



Mitchell
SERVICES

23 August 2021

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MITCHELL SERVICES LIMITED ASX ANNOUNCEMENT

Retail offer booklet despatched

Mitchell Services Limited (ASX:MSV) (the Company) confirms that the retail offer booklet and personalised entitlement and acceptance form in connection with the fully underwritten 1 for 8 accelerated non-renounceable entitlement offer (Entitlement Offer), announced by the Company on 16 August 2021, will be despatched to eligible retail shareholders today.

A letter to ineligible shareholders notifying them of the Entitlement Offer and their ineligibility to participate will also be despatched today.

A copy of the retail offer booklet and the letter to ineligible shareholders is attached.

Retail entitlement offer

The Company is pleased to offer eligible shareholders the opportunity to participate in the retail component (Retail Entitlement Offer) of the 1 for 8 accelerated non-renounceable entitlement offer announced by the Company on 16 August 2021.

A copy of the retail offer booklet and the letter to ineligible shareholders is attached.

The Retail Entitlement Offer will open from today, Monday, 23 August 2021 to Monday 6 September 2021. Application monies must be received in accordance with the retail offer booklet and entitlement and acceptance form.

For further information on the Retail Entitlement Offer you can call the Mitchell Services Entitlement Offer Information Line on 1300 306 413 (within Australia) or +61 1300 306 413 (outside Australia) from 8.30am to 5.00pm (AEST) Monday to Friday during the Retail Entitlement Offer period.

This announcement has been authorised by the Company's Board of Directors.

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This announcement contains certain “forward-looking statements”. Forward looking words such as “expect”, “should”, “could”, “may”, “will”, “believe”, “forecast”, “estimate” and other similar expressions are intended to identify such forward-looking statements. Such statements are subject to various known and unknown risks, uncertainties and other factors that are in some cases beyond the Company’s control. These risks, uncertainties and factors may cause actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements and from past results, performance or achievements. The Company cannot give any assurance or guarantee that the assumptions upon which management based its forward-looking statements will prove to be correct or exhaustive beyond the date of its making, or that the Company’s business and operations will not be affected by other factors not currently foreseeable by management or beyond its control. Such forward looking statements only speak as at the date of this announcement and the Company does not assume any obligation to update such information.

You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19.

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

MITCHELL SERVICES LIMITED

(ACN 149 206 333)

Retail Entitlement Offer

1 for 8 accelerated non-renounceable pro rata entitlement offer of Mitchell Services ordinary shares at A\$0.42 per New Share

The Entitlement Offer is fully underwritten

Retail Entitlement Offer closes: 5.00pm (AEST) on 6 September 2021

If you are an Eligible Retail Shareholder, this is an important document that requires your immediate attention. This document and the accompanying personalised Entitlement and Acceptance Form should be read in their entirety. This document is not a prospectus under the *Corporations Act 2001* (Cth) and has not been lodged with the Australian Securities and Investments Commission. You should consult your stockbroker, solicitor, accountant or other professional adviser if you have any questions.

NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES

IMPORTANT NOTICES

This Information Booklet is dated 23 August 2021. Capitalised terms in this section have the meaning given to them in this Information Booklet. This Information Booklet has been issued by Mitchell Services Limited (ACN 149 206 333) (**Mitchell Services**).

The Retail Entitlement Offer is made in accordance with section 708AA of the Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73). This Information Booklet does not contain all of the information which an investor may require to make an informed investment decision, nor does it contain all the information which would be required to be disclosed in a prospectus. The information in this Information Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This Information Booklet should be read in its entirety before you decide to participate in the Retail Entitlement Offer. This Information Booklet is not a prospectus or other disclosure document under the Corporations Act and has not been lodged with ASIC.

By paying for your New Shares through BPAY¹ or, if you are based in New Zealand and unable to pay using BPAY®, by direct transfer, in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Information Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer detailed in this Information Booklet.

Neither the Underwriter, any of its related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents (together, the Underwriter Parties) has authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Information Booklet and there is no statement in this Information Booklet which is based on any statement made by the Underwriter Parties, other than Mr Robert Douglas, a Director of the Company who is also an employee of the Underwriter, who has authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Information Booklet in his capacity as a Director of the Company. To the maximum extent permitted by law, the Underwriter Parties, other than Mr Robert Douglas in his capacity as a Director of the Company, expressly disclaim all liabilities in respect of, and make no representations or warranties regarding, and take no responsibility for, any part of this Information Booklet other than references to their names and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Information Booklet.

No overseas offering

This Information Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Information Booklet does not constitute an offer to Ineligible Retail Shareholders and may not be distributed in the United States and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States.

This Information Booklet is not to be distributed in, and no offer of New Shares is to be made, in countries other than Australia and New Zealand unless Mitchell Services, in its discretion, is satisfied that the Retail Entitlement Offer may be made in compliance with all applicable laws.

No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Information Booklet (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of the information in this booklet, you should observe such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your Application for New Shares is subject to all requisite authorities and clearances being obtained for Mitchell Services to lawfully receive your Application Monies.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of Mitchell Services with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

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.

Not for distribution or release in the United States

None of the information in this Information Booklet or the Entitlement and Acceptance Form that will accompany this Information Booklet when it is despatched to Eligible Retail Shareholders (as set out in the 'Key dates' section of this Information Booklet) constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this booklet (or any part

of it), the accompanying ASX announcement nor the Entitlement and Acceptance Form when that is available, may be released or distributed directly or indirectly, to any person in the United States.

The New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. The New Shares may not be offered or sold in the United States or to, or for the account or benefit of, a person in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable securities laws of any state or other jurisdiction in the United States. The New Shares to be offered and sold in the Retail Entitlement Offer described in this Retail Offer Booklet may only be offered and sold outside the United States in "offshore transactions" (as defined in Regulation S under the US Securities Act) in reliance on Regulation S under the US Securities Act.

The distribution of this Information Booklet in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Definitions, currency and time

Defined terms used in this Information Booklet are contained in section 7. All references to time are to the Australian Eastern Standard Time (**AEST**), unless otherwise indicated.

Foreign exchange

All references to 'A\$' are AUD unless otherwise noted.

Taxation

There will be tax implications associated with participating in the Retail Entitlement Offer and receiving New Shares. Section 6 of this Information Booklet provides for a general guide to the Australian income tax, goods and services tax and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders. The guide does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. Mitchell Services recommends that you consult your professional tax adviser in connection with the Retail Entitlement Offer.

Privacy

Mitchell Services collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in Mitchell Services.

By submitting an Entitlement and Acceptance Form, you will be providing personal information to Mitchell Services (directly or through the Share Registry). Mitchell Services collects, holds and will use that information to assess your Application. Mitchell Services collects your personal information to process and administer your shareholding in Mitchell Services and to provide related services to you. Mitchell Services may disclose your personal information for purposes related to your shareholding in Mitchell Services, including to the Share Registry, Mitchell Services' related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that Mitchell Services holds about you. To make a request for access to your personal information held by (or on behalf of) Mitchell Services, please contact Mitchell Services through the Share Registry.

Governing law

This Information Booklet, the Retail Entitlement Offer and the contracts formed on acceptance of the Applications are governed by the laws of Queensland, Australia. Each Applicant submits to the exclusive jurisdiction of the courts of Queensland, Australia.

No representations

No person is authorised to give any information or to make any representation in connection with the Retail Entitlement Offer which is not contained in this Information Booklet. Any information or representation in connection with the Retail Entitlement Offer not contained in the Information Booklet may not be relied upon as having been authorised by Mitchell Services or any of its officers. Except as required by law, and only to the extent so required, none of Mitchell Services, its related bodies corporate or any of their respective directors, officers, employees, agents, advisers or representatives, or any other person, warrants or guarantees the future performance of Mitchell Services or any return on any investment made pursuant to this Information Booklet.

Past performance

Investors should note that Mitchell Services' past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) Mitchell Services' future performance including Mitchell Services' future financial position or share price performance.

Future performance and forward looking statements

This Information Booklet contains certain statements that constitute "forward-looking statements". These statements can be identified by the use of terminology such as "will", "anticipate", "believe", "expect", "project", "continue", "assume", "forecast", "estimate", "likely", "intend", "outlook", "should", "could", "may", "target", "plan" or comparable terminology. Indications of, and guidance on, future earnings, financial position, dividends and distributions and

¹ @ registered to BPAY Pty Ltd ABN 69 079 137 518.

performance are also forward-looking statements, as are statements regarding Mitchell Services' intent, belief or current expectations with respect to the timetable, conduct and outcome of the Entitlement Offer (defined below) and the use of proceeds thereafter, statements about the plans, objectives and strategies of the management of the group), statements about the industry and markets in which Mitchell Services operates, statements about the future performance of Mitchell Services' business and its financial condition, and forecasted economic indicators.

Such forward-looking statements are provided as a general guide only, should not be relied on as an indication or guarantee of future performance, and involve known and unknown risks (including (without limitation) the risks and uncertainties associated with the ongoing impacts of COVID-19 and the risks set out in Appendix 3 (*Investment Risks*) of Mitchell Services' Investor Presentation included in section 4 of this Information Booklet, uncertainties and other factors, many of which are beyond the control of Mitchell Services, its officers, employees, agents and advisors, that may cause Mitchell Services' actual results and performance to be materially different from any future results or performance expressed or implied in such statements. Forward-looking statements may also assume the success of Mitchell Services' business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond Mitchell Services' control, and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward-looking statements may have been prepared or otherwise.

There can be no assurance that actual outcomes will not differ materially from the forward-looking statements in this Information Booklet. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecasted and their differences may be material. Refer to Appendix 3 (*Investment Risks*) of Mitchell Services' Investor Presentation included in section 4 of this Information Booklet for a non-exhaustive summary of certain key risk factors.

Neither Mitchell Services or any other person gives any representation, warranty, assurance, nor will guarantee that the occurrence of the events expressed or implied in any forward-looking statement will occur.

To the maximum extent permitted by law, Mitchell Services and its advisors, affiliates, related bodies corporate, directors, officers, partners, employees and agents disclaim any responsibility and undertake no obligation for the accuracy or completeness of any forward-looking statements whether as a result of new information, future events or results or otherwise. Mitchell Services disclaims any responsibility to update or revise any forward-looking statement to reflect any change in Mitchell Services' financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by Australian law.

Risks

An investment in New Shares is subject to investment and other known and unknown risks, some of which are beyond the control of Mitchell Services. Mitchell Services does not guarantee any particular rate of return or the performance of Mitchell Services, nor does it guarantee any particular tax treatment.

Shareholders should refer to Appendix 3 (*Investment Risks*) of Mitchell Services' Investor Presentation included in section 4 of this Information Booklet for a summary of general and specific risk factors that may affect Mitchell Services.

Trading New Shares

Mitchell Services and the Underwriter will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by Mitchell Services or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt, as to these matters you should first consult with your stockbroker, solicitor, accountant or other professional adviser.

Chairman's letter

23 August 2021

Dear Shareholder

Entitlement Offer

On 16 August 2021, Mitchell Services announced its intention to raise approximately A\$10,500,000 through a fully underwritten accelerated non-renounceable pro rata entitlement offer.

The Entitlement Offer is fully underwritten and proceeds will be used to assist in funding a material organic growth strategy which amongst other things will include the funding of capital expenditure to fulfil current and expected contract pipeline requirements.

The institutional component of the Entitlement Offer (**Institutional Entitlement Offer**) was successfully completed on 17 August 2021 and trading in Mitchell Services' shares recommenced on 18 August 2021. The Institutional Entitlement Offer raised approximately A\$4.6 million.

Attached to this letter is the information booklet (**Information Booklet**) relating to the retail component of the Entitlement Offer (**Retail Entitlement Offer**). The Retail Entitlement Offer is expected to raise approximately A\$5.9 million.

Dream Challenge Pty Ltd (an entity associated with Executive Director Scott Tumbridge) has indicated that it will take up all of its Entitlement and will sub-underwrite a proportion of any shortfall under the Retail Entitlement Offer. Further details on the sub-underwriting arrangement is set out in section 5.6. All other directors and executive management have indicated that they will participate in the Entitlement Offer.

Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders have the opportunity to invest at the same price as the Eligible Institutional Shareholders who participated in the Institutional Entitlement Offer. The number of New Shares for which you are entitled to subscribe under the Retail Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form that will accompany this Information Booklet when it is despatched to Eligible Retail Shareholders today.

The Offer Price of A\$0.42 per New Share represents a 13.7% discount to the Theoretical Ex-Rights Price (**TERP**)² and a 15.15% discount to the last traded price of Mitchell Services of A\$0.495 per share on 13 August 2021.

If you take up your full Entitlement, you may also apply for additional New Shares in excess of your Entitlement, at the Offer Price (**Top Up Facility**). The allocation of additional New Shares in the Top Up Facility will be subject to the availability of New Shares under the Retail Entitlement Offer. Mitchell Services retains the flexibility to scale back applications for additional New Shares at its discretion (refer to section 3.4 of this Information Booklet for more information).

The Entitlement Offer is non-renounceable and therefore your Entitlement will not be tradeable on the ASX, cannot be sold and is not otherwise transferable. I encourage you to consider the Entitlement Offer carefully.

Other information

This Information Booklet contains important information, including:

- ASX announcements relating to the Entitlement Offer, including the Investor Presentation, were released to the ASX on 16 August 2021, which provide information on Mitchell Services, the Entitlement Offer and key risks for you to consider;
- instructions on how to participate in the Retail Entitlement Offer if you choose to do so, and a timetable of key dates;
- information regarding the personalised Entitlement and Acceptance Form that will accompany this Information Booklet when it is despatched to Eligible Retail Shareholders, which will detail your

² The Theoretical Ex-Rights Price (**TERP**) is calculated by reference to Mitchell Services' closing price of A\$0.495 per share on 13 August 2021, being the last trading day of Mitchell Services prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Mitchell Services' shares trade immediately after the ex-date of the Entitlement Offer will depend on many factors and may not approximate TERP.

Entitlement, to be completed in accordance with the instructions in this Information Booklet and your personalised Entitlement and Acceptance Form; and

- instructions on how to take up all or part of your Entitlement via BPAY® or if you are based in New Zealand by direct transfer.

You should carefully read this Information Booklet in its entirety and consult your stockbroker, accountant or other professional financial adviser before making your investment decision. In particular, you should read and consider Appendix 3 (Investment Risks) of Mitchell Services' Investor Presentation included in section 4 of this Information Booklet, which contains a summary of some of the key risks associated with an investment in Mitchell Services. If you are uncertain about taking up your Entitlement you should consult your stockbroker, solicitor, accountant or other professional financial adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

For further information on the Entitlement Offer you can call the Mitchell Services Entitlement Offer Information Line on 1300 306 413 (within Australia) or +61 1300 306 413 (outside Australia) from 8.30am to 5.00pm (AEST) Monday to Friday during the Retail Entitlement Offer period.

The Retail Entitlement Offer closes at 5.00pm (AEST) on 6 September 2021.

If you do not wish to take up any of your Entitlement, you do not have to take any action.

If you decide to take this opportunity to increase your investment in Mitchell Services please ensure that, before 5.00pm (AEST) on 6 September 2021, you have paid your Application Monies, via BPAY® pursuant to the instructions that are set out in the personalised Entitlement and Acceptance Form that will accompany this Information Booklet when it is despatched to you, or if you are based in New Zealand and unable to pay using BPAY®, your Application Monies are sent by direct transfer and received in cleared funds by the Share Registry by 5.00pm (AEST) on the closing date of 6 September 2021.

On behalf of the board of Mitchell Services, I have pleasure in inviting you to consider this investment opportunity and thank you for your ongoing support of Mitchell Services.

Yours sincerely

Nathan Mitchell
Executive Chairman

Summary of the Entitlement Offer

| Entitlement Offer | |
|-----------------------|--|
| Ratio | 1 New Share for every 8 Existing Shares |
| Offer Price | A\$0.42 per New Share |
| Size | Approximately 24,994,286 New Shares |
| Gross proceeds | A\$10.5 million, comprising approximately A\$4.6 million under the Institutional Entitlement Offer and approximately A\$5.9 million under the Retail Entitlement Offer |

Key dates

| Activity | Date (2021) |
|---|----------------------------|
| Announcement of the Entitlement Offer | Monday, 16 August 2021 |
| Record Date (7.00pm AEST) | Wednesday, 18 August 2021 |
| Information Booklet lodged with the ASX | Monday, 23 August 2021 |
| Information Booklet and Entitlement and Acceptance Form despatch complete | Monday, 23 August 2021 |
| Retail Entitlement Offer opens (9:00am AEST) | Monday, 23 August 2021 |
| Settlement of New Shares issued under the Institutional Entitlement Offer | Tuesday, 24 August 2021 |
| Allotment of New Shares under the Institutional Entitlement Offer | Wednesday, 25 August 2021 |
| New Shares issued under the Institutional Entitlement Offer commence trading | Wednesday, 25 August 2021 |
| Retail Entitlement Offer closes (5.00pm AEST) | Monday, 6 September 2021 |
| Results of Retail Entitlement Offer announced | Thursday, 9 September 2021 |
| Settlement of new Shares issued under the Retail Entitlement Offer | Friday, 10 September 2021 |
| Allotment of New Shares issued under the Retail Entitlement Offer | Monday, 13 September 2021 |
| New Shares issued under the Retail Entitlement Offer commence trading | Monday, 13 September 2021 |
| Despatch of holding statements for New Shares issued under the Retail Entitlement Offer | Tuesday, 14 September 2021 |

The Timetable above (and each reference to or to dates in this Information Booklet) is indicative only and may change. Mitchell Services reserves the right to amend any or all of these dates and times without notice, subject to the consent of the Underwriter, the Corporations Act, the Listing Rules and other applicable laws. In particular, Mitchell Services reserves the right to extend the closing date for the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the allotment date of New Shares. The commencement of quotation of the New Shares is subject to confirmation from ASX.

Mitchell Services also reserves the right not to proceed with the Retail Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares. In that event, the relevant Application Monies (without interest) will be returned in full to Applicants. Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application. Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Retail Entitlement Offer opens.

Enquiries

If you have any doubt about whether you should participate in the Retail Entitlement Offer, you should seek professional financial advice from your stockbroker, solicitor, accountant or other professional financial adviser before making any investment decision. For further information on the Entitlement Offer, if you have questions on how to complete the Entitlement and Acceptance Form, or have lost your Entitlement and Acceptance Form and would like a replacement form, you can call the Mitchell Services Entitlement Offer Information Line on 1300 306 413 (within Australia) or +61 1300 306 413 (outside Australia) from 8.30am to 5.00pm (AEST) Monday to Friday during the Retail Entitlement Offer period.

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1 Summary of options available to you

If you are an Eligible Retail Shareholder³, you may take one of the following actions:

- take up all of your Entitlement and if you do so, you may also apply for additional New Shares under the Top Up Facility;
- take up part of your Entitlement and allow the balance to lapse, in which case you will receive no value for the lapsed part of your Entitlement; or
- do nothing, in which case your Entitlement will lapse and you will receive no value for the lapsed Entitlement.

