

**Notice given under Section 708AA(2)(f) of the *Corporations Act 2001 (Cth)***

14 May 2025

This notice is given by Babylon Pump & Power Limited (**Babylon**) under section 708AA(2)(f) of the *Corporations Act 2001 (Cth)* (**Corporations Act**).

Babylon has today announced an accelerated non-renounceable pro-rata entitlement offer to raise up to approximately \$3,500,000 (before offer costs) (**Entitlement Offer**).

The Entitlement Offer will be open to all shareholders of Babylon (**Eligible Shareholders**).

Under the Entitlement Offer, Eligible Shareholders can subscribe for 7 fully paid ordinary shares (**New Share**) for every 20 existing shares in Babylon held as at 5pm (Sydney time) on 16 May 2025 (**Record Date**) at an issue price of \$0.004 per New Share.

Babylon advises that:

- (a) Babylon will offer the New Shares under the Entitlement Offer without disclosure to Eligible Shareholders under Part 6D.2 of the Act as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*.
- (b) This notice is given to ASX under paragraph 708AA(2)(f) of the Corporations Act, as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*.
- (c) As at the date of this notice, Babylon has complied with:
  - (i) the provisions of Chapter 2M of the Corporations Act as they apply to Babylon; and
  - (ii) sections 674 and 674A of the Corporations Act.
- (d) Babylon confirms that, as at the date of this notice, there is no information that is excluded information as defined in sections 708AA(8) and 708AA(9) of the Corporations Act which is required to be disclosed by Babylon except as follows:

In addition to the acquisition of Matrix Hydro Services Pty Ltd (as separately announced today), Babylon is currently engaged in negotiations with the sole shareholder of BPY Holdings Pty Ltd (trading as Blue Hire) (**Blue Hire**) in relation to the acquisition of Blue Hire. Any acquisition of Blue Hire would be consistent with Babylon's business of equipment rental supporting water management and industrial services and asset maintenance services to the resource industry in Australia (**Blue Hire Acquisition**). These discussions are confidential and incomplete. There is no assurance that such negotiations will lead to the announcement or completion of a binding agreement. If there are material developments in relation to these discussions, supplementary disclosure will be provided.



In addition to the above, Babylon is currently negotiating with National Australia Bank Limited for the provision of additional debt funding to Babylon. As at the date of this notice, Babylon has received an indicative term sheet from National Australia Bank Limited (**Term Sheet**). In accordance with the Term Sheet, which is not legally binding, National Australia Bank Limited has indicated a willingness (subject to conditions) to increase Babylon's existing debt facility by an amount of \$15,835,142 from \$14,338,958 to \$30,174,100, which would be used for paying the cash component of the consideration for the Blue Hire Acquisition and working capital purposes.

- (e) The potential effect of the Entitlement Offer on the control of Babylon will depend on a number of factors, including the extent to which shareholders participate in the Entitlement Offer. For example:
  - (i) Eligible Shareholders who do not take up their entitlement will have their percentage holding in Babylon diluted as a result of the Entitlement Offer;
  - (ii) Eligible Shareholders who take up their entitlement in part will have their percentage holding in Entitlement Offer diluted to the extent to which they do not take up their full entitlement as a result of the Entitlement Offer; and
  - (iii) Eligible Shareholders who take up their entitlement in full and who may participate in any shortfall offer will have their percentage holding in Entitlement Offer increased as a result of the Entitlement Offer.

While it is not possible for the directors to predict the outcome of the factors set out above, given the Entitlement Offer is structured as a pro-rata offer which is not underwritten, the Entitlement Offer itself is not expected to have a material effect or consequence on the control of Babylon.

Michael Shelby  
Company Secretary

