As outlined in the independent auditor's report, it was the Directors opinion that there are reasonable grounds to believe that the Group will be able to continue as a going concern after consideration of the following factors:</p> <ul style="list-style-type: none"> (a) The Group held cash and cash equivalents of \$805,407 as at 30 June 2022. (b) The Directors remain committed to the long-term business plan, including ongoing review of current products and the potential introduction of new products that are anticipated to contribute to improved results as the business units progress. (c) The budgets and forecasts reviewed by the Directors for the next twelve months anticipate the business will continue to produce improved financial results. (d) The Group has demonstrated the ability to access various capital raising mechanisms as and when required. (e) These capital funding mechanisms are available via existing shareholders of the Group as well as potential new shareholders. For example, the Company raised: <ul style="list-style-type: none"> (i) \$654,810 before costs through a Tranche 2 Placement in December 2021, which was supported by the two largest shareholders; (ii) \$4,846,925 before costs through a renounceable rights issue and placement in May 2021, which was supported by a lead manager and corporate adviser; (iii) \$2,354,725 before costs (including offset of the \$850,000 Financing Facility and accrued interest) through a non-renounceable entitlement issue in October 2020, which was partly underwritten by existing shareholders and officers of the Company; (iv) \$2,205,730 via an investment from a strategic investor in November 2019; (v) \$507,875 from the exercise of employee and unquoted options in November 2019 and January 2020; (vi) \$1,598,491 before costs (including offset of a \$150,000 advance) through a non-

Risk Category	Risk
	<p>renounceable entitlement issue in August 2019, which was partly underwritten by existing shareholders and officers of the Company.</p> <p>Should the Group not be successful in generating sufficient funds from the above initiatives, including the H1 FY23 capital raise, there will exist a material uncertainty that may cast significant doubt on the ability of the Group to continue as a going concern and, therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the Financial Report.</p> <p>Notwithstanding the emphasis of matter in relation to the going concern paragraph included in the Financial Report, the Directors believe that upon the successful completion of the Offers, the Company will have sufficient funds to adequately meet the Company's current expenditure commitments and short term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long term working capital costs of the Company.</p>
Climate Risk	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <ul style="list-style-type: none"> (a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and (b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

5.4 General risks

Risk Category	Risk
Economic	General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business activities, as well as on its ability to fund those activities.
Market conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and in the Australian car subscription market in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Litigation risks	The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any material litigation.
Dividends	Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.
Taxation	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.</p>
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel.

Risk Category	Risk
	There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.
Economic conditions and other global or national issues	<p>General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p> <p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p> <p>Specifically, it should be noted that the current evolving conflict between Ukraine and Russia is impacting global macroeconomics and markets generally. The nature and extent of the effect of this conflict on the performance of the Company and the value of Shares remains unknown. The Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the conflict between Ukraine and Russia and overall impacts on global macroeconomics. Given the situation is continually evolving, the outcomes and consequences are inevitably uncertain.</p>

5.5 Speculative investment

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Securities offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Securities.

Before deciding whether to subscribe for Securities under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

6.1 Litigation

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against the Company.

6.2 Continuous disclosure obligations

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
12 September 22	Change of Director's Interest Notice
06 September 22	Change of Director's Interest Notice
02 September 22	Notification regarding unquoted securities - CL8

Date	Description of Announcement
02 September 22	Issue of Employee Options

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website <https://investors.carly.co/investor-relations/asx-announcements/>.

6.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	(\$)	Date
Highest	\$0.039	26 September 2022
Lowest	\$0.030	26, 27 and 28 July, 16, 22 and 26 August 2022
Last	\$0.038	30 September 2022

6.4 Material Contracts

6.4.1 Lead Manager Mandate

On 16 September 2022, the Company entered into a mandate agreement with Mahe Capital whereby Mahe Capital was engaged as lead manager to the Company with respect to the Entitlement Offer (**Lead Manager Mandate**). The material terms and conditions of the Lead Manager Mandate are summarised below:

Fees	
	Under the Lead Manger Mandate, the Company will pay/issue Mahe Capital (or its nominee):
	(a) one (1) New Option for every \$1 raised (excluding funds from Associated Parties);
	(b) a management fee of 1.0% of the total funds raised under the Entitlement Offer (Mahe Capital will have the right to subscribe for this fee in scrip under the Offer);
	(c) a lead manager fee of \$60,000 (Mahe Capital will have the right to subscribe for this fee in scrip under the Entitlement Offer); and
	(d) a placement fee of 5% of any shortfall placed, including any additional amount that might be placed under the Company's placement capacity (if applicable) (Placement Fee). The Placement Fee does not include funds raised from Associated Parties.
	All of the fees set out above are exclusive of GST.