If you are a retail Shareholder that is not an Eligible Retail Shareholder, you are an “**Ineligible Retail Shareholder**”. Ineligible Retail Shareholders are not entitled to participate in the Entitlement Offer.

| Options available to you | Key considerations |
|--|---|
| <p>Option One: Take up all of your Entitlement</p> | <p>You may elect to purchase New Shares at the Offer Price (see section 3 “How to Apply” for instructions on how to take up your Entitlement). The Retail Entitlement Offer closes at 5.00pm (AEST) on 6 September 2021.</p> <p>The New Shares will be fully paid and rank equally in all respects with Existing Shares (including rights to dividends and distributions).</p> <p>If you take up all of your Entitlement, you may also apply for additional New Shares under the Top Up Facility. Details of the Top Up Facility are included in section 3.4 of this Information Booklet. There is no guarantee that you will be allocated any additional New Shares under the Top Up Facility.</p> |
| <p>Option Two: Take up part of your Entitlement</p> | <p>If you only take up part of your Entitlement, the part not taken up will lapse. You will not be entitled to apply for additional New Shares under the Top Up Facility and the New Shares not subscribed for may be acquired by Eligible Retail Shareholders under the Top Up Facility or by the Underwriter or sub-underwriters.</p> <p>If you do not take up your Entitlement in full the balance not taken up will lapse and you will not receive any payment or value for that part of your Entitlement not taken up.</p> <p>If you do not take up your Entitlement in full, you will have your percentage holding in Mitchell Services reduced as a result of dilution by the shares issued under the Entitlement Offer.</p> |

³ See section 5.2 of this Information Booklet.

| Options available to you | Key considerations |
|--|--|
| <p>Option Three: Do nothing, in which case your Entitlement will lapse, and you will receive no value for your lapsed Entitlement</p> | <p>If you do not take up your Entitlement, you will not be allocated New Shares and your Entitlement will lapse. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable, which means it is non-transferrable and cannot be sold, traded on ASX or any other exchange, nor can it be privately transferred.</p> <p>If you do not take up your Entitlement you will not receive any payment or value for your Entitlement not taken up.</p> <p>If you do not take up your Entitlement, you will have your percentage holding in Mitchell Services reduced as a result of dilution by the shares issued under the Entitlement Offer.</p> |

2 Overview of the Entitlement Offer

2.1 Overview

Mitchell Services intends to raise approximately A\$10.5 million under the Entitlement Offer via an offer of approximately 24,994,286 New Shares at an Offer Price of A\$0.42 per New Share. Mitchell Services will use the proceeds of the Entitlement Offer to assist in funding a material organic growth strategy which amongst other things will include the funding of capital expenditure to fulfil current and expected contract pipeline requirements.

The Entitlement Offer has two components:

- (a) the Institutional Entitlement Offer – Eligible Institutional Shareholders were given the opportunity to take up all or part of their Entitlement, and a bookbuild process to sell Entitlements not taken up by Eligible Institutional Shareholders as well as Entitlements of Ineligible Institutional Shareholders at the Offer Price was carried out, to raise approximately A\$4.6 million; and
- (b) the Retail Entitlement Offer (to which this Information Booklet relates) – Eligible Retail Shareholders will be given the opportunity to take up all or part of their Entitlement to raise approximately A\$5.9 million. Eligible Retail Shareholders who take up their full Entitlement may also participate in the Top Up Facility by applying for additional New Shares in excess of their Entitlement at the Offer Price.

Both the Institutional Entitlement Offer and the Retail Entitlement Offer are non-renounceable. Accordingly, Entitlements do not trade on the ASX nor can they be sold, transferred or otherwise disposed of. New Shares issued under the Retail Entitlement Offer are to be issued at the same price as New Shares issued under the Institutional Entitlement Offer. In addition, Shareholders' Entitlements under the Institutional Entitlement Offer and the Retail Entitlement Offer are calculated based on the same ratio.

The Entitlement Offer is fully underwritten by the Underwriter in accordance with the terms of the Underwriting Agreement (as summarised in section 5.6 of this Information Booklet).

2.2 Institutional Entitlement Offer

Mitchell Services has already raised approximately \$4.6 million from Eligible Institutional Shareholders as part of the Institutional Entitlement Offer, at the Offer Price. New Shares are expected to be issued under the Institutional Entitlement Offer on 25 August 2021.

3 How to apply

3.1 Retail Entitlement Offer

The Retail Entitlement Offer constitutes an offer to Eligible Retail Shareholders, who are invited to apply for 1 New Share for every 8 Existing Shares held at 7.00pm (AEST) on the Record Date of 18 August 2021. The Offer Price of A\$0.42 per New Share represents a 13.70% discount to TERP⁴ and a 15.15% discount to the last traded price of \$0.495 per share on 13 August 2021.

The Entitlement Offer is non-renounceable. Accordingly, Entitlements do not trade on the ASX, nor can they be sold, transferred or otherwise disposed of.

The Retail Entitlement Offer opens on 23 August 2021. The Information Booklet will be despatched on 23 August 2021, along with a personalised Entitlement and Acceptance Form, to Eligible Retail Shareholders. The Retail Entitlement Offer is expected to close at 5.00pm (AEST) on 6 September 2021.

The Retail Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73) which allows rights issues to be offered without a prospectus, provided certain conditions are satisfied.

As a result, the Retail Entitlement Offer is not being made under a prospectus and it is important for Eligible Retail Shareholders to read and understand the information on Mitchell Services and the Retail Entitlement Offer made publicly available by Mitchell Services, prior to taking up all or part of their Entitlement. In particular, please refer to the materials enclosed in section 4 of this Information Booklet, Mitchell Services' interim and annual reports, other announcements made available at www.asx.com.au (including Mitchell Services' announcements in relation to the Entitlement Offer released to ASX on 16 August 2021) and all other parts of this Information Booklet carefully before making any decisions in relation to your Entitlement.

3.2 Your Entitlement

An Entitlement and Acceptance Form setting out your Entitlement (calculated as 1 New Share for every 8 Existing Shares held on the Record Date with fractional entitlements rounded up to the nearest whole number of New Shares) will accompany this Information Booklet when it is despatched to Eligible Retail Shareholders. Eligible Retail Shareholders may subscribe for all or part of their Entitlement. If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding. A copy of your personalised Entitlement and Acceptance Form can be accessed at www.mitchellservices.com.au.

3.3 Options available to you

The number of New Shares to which Eligible Retail Shareholders are entitled is shown on the Entitlement and Acceptance Form that will accompany this Information Booklet when it is despatched to you. Eligible Retail Shareholders may:

- (a) take up their Entitlement in full by the Closing Date and, if they do so, they may apply for additional New Shares under the Top Up Facility (refer to section 3.4);
- (b) take up part of their Entitlement by the Closing Date, in which case the balance of the Entitlement would lapse (refer to section 3.5); or
- (c) do nothing and allow their Entitlement to lapse (refer to section 3.6).

⁴ The Theoretical Ex-Rights Price (TERP) is calculated by reference to Mitchell Services' closing price of A\$0.495 per share on 13 August 2021, being the last trading day prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Mitchell Services' shares trade immediately after the ex-date of the Entitlement Offer will depend on many factors and may not approximate TERP.

The Retail Entitlement Offer is an offer to Eligible Retail Shareholders only. Ineligible Retail Shareholders may not take up any of their Entitlements.

Mitchell Services reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Closing Date.

The Closing Date for acceptance of the Retail Entitlement Offer is **5.00pm (AEST) on Monday, 6 September 2021** (however, that date may be varied by Mitchell Services, in accordance with the Listing Rules, applicable laws and the Underwriting Agreement).

3.4 Taking up all of your Entitlement or taking up all of your Entitlement and participating in the Top Up Facility

If you wish to take up all of your Entitlement, payment must be made by following the instructions on the personalised Entitlement and Acceptance Form which can be accessed at www.mitchellservices.com.au. Please read the instructions carefully. Payments can be by the methods set out in Section 3.9 and 3.10.

Payment must be received by no later than 5.00pm (AEST) on 6 September 2021. If you apply to take up all of your Entitlement, you may also apply for additional New Shares under the Top Up Facility. Amounts received by Mitchell Services in excess of the Offer Price, may be treated as an Application to apply for as many additional New Shares as your Application Monies will pay for in full.

In the event there is a shortfall under the Retail Entitlement Offer, additional New Shares may be allotted under the Top Up Facility at the sole discretion of Mitchell Services. If you apply for additional New Shares under the Top Up Facility and if your application is successful (in whole or in part), your additional New Shares will be issued to you at the same time that other New Shares are issued under the Retail Entitlement Offer. If you apply for additional New Shares, there is no guarantee that you will be allocated any additional New Shares.

Any New Shares referable to Entitlements not taken up by the Closing Date may be made available to those Eligible Retail Shareholders who took up their full Entitlement and applied for additional New Shares under the Top Up Facility. There is no guarantee that such Shareholders will receive the number of New Shares applied for under the Top Up Facility, or any New Shares applied for under the Top Up Facility. New Shares referable to Entitlements not taken up by the Closing Date will only be allocated to Eligible Retail Shareholders if available and then only if and to the extent that Mitchell Services so determines, in its absolute discretion.

Refund amounts, if any, will be paid in Australian dollars. You will be paid by direct credit to the nominated bank account as noted on the share register as at the Closing Date. Refund amounts will be made by cheque if you do not have direct credit instructions noted on your shareholding. To enable shareholders to receive their refund by EFT, shareholders are strongly encouraged to update their bank details at www.linkmarketservices.com.au. For any queries shareholders should contact the Share Registry at 1300 306 413 (within Australia) or +61 1300 306 413 (outside Australia). For refunds not processed by EFT, cheques will be mailed in the post to the relevant shareholders.

3.5 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up only part of your Entitlement, payment must be made by following the instructions on the personalised Entitlement and Acceptance Form for the number of New Shares you wish to take up and making payment using the methods set out in Section 3.9 and 3.10 below. If Mitchell Services receives an amount that is less than the Offer Price multiplied by your Entitlement, your payment may be treated as an Application for as many New Shares as your Application Monies will pay for in full. Payment must be received by no later than 5.00pm (AEST) on the Closing Date.

3.6 **Allowing your Entitlement to lapse**

If you do not wish to accept all or any part of your Entitlement, do not take any further action and all or that part of your Entitlement will lapse.

3.7 **Consequences of not accepting all or part of your Entitlement**

If you do not accept all or part of your Entitlement in accordance with the instructions set out above, those New Shares for which you would have otherwise been entitled under the Retail Entitlement Offer (including New Shares that relate to the portion of your Entitlement that has not been accepted) may be acquired by the Underwriter or any sub-underwriters or by Eligible Retail Shareholders under the Top Up Facility.

By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement and you will not receive any payment or value for all or that part of your Entitlement. Your interest in Mitchell Services will also be diluted.

3.8 **Payment**

Payment should be made using BPAY®. If you are based in New Zealand and unable to pay using BPAY®, payments can be made by Electronic Funds Transfer (EFT) (see section 3.10).

In light of the substantial delays in postage times as a result of the COVID-19 virus, and the period the Entitlement Offer is open, it is considered unlikely that Entitlement and Acceptance Forms that are posted with a payment by cheque will be received by Mitchell Services in time for Mitchell Services to accept under the application. As a result, Mitchell Services has resolved that cash payments or payments by cheque will not be accepted. Receipts for payment will not be issued.

Mitchell Services will treat you as applying for as many New Shares as your payment will pay for in full up to your Entitlement. If your payment will pay for more than your full Entitlement, Mitchell Services will treat you as applying for your full Entitlement and in respect of any excess amount, applying for as many additional New Shares under the Top Up Facility as it will pay for in full.

Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

3.9 **Payment by BPAY®**

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with any Australian financial institution that supports BPAY® Transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form.

If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your application will not be recognised as valid.

Please note that by paying by BPAY®:

- (a) you do not need to send your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties referred to on that Entitlement and Acceptance Form and in section 3.11 of this Information Booklet;

- (b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies; and
- (c) if you pay more than is required to subscribe for your entitlement, you will be taken to have applied for additional shares under the Top up Facility, to the extent of the excess.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (AEST) on 6 September 2021. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment. Mitchell Services shall not be responsible for any delay in the receipt of the BPAY® payment.

3.10 Payment by Electronic Funds Transfer (EFT)

Shareholders with a registered address in New Zealand may not have access to pay by BPAY® and can make payment by EFT. Payment details for EFT can be obtained by contacting the Registry on 1300 306 413 (within Australia) or +61 1300 306 413 (outside Australia). Please make sure you include your unique Customer Reference Number (CRN) as a reference when making payment by EFT. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the Customer Reference Number specific to that holding. If you do not use the correct Customer Reference Number specific to that holding your application will not be recognised as valid.

Your EFT payment must be:

- (a) for an amount equal to A\$0.42 multiplied by the number of New Shares (and additional New Shares under the Top Up Facility, if applicable) that you are applying for; and
- (b) in Australian currency. Payment cannot be made in New Zealand dollars. New Zealand resident shareholders must arrange for payment to be made in Australian dollars.

It is your responsibility to ensure that your payment by direct transfer is received by the Share Registry by no later than 5.00pm (AEST) on 6 September 2021. Applicants should be aware of their financial institution's cut-off time (the payment must be made to be processed overnight) and it is the Applicants responsibility to ensure funds are submitted correctly by the closing date and time. Mitchell Services and the Share Registry accept no responsibility for incorrect, delayed or misdelivered Application Forms or payments.

Your Application Payment may incur fees and charges from your bank or any intermediary bank as well as the receiving bank. You may have an option to choose that fees are not deducted from the amount transferred however the receiving bank may still deduct a fee for receiving a foreign transfer. If you are paying from a bank account that is not in Australian dollars you may also incur foreign exchange fees.

3.11 Entitlement and Acceptance Form is binding

A payment made through BPAY® or, if you are based in New Zealand, by EFT constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Information Booklet and, once paid, cannot be withdrawn. Mitchell Services' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By making a payment by Bpay® or, if you are based in New Zealand, by EFT, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you are (or the person on whose account you are acting is) an Eligible Retail Shareholder;

- (b) you acknowledge that you have read and understand this Information Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- (c) you agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Information Booklet (and accompanying Entitlement Acceptance Form), and Mitchell Services' constitution;
- (d) you authorise Mitchell Services to register you as the holder(s) of New Shares allotted to you;
- (e) you declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- (f) you declare that you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- (g) you acknowledge that once Mitchell Services receives any payment of Application Monies via BPAY® or, if you are based in New Zealand, by direct transfer, you may not withdraw your application or funds provided except as allowed by law;
- (h) you agree to apply for and be issued up to the number of New Shares (and any additional New Shares) for which you have submitted payment of any Application Monies via BPAY® or, if you are based in New Zealand, by direct transfer, at the Offer Price per New Share;
- (i) you authorise Mitchell Services, the Underwriter, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- (j) you declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date and you are an Eligible Retail Shareholder;
- (k) you acknowledge that the information contained in this Information Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (l) you acknowledge that this Information Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in Mitchell Services and is given in the context of Mitchell Services' past and ongoing continuous disclosure announcements to ASX;
- (m) you acknowledge the statement of risks in Appendix 3 (*Investment Risks*) of Mitchell Services' Investor Presentation included in section 4 of this Information Booklet, and that investments in Mitchell Services are subject to risk;
- (n) you acknowledge that none of Mitchell Services, the Underwriter, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of Mitchell Services, nor do they guarantee the repayment of capital;
- (o) you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- (p) you authorise Mitchell Services to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;

- (q) you represent and warrant (for the benefit of Mitchell Services, the Underwriter and their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Retail Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- (r) you acknowledge and agree that determination of eligibility of investors for the purposes of the Institutional Entitlement Offer and the Retail Entitlement Offer was determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Mitchell Services and/or the Underwriter, and each of Mitchell Services and the Underwriter and their respective related bodies corporate and affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise of that discretion to the maximum extent permitted by law;
- (s) you represent and warrant that the law of any place does not prohibit you from being given this Information Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- (t) you are an Eligible Retail Shareholder and are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States (or, in the event that you are acting for the account or benefit of a person in the United States, you are not participating in the Retail Entitlement Offer in respect of that person) and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Retail Entitlement Offer;
- (u) you understand and acknowledge that the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States. Accordingly, you understand that the New Shares may not be offered or sold in the United States or to persons who are acting for the account or benefit of a person in the United States;
- (v) you are subscribing for or purchasing the New Shares outside the United States in an "offshore transaction" (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act;
- (w) you have not and will not send any materials relating to the Retail Entitlement Offer to any person in the United States or any other country outside Australia and New Zealand or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- (x) you agree that if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in transactions on ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States;
- (y) you are eligible under applicable securities laws to exercise Entitlements and acquire New Shares under the Retail Entitlement Offer;
- (z) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States;
- (aa) you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- (bb) you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date.

3.12 Brokerage and stamp duty

No brokerage fee is payable by Eligible Retail Shareholders who accept their Entitlement. No stamp duty should be payable for subscribing for New Shares under the Retail Entitlement Offer or for additional New Shares under the Top Up Facility on the basis that all of the shares in Mitchell Services are quoted on the ASX (i.e. no classes of unquoted shares on issue) and no person, either alone or together with associated or related persons or as part of substantially one transaction or arrangement with other persons, will hold an interest of 90% or more in Mitchell Services.

3.13 Notice to nominees and custodians

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders. Nominees with registered addresses in the eligible jurisdictions, irrespective of whether they participate under the Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Existing Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Shareholder.

Nominees and custodians who hold Shares as nominees or custodians will have received, or will shortly receive, a letter from Mitchell Services. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to:

- (a) beneficiaries on whose behalf they hold Existing Shares who would not satisfy the criteria for an Eligible Retail Shareholder;
- (b) Eligible Institutional Shareholders who received an offer to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not);
- (c) Ineligible Institutional Shareholders who were ineligible to participate in the Institutional Entitlement Offer; or
- (d) shareholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

In particular, persons acting as nominees or custodians for other persons may not take up Entitlements on behalf of, or send any documents relating to the Retail Entitlement Offer to, any person in the United States or any person acting for the account or benefit of any person in the United States.

Mitchell Services is not required to determine whether or not any registered holder is acting as a nominee or custodian or the identity or residence of any beneficial owners of Shares.. Mitchell Services is not able to advise on foreign laws.

For the avoidance of doubt, Mitchell Services reserves the right (in its absolute sole discretion) to reduce the number of New Shares allocated to Eligible Retail Shareholders, or persons claiming to be Eligible Retail Shareholders, if their claims prove to be overstated or they fail to provide information to substantiate their claims.

Mitchell Services also reserves the right to reject any acceptance of an Entitlement that it believes comes from a person who is not eligible to accept an Entitlement.

3.14 Withdrawal of the Entitlement Offer

Subject to applicable law, Mitchell Services reserves the right to withdraw the Entitlement Offer at any time before the issue of New Shares, in which case Mitchell Services will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest being payable to applicants.

3.15 Risks

Eligible Retail Shareholders should be aware that an investment in Mitchell Services, including taking up your Entitlement, involves risks. The key risks identified by Mitchell Services are set out in Appendix 3 (*Investment Risks*) of Mitchell Services' Investor Presentation included in section 4 of this Information Booklet, but these are not an exhaustive list of the risks associated with an investment in Mitchell Services.

3.16 Further Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions regarding the Retail Entitlement Offer, please contact the Mitchell Services Entitlement Offer Information Line on 1300 306 413 (within Australia) or +61 1300 306 413 (outside Australia) from 8.30am to 5.00pm (AEST) Monday to Friday before the Retail Entitlement Offer closes at 5.00pm (AEST) on 6 September 2021²⁰²¹. If you have any further questions, you should contact your stockbroker, solicitor, accountant or other professional adviser.



Not for release to US wire services or distribution in the United States

16 August 2021

**MITCHELL SERVICES LIMITED
(ASX: MSV)**

Organic Growth Strategy and Equity Raising

Key points

- Material organic growth capital investment program underway, including the acquisition of up to 12 new drill rigs in CY21 and CY22
- The outlook for drilling services demand is the strongest since 2008
- Expected FY22 revenue of \$200m - \$220m and FY22 EBITDA of \$40m - \$44m*
- Fully underwritten accelerated non-renounceable entitlement offer to raise ~\$10.5m to support funding of a sizeable organic growth opportunity
- Major shareholders, including Mitchell Group Pty Ltd (Nathan Mitchell) and Dream Challenge Pty Ltd (Scott Tumbidge) have committed to take up their entitlement in full and (in the case of Dream Challenge Pty Ltd) sub-underwrite a portion of the offer

Mitchell Services Limited (ASX: **MSV**) (the Company) is pleased to announce the implementation of an organic growth strategy and associated capital raise.

Growth Strategy

The Company expects to generate FY22 revenue of \$200m-\$220*m and FY22 EBITDA of \$40m-\$44m*.

The Company has a material capital investment program underway which includes the purchase of 9 LF160 drill rigs with a staggered delivery through until 31 December 2021 and includes an option for an additional 3 rigs. Based on the anticipated size of the fleet post implementation of the growth strategy, the business would have the capacity to generate \$50m-\$60^m EBITDA and to deliver material EPS growth.

The proposed timing also allows the Company to take advantage of the cash flow benefit associated with the ATO's instant asset write off program.

These rigs were pre-ordered and will be delivered during a period of significant and increasing lead times for rig supply. Other barriers to entry for mining services providers are high and growing, including challenging access to funding with limited lender appetite in the sector, a tightening labour market, and a highly complex regulatory environment. The Company is expecting business conditions to continue improving in the near term with productivity increases (utilised rigs working more shifts), price increases due to the evolving supply and demand landscape, and improvements in general contract terms (for example, larger mobilisation and demobilisation charges, take or pay contracts and pricing flexibility).

^ Assumes that the rig fleet is operating at or near capacity, at current productivity levels and under existing contract terms

*Assumes anticipated levels of work from existing customers and that all existing customers renew their drilling contracts to the extent that such contracts expire during this period. Assumes a 20% EBITDA margin and that there are no material changes in market conditions or operating environments, including no deterioration in COVID-19 restrictions and regulations

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Capital Raising

To support the funding of this sizeable organic growth opportunity, the Company is undertaking a fully underwritten accelerated non-renounceable entitlement offer to raise approximately \$10.5m (**Entitlement Offer**). Under the Entitlement Offer, eligible shareholders will be able to subscribe for 1 fully paid ordinary share (**New Shares**) for every 8 Mitchell Services shares that they hold at 7.00pm (AEST) on Wednesday, 18 August 2021 (**Record Date**) at the issue price of \$0.42 per New Share (**Offer Price**).

The Offer Price represents a discount per share of:

- 15.15% to the last traded price on 13 August 2021 of \$0.495; and
- 13.70% to the theoretical ex-rights issue price (TERP)¹ of \$0.487.

The Entitlement Offer will result in approximately 24,994,286 million New Shares being issued in total, equivalent to approximately 11.1% of the Company's total shares outstanding upon completion of the Entitlement Offer. New Shares will rank equally in all respects with existing shares of the Company .

Entities associated with Executive Chairman Nathan Mitchell and Dream Challenge Pty Ltd (an entity associated with Executive Director Scott Tumbridge) have indicated that they will take up all their Entitlements and (in the case of Dream Challenge Pty Ltd) will sub-underwrite a proportion of any shortfall under the Retail Entitlement Offer. All other directors and executive management have indicated that they will participate in the Entitlement Offer.

The Entitlement Offer is non-renounceable and rights are not transferrable and will not be traded on the Australian Securities Exchange (**ASX**) or any other exchange. The Entitlement Offer will be made to both institutional shareholders (**Institutional Entitlement Offer**) and eligible retail shareholders (**Retail Entitlement Offer**). Eligible shareholders who do not take up their entitlement under the Entitlement Offer in full or in part will not receive any value in respect of those entitlements not taken up.

Institutional Entitlement Offer

Eligible institutional shareholders will be invited to participate in the Institutional Entitlement Offer. Under the Institutional Entitlement Offer, eligible institutional shareholders can choose to take up all, part or none of their entitlement. Entitlements not taken up under the Institutional Entitlement Offer will be offered to eligible institutional investors at the Offer Price in the institutional bookbuild.

Retail Entitlement Offer

Eligible retail shareholders with a registered address in Australia or New Zealand on the Record Date of 7:00pm (AEST) Wednesday, 18 August 2021 have the opportunity to invest in New Shares at the Offer Price under the Retail Entitlement Offer, on the terms and conditions that will be set out in the retail offer booklet to be sent to eligible retail shareholders on or around Monday, 23 August 2021.

Please note that shareholders with a registered address outside Australia or New Zealand on the Record Date are ineligible to participate in the Retail Entitlement Offer. The Company will notify shareholders who are on the share register on the Record Date as to whether they are eligible to participate in the Retail Entitlement

¹ The theoretical ex rights price (TERP) includes shares issued under the Offer. TERP is the theoretical price at which Mitchell Services' shares should trade at immediately after the ex-date for the Entitlement Offer based only on the last traded price and issuance of shares at the Offer Price in the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Mitchell Services shares trade immediately after the ex-date for the Entitlement Offer may be different from TERP.

Offer. Eligible Shareholders will receive a retail offer booklet, including a personalised entitlement and acceptance form, which will provide further details of how to participate in the Retail Entitlement Offer.

Under the Retail Entitlement Offer, eligible retail shareholders that take up their full entitlement may also apply for additional New Shares in excess of their entitlement (subject to scale-back, at the Company's discretion).

Key Dates

| Activity | Date |
|---|----------------------------------|
| Announcement of Entitlement Offer, investor presentation and information booklet released to ASX | Monday, 16 August 2021 |
| Institutional Entitlement Offer opens | Monday, 16 August 2021 |
| Institutional Entitlement Offer closes | Tuesday, 17 August 2021 |
| Announcement of results of Institutional Entitlement Offer | Wednesday, 18 August 2021 |
| Trading halt lifted and shares recommence trading | Wednesday, 18 August 2021 |
| Entitlement Offer Record Date | 7:00pm Wednesday, 18 August 2021 |
| Despatch of letters to shareholders regarding eligibility | Monday, 23 August 2021 |
| Retail Entitlement Offer opens | 9:00am Monday, 23 August 2021 |
| Settlement of New Shares issued under the Institutional Entitlement Offer | Tuesday, 24 August 2021 |
| Allotment of and commencement of trading of New Shares under the Institutional Entitlement Offer | Wednesday, 25 August 2021 |
| Retail Entitlement Offer closes | 5:00pm, Monday, 6 September 2021 |
| Announcement of results of the Retail Entitlement Offer | Thursday, 9 September 2021 |
| Settlement of New Shares under the Retail Entitlement Offer | Friday, 10 September 2021 |
| Allotment of and commencement of trading of New Shares under the Retail Entitlement Offer | Monday, 13 September 2021 |
| Holding statements in respect of New Shares issued under the Retail Entitlement Offer despatched | Tuesday, 14 September 2021 |

The timetable (and each reference in this announcement to a date specified in the timetable) is indicative only and the Company may, at its discretion, vary any of the above dates by lodging a revised timetable with the ASX.

All times referred to in this announcement are AEST.

The quotation of New Shares is subject to confirmation from the ASX.

Further Information

Further details of the acquisition and Entitlement Offer are set out in the Investor Presentation also provided to the ASX today. The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the Entitlement Offer. All the amounts are in Australian dollar unless otherwise indicated.

The Entitlement Offer is fully underwritten by Morgans Corporate Limited.

This announcement has been authorised by the Company's Board of Directors.

For more information, contact:

Andrew Elf – Chief Executive Officer

Telephone +61 7 3722 7222 or 0413 608 018

This announcement contains certain "forward-looking statements". Forward looking words such as "expect", "should", "could", "may", "will", "believe", "forecast", "estimate" and other similar expressions are intended to identify such forward-looking statements. Such statements are subject to various known and unknown risks, uncertainties and other factors that are in some cases beyond the Company's control. These risks, uncertainties and factors may cause actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements and from past results, performance or achievements. The Company cannot give any assurance or guarantee that the assumptions upon which management based its forward-looking statements will prove to be correct or exhaustive beyond the date of its making, or that the Company's business and operations will not be affected by other factors not currently foreseeable by management or beyond its control. Such forward looking statements only speak as at the date of this announcement and the Company does not assume any obligation to update such information.

You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19.

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.



CAPITAL RAISING – FUTURE GROWTH

16 AUGUST 2021



Mitchell
SERVICES



Not for release to US wire services or distribution in the United States

DISCLAIMER

This investor presentation has been prepared by Mitchell Services Limited (ACN 149 206 333) ("**Mitchell Services**"). Information in this presentation is of a general nature and does not purport to be complete, nor does it contain all of the information which would be required in a prospectus prepared in accordance with the requirements of the *Corporations* and continuous disclosure announcements to the ASX, which are available at: www.asx.com.au. An investment Act 2001 (Cth). It contains, and is intended as, a summary and should be read in conjunction with Mitchell Services' other periodic in Mitchell Services' shares is subject to known and unknown risks, many of which are beyond Mitchell Services' control. In considering an investment in Mitchell Services' shares, investors should have regard to (amongst other things) the risks outlined in this presentation. You acknowledge and agree that you will rely on your own independent assessment of any information, statements or representations contained in this presentation and such reliance will be entirely at your own risk.

This presentation has been prepared in relation to an entitlement offer of Mitchell Services ordinary shares ("**Shares**") to existing Mitchell Services' shareholder (the "**Entitlement Offer**"), with any shares issued under the Entitlement Offer being "New Shares". The Entitlement Offer will be structured as a pro rata accelerated non-renounceable entitlement offer in two stages – the first stage being an offer of New Shares to eligible institutional holders of Shares (the "**Institutional Entitlement Offer**") and the second stage being an offer of New Shares to eligible retail holders of Shares with registered addresses in Australia or New Zealand (the "**Retail Entitlement Offer**"). Mitchell Services intends to conduct the Offer without disclosure to investors under Part 6D.2 or Part 7.9 of the Corporations Act 2001 (Cth) ("**Corporations Act**") in accordance with sections 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73).

Mitchell Services has appointed Morgans Corporate Limited (the "**Lead Manager**" and "**Underwriter**") to act as underwriter to the Offer. Determination of eligibility of investors for the purposes of the Offer is determined by reference to a number of matters, including legal requirements and the discretion of Mitchell Services and the underwriter and lead manager. Mitchell Services and the Underwriter disclaim any liability in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law. The Underwriter will receive fees for acting in this capacity. The Underwriter, its respective related bodies corporate and affiliates may agree to provide, or seek to provide, other financial services and products to parties involved in the entitlement offer, including Mitchell Services and its shareholders, and may receive fees in connection with any such provision. Neither the Underwriter, nor the advisers of Mitchell Services, have authorised, permitted or caused the issue of this presentation. None of them makes or purports to make any statement in this presentation and there is no statement in this presentation which is based on any statement by any of them. You acknowledge and agree that you will rely on your own independent assessment of any information, statements or representations contained in this presentation and such reliance will be entirely at your own risk.

Not retail offer booklet

The retail offer booklet for the Retail Entitlement Offer will be made available to eligible retail holders of Shares following its lodgement with the ASX. Any eligible retail investor who wishes to participate in the Retail Entitlement Offer should read and consider the retail offer booklet when deciding whether to participate in the Retail Entitlement Offer. This presentation will not form part of any contract for the acquisition of New Shares.

Summary information

This presentation contains summary information about the current activities of Mitchell Services as at the date of this presentation. The information in this presentation is of a general nature and does not purport to be complete. Statements made in this presentation are, unless otherwise stated, made only as of the date of this presentation and remain subject to change without notice. Mitchell Services is not responsible for updating, nor undertakes to update, this presentation. Mitchell Services may, in its absolute discretion, but without being under any obligation to do so, update or supplement this presentation or the announcement to which it is attached. Any further information will be provided subject to the terms and conditions contained in this Disclaimer.

This presentation should be read in conjunction with Mitchell Services' other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au.

Disclaimer

To the maximum extent permitted by law, no member of Mitchell Services or any of its related bodies corporate and each of their respective directors, employees, officers, associates, agents, auditors and advisers offer any representation, guarantee or warranty, express or implied, as to the accuracy, completeness, currency or reliability (including as to auditing or independent verification) of any statement, estimate, opinion or other information contained in this presentation. To the maximum extent permitted by law, the members of Mitchell Services and each of their related and controlled entities and each of their respective directors, officers, employees and agents disclaim all liability and responsibility (including without limitation any liability arising from fault or negligence) for any direct or indirect loss or damage which may be suffered through the use, or reliance on, anything contained in, or omitted from, this presentation.

The information in this presentation remains subject to change without notice. Mitchell Services reserves the right to withdraw the Offer and/or vary the timetable for the Offer. Mitchell Services, the Underwriter and the respective officers, advisers, agents and employees of both undertake no obligation to provide any recipient with access to any additional information or to notify any recipient or any other person of any matter arising or coming to its notice after the date that this presentation was issued.

In consideration for being given access to this presentation, the recipient confirms, acknowledges, undertakes and agrees to the matters set out in this Disclaimer and any modifications notified to you.

Not an offer of securities

This presentation is for information purposes only and should not be considered as a solicitation, offer or invitation for subscription, purchase or sale of Mitchell Services securities or any other financial products or securities in any jurisdiction. To avoid any doubt, this presentation is not a prospectus, product disclosure statement or other disclosure or offer document under the Corporations Act 2001 (Cth) (the "**Corporations Act**") or other offering document under any other Australian law, or any law of any other jurisdiction. Neither is this presentation financial product advice, investment advice or any recommendation. Accordingly, this presentation does not contain all the information that would be required to be included in a prospectus, product disclosure statement or other disclosure or offer document prepared in accordance with the requirements of the Corporations Act and has not been lodged with the Australian Securities and Investments Commission ("**ASIC**") or any other financial services or securities regulator.

Investment risk

An investment in Shares (including New Shares) is subject to investment and other known and unknown risks, some of which are beyond the control of Mitchell Services. Mitchell Services does not guarantee any particular rate of return or the performance of Mitchell Services or the Shares (including the New Shares), nor does it guarantee the repayment of capital from Mitchell Services or any particular tax treatment. Persons should have regard to the investor risks set out in this presentation.

Not financial advice

Nothing in this presentation constitutes financial, investment, legal, tax or other advice, nor a recommendation to acquire New Shares. This presentation has been prepared without taking account of any person's individual investment objectives, financial situation or particular needs. Each recipient of this presentation should consult with, and rely solely upon, the advice of their own legal, tax, business and/or financial advisors in connection with any decision made in relation to the information contained in this presentation.

Cooling off rights do not apply to the acquisition of New Shares.

DISCLAIMER

Market and industry data

Certain market and industry data used in connection with this presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. No member of Mitchell Services or any of its related bodies corporate and each of their respective representatives or advisers have independently verified any such market or industry data provided by third parties or industry or general publications.

Accounting standards

Investors should be aware that certain financial information included in this presentation are "non-AIFRS" and "non-GAAP" financial measures under Regulation G of the US Securities Exchange Act of 1934, as amended. The disclosure of such non-AIFRS/non-GAAP financial measures in the manner included in the presentation may not be permissible in a registration statement under the US Securities Act. These non-AIFRS /non-GAAP financial measures do not have a standardised meaning prescribed by Australian Accounting Standards and therefore may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Although the Company believes that these non-AIFRS /non-GAAP financial measures provide useful information to users in measuring the financial position of its business, investors are cautioned not to place undue reliance on any non-AIFRS /non-GAAP financial measures included in this presentation.

Effect of rounding

Several figures, amounts, percentages, estimates and calculations of value in this presentation are subject to the effect of rounding

Financial data

All references to dollars and cents are in reference to Australian dollars unless otherwise stated and all financial data is presented as at the date of this presentation unless otherwise stated.

Past performance

This presentation contains information as to past performance of Mitchell Services. Such information is given for illustrative purposes only, and is not – and should not be relied upon as – an indication of future performance of Mitchell Services. The historical information in this presentation is, or is based upon, information contained in previous announcements made by Mitchell Services to the market. These announcements are available at www.asx.com.au

Forward-looking statements

This presentation contains statements, opinions, projections, forecasts and other material ("forward-looking statements"), including about Mitchell Services' expectations about the financial and operating performance of its businesses, the plans, strategies and objectives of the management of Mitchell Services, the industry and the markets in which Mitchell Services operates, future earnings guidance, the extent and the potential impact and duration of the COVID-19 pandemic and the timetable and the outcome of the equity raising described in this presentation and the proceeds thereof. Forward-looking words such as "expect", "anticipate" "should", "could", "may", "will", "believe", "likely", "forecast", "estimate", "guidance" and other similar expressions are intended to identify such forward-looking statements. Such statements are subject to various known and unknown risks, uncertainties and other factors that are in some cases beyond Mitchell Services' control. These risks, uncertainties and factors may cause actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements and from past results, performance or achievements. Mitchell Services cannot give any assurance or guarantee that the assumptions upon which management based its forward-looking statements will prove to be correct or exhaustive beyond the date of its making, or that Mitchell Services' business and operations will not be affected by other factors not currently foreseeable by management or beyond its control. Such forward-looking statements only speak as at the date of this announcement and Mitchell Services does not assume any obligation to update such information.

You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19. Any such statements, opinions and estimates in this presentation speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates. Forward-looking statements are provided as a general guide only. The forward-looking statements contained in this presentation are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Mitchell Services, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Forward-looking statements may also assume the success of Mitchell Services' business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond Mitchell Services' control, and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward-looking statements may have been prepared or otherwise. Refer to the key risks set out in this presentation for a non-exhaustive summary of certain key business, offer and general risk factors that may affect Mitchell Services.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. Any forward-looking statements contained in this document are qualified by this cautionary statement. Several important factors could cause actual results or performance to differ materially from the forward-looking statements, including (without limitation) the risks and uncertainties associated with the ongoing impacts of COVID-19, the Australian and global economic environment and capital market conditions and other risk factors set out in this presentation. Other risks may materially affect the future performance of Mitchell Services and the price of Shares. Additional risks and uncertainties not presently known to management or that management currently believe not to be material may also affect Mitchell Services' business.

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Neither the Lead Manager nor any other Limited Party makes any recommendation as to whether any potential investor should participate in the Offer. Further, neither the Lead Manager nor any other Limited Party accepts any fiduciary obligations to or relationship with any investor or potential investor in connection with the Offer or otherwise, and by accessing this presentation each recipient expressly disclaims any such fiduciary relationship and agrees that it is responsible for making its own independent judgements with respect to the Offer and any other transaction or other matter arising in connection with this presentation.

The Lead Manager and other Limited Parties may have interests in the securities of Mitchell Services, including being directors of, or providing investment banking services to, Mitchell Services. Further, they may act as market maker or buy or sell those securities or associated derivatives as principal or agent. Such persons may receive fees or other benefits for engaging in these activities.

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By attending or receiving this presentation you acknowledge and agree that you understand the contents of this notice and that you agree to abide by its terms and conditions. By attending or receiving this presentation you further agree, irrevocably and unconditionally, to submit to the non-exclusive jurisdiction of the courts of Queensland, in respect of any disputes, actions, suits or proceedings arising out of, or relating to, this presentation.

EXECUTIVE SUMMARY

- Mitchell Services Limited (“**Mitchell Services**”) is seeking to raise approximately \$10.5m **to assist in funding a material organic growth strategy which amongst other things will include the funding of capital expenditure to fulfil current and expected contract pipeline requirements.**
- The outlook for the business is extremely positive and a strengthened capital position will ensure Mitchell Services has the agility, flexibility and capacity to pursue the **rapidly growing organic market** opportunities, and allow the business to leverage:
 1. its **demonstrated track record** of delivering growth through the cycle with a compound annual revenue growth rate of 44% since 2014;
 2. the **growing demand** for production drilling services driven by a sustained strengthening in commodity prices; and
 3. the significant **barriers to entry** into the drilling services sector, which will continue to drive drilling equipment and service constraints.
- Mitchell Services is undertaking a fully underwritten \$10.5m capital raising via a 1 for 8 pro-rata accelerated non-renounceable entitlement offer at \$0.42 per share (the “Offer”).
- Mitchell Services expects to generate FY22 revenue of \$200m-\$220m* and EBITDA of \$40m-\$44m*.
- Proceeds of the Offer will be used to support the funding of a sizeable organic growth opportunity which includes the acquisition of up to 12 additional drill rigs. Based on the anticipated size of the fleet post implementation of the growth strategy, the business would have the capacity to potentially generate \$50m-\$60m EBITDA^.
- Mitchell Services has a proven track record of delivering significant year on year revenue and earnings growth.
- Major shareholders, Mitchell Group (Nathan Mitchell) and Dream Challenge Pty Ltd (Scott Tumbridge) have committed to take up their entitlement in full under the Entitlement Offer and (in the case of Dream Challenge Pty Ltd) to sub-underwrite a portion of any potential Retail Entitlement Offer shortfall.
- All eligible Directors and Executive Management have committed to participate in the Entitlement Offer.
- The Offer is fully underwritten by Morgans Corporate Limited.