	<p>The Company will pay Mahe Capital any expenses associated with the Entitlement Offer, subject to Mahe Capital obtaining the Company's consent prior to incurring any single expense greater than \$1,500.</p> <p>In the event that the Company or Mahe Capital terminate the Lead Manager Mandate, Mahe Capital will be entitled to receive \$30,000 as the termination fee.</p> <p>Associated Parties mean Willoughby Capital Pty Ltd, SG Fleet Management Pty Ltd, Turners Automotive Group Limited, Noone Holdings Pty Ltd and Adrian Maxwell Bunter.</p>
<p>Termination</p>	<p>The Company may terminate the Lead Manager Mandate at any time before any offers have been made by providing two (2) days written notice to Mahe Capital.</p> <p>Mahe Capital may terminate the Lead Manager Mandate at any time by providing two (2) days written notice of its intention to do so to the Company or if any of the following events occur:</p> <ul style="list-style-type: none"> (a) the Company defaults in relation to any term of the Lead Manager Mandate; (b) any information provided to Mahe Capital contains a false or a misleading statement; (c) the All Ordinaries Index as published by ASX falls 7% or more below the closing level on the date of the Lead Manager Mandate; (d) the price of COMEX gold or the price of NYMEX WTI crude oil fall 7% or more below the closing level on the date of the Lead Manager Mandate; or (e) any representations or warranties made by the Company are or become untrue.
<p>Right of First Refusal</p>	<p>The Company agrees to offer Mahe Capital the lead manager role in any future capital raising undertaken by the Company within six months of completion of the Offers.</p>

The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations, warranties, and confidentiality provisions).

6.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

- (a) as an inducement to become, or to qualify as, a Director; or
- (b) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offers.

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set in Section 1.4.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 2022 and 2021 Annual Report.

Director	Proposed FY 2023	FY 2022	FY2021
Christopher Noone ^{1, 2}	\$317,161	\$358,751	\$362,395
Adrian Bunter	\$30,000	\$30,000	\$27,000
Michelle Vanzella	\$30,000	\$30,000	\$27,000
Stephen Abolakian	\$30,000	\$30,000	\$27,000
Todd Hunter ³	\$30,000	\$30,000	\$27,000
Robbie Blau ⁴	\$30,000	\$30,000	\$27,000
Kevin Wundram ⁵	Nil	Nil	Nil

Notes:

1. During the 2022 financial year, Mr Noone received a short term incentive (**STI**) payment

of \$30,000 for the 2021 financial year (2021: \$46,875 for FY20) which represented 13% of the maximum amount payable (2021: 59% for FY20). As the STI for the 2022 financial year is dependent upon KPIs linked to annual audited results for the Group, Mr Noone will not be assessed for any bonus until after release of the 2022 Annual Report, once the audit has been completed and the Board has determined whether a bonus will be paid.

2. Includes share-based payment expense of \$51,961 in FY23 (FY22: \$67,950, FY21: \$69,145) in relation to options which are expensed over the vesting period from the date of grant.
3. Mr Hunter does not receive a fee for his appointment as a director of the Company as that appointment is in the context of his employment by Turners Automotive Group. Turners Automotive Group receives these fees as remuneration for Mr Hunter's services.
4. Mr Blau does not receive a fee for his appointment as a director of the Company as that appointment is in the context of his employment by SG Fleet. SG Fleet receives these fees as remuneration for Mr Blau's services.
5. Mr Wundram was appointed Alternate Director to Mr Blau effective 10 December 2019. No fee is paid as Mr Wundram is Alternate Director to Mr Blau.

6.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offers.