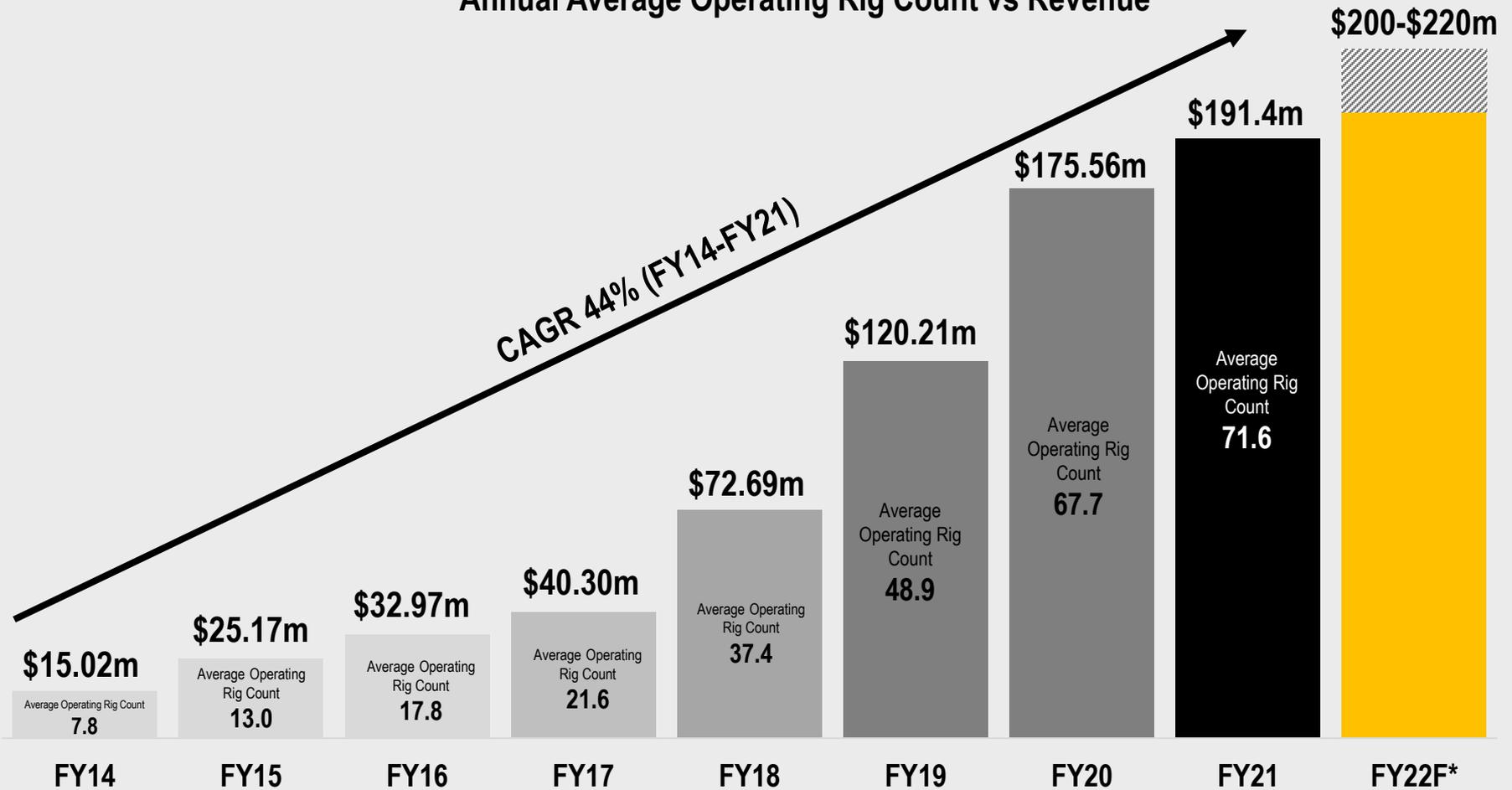
*Assumes anticipated levels of work from existing customers and that all existing customers renew their drilling contracts to the extent that such current contracts expire during this period. Assumes a 20% EBITDA margin and that there are no material changes in market conditions or operating environments, including no material deterioration in COVID-19 restrictions and regulations.

^Assumes that the rig fleet is operating at or near capacity, at current productivity levels and under existing contracts terms (including pricing).

SIGNIFICANT GROWTH OPPORTUNITY

MSV'S DEMONSTRATED ABILITY TO DELIVER GROWTH

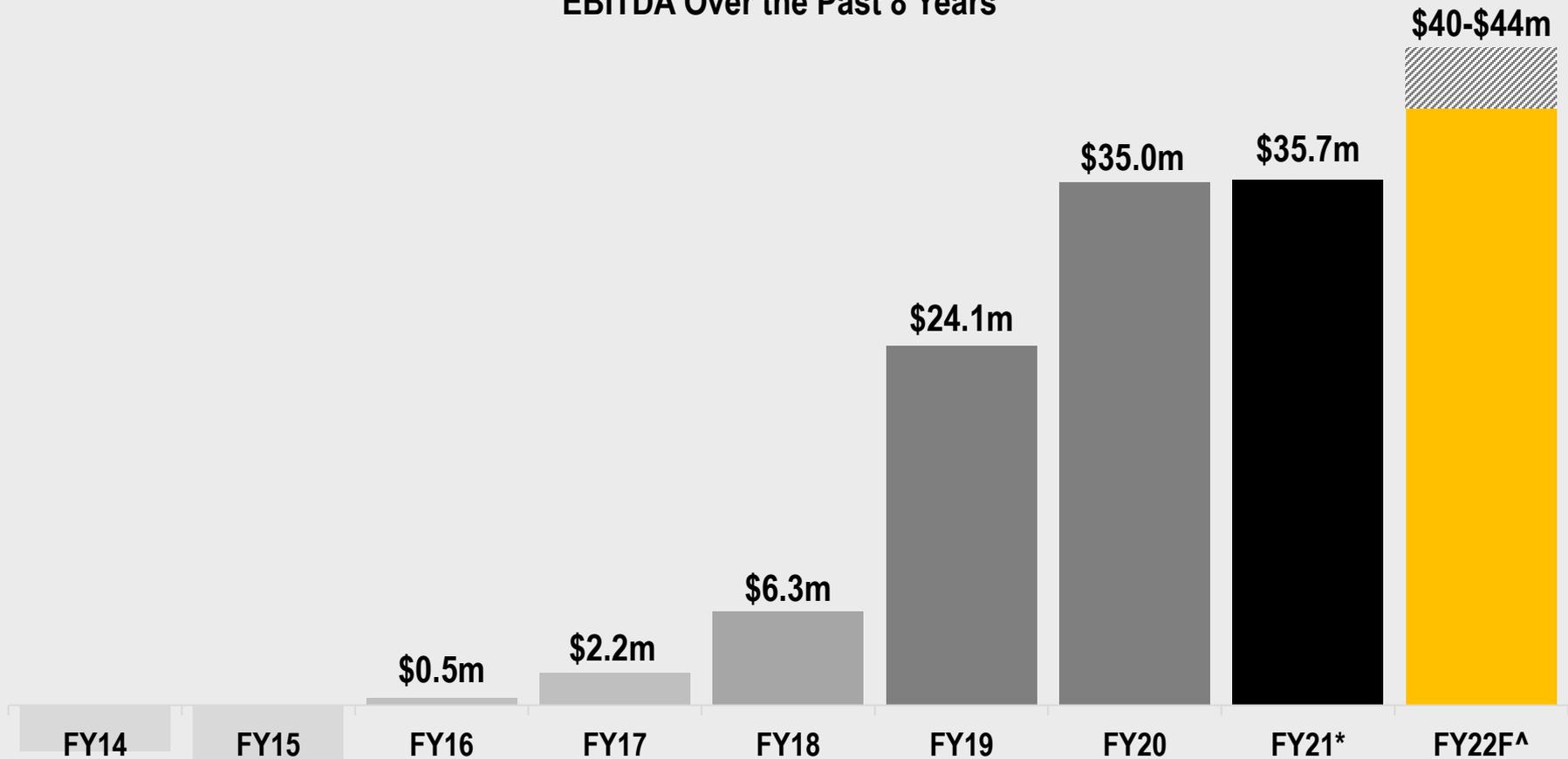
Annual Average Operating Rig Count vs Revenue



*Assumes anticipated levels of work from existing customers and that all existing customers renew their drilling contracts to the extent that such current contracts expire during this period. Assumes a 20% EBITDA margin and that there is no material changes in market conditions or operating environments, including no material deterioration in COVID-19 restrictions and regulations.

MSV'S DEMONSTRATED ABILITY TO DELIVER GROWTH

EBITDA Over the Past 8 Years



* FY21 EBITDA is underlying and excludes items as disclosed on slide 17.

^ Assumes anticipated levels of work from existing customers and that all existing customers renew their drilling contracts to the extent that such current contracts expire during this period. Assumes a 20% EBITDA margin and that there are no material changes in market conditions or operating environments, including no material deterioration in COVID-19 restrictions and regulations.

ORGANIC GROWTH STRATEGY

- Mitchell Services has a material capital investment program underway.
- This investment includes the purchase of 9 LF160 drill rigs that are expected to be delivered by 31 December 2021 and includes an option for an additional 3 rigs.
- The proposed timing allows Mitchell Services to take advantage of the cash flow benefit associated with the ATO's instant asset write off program (in place until June 2022 with a proposed extension to June 2023)
- It was previously Mitchell Services' intention to sell nominated rigs to provide partial funding for this capital investment program.
- However, given the strength of the current market and the lead times to procure additional drill rigs, Mitchell Services have opted to retain these rigs as the value to the business will be greater than the net sale proceeds.
- Based on the anticipated size of the fleet post implementation of the growth strategy, the business would have the capacity to potentially generate \$50m-\$60m EBITDA and to deliver material EPS growth.



OPPORTUNITY TO LEVERAGE THE CYCLE

- Significant increase in demand in the gold and base metals sectors with a positive long-term industry outlook.
- Global government stimulus and subsequent investment into infrastructure and other projects will drive demand for copper and other base metals.
- In a world where reserves and grades of some commodities are reducing, Australia is seen as a high quality, low risk jurisdiction in which to operate.
- Increase in new projects and exploration programs due to significantly increased level of capital raising and investment by miners during 2020 and 2021.
- With approximately 70% of FY21 revenue derived from the gold and base metal sectors, the Company is well placed to take advantage of any further uplift in these markets.



“We believe that the last supercycle peaked in 2008 (after 12 years of expansion), bottomed in 2020 (after a 12-year contraction) and that we likely entered an upswing phase of a new commodity supercycle”

JP Morgan macro and quantitative strategist Marko Kolanovic

The outlook for drilling services demand is the strongest that we have seen since 2008

LEVERAGE IN AN IMPROVING MARKET

STAGE 1: AVERAGE OPERATING RIG COUNT INCREASES

- More rigs start working

STAGE 2: PRODUCTIVITY IMPROVES AS UTILISED RIGS WORK MORE SHIFTS

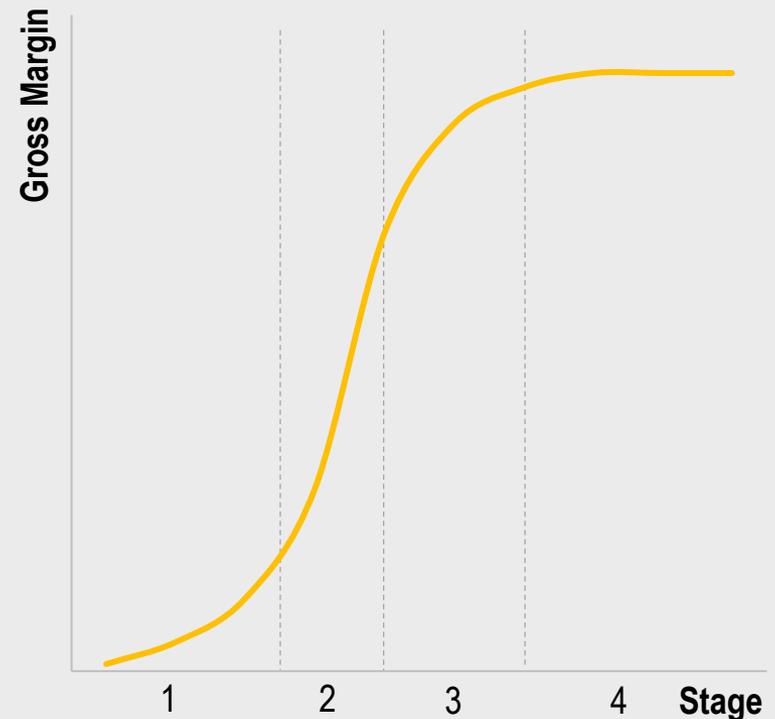
- Seasonality impact reduces as rigs work through the wet season
- More rigs work 24 hours a day 7 days a week versus 12 hours a day

STAGE 3: PRICE INCREASES AS SUPPLY AND DEMAND CHANGES IN FAVOUR OF SERVICE PROVIDERS

- On average across a range of different drilling types prices are still circa 10% to 30% below those of the highs in the last cycle

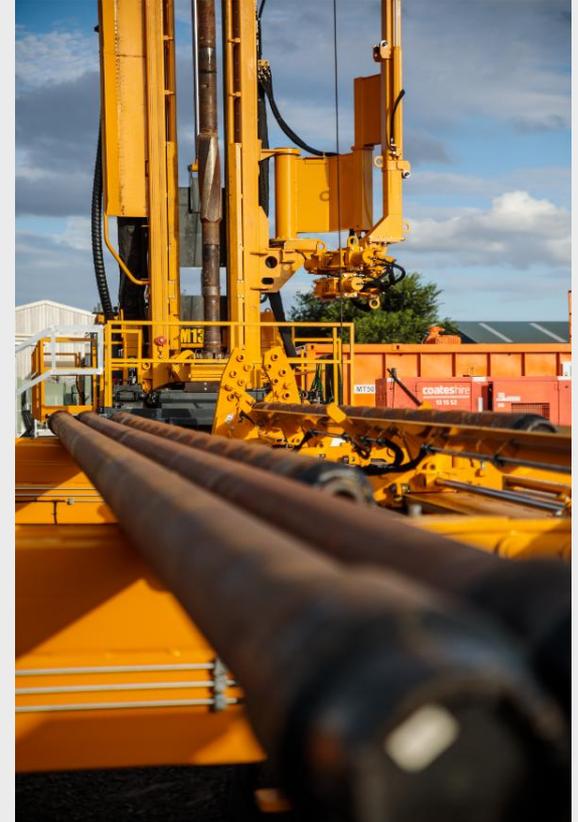
STAGE 4: GENERAL CONTRACT TERMS & CONDITIONS IMPROVE

- Larger up front mobilisation charges to manage ramp up costs
- Larger demobilisation charges
- Take or pay contracts
- More flexible pricing schedule of rates



SIGNIFICANT BARRIERS TO ENTRY

- Access to funding for new mining services providers is challenging given limited lender appetite to the mining services sector.
- Complex and highly regulated industry.
- Increasing lead time in relation to the supply of rigs, ancillary equipment and consumables.
- Significant level of industry consolidation.
- Tightening labour market and ability to attract and retain a highly skilled labour force.



Suppliers are currently experiencing a surge in global demand for drill rod while continuing to manage supply constraints as a result of Covid-19

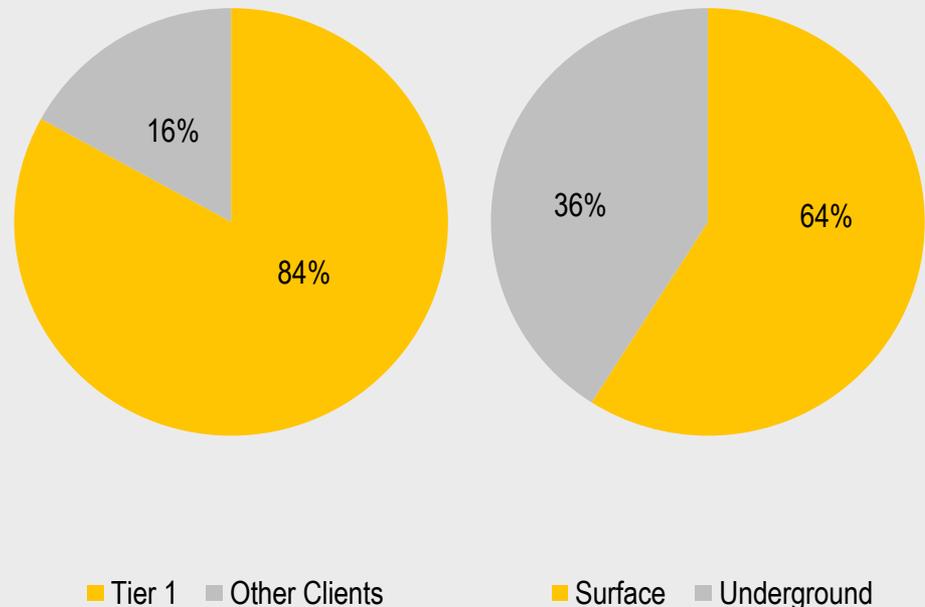
Mitchell Services has circa 20,000 pieces of drill rod currently ordered which represents 32% of a major suppliers total Asia Pacific drill rod availability over the next 6 months

BUSINESS DEVELOPMENT

Majority of \$1.2B revenue opportunity pipeline is surface drilling

- Mitchell Services is highly focused on **lead generation**
- Mitchell Services has a **national footprint** and can pursue opportunities across all of Australia
- The revenue opportunity pipeline is at **record levels**
- The number of rigs required to service the total revenue opportunity pipeline **far exceeds available rigs** in the fleet even after the acquisition of 12 new rigs
- Mitchell Services expects to continue to win **multi rig, multi year** contracts with **Tier 1** clients
- The 12 new rigs are all surface rigs for which we already have **significant bookings**

Revenue opportunity pipeline by client and drilling Type



BUSINESS OVERVIEW

MITCHELL SERVICES MARKET PROFILE

ASX Information

| | |
|-----------------------------|-------------|
| ASX Stock Symbol | MSV |
| Shares Issued | 199,954,290 |
| Share Price (at 11/08/2021) | A\$0.505 |
| Market Capitalisation | A\$100.98m |

Major Holders

| | |
|-----------------------------|-------|
| Mitchell Group | 18.4% |
| Dream Challenge Pty Ltd | 7.2% |
| Washington H Soul Pattinson | 6.0% |

Board of Directors



Nathan Mitchell
Executive Chairman

Scott Tumbridge
Executive Director

Peter Miller
Non-Executive
Director

Robert Douglas
Non-Executive
Director

Neal O'Connor
Non-Executive
Director

Peter Hudson
Non-Executive
Director

Executive Management Team



Andrew Elf
Chief Executive Officer

Greg Switala
CFO & Company Secretary

FY21 UN-AUDITED RESULTS OVERVIEW

42,633 shifts in FY21

↑ **20%**
from FY20

Industry leading safety
performance driven by critical
risk control verification
program

650+
experienced employees

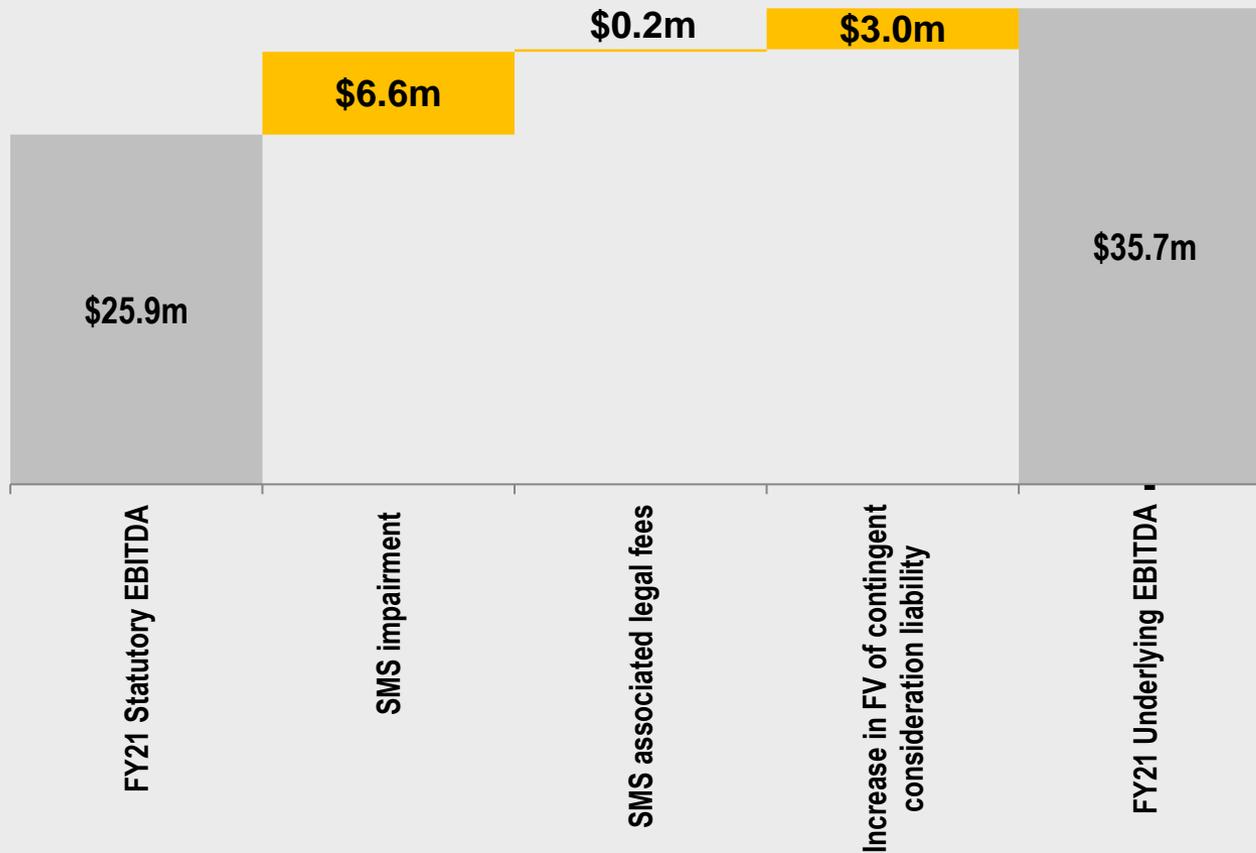
Underlying* FY21 EBITDA of
\$35.7m

\$29.6m gross bank debt
at 30 June 21 representing
a **25% decrease**
from 30 June 20

Total revenue of \$191m
↑ **9%**
from FY20 driven by utilisation
increases

* Underlying excludes items as disclosed on slide 17.

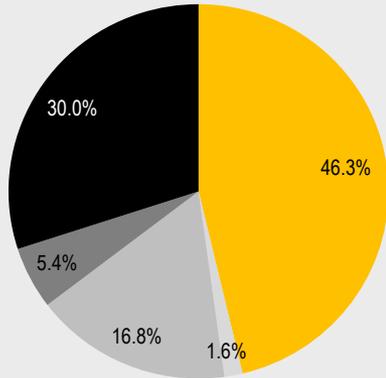
FY21 EBITDA RECONCILIATION



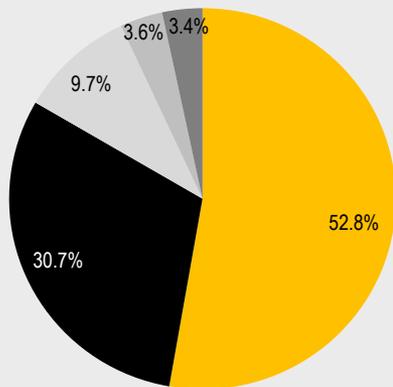
- FY21 reported EBITDA includes a \$6.6m trade receivable impairment in relation to SMS Innovative Mining Pty Ltd. The \$6.6m reflects the gross receivable at 30 June 2021 of \$9.6m less \$3m being the first tranche received pursuant to a \$5m settlement as announced on 13 July 2021.
- FY21 reported EBITDA includes a \$3m increase in fair value to the contingent consideration liability in relation to the Deepcore Drilling acquisition. Based on Deepcore Drilling's strong EBITDA performance to date and expected EBITDA over the remainder of the 3-year earn out period, the contingent consideration liability has been re-measured to \$6.3m at 30 June 2021.

REVENUE QUALITY AND DIVERSITY

FY21 Revenue by State and Commodity

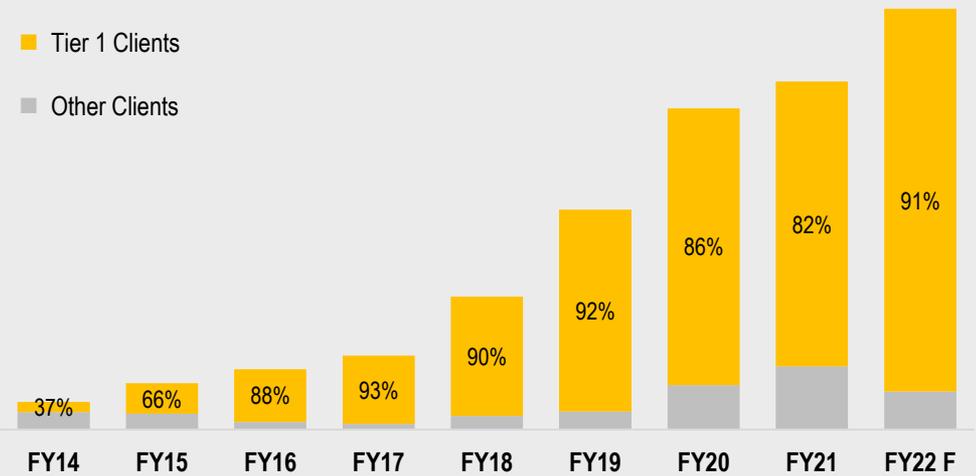
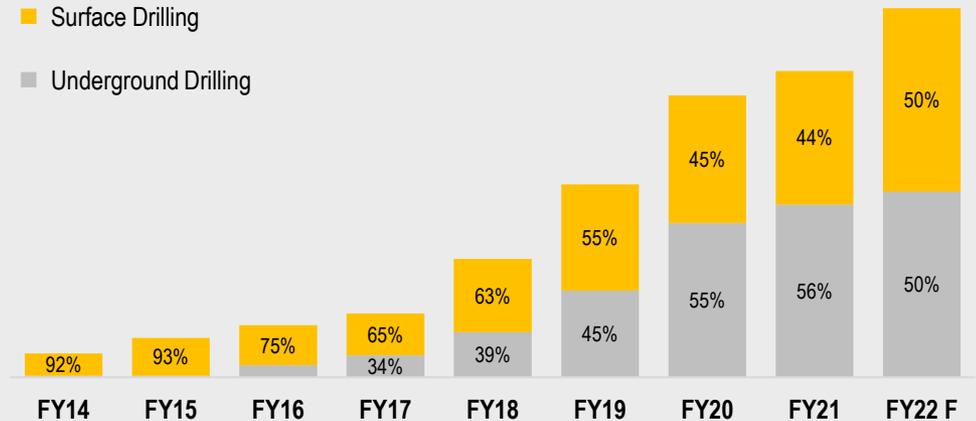


■ QLD ■ SA ■ NSW ■ WA ■ VIC



■ Gold ■ Coking Coal ■ Copper ■ Lead/Zinc/Silver ■ Other

Revenue by Drilling and Client Type



OFFER STRUCTURE

EQUITY OFFER OVERVIEW

THE OFFER

The fully underwritten Offer consists of the following components:

- A 1 for 8 pro-rata accelerated non-renounceable Entitlement Offer to raise approximately \$10.5m at \$0.42 per New Share.
- The Entitlement Offer will comprise an accelerated Institutional Entitlement Offer and Retail Entitlement Offer. The Entitlement Offer is non-renounceable and entitlements will not be tradeable or otherwise transferable.
- Eligible retail shareholders will have the ability to apply for additional New Shares under a 'Top-Up Facility'. Any allocation of additional New Shares under the Top-Up Facility is subject to the shortfall amount under the Retail Entitlement Offer and at the discretion of Mitchell Services.
- All New Shares will rank equally with existing Shares

PRICING

Offer price of \$0.42 per New Share represents:

- 15.15% discount to last close of \$0.495 per share
- 16.03% discount to 1 week VWAP of \$0.500 per share
- 13.70% discount to TERP* of \$0.487 per share

SHAREHOLDER SUPPORT

- Entities associated with Executive Chairman Nathan Mitchell and Dream Challenge Pty Ltd (an entity associated with Executive Director Scott Tumbridge) have indicated that they will take up all their Entitlements and (in the case of Dream Challenge Pty Ltd) will sub-underwrite a proportion of any shortfall under the Retail Entitlement Offer. If Dream Challenge's sub-underwriting commitment is drawn on in full, its shareholdings on completion of the Offer will be 7.3% of Mitchell Services issued capital.
- All eligible Directors and Executive Management have committed to participate in the Entitlement Offer

USE OF PROCEEDS

- Funds raised will be used to support the funding of a sizeable organic growth opportunity which includes the acquisition of up to 12 additional drill rigs.
- Mitchell Services expects to generate FY22 revenue of \$200m-\$220m and EBITDA of \$40m-\$44m.
- Based on the anticipated size of the fleet post implementation of the growth strategy, the business would have the capacity to potentially generate \$50m-\$60m EBITDA.

UNDERWRITING

The Offer is fully underwritten by Morgans Corporate Limited and a summary of the Underwriting Agreement is provided in Appendix 6.

- The theoretical ex rights price (TERP) is the theoretical price at which MSV shares should trade immediately after the ex date for the entitlement offer. TERP is a theoretical calculation only and the actual price at which MSV shares trade immediately after the ex date for the Entitlement Offer will depend on many factors and may not be equal to TERP.
- The Retail Entitlement Offer is only available to eligible retail shareholders with a registered address in Australia or New Zealand on the Record Date. See the Retail Offer Booklet for further eligibility once available

FINANCIAL POSITION

| | 30 Jun 21* | Capital Raise^ | SMS Settlement | Post-Raise |
|-------------------------------|----------------|----------------|----------------|----------------|
| | \$000's | \$000's | \$000's | \$000's |
| Cash and cash equivalents | 4,236 | 10,000 | 3,000 | 17,236 |
| Other current assets | 43,193 | - | (3,000) | 40,193 |
| Property, plant and equipment | 69,739 | - | - | 69,739 |
| Other non-current assets | 9,585 | - | - | 9,585 |
| Total assets | 126,753 | 10,000 | - | 136,753 |
| Current liabilities | 50,179 | - | - | 50,179 |
| Non-current liabilities | 24,963 | - | - | 24,963 |
| Total liabilities | 75,142 | - | - | 75,142 |
| Net assets | 51,611 | 10,000 | - | 61,611 |

* Unaudited

^ Approximate only

Net of costs, the capital raising will assist in funding a material organic growth strategy which amongst other things will include the funding of capital expenditure to fulfil current and expected contract pipeline requirements

* Numbers are pro-forma and illustrative only, showing the theoretical 30 June 2021 financial position of Mitchell Services had the proceeds from the Offer and the 1st tranche of the SMS settlement payment (as announced to the ASX on 20 July 2021) been received prior to 30 June 2021 (with the decrease in other current assets being the corresponding reduction of the debtors balance post receipt. Based on the terms of the SMS settlement a further \$2m is expected to be received by 30 December 2021.

DEBT PROFILE OVERVIEW

Seek to maintain leverage at below 1 x EBITDA

| Facility | 30 June 21* | 30 June 22^ | Movement |
|---------------------------------|---------------|---------------|--------------|
| | \$000's | \$000's | \$000's |
| Revolving equipment finance | 11,300 | 24,500 | 13,200 |
| Other equipment finance | 7,400 | 3,700 | (3,700) |
| Corporate/Acquisition loan | 10,900 | 7,800 | (3,100) |
| \$10m overdraft/working capital | - | - | - |
| Gross Bank Debt | 29,600 | 36,000 | 6,400 |

*drawn balance

^ anticipated drawn balance

Post completion of the equity raise, the **revolving equipment finance** facility limit (currently \$15m) will be increased to \$30m and will provide capacity to fund capital expenditure pursuant to the growth strategy

The proposed organic growth strategy will be funded by a combination of the Offer proceeds, operating cash flow and the equipment finance facility

OFFER TIMETABLE

INDICATIVE TIMETABLE

| Activity | Date |
|--|-----------------------------------|
| Trading halt and announcement of Offer | Monday, 16 August 2021 |
| Institutional Entitlement Offer Opens | Monday, 16 August 2021 |
| Institutional Entitlement Offer Closes | Tuesday, 17 August 2021 |
| Trading resumes on an ex-Entitlement Offer basis | Wednesday, 18 August 2021 |
| Record date for Entitlement Offer | 7:00pm, Wednesday, 18 August 2021 |
| Retail Entitlement Offer opens | 9:00am, Monday, 23 August 2021 |
| Settlement of the Institutional Entitlement Offer | Tuesday, 24 August 2021 |
| Allotment of New Shares issued under the Institutional Entitlement Offer | Wednesday, 25 August 2021 |
| Retail Entitlement Offer closes | 5:00pm, Monday, 6 September 2021 |
| Settlement of the Retail Entitlement Offer | Friday, 10 September 2021 |
| Allotment of New Shares issued under the Retail Entitlement Offer Shares and commencement of trading on a normal basis | Monday, 13 September 2021 |

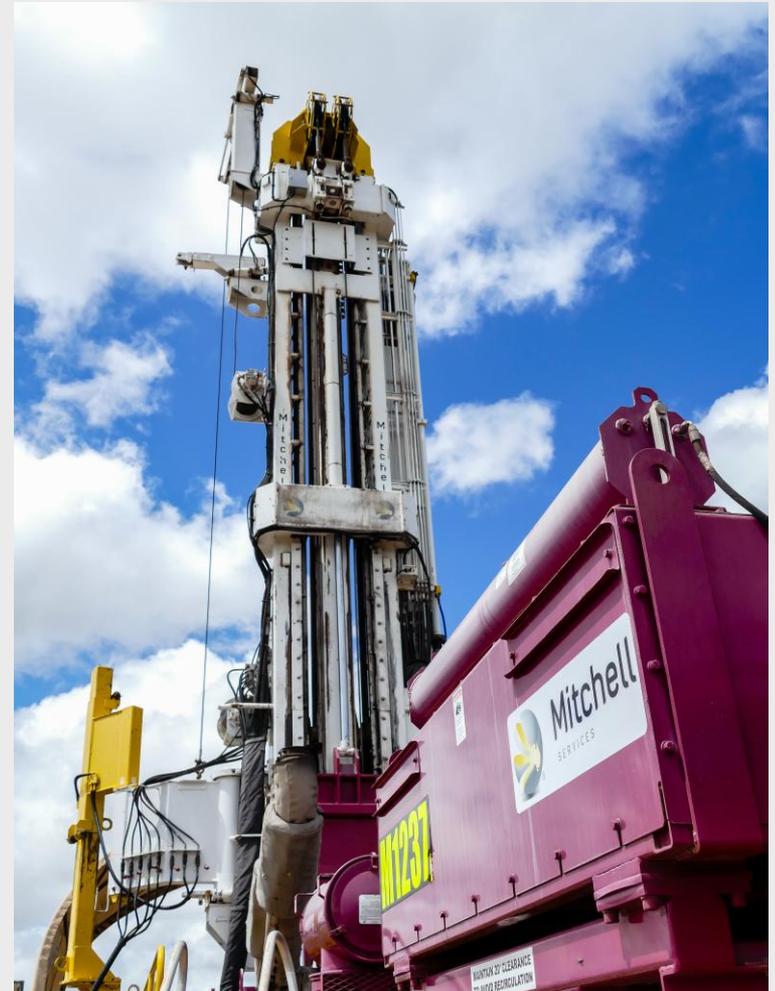
- All dates and times are indicative only and subject to change. Unless otherwise specified, all dates and times refer to Australian Eastern Standard Time (AEST). Subject to the requirements of the Corporations Act, the ASX listing rules and any other applicable laws, Mitchell Services, in consultation with the Lead Manager, reserves the right to amend this timetable at any time.

SHARES OUTSTANDING

| | |
|---|-------------|
| Current Shares on issue | 199,954,290 |
| Entitlement Offer ratio | 1 for 8 |
| New Shares issued under the Entitlement Offer | 24,994,286 |
| New Shares on issue post Offer | 224,948,576 |

SUMMARY

- Mitchell Services vision is to be **Australia's leading provider of drilling services** to the global exploration, mining and energy industries.
- **\$1.2b revenue opportunity** pipeline is at record levels requiring **primarily surface drilling services**. Significant anticipated increase in demand in the gold and base metals sectors with a positive long-term industry outlook.
- Mitchell Services is embarking on an **organic growth strategy** including a material capital investment program to deliver anticipated **FY22 EBITDA of between \$40m and \$44m**.
- Based on the anticipated size of the fleet post implementation of the -growth strategy, the business would have the capacity to potentially generate **\$50m-\$60m EBITDA** and to deliver material EPS growth.
- Mitchell Services has an **experienced board** and management team who have **proven success** in business development and growth.



APPENDIX

- Appendix 1 – Board and Management
- Appendix 2 – Cash Benefit of Organic Growth Strategy
- Appendix 3 – Investment Risks
- Appendix 4– Definitions
- Appendix 5 – International Offer Restrictions
- Appendix 6 – Underwriting Agreement Summary



APPENDIX 1 - BOARD AND MANAGEMENT

NATHAN MITCHELL – Executive Chairman

With a career spanning almost 30 years, Mr Mitchell has a proven track record as an industry leader in technical development and business growth. Mr Mitchell has led Mitchell Services through a period of rapid local growth and directed an international expansion into India, China, Indonesia, the United States and southern Africa.

SCOTT TUMBRIDGE – Executive Director

As the Founder and Chairman of Deepcore Drilling, Mr Tumbridge has grown the Deepcore business to span over the eastern states of Australia and Asia Pacific. With over 25 years in the drilling industry, Mr Tumbridge has worked closely with clients to develop unique underground and surface drilling rigs designed for specialised drilling requirements at mines throughout the Asia Pacific region.

PETER MILLER - Non Executive Director

Mr. Miller founded Drill Torque in 1992 with one drill rig, which grew to 29 prior to the acquisition of Well Drilled. Mr. Miller has been involved in all aspects of the drilling industry for the past 28 years and has extensive knowledge of the drilling conditions, equipment requirements and pricing structure to maximize productivity.

ROBERT DOUGLAS (BCom, LLB) – Non Executive Director

Mr Douglas has over 15 years of experience in finance and investment banking and is currently an Executive Director of Morgans Financial. Mr Douglas has vast experience in all aspects of corporate advisory and equity capital raising for listed public companies and companies seeking to list.

NEAL O’CONNOR (LLB, GAICD) – Non Executive Director

Mr O’Connor was formerly General Counsel and Company Secretary and an Executive Committee member of the global Xstrata Copper. Mr O’Connor has extensive experience in the resource industry and brings an added focus on Corporate Governance and Risk Management.