Mahe Capital Pty Ltd has acted as the lead manager of the Entitlement Offer. The Company estimates it will pay Mahe Capital Pty Ltd the fees set out in Section 6.4.1 (excluding GST and disbursements) for these services. The Company will also issue Mahe Capital Pty Ltd one (1) New Option for every \$1.00 raised under the Entitlement Offer (excluding funds raised from the Associated Parties).

Mahe Capital Pty Ltd has been appointed as the nominee under Listing Rule 7.7. Mahe Capital Pty Ltd will not be paid any additional fees for this service other than brokerage fees (which will be charged at cost).

Steinepreis Paganin has acted as the legal advisers to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$20,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$54,133 (excluding GST and disbursements) for legal services provided to the Company.

HLB Mann Judd (WA Partnership) (**HLB**) is the Company's auditor and has consented to the inclusion of the audited financial information of the Company as at 30 June 2022 in the pro-forma balance sheet set out in Section 3.4. During the 24 months preceding lodgement of this Prospectus with the ASIC, HLB has received \$82,500 (excluding GST) in fees from the Company for audit and review services provided in respect of the Company's financial reports.

6.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Mahe Capital has given its written consent to being named as the lead manager to the Entitlement Offer in this Prospectus. Mahe Capital has also given its consent to be named as the Company's nominee. Mahe Capital has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC. Mahe Capital (including its related entities) is not a Shareholder of the Company and currently has no relevant interest in any of the Company's securities.

Steinepreis Paganin has given its written consent to being named as the legal advisers to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

HLB Mann Judd (WA Partnership) (**HLB**) has given its written consent to being named as auditor to the Company in this Prospectus and has consented to the inclusion of the audited financial information of the Company as at 30 June 2022

used for the purposes of the pro-forma balance sheet set out in Section 3.4. HLB has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

6.8 Expenses of the Offers

In the event that all Entitlements are accepted, the total expenses of the Offers are estimated to be approximately \$163,227 (excluding GST) at Minimum Subscription and \$175,000 (excluding GST) at Full Subscription and are expected to be applied towards the items set out in the table below:

	Minimum Subscription	Full Subscription
ASIC lodgement fee	\$3,206	\$3,206
ASX fee	\$18,640	\$22,496
Lead manager fee	\$60,000	\$60,000
Management fee ¹	\$20,000	\$27,917
Legal fees	\$24,000	\$24,000
Share registry fees	\$8,700	\$8,700
Printing and distribution (letters)	\$1,500	\$1,500
Printing and distribution (letter and form)	\$5,000	\$5,000
Project management fee	\$20,000	\$20,000
Miscellaneous	\$2,181	\$2,181
Total	\$163,227	\$175,000

Note:

- As described in Section 6.4.1, a placement fee of 5% is also payable to Mahe Capital on any shortfall placed under the Entitlement Offer, excluding funds raised from Associated Parties.

6.9 Directors' Authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Christopher Noone
CEO and Executive Director
For and on behalf of
Carly Holdings Limited

7. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

Associated Parties has the meaning given in Section 6.4.1.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHES.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at Section 1 (unless extended).

Company means Carly Holdings Limited (ACN 066 153 982).

Constitution means the constitution of the Company as at the date of this Prospectus.

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

CRN means Customer Reference Number in relation to BPAY®.

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a Shareholder as at the Record Date who is eligible to participate in the Entitlement Offer.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Entitlement Offer.

Entitlement Offer means the renounceable entitlement issue the subject of this Prospectus.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Exercise Price means the exercise price of the New Options being \$0.06.

Ineligible Shareholder means a Shareholder as at the Record Date whose registered address is not situated in Australia or New Zealand.

Lead Manager means Mahe Capital.

Lead Manager Offer means the offer of New Options to be made to Mahe Capital the subject of this Prospectus.

Mahe Capital means Mahe Capital Pty Ltd (AFSL 517246).

New Option means an Option issued on the terms set out in Section 4.2.

Offers means the Entitlement Offer and Lead Manager Offer the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at Section 1.

Section means a section of this Prospectus.

Securities means Shares and Options as the context requires.

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

Shareholder means a holder of a Share.

Shortfall means the Securities not applied for under the Offer (if any).

Shortfall Application Form means the Shortfall Offer application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall Securities on the terms and conditions set out in Section 2.6.

Shortfall Securities means those Securities not applied for under the Offer (if any) and offered pursuant to the Shortfall Offer.