PETER HUDSON (BA (Acct), GAICD, ACA) – Non-Executive Director

As an Australian Chartered Accountant and graduate member of the Australian Institute of Company Directors, Mr Hudson is an experienced business professional with over 20 years’ advising corporate clients undertaking complex transactions across Australia and overseas. Previously a partner at KPMG, Mr Hudson has provided assistance to a vast range of clients undertaking complex transactions and capital raisings across a wide range of sectors including agriculture, funds management, mining and infrastructure.

ANDREW ELF (B.Com, FCPA, MBA, GAICD) – Chief Executive Officer

Mr Elf has worked in the mining services industry for over 18 years and more specifically in the drilling industry, where he has held various senior leadership roles. Mr Elf has extensive finance, commercial and operation experience throughout Australia and internationally .

GREG SWITALA (B.Com Hons CTA, CA) - CFO & Company Secretary

Mr Switala joined Mitchell Services in 2014 and has led the finance team through a period of substantial growth. Mr Switala has extensive financial accounting and reporting experience in both audit and commercial finance roles.

APPENDIX 2 - CASH BENEFIT OF ORGANIC GROWTH STRATEGY

Federal budget accelerated instant asset write off.

Businesses with aggregated turnover of less than \$5 billion will be able to **deduct the full cost of eligible capital assets** acquired from 7 October 2020 and first used or installed by 30 June 2022 (with a proposed extension to 30 June 2023).

This will apply to new depreciable assets and the costs of improvements to existing eligible assets.

- For businesses with aggregated turnover of less than \$50 million, it will also apply to second-hand assets.
- Businesses with aggregated turnover between \$50 million and \$500 million can still deduct the full cost of eligible second-hand assets costing less than \$150,000 that are purchased by 31 December 2020 under the existing measure announced as part of the COVID-19 stimulus package. These businesses will have an additional six months, until 30 June 2021, to first use or install these assets.
- Asset exclusions include building and capital works, assets subject to Sub-division 40F (primary production assets)



Material estimated cash flow benefit

APPENDIX 3 – INVESTMENT RISKS

Investors should carefully consider the risk factors described below, in addition to the other information in this document and publicly available information of Mitchell Services, before making an investment decision. If you require further information regarding the appropriateness or potential risks of this investment, you should seek appropriate financial advice. An investment in Mitchell Services is subject to risks, both specific to Mitchell Services and more general risks. Many of these risks are beyond the control of Mitchell Services and, if they were to eventuate, may impact adversely on the performance, or value, of an investment in Mitchell Services. This summary details some of the major risks that you should be aware of when investing in Mitchell Services, however it is not intended to be exhaustive. Investors should be aware that the list of risks described below may not cover all possibilities and should also consider risks specific to their situation. Additional risk factors and uncertainties that are not known to Mitchell Services at the time of this Offer, or which are considered immaterial, may in the future materially impact Mitchell Services' assets, financial condition or operations and may have an adverse effect on an investment in Mitchell Services.

Environmental issues, climate change and business interruptions

Mitchell Services has exposure to a number of unforeseen environmental issues natural events such as cyclones, persistent rainfall, floods and fire which are beyond its control. Liabilities may be imposed irrespective of whether or not Mitchell Services is responsible for the circumstances to which they relate. Natural events would affect Mitchell Services' productivity and ability to engage in contract drilling for customers and, as a result, could have a material adverse effect on Mitchell Services. Unstable weather conditions, extreme weather events or climate related causes, unstable service sites, regulatory intervention, delays in necessary approvals and permits or supply bottlenecks may reduce Mitchell Services' ability to complete drilling services contracts resulting in performance delays, increased costs and loss of revenue. Mitchell Services seeks to mitigate these and other risks by securing clients in multiple geographic locations so as to minimise the impact of events such as the Queensland wet season.

Dependence on key personnel and labour shortages

Mitchell Services' primary intellectual asset is the skill and experience of its staff. It is essential that appropriately skilled staff be available in sufficient numbers to support Mitchell Services' operations. There is a risk that Mitchell Services may be unable to attract or retain key personnel and specialist skills and may lose corporate memory. While Mitchell Services has initiatives to mitigate this risk, including implementing special training programs, loss of key staff or failure to attract new staff may have a negative impact on the financial performance or otherwise of Mitchell Services and in particular its ability to expand its business. The loss of key staff to a competitor may magnify this impact.

Effects of amended industrial relations laws

Any future changes to Commonwealth industrial relations laws particularly in regard to new awards may result in increased labour and compliance costs. This could impact on the ability of Mitchell Services to retain key personnel, attract new workers or replacement personnel. Any further changes to Commonwealth industrial relations laws may result in additional labour and compliance costs.

Industrial Accidents

Industrial accidents may occur with respect to Mitchell Services' business. In the event of a serious accident, for example resulting in a fatality or serious injury, or a series of such accidents on projects, substantial claims may be brought against Mitchell Services. Any such claim could result in substantial liability for Mitchell Services, which could negatively impact on growth prospects and adversely affect the financial performance and/or financial position of Mitchell Services.

Customer demand and outlook for resources industry

Mitchell Services' business depends on, amongst other things, the level of mining activity. Levels depend on a number of factors outside the control of Mitchell Services, including, but not limited to, continued global economic growth, continued international demand and infrastructure constraints experienced by Mitchell Services' clients. Any prolonged decline in the demand for resources may result in a corresponding decline in the use of Mitchell Services' services which will have an adverse effect on the financial performance and/or financial position of Mitchell Services. Commodity prices are volatile. Industry experience indicates that when commodity prices fall below certain levels, mining expenditure and activity decline in the following 12 months. There is a risk that a significant, sustained fall in commodity prices could substantially reduce future mining activity and accordingly demand for Mitchell Services' services.

Equipment constraints and obsolescence

Some of the specialist services provided by Mitchell Services require the use of purpose-built drilling rigs and equipment. Mitchell Services may have difficulty in gaining access to additional purpose-built rigs or equipment or adequate supplies of equipment at appropriate prices and in a timely manner or the quality of the available equipment may not be acceptable or suitable for its intended use. As technology continues to improve, the current rig fleet may require further investment to prevent obsolescence. Mitchell Services may also not be able to make the necessary capital investment to maintain or expand its rig fleet. Any of these factors may constrain Mitchell Services' ability to provide services and may ultimately have an adverse effect on its growth opportunities, financial performance and/or financial position.

Concentration risk and industry downturn

Mitchell Services' focus on drilling gives rise to some degree of concentration risk in that the prospects of Mitchell Services are largely tied to the prospects of the mining industry.

APPENDIX 3 – INVESTMENT RISKS (CONT.)

Operational risks

Mitchell Services and its customers are exposed to a range of operational risks relating to both current and future operations. Such operational risks include equipment failures, information technology system failures, external services failure, industrial action or disputes and natural disasters. Whilst Mitchell Services endeavours to take appropriate action to mitigate these operational risks and to insure against them, Mitchell Services cannot control the risks to which its customers are exposed, nor can it completely remove all possible risks relating to its own business.

Changing customer preferences regarding contractual arrangements

The majority of Mitchell Services' contracts for the provision of services are negotiated on a variable costs relationship-based agreement. However, a small number are negotiated on a fixed-price basis. Fixed-price contracts are typically higher risk. Should customers in the future exhibit a preference for fixed-price contractual arrangements, this may have an adverse effect on the financial performance and/or financial position of Mitchell Services.

Capital and maintenance expenditure

Mitchell Services requires sufficient access to capital to fund the maintenance and replacement of its existing fleet of rigs, plant and equipment and any future expansion. Failure to obtain capital on favourable terms may hinder Mitchell Services' ability to expand and maintain its fleet of rigs or equipment which may reduce Mitchell Services competitiveness.

Operating costs

This is a risk of unexpected increases in variable operating costs including but not limited to labour, insurance and maintenance, which may adversely affect Mitchell Services' operating and financial performance.

Remote locations

Mitchell Services regularly undertakes projects in remote locations. The remoteness of the location exposes Mitchell Services to an increased risk of a shortage of skilled and general labour and potentially increased costs which may or may not be able to be passed onto the customer. Mitchell Services may also be exposed to a greater risk of logistical difficulties with plant and equipment because of the remote locations of its projects.

Early mine closure

Mitchell Services typically enters into contracts for the provision of services in relation to large, individual mines, which remain in force over extended periods of time. Mitchell Services ordinarily deploys its equipment and/or personnel with a view to providing services in relation to the particular mine on a continual basis over the duration of a service contract's life.

Early or unforeseeable closure of a mine could result in loss of expected revenues, and additional expenses for demobilisation, maintenance and storage of equipment used at that time.

Environmental incidents and claims

Mitchell Services operates in an industry where environmental issues, including inclement weather, may delay contract performance or result in complete shutdown of a project, causing a deferral or preventing receipt of anticipated revenues.

Reputation

Mitchell Services ability to retain and source new customers is heavily dependent on its reputation and current relationships with key customers. A dissatisfied customer, poor performance or litigation may result in significant damage to Mitchell Services brand and may impact on Mitchell Services' ability to maintain existing customers or enter into new customer relationships, resulting in an adverse impact, on its financial performance and/or financial position.

Insurance risks

Mitchell Services provides drilling services to third parties, which exposes Mitchell Services to the risk of liability from non-performance. Mitchell Services contractually limits its exposure to liability, and Mitchell Services maintains public liability insurance. Mitchell Services also has Directors' and Officers' insurance, which it believes to be commensurate with industry standards, and adequate having regard to the business activities of Mitchell Services. Nevertheless, there remains a risk that Mitchell Services insurance coverage will be insufficient to meet a very large claim or a number of large claims or that Mitchell Services is unable to secure insurance to satisfactorily cover all anticipated risks or that the costs of insurance will increase beyond anticipated levels.

Future funding

While the Directors believe that Mitchell Services will have sufficient funds to fund its activities in the short term, Mitchell Services is operating in a dynamic and rapidly growing industry. If Mitchell Services does not meet its stated objectives, it may need additional debt or equity funding. Mitchell Services' ability to raise funds from either debt or equity sources in the future depends on a number of factors, including the state of debt and equity markets, the general economic and political climate and the performance, reputation and financial strength of Mitchell Services. Possible increases in the interest rates, the cost of interest rate hedges and the level of financial covenants required by lenders may adversely impact on the operational and financial results of Mitchell Services. There can be no guarantee that such funding will be available to Mitchell Services on reasonable terms or at all. Any such failure to obtain funding on reasonable terms may result in a loss of business opportunity and excessive funding costs, including dilution to Shareholders if equity funding is pursued. Mitchell Services is obliged to adhere to covenants in its debt facilities. If Mitchell Services performance is significantly below expectations, there is a risk that it may not comply with its borrowing covenants, which may relate in it having to repay debt facilities earlier than their scheduled maturities.

APPENDIX 3 – INVESTMENT RISKS (CONT.)

Forecast dividends

No assurances can be provided in relation to the payment of future dividends. Future determination as to the payment of dividends by Mitchell Services will be at the discretion of Mitchell Services and will depend upon the availability of profits, the operating results and financial condition of Mitchell Services, future capital requirements, covenants in relevant debt facilities, general business and financial conditions and other factors considered relevant by Mitchell Services.

No assurance of liquidity or trading price

No assurances can be provided that the Shares (including the New Shares) will trade at any particular price or as to liquidity of trading or that any capital growth in Mitchell Services will translate into a higher price at which the Shares (including the New Shares) trade. The historical performance of Shares provides no guidance as to the future performance of Shares (including the New Shares).

Recognition of revenue

Mitchell Services' performance is influenced by its ability to win new contracts for the provision of drilling services and the completion of those contracts in a timely and efficient manner. Where new and existing contracts are delayed the recognition of revenue for those contracts may be deferred to later accounting periods.

Entry of new competitors

The entry of additional competitors in the drilling services sector could result in reduced operating margins and loss of market share. Such occurrences could adversely affect Mitchell Services' operating and financial performance.

New and existing customers

Mitchell Services' ability to grow its business depends, to a large degree, on its ability to secure new customers and contracts. Failure to obtain new drilling contracts or non payment by existing customers may have a material adverse effect on Mitchell Services.

Regulatory environment

The sector in which Mitchell Services operates is highly regulated by the various state and federal governments. Mitchell Services must comply with the relevant regulations and, as a consequence, its ongoing operations are subject to regulatory changes. Changes to the way in which the market is regulated could adversely affect the business or financial performance of Mitchell Services by the imposition of additional capital and/or operational obligations on Mitchell Services.

Concentration of shareholding

Entities associated with the Mitchell Group are expected to hold approximately 20% of the issued shares in y Mitchell Services immediately following the issue of shares under the offer. Accordingly, the Mitchell Group and its associated entities will continue to be in a position to exert significant influence over the outcome of matters relating to Mitchell Services, including the election of Directors and the consideration of material Board decisions. Although the interests of Mitchell Services, the Mitchell Group and other shareholders are likely to be consistent in most cases, there may be instances where their respective interests diverge.

Compliance

Mitchell Services is subject to strict regulatory and compliance arrangements under the Corporations Act and ASIC policy. Being listed on the ASX imposes various listing obligations with which Mitchell Services must comply on an ongoing basis. ASIC and ASX monitor Mitchell Services' compliance with the Corporations Act, ASIC policy and the ASX Listing Rules. If ASIC or ASX determine that Mitchell Services has not complied with its obligations, they may take action which would adversely impact Mitchell Services.

Litigation

Litigation risks to Mitchell Services include, but are not limited to, contractual claims, environmental claims, occupational health and safety claims, regulatory disputes, legal actions from special interest groups, as well as third party damage or losses resulting from drilling actions. Mitchell Services is not currently involved in any disputes and is not aware of any circumstances which could give rise to any claims or disputes.

APPENDIX 3 – INVESTMENT RISKS (CONT.)

Impact of Coronavirus (COVID-19)

The events relating to COVID-19 have recently resulted in unprecedented restrictions and lockdowns, including in relation to domestic and international travel and general disruption to business activities. These restrictions have been imposed by domestic and international governments and regulatory authorities, and/or implemented as a matter of best practice during the ongoing health crisis. In addition, events relating to COVID-19 have resulted in significant market falls and volatility, including the prices of securities trading on the ASX. While Mitchell Services' has remained operational throughout the COVID-19 pandemic, the events relating to COVID-19 may have a material adverse effect on, or cause a material adverse change to, Mitchell Services' business. Given the high degree of uncertainty surrounding the extent and duration of COVID-19, it is not currently possible to assess the full impact of COVID-19 on Mitchell Services' business. There is also continued uncertainty as to the duration and further impact of COVID-19 including (but not limited to) in relation to government, regulatory or health authority actions, work stoppages, lockdowns, quarantines, travel restrictions and the impact on global economies. There is no certainty that Mitchell Service's business activities will normalise to a level existing prior to the impact of COVID-19 (or how long such normalisation could take). If the duration of events surrounding COVID-19 are prolonged, Mitchell Services may need to take additional measures in order to respond appropriately (for example, by raising additional funding).

Dilution risk

Investors who do not participate in the Entitlement Offer will have their investment in Mitchell Services diluted. Further, and in addition to the Entitlement Offer, Mitchell Services may issue securities to finance future acquisitions or pay down debt which may, under certain circumstances, dilute the value of shareholders' interests in Mitchell Services and the proportional beneficial ownership in the underlying assets of Mitchell Services.

Changes in law

Changes in law, government legislation, regulation and policy in jurisdictions in which Mitchell Services operate may adversely affect the value of its portfolio and/or Mitchell Services' future earnings and performance as well as the value of Mitchell Services' securities quoted on the ASX.

Taxation risk

There may be tax implications arising from applications for Shares (including New Shares), the receipt of dividends (if any) and returns of capital from Mitchell Services, and on the disposal of Shares. Future tax reforms could impact on the dividends from Mitchell Services and the value of securities, possibly with retrospective effect. Investors should note that Australian tax laws are complex and constantly subject to change.

Accounting standards

The Australian Accounting Standards to which Mitchell Services adheres are set by the Australian Accounting Standards Board (AASB) and are consequently outside the control of Mitchell Services and Mitchell Services' directors. Changes to accounting standards issued by AASB or changes to the commonly held views on the application of those standards could materially and adversely affect the financial performance and position reported in Mitchell Services' financial statements.

Equity raising and underwriting risk

Mitchell Services has entered into an underwriting agreement under which Morgans Corporate Limited has agreed to fully underwrite the Offer, subject to the terms and conditions of the Underwriting Agreement between the parties. If certain conditions are not satisfied or certain events occur, the Lead Manager may terminate the Underwriting Agreement. Termination of the underwriting agreement would have an adverse impact on the proceeds raised under the Entitlement Offer and Mitchell Services sources of funding for acquisitions.

General risks

Other than the specific risks identified above, the price at which Mitchell Services' shares trade on the ASX may be determined by a range of factors, including inflation, interest rates and exchange rates, consumer confidence levels, changes to government policy, legislation or regulation, the nature of competition in the markets in which Mitchell Services' operates, inclusion or removal from major market indices and other general operational and business risks. The market for Mitchell Services shares may also be affected by a wide variety of events and factors, including variations in Mitchell Services' operating results, recommendations by securities analysts, and the operating and trading price performance of other comparable listed entities. A number of factors affect the performance of the stock markets, which could affect the price at which Mitchell Services' securities trade on the ASX. Among other things, the impact of COVID-19 (or other pandemics or epidemics), geo-political instability, including international hostilities, acts of terrorism, the response to COVID-19 and travel restrictions, epidemics and pandemics such as COVID-19, movements of international and domestic stock markets, interest rates, exchange rates, inflation and inflationary expectations and overall economic conditions, economic cycles, investor sentiment, political events and levels of economic growth, both domestically and internationally as well as government taxation and other policy changes or changes in law may affect the demand for, and price of, shares in Mitchell Services. The share prices for many listed companies in Australian stock markets and in international stock markets have in recent times been subject to wide fluctuations and volatility, which in many cases may reflect a diverse range of non-company specific influences referred to above. In particular, the events relating to COVID-19 have recently resulted in significant market falls and volatility both in Australia and overseas, including in the prices of securities trading on the ASX. There is continued uncertainty as to the further impact of COVID-19 on the Australian economy and equity and debt capital markets including in relation to governmental action, work stoppages, university and school stoppages, lockdowns, quarantines, travel restrictions and the impact on the Australian economy (and international economies) and share markets globally. Any of these events and resulting fluctuations may materially adversely impact the market price of shares in Mitchell Services. It is also possible that new risks may emerge as a result of domestic or foreign markets experiencing extreme stress, or existing risks (including the impacts of COVID-19) may evolve in ways that are not currently foreseeable. The equity capital markets have in the past and may in the future be subject to significant volatility. Some of these factors could affect Mitchell Services' share price regardless of Mitchell Services' underlying operating performance. No assurance can be given that the New Shares will trade at or above the offer price for those shares. None of Mitchell Services, its Board or any other person guarantee the market performance of the New Shares.

APPENDIX 4

Definitions

| | |
|-----------------------|--|
| CAGR | Compound Annual Growth Rate |
| Capex | Capital expenditure |
| EBITDA | Earnings before interest, tax, depreciation and amortisation; calculated as NPAT plus income tax expense plus finance charges plus depreciation expense plus amortisation of intangibles |
| Gross Debt | Total principle balances outstanding on all bank loans, equipment finance facilities, hire purchase agreements, working capital facilities and overdrafts but specifically excluding liabilities for right-of-use assets under AASB16 and any contingent consideration liability |
| Net Debt | Gross Debt less cash and cash equivalents on hand |
| Tier 1 Clients | Large / multinational mining & energy companies |
| Underlying | Measurement of performance metric (e.g. EBITDA) adjusted for the impact of once-off and/or non-recurring adjustments |

APPENDIX 5

International Offer Restrictions

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of Mitchell Services with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act;
or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

APPENDIX 6 – UNDERWRITING AGREEMENT SUMMARY

Underwriting Agreement Summary

Mitchell Services has entered into an Underwriting Agreement with Morgans Corporate Limited ("**Lead Manager**") in respect of the Entitlement Offer.

The Lead Manager's obligations under the Underwriting Agreement, including to underwrite and manage the Entitlement Offer, are conditional on certain matters, including ASX granting a trading halt, the lodgement of certain ASX materials in accordance with the Entitlement Offer timetable in a form acceptable to the Lead Manager, entities associated with Nathan Mitchell and Scott Tumbridge entering into binding commitment letters confirming their intention to take up all of their entitlements, and the timely delivery of certain due diligence materials, sign-offs, opinions and certificates by Mitchell Services.

If certain conditions are not satisfied, or certain events occur, some of which are beyond the control of Mitchell Services, the Lead Manager may terminate its obligations under the Underwriting Agreement without cost or liability, at any time before the date of Settlement of the Retail Entitlement Offer.

Termination of the Underwriting Agreement may have an adverse impact on the ability of Mitchell Services to proceed with the Entitlement Offer and the quantum of funds raised as part of the Entitlement Offer. If the Underwriting Agreement is terminated by the Lead Manager, there is no guarantee that the Entitlement Offer will continue in its current form or at all. Failure to raise sufficient funds under the Entitlement Offer (as a result of it not proceeding or otherwise) could materially adversely affect Mitchell Services' business, cash flow, financial performance, financial condition and share price.

The events which may trigger termination of the Underwriting Agreement include the following:

- Mitchell Services ceases to be admitted to the official list of ASX or the Shares are suspended from trading on, or cease to be quoted on ASX or it is announced by ASX or Mitchell Services that such an event will occur (other than due to a trading halt to facilitate the Entitlement Offer);
- a statement contained in any of the documents filed with ASX or other public statements made by Mitchell Services on or after the date of the Underwriting Agreement in relation to the Entitlement Offer (**Information Document**) or any other public statement made on behalf of Mitchell Services in relation to its affairs is or becomes misleading or deceptive (including by way of omission) in a material respect, or a matter required to be included is omitted from the Information Documents (including, without limitation, having regard to the provisions of Part 6D.2 of the Corporations Act); Mitchell Services issues an Information Document or varies or withdraws an existing Information Document without the prior approval of the Lead Manager (with such approval not to be unreasonably withheld);

- any member of Mitchell Services group is Insolvent or there is an act or omission, or a circumstance arises, which is likely to result in Mitchell Services or a material subsidiary becoming insolvent;
- Mitchell Services indicates that it does not intend to proceed with all or any part of the Entitlement Offer;
- there is an event or occurrence, including any statute, order, rule, regulation, directive or request of any governmental agency, which makes it illegal for the Lead Manager to satisfy a material obligation under the Underwriting Agreement;
- Mitchell Services is unable to issue or prevented from issuing Shares under the Entitlement Offer as contemplated by the Underwriting Agreement by virtue of the ASX Listing Rules, applicable laws, a governmental agency or an order of a court of competent jurisdiction;
- a director or the chief executive officer or chief financial officer of Mitchell Services is charged with an indictable offence or fraudulent conduct;
- any director of Mitchell Services is disqualified under the Corporations Act from managing a corporation;
- any regulatory body commences any public action against Mitchell Services, or any director or the chief executive officer or chief financial officer of Mitchell Services, or publicly announces that it intends to take any such action;
- there is a change (or a change is announced) of the Executive Chairman (Nathan Mitchell), Chief Executive Officer (Andrew Elf) or Chief Financial Officer (Greg Switala) of Mitchell Services, other than one which has already been disclosed before the date of the Underwriting Agreement;
- there is an alteration to Mitchell Services' capital structure without the prior consent of the Lead Manager or as otherwise provided for in the Underwriting Agreement;
- The S&P/ASX 300 Index published by ASX is at any time more than 10% below its level as at 5.00pm on the business day immediately preceding the date of the Underwriting Agreement and remains at that level: (a) at the close of trading on ASX for two consecutive business days; or (b) at the close of trading on ASX on the business day immediately prior to the date of Settlement of the Institutional Entitlement Offer or the date of Settlement of the Retail Entitlement Offer, as the case may be.

APPENDIX 6 – UNDERWRITING AGREEMENT SUMMARY

- ASIC commences certain actions, investigations or hearings in relation to the Entitlement Offer, the issue of the Shares under the Entitlement Offer or any Information Document and such actions, investigations or hearings either: (a) become public; or (b) are not withdrawn within specified time frames;
- there is an application to a governmental agency (including the Takeovers Panel) for an order, declaration (including of unacceptable circumstances) or other remedy in connection with the Entitlement Offer (or any part of it) and such order, declaration or remedy is not withdrawn, discontinued or terminated within specified timeframes;
- ASIC makes a determination under subsection 708AA(3) of the Corporations Act;
- in the opinion of the Lead Manager (acting reasonably) Mitchell Services becomes required to give, or gives, in respect of a cleansing notice issued in connection with the Entitlement Offer which is defective, a notice in accordance with subsection 708AA(12) to correct that cleansing notice;
- any material licence, lease, permit, concession, tenement, authorisation or concession of Mitchell Services group:
 - is, or is likely to be, invalid, revoked or unenforceable, including as a result of the introduction of new legislation in the relevant jurisdiction; or
 - is breached or not complied with in a material respect;
- a certificate which is required to be furnished by Mitchell Services under the Underwriting Agreement is not furnished when required, or if furnished is untrue, incorrect or misleading or deceptive in any material respect (including by omission);
- unconditional approval (or conditional approval, provided such condition would not have a material adverse effect on the success or settlement of the Entitlement Offer) by ASX for official quotation of the Shares issued under the Entitlement Offer is refused or is not granted by the time required to conduct the Entitlement Offer in accordance with the timetable or, if granted, is modified (in a manner which would have a material adverse effect on the success or settlement of the Entitlement Offer) or withdrawn;
- any event specified in the timetable: (a) up to and including the date of Settlement of the Institutional Entitlement Offer, is delayed by 1 business day; or (b) any event specified in the timetable where the event is to occur after the date of Settlement of the Institutional Entitlement Offer, is delayed for more than 1 business day, without the prior written approval of the Lead Manager, other than events within the control of the Lead Manager.

In addition, the Lead Manager may terminate the Underwriting Agreement without any cost or liability if any of the following events occur, provided that the Lead Manager reasonably believes, and does believe, that the event: (a) has had, or is likely to have, a material adverse effect on the outcome or success of the Entitlement Offer, the willingness of investors to subscribe for Entitlement Offer Shares or on the ability of the Lead Manager to market, promote or settle the Entitlement Offer; or (b) has given or could reasonably be expected to give rise to a contravention by, or a liability of, the Lead Manager or its affiliates under any applicable law or regulation:

- Mitchell Services fails to perform or observe any of its obligations under the Underwriting Agreement;
- Mitchell Services commits a breach of the Corporations Act, ASX Listing Rules, its constitution, or other applicable laws, or has failed to comply with its continuous disclosure obligations or its constitution;
- the due diligence report or the information provided by or on behalf of Mitchell Services to the Lead Manager in relation to the due diligence program in relation to the Entitlement Offer and the Information Documents, the Information Documents or the Entitlement Offer, is false, misleading or deceptive or likely to mislead or deceive (including by omission);
- any of the documents required to be provided under the due diligence planning memorandum, including the due diligence report, having been withdrawn, or varied without the prior written consent of the Lead Manager;
- a representation or warranty made or given by Mitchell Services under the Underwriting Agreement is breached or proves to be, or has been, or becomes, untrue or incorrect or misleading or deceptive;
- legal proceedings against Mitchell Services, any other member of the Mitchell Services group or any director of Mitchell Services or any other member of Mitchell Services group in that capacity is commenced or any regulatory body commences any enquiry or public action against a member of the Mitchell Services group;
- there is a change (or a change is announced) in the board of directors of Mitchell Services (other than the Executive Chair, Nathan Mitchell), other than one which has already been disclosed before the date of the Underwriting Agreement;
- Mitchell Services or any of its directors or officers engages in any fraudulent, misleading or deceptive conduct or activity in connection with the Entitlement Offer;

APPENDIX 6 – UNDERWRITING AGREEMENT SUMMARY

- a new circumstance arises which is a matter adverse to investors in Shares issued under the Entitlement Offer and which would have been required by the Corporations Act to be included in the cleansing notice had the new circumstance arisen before the cleansing notice was given to ASX;
- there is an adverse change, or an event occurs that is likely to give rise to an adverse change, in the business, assets, liabilities, financial position or performance, operations, management, outlook or prospects of Mitchell Services or the Mitchell Services group (in so far as the position in relation to any entity in the Mitchell Services group affects the overall position of Mitchell Services) from the position fairly disclosed by Mitchell Services to ASX before the date of the Underwriting Agreement or in the ASX announcement in relation to the Offer;
- there is introduced into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a law or prospective law or any new regulation is made under any law, or a government agency or the Reserve Bank of Australia adopts a policy, or there is an official announcement on behalf of the Government of the Commonwealth of Australia or any State or Territory of Australia or a government agency that such a law or regulation will be introduced or policy adopted (as the case may be) (other than a law or policy that has been announced before the date of the Underwriting Agreement);
- a general moratorium on commercial banking activities in Australia, New Zealand, Singapore, the United States, the United Kingdom, the Peoples Republic of China or Hong Kong (**Key Jurisdiction**) is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries;
- trading in all securities quoted or listed on the ASX, the London Stock Exchange, the New York Stock Exchange, the Shanghai Stock Exchange or the Hong Kong Stock Exchange is suspended or limited in a material respect;
- the occurrence of any other adverse change or disruption to financial, political or economic conditions, currency exchange rates or controls or financial markets in any Key Jurisdiction or any change or development involving such a prospective adverse change in any of those markets as at the time the Underwriting Agreement is entered into; or
- major hostilities not existing at the date of the Underwriting Agreement commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more Key Jurisdiction or a national emergency is declared by any of those countries, or a major terrorist act is perpetrated anywhere in the world.

If the Underwriting Agreement is terminated by the Lead Manager, the Lead Manager will be relieved of all further obligations that remain to be performed under the Underwriting Agreement.

Termination by the Lead Manager will discharge Mitchell Services' obligation to pay the Lead Manager any fees, costs, charges or expenses which as at termination are not yet accrued.

For details of the fees payable to the Lead Manager, see the Appendix 3B released to ASX on 16 August 2021.

Mitchell Services also gives certain representations, warranties and undertakings to the Lead Manager and an indemnity to the Lead Manager and their affiliates subject to certain carve-outs.

5 Additional Information

5.1 Date of this Information Booklet

This Information Booklet is dated 23 August 2021. Subject to the following paragraph, statements in this Information Booklet are made only as of the date of this Information Booklet unless otherwise stated and the information in this Information Booklet remains subject to change without notice. Mitchell Services is not responsible for updating this Information Booklet.

The ASX announcements and Investor Presentation set out in section 4 of this Information Booklet are current as at the date on which they were released. There may be additional announcements that are made by Mitchell Services (including Mitchell Services' ASX Announcements in relation to the Entitlement Offer dated 16 August 2021 and other announcements after the date of this Information Booklet) that may be relevant to your consideration of whether to take up your Entitlement. Therefore, it is prudent that you check whether any further announcements have been made by Mitchell Services to the ASX before submitting an Application.

5.2 Eligibility of Retail Shareholders

The Retail Entitlement Offer is being offered to all Eligible Retail Shareholders only.

Eligible Retail Shareholders are Shareholders on the Record Date who:

- (a) are registered as holders of Existing Shares as at 7:00pm (AEST);
- (b) have a registered address in Australia or New Zealand as noted on Mitchell Services' share register or are a Shareholder that Mitchell Services has otherwise determined is eligible to participate in the Retail Entitlement Offer;
- (c) are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States (to the extent such person holds Existing Shares for the account or benefit of such person in the United States);
- (d) were not invited to participate in the Institutional Entitlement Offer and were not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer (other than as nominee or custodian, in each case in respect of other underlying holdings); and
- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

By making a payment by BPAY® or, if you are based in New Zealand, by direct transfer, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Retail Shareholder. Nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

Mitchell Services has determined that it is unreasonable to extend the Retail Entitlement Offer to Ineligible Retail Shareholders because of the small number of such Shareholders, the number and value of Shares that they hold and the cost of complying with the applicable regulations in jurisdictions outside Australia and New Zealand, but reserves its right to do so (subject to compliance with relevant laws).

5.3 Ranking of New Shares

The New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally with Existing Shares. The rights attaching to the New Shares are set out in Mitchell Services' constitution and are regulated by the Corporations Act, Listing Rules and general law.

5.4 Allotment, trading and quotation

Mitchell Services has applied, or will apply, for quotation of the New Shares on ASX in accordance with Listing Rule requirements. If ASX does not grant quotation of the New Shares, Mitchell Services will repay all Application Monies (without interest).

Trading of New Shares will, subject to ASX approval, occur shortly after allotment. It is expected that allotment of the New Shares under the Retail Entitlement Offer will take place on 13 September 2021. Application Monies will be held by Mitchell Services on trust for Applicants until the New Shares are allotted. No interest will be paid on Application Monies.

Subject to approval being granted, it is expected that the New Shares allotted under the Retail Entitlement Offer will commence trading on a normal basis on 13 September 2021.

It is the responsibility of Applicants to determine the number of New Shares allotted and issued to them prior to trading in the New Shares. The sale by an Applicant of New Shares prior to receiving their holding statement is at the Applicant's own risk. Mitchell Services and the Underwriter disclaim all liability whether in negligence or otherwise (to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statements, whether on the basis of confirmation of the allocation provided by Mitchell Services or the Share Registry or otherwise.

5.5 Reconciliation

In any entitlement offer, investors may believe that they own more Existing Shares on the record date than they ultimately do. This may result in a need for reconciliation to ensure all Eligible Shareholders have the opportunity to receive their full Entitlement.

Mitchell Services may need to issue a small quantity of additional New Shares to ensure all Eligible Shareholders have the opportunity to receive their appropriate allocation of New Shares. The price at which these New Shares would be issued, if required, is the same as the Offer Price.

Mitchell Services also reserves the right to reduce the Entitlement or the number of New Shares allocated to Eligible Shareholders or persons claiming to be Eligible Shareholders, if their Entitlement claims prove to be overstated, if they or their nominees/custodians fail to provide information requested to substantiate their Entitlement claims, or if they are not Eligible Shareholders.

5.6 Underwriting

Mitchell Services and the Underwriter have entered into an Underwriting Agreement pursuant to which the Underwriter has agreed to fully underwrite the Entitlement Offer.

Mitchell Services has agreed to pay the Underwriter:

- (a) a management fee equal to 1.0% of the proceeds from the Entitlement Offer; and
- (b) an underwriting fee equal to 3.5% of the proceeds from the Entitlement Offer.

The Underwriter is entitled to be reimbursed for certain costs and expenses incurred in connection with the Entitlement Offer.

Customary with these types of arrangements:

- (a) Mitchell Services and the Underwriter have given certain representations, warranties and undertakings in connection with (among other things) the Entitlement Offer;
- (b) Mitchell Services has agreed, subject to certain exclusions, to indemnify the Underwriter, its affiliates and related bodies corporate, and their respective directors, officers, and employees against all claims, demands, damages, losses, costs, expenses and liabilities arising out of or in connection with the Entitlement Offer;

- (c) the obligation on the Underwriter to underwrite the Entitlement Offer is conditional on certain customary conditions precedent. Additionally, the Underwriter may (in certain circumstances having regard to the materiality of the event) terminate the Underwriting Agreement and be released from its obligations under it on the occurrence of certain events. For further details, see the summary of the Underwriting Agreement which is set out in Appendix 6 (*Underwriting Agreement Summary*) of Mitchell Services' Investor Presentation included in section 4 of this Information Booklet;

The directors of Mitchell Services reserve the right to issue any shortfall under the Entitlement Offer at their discretion, but in any event no later than three months after the Closing Date. Any shortfall from the Entitlement Offer will, subject to the terms of the Underwriting Agreement, be allocated to the Underwriter or to third party investors as directed by the Underwriter acting reasonably in consultation with Mitchell Services. The basis of allocation of any other shortfall will be determined by the directors of Mitchell Services at their discretion, taking into account whether investors are existing shareholders, Mitchell Services' register and any potential control impacts.

Neither the Underwriter nor any of its related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents (together, the **Underwriter Parties**) have authorised or caused the issue of this Information Booklet. To the maximum extent permitted by law, the Underwriter Parties exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in or failure to participate in the Entitlement Offer and this information being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. The Underwriter Parties do not make any recommendations as to whether you or your related parties should participate in the Entitlement Offer, nor do they make any representations or warranties to you concerning this Entitlement Offer or any such information, and you represent, warrant and agree that you have not relied on any statements made by the Underwriter Parties in relation to the New Shares or the Entitlement Offer generally.

Dream Challenge Pty Ltd (an entity associated with Executive Director Scott Tumbridge) (**Dream Challenge**), and a major shareholder of Mitchell Services, has committed to sub-underwrite a portion of any potential shortfall under the Retail Entitlement Offer. No sub-underwriting fees will be payable to Dream Challenge.

As at the date of this Information Booklet, Dream Challenge holds 7.2% of the issued share capital in Mitchell Services. The potential effect of the issue of New Shares to Dream Challenge as sub-underwriter is dependent in part on the number of New Shares allocated under any shortfall. If there is a shortfall, and Dream Challenge is required to subscribe for the full amount under its sub-underwriting arrangements, then Dream Challenge may be in a position to hold up to 7.3% of Mitchell Services' issued capital.

For further information in relation to the sub-underwriting arrangement, please refer to Appendix 3B submitted to ASX on 16 August 2021.

5.7 Continuous Disclosure

Mitchell Services is a "disclosing entity" under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules, including the preparation of annual reports and half yearly reports.

Mitchell Services is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, Mitchell Services has an obligation under the Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of Shares. That information is available to the public from ASX and can be accessed at www.asx.com.au. Some documents are required to be lodged with ASIC in relation to Mitchell Services. These documents may be obtained from, or inspected at, an ASIC office.

5.8 No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your Application once it has been made.

5.9 Rounding of Entitlements

Where fractions arise in the calculation of an Entitlement, they will be rounded up to the nearest whole number of New Shares.

5.10 Not financial product or investment advice

This Information Booklet and the accompanying Entitlement and Acceptance Form is for information purposes only, is not a prospectus, disclosure document or other offering document under the Corporations Act or any other law and has not been lodged with ASIC. It is also not a financial product or investment advice or a recommendation to acquire New Shares and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. The Information Booklet should not be considered comprehensive and Mitchell Services is not licensed to provide financial product advice in respect of the New Shares. The information contained in this Information Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares, nor does it purport to contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with Mitchell Services' other periodic statements and continuous disclosure announcements lodged with ASX. Before making an investment decision, you should consider the appropriateness of the information in this Information Booklet having regard to your own objectives, financial situation and needs and seek legal and taxation advice appropriate to your jurisdiction. If you have any questions about whether you should participate in the Entitlement Offer, you should seek professional financial advice before making any investment decision.

5.11 Governing law

This Information Booklet, the Retail Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in Queensland, Australia. Each applicant for New Shares submits to the exclusive jurisdiction of the courts of Queensland, Australia.

5.12 Withdrawal of the Entitlement Offer

Mitchell Services reserves the right to withdraw all or part of the Entitlement Offer and this Information Booklet at any time, subject to applicable laws, in which case Mitchell Services will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest. In circumstances where allotment under the Institutional Entitlement Offer has occurred, Mitchell Services may only be able to withdraw the Entitlement Offer with respect to New Shares to be issued under the Retail Entitlement Offer.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to Mitchell Services will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to Mitchell Services.

5.13 Privacy

As a shareholder, Mitchell Services and the Share Registry have already collected certain personal information from you. If you apply for New Shares, Mitchell Services and the Share Registry may update that personal information or collect additional personal information. Such information may be used to assess your acceptance of the New Shares, service your needs as a shareholder, provide facilities and services that you request and carry out appropriate administration.

To do that, Mitchell Services and the Share Registry may disclose your personal information for purposes related to your shareholdings to their agents, contractors or third party service providers

to whom they outsource services, in order to assess your application for New Shares, the Mitchell Services share register for ongoing administration of that register, printers and mailing houses for the purposes of preparation of the distribution of shareholder information and for handing of mail, or as otherwise under the *Privacy Act 1988* (Cth).

5.14 Ineligible Shareholders

All Shareholders who do not satisfy the criteria to be Eligible Retail Shareholders or Eligible Institutional Shareholders, are Ineligible Shareholders. Ineligible Shareholders are not entitled to participate in the Entitlement Offer, unless Mitchell Services otherwise determines.

The restrictions upon eligibility to participate in the Entitlement Offer arise because Mitchell Services has determined, pursuant to Listing Rule 7.7.1(a) and section 9A(3)(a) of the Corporations Act, that it would be unreasonable to extend the Entitlement Offer to Ineligible Shareholders. This decision has been made after taking into account the number of non-residents in Australia and New Zealand on the Mitchell Services register, the relatively small number and value of New Shares to which those Shareholders would otherwise be entitled and the potential costs of complying with legal and regulatory requirements in the jurisdictions in which the Ineligible Shareholders are located in relation to the Entitlement Offer.

Mitchell Services, in its absolute discretion, may extend the Entitlement Offer to any Shareholder if it is satisfied that the Entitlement Offer may be made to the Shareholder in compliance with all applicable laws. Mitchell Services, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Retail Shareholder, Eligible Institutional Shareholder or an Ineligible Shareholder. To the maximum extent permitted by law, Mitchell Services disclaims all liability in respect of such determination.

The price at which the Entitlements of Ineligible Shareholders will be sold is the Offer Price. Accordingly, Ineligible Shareholders will not receive any payment or value as a result of the issue of any of those New Shares they would have been entitled to subscribe for had they been eligible to participate in the Entitlement Offer.

6 Australian taxation consequences

The taxation implications of the Retail Entitlement Offer will vary depending upon your particular circumstances. Neither Mitchell Services nor any of its Officers or employees, nor its advisors, accepts any liability or responsibility in this regard and recommends that you seek and rely upon your own professional advice in connection with the Retail Entitlement Offer.

This Section 6 does not constitute financial product advice as defined in the Corporations Act 2001 (Cth), is confined to taxation issues, and is only one of the matters investors need to consider when making a decision about their investments. Investors should seek advice from their own independent professional adviser before deciding whether to invest in the Retail Entitlement Offer.

The following tax comments in this Section 6 are based on the income tax (including Capital Gains Tax (CGT), Goods and Services Tax (GST) and stamp duty laws in Australia in force as at 30 June 2021. Other than as expressly discussed, the comments do not take into account or anticipate changes in Australian tax law or future judicial interpretations of law after this time unless otherwise specified. The comments also do not take into account tax legislation of any country other than Australia.

Australian tax laws are complex. This summary is general in nature and is not intended to be an authoritative or complete statement of all potential tax implications for each investor or relied upon as tax advice. During the period of ownership of the New Shares by investors, the taxation laws of Australia, or their interpretation, may change. The precise implications of ownership or disposal will depend upon each investor's specific circumstances. Investors should seek their own independent professional advice on the taxation implications of receiving the Retail Entitlement Offer, participating in the Top Up Facility, holding or disposing of the New Shares, taking into accounting their specific circumstances.

The following information is a general summary of the Australian income tax (including CGT), GST and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders who are Australian tax resident individuals, complying superannuation entities, trusts (which are not 'public trading trusts'), partnerships (which are not corporate limited partnerships) and corporate investors that hold their existing and New Shares on capital account. These comments do not apply to:

- (a) non-resident investors;
- (b) investors who acquired their Shares in respect of which the Retail Entitlement Offer is issued under any employee share scheme or where the New Shares are acquired pursuant to any employee share scheme;
- (c) investors that hold their existing Shares and New Shares on revenue account or as trading stock;
- (d) investors who holds existing Shares and New Shares as traditional securities;
- (e) investors who holds existing Shares and New Shares as convertible interests;
- (f) investors who are exempt from Australian income tax; or
- (g) investors subject to the Taxation of Financial Arrangements (TOFA) regime in Division 230 of the *Income Tax Assessment Act 1997* (Cth).

The guide does not take into account the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice.

6.1 Issue of Entitlement

The issue of the Entitlement under the Retail Entitlement Offer should be treated for Australian income tax purposes as an issue of rights to acquire a New Share in Mitchell Services.

The issue of the Entitlement should not in itself result in any amount being included in the assessable income of an Eligible Retail Shareholder on the basis that:

- (a) the Eligible Retail Shareholder already holds Shares in Mitchell Services;
- (b) the Entitlement was issued to the Eligible Retail Shareholder because of their ownership of the Shares;
- (c) the Eligible Retail Shareholder's existing Shares and New Shares are not held on revenue account or as trading stock;
- (d) the Eligible Retail Shareholder does not acquire their Shares or New Shares under any employee share scheme;
- (e) the Eligible Retail Shareholder does not hold existing Shares and New Shares as traditional securities; and
- (f) the Eligible Retail Shareholder does not hold existing Shares and New Shares as convertible interests.

6.2 Non-resident capital gains tax withholding

Mitchell Services will be issuing New Shares to Eligible Retail Shareholders pursuant to the Retail Entitlement Offer. In accordance with subsection 14-225(1) of Schedule 1 to the *Taxation Administration Act 1953* (Cth), Mitchell Services declares that, for the period from the date of this Information Booklet until the date of Completion of the Retail Entitlement Offer, it will be a resident of Australia for tax purposes. Accordingly, Eligible Retail Shareholders should not have an obligation to withhold any portion of the price paid for the New Shares under the Retail Entitlement Offer.

6.3 Exercise of Entitlement and applying for additional New Shares

An Eligible Retail Shareholder will not derive any assessable income, or make any capital gain or capital loss at the time of exercising their Entitlement under the Retail Entitlement Offer or acquiring additional New Shares under the Top Up Facility.

For Australian capital gains tax (**CGT**) purposes, New Shares will be taken to have been acquired on the day that an Eligible Retail Shareholder exercises their Entitlement and additional New Shares will be taken to have been acquired on the date the additional New Shares were issued to the Eligible Retail Shareholder.

The cost base of each New Share and additional New Share will be equal to the Offer Price payable for each New Share and additional New Share respectively (plus any non-deductible incidental costs the Eligible Retail Shareholder incurs in acquiring the New Shares and additional New Shares).

6.4 Lapse of Entitlement

If an Eligible Retail Shareholder does not accept all or part of their Entitlement in accordance with the instructions set out above, then that Entitlement will lapse and the Eligible Retail Shareholder will not receive any consideration for their Entitlement that is not taken up. There should be no adverse tax implications for an Eligible Retail Shareholder from the lapse of the Entitlement.

6.5 Taxation in respect of dividends on New Shares

Australian resident individuals and complying superannuation entities

Dividends paid by Mitchell Services on a Share will constitute assessable income of an Australian tax resident investor. Australian tax resident investors who are individuals or complying superannuation entities should include the dividend in their assessable income in the year the dividend is paid, together with any franking credit attached to that dividend.

Subject to the comments below at Section 6.6, such investors should be entitled to a tax offset equal to the franking credit attached to the dividend. The tax offset can be applied to reduce the tax payable on the investor's taxable income. Where the tax offset exceeds the tax payable on the investor's taxable income, the investor should be entitled to a tax refund equal to the excess.

To the extent that the dividend is unfranked, an individual investor will generally be taxed at their prevailing marginal rate on the dividend received (with no tax offset). Complying superannuation entities will generally be taxed at the prevailing rate for complying superannuation entities on the dividend received (with no tax offset).

Corporate investors

Corporate investors are also required to include both the dividend and, where a fully franked or partially franked dividend is received, the associated franking credit in their assessable income.

Subject to the comments below at Section 6.6, corporate investors should be entitled to a tax offset up to the amount of the franking credit attached to the dividend.

An Australian resident corporate investor should be entitled to a credit in its own franking account to the extent of the franking credits attached to the distribution received. This will allow the corporate investor to pass on the franking credits to its investor(s) on the subsequent payment of franked dividends.

Excess franking credits received by corporate investors will not give rise to a refund entitlement for a company but can be converted into carry forward tax losses instead. This is subject to specific rules on how the carry forward tax loss is calculated and utilised in future years.

Trusts and partnerships

Investors who are trustees (other than trustees of complying superannuation entities, which are dealt with above) or partnerships should include any dividends and any franking credit received in determining the net income of the trust or partnership. Where a fully franked or partially franked dividend is received, the relevant beneficiary or partner may be entitled to a tax offset equal to the beneficiary's or partner's share of the net income of the trust or partnership.

Unfranked dividends

Where a dividend paid by Mitchell Services is unfranked, the Eligible Retail Shareholder will be required to include the unfranked amount in their assessable income and there will be no franking offset entitlement.

Non-resident for tax purposes

The tax outcomes described above do not apply in the case of an Eligible Retail Shareholder who is not a tax resident of Australia. Non-resident shareholders will need to separately consider the tax implications of receiving dividends, franked or unfranked, on the New Shares.

6.6 New Shares and additional New Shares held at risk

The benefit of franking credits can be denied where an Eligible Retail Shareholder is not a 'qualified person' in which case the Eligible Retail Shareholder will not be able to include an amount for the franking credits in their assessable income and will not be entitled to a tax offset.

Broadly, to be a qualified person, an Eligible Retail Shareholder must satisfy the holding period rule and, if necessary, the related payment rule. The holding period rule requires an Eligible Retail Shareholder to hold the New Shares and additional New Shares 'at risk' for at least 45

days continuously during the qualification period – starting from the day after acquisition of the shares and ending 45 days after the shares becomes ex-dividend.

The dates the New Shares and additional New Shares are acquired and disposed of are ignored for the purposes of determining the 45 day period. In determining the length of time for which a particular share has been held, the holding period rule applies on a 'last in, first out' basis. Any day on which an Eligible Retail Shareholder has a materially diminished risk of loss or opportunity for gain in respect of the New Shares or additional New Shares (e.g. entering into a contract to sell the New Shares or additional New Shares) will not be counted as a day on which the Eligible Retail Shareholder held the New Shares or additional New Shares 'at risk'.

This holding period rule is subject to certain exceptions, including where the total franking offsets of an individual in a year of income do not exceed A\$5,000.

The related payment rule applies where the Eligible Retail Shareholder has made, or is under an obligation to make, a payment that passes on the benefit of a dividend paid by Mitchell Services to another party. For each such dividend, the related payment rule requires the Eligible Retail Shareholder to have held the New Shares and additional New Shares at risk for a continuous 45 day period as above but within the period commencing on the 45th day before, and ending on the 45th day after, the day the New Shares and additional New Shares become ex-dividend in respect of that dividend. Practically, this should not impact Eligible Retail Shareholders who continue to hold New Shares and additional New Shares and also do not pass the benefit of the dividend to another person.

Eligible Retail Shareholders should obtain their own tax advice to determine if these requirements have been satisfied.

A specific integrity rule prevents taxpayers from obtaining a tax benefit from additional franking credits where dividends are received as a result of "dividend washing". That is, selling shares on an ex-dividend basis (retaining the dividend entitlement) and then repurchasing the same parcel of shares on a cum-dividend basis. Eligible Retail Shareholders should consider the impact of this measure together with the broader integrity provisions that apply to the claiming of tax offsets, having regard to their own personal circumstances.

6.7 Disposal of New Shares or additional New Shares – Australian tax residents

Most Australian tax resident investors will be subject to Australian CGT on the disposal of their Shares. Some investors may hold their Shares on revenue account, as trading stock, or be subject to the Taxation of Financial Arrangements regime. Those investors should seek their own independent professional advice in respect of the consequences of a disposal of Shares.

Where investors hold their Shares, New Shares and additional New Shares on capital account, the disposal of New Shares or additional New Shares will constitute a disposal for CGT purposes.

On disposal of New Shares or additional New Shares, an Eligible Retail Shareholder will make a capital gain if the capital proceeds received on disposal exceed the total cost base of the New Shares or additional New Shares. An Eligible Retail Shareholder will make a capital loss if the capital proceeds are less than the total reduced cost base of the New Shares or additional New Shares.

If an Eligible Retail Shareholder derives a net capital gain in a year, this amount is, subject to the following comments, included in the investor's assessable income. Eligible Retail Shareholders that are individuals, trustee investors or complying superannuation entities and that have held their New Shares or additional New Shares for 12 months or more (excluding the date of acquisition and the date of disposal) at the time of disposal should be entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting capital losses). The CGT discount factor is 50% for individuals and trusts and 33.33% for complying superannuation entities. In relation to trusts, the CGT discount rules are complex, but the discount may flow through to presently entitled beneficiaries of the trust where the beneficiary would themselves be entitled to apply the CGT discount.

For the purpose of determining whether the New Shares have been held for 12 months or more (excluding the date of acquisition and the date of disposal), Eligible Retail Shareholders will be taken to have acquired them when they exercise their Entitlement under the Retail Entitlement Offer. For the purpose of determining whether the additional New Shares acquired under the Top Up Facility have been held for 12 months or more (excluding the date of acquisition and the date of disposal), Eligible Retail Shareholders will be taken to have acquired them at the date the additional New Shares were issued.

Eligible Retail Shareholders that make a capital loss can only use that loss to offset other capital gains from other sources (i.e. the capital loss cannot be used against taxable income on revenue account). However, if the capital loss cannot be used in a particular income year, it can be carried forward to use in future income years to offset capital gains derived in subsequent years, provided certain loss utilisation tests are satisfied (in the case of a corporate investor).

6.8 Taxation of Financial Arrangements

The application of the Taxation of Financial Arrangements (**TOFA**) provisions under Division 230 of the *Income Tax Assessment Act 1997* (Cth) depend on the specific facts and circumstances of the Eligible Retail Shareholder. The TOFA provisions are complex, and Eligible Retail Shareholders should seek advice from an appropriate professional advisor in relation to the implications of the TOFA provisions.

6.9 Tax file numbers

An investor is not required to quote their tax file number (**TFN**) to Mitchell Services. However, if their TFN details (or certain exemption details) are not provided, Australian tax may be required to be deducted by Mitchell Services from dividends at the maximum marginal tax rate plus the Medicare levy.

An investor who holds Shares as part of an enterprise may quote its Australian Business Number instead of its TFN.

6.10 GST

The acquisition or disposal of the New Shares and/or additional New Shares by an Eligible Retail Shareholder (who is registered or required to be registered for GST) will be classified as a “financial supply” for Australian GST purposes. Accordingly, Australian GST will not be payable in respect of amounts paid for the acquisition or disposal of the New Shares or additional New Shares.

No GST should be payable in respect of dividends paid to investors.

Subject to certain requirements, there may be a restriction on the entitlement of Eligible Retail Shareholders registered for GST to claim an input tax credit for any GST incurred on costs associated with the acquisition or disposal of New Shares or additional New Shares acquired under the Top Up Facility (e.g. lawyer’s and accounts’ fees).

Investors should seek their own tax advice on the impact of GST in their own particular circumstances.

6.11 Stamp duty

No stamp duty should be payable on the acquisition of the New Shares on the basis that all of the shares in Mitchell Services are quoted on the ASX (i.e. no classes of unquoted shares on issue) and no person, either alone or together with associated or related persons or as part of substantially one transaction or arrangement with other persons, will hold an interest of 90% or more in Mitchell Services.

Investors should seek their own tax advice as to the impact of stamp duty in their own particular circumstances.

7 Definitions

Applicant means an Eligible Retail Shareholder who has submitted a valid Application.

Application means the arranging for payment of the relevant Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.

Application Monies means the aggregate amount payable for the New Shares applied for through BPAY® or, if you are based in New Zealand, by direct transfer.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or, where the context requires, the securities exchange operated by it on which Shares are quoted.

Closing Date means the day the Retail Entitlement Offer closes, expected to be 5.00pm (AEST) on 6 September 2021.

Completion of the Entitlement Offer means completion in respect of the issue of New Shares pursuant to the Retail Entitlement Offer, in accordance with this Information Booklet and the Underwriting Agreement.

Corporations Act means the *Corporations Act 2001* (Cth) (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73).

Eligible Institutional Shareholder means, an Institutional Shareholder on the Record Date to whom the Underwriter determines in its discretion:

- (a) is eligible to participate in the Institutional Entitlement Offer; and
- (b) successfully receives an invitation from the Underwriter on behalf of Mitchell Services to participate in the Institutional Entitlement Offer (either directly or through a nominee),

(and who, for the avoidance of doubt, is not an excluded institutional shareholder under the Underwriting Agreement).

Eligible Retail Shareholder has the meaning given in section 5.2 of this Information Booklet.

Eligible Shareholders means Eligible Institutional Shareholders and Eligible Retail Shareholders.

Entitlement means the right to subscribe for 1 New Share for every 8 Existing Shares held by Eligible Shareholders on the Record Date, pursuant to the Entitlement Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form that will accompany this Information Booklet when it is despatched to Eligible Retail Shareholders.

Entitlement Offer means the Institutional Entitlement Offer and the Retail Entitlement Offer.

Existing Shares means the Shares already on issue on the Record Date.

GST means goods and services tax.

Ineligible Institutional Shareholder means an Institutional Shareholder who is not an Eligible Institutional Shareholder.

Ineligible Retail Shareholder means a Shareholder who is not an Eligible Retail Shareholder, Eligible Institutional Shareholder or Ineligible Institutional Shareholder.

Ineligible Shareholders means Ineligible Institutional Shareholders and Ineligible Retail Shareholders

Information Booklet means this document.

Institutional Entitlement Offer means the accelerated non-renounceable pro rata entitlement offer to Eligible Institutional Shareholders.

Institutional Investor means a person:

- (a) in Australia, to whom an offer of securities in a company may be made in Australia without a disclosure document (as defined in the Corporations Act) on the basis that such a person is an "exempt investor" as defined in section 9A(5) of the Corporations Act (as inserted by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84); or
- (b) in selected jurisdictions outside Australia, to whom an offer of New Shares may lawfully be made without registration, lodgement, filing or approval in accordance with the laws of that foreign jurisdiction (except to the extent to which Mitchell Services is willing to comply with such requirements).

Institutional Offer Amount means the Offer Price multiplied by the New Shares offered to Eligible Institutional Shareholders under the Institutional Entitlement Offer.

Institutional Shareholder means a Shareholder who is an Institutional Investor.

Investor Presentation means the presentation to investors released to the ASX on 16 August 2021 incorporated in section 4 of this Information Booklet.

Listing Rules means the official listing rules of ASX.

Mitchell Services means Mitchell Services Limited (ACN 149 206 333).

New Shares means Shares to be allotted and issued under the Entitlement Offer, including (as the context requires) the shortfall from the Entitlement Offer issued under the Top Up Facility or to the Underwriter or any sub-underwriters.

Offer Materials means any materials announced to the market in relation to the Entitlement Offer (including public information and marketing documentation).

Offer Price means A\$0.42 per New Share.

Record Date means 7.00pm (AEST) on 18 August 2021.

Retail Entitlement Offer means the pro rata non-renounceable offer to Eligible Retail Shareholders to subscribe for 1 New Share for every 8 Shares of which the Shareholder is the registered holder on the Record Date, at the Offer Price, pursuant to this Information Booklet.

Retail Offer Amount means the Offer Price multiplied by the New Shares offered or issued to Eligible Retail Shareholders under the Retail Entitlement Offer.

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

Share Registry means Link Market Services Limited (ABN 54 083 214 537).

Shareholder means a holder of Shares.

TERP means the theoretical ex-rights price at which Mitchell Services shares should trade immediately after the ex-date of the Entitlement Offer.

Timetable means the indicative table set out in the 'Key dates' section of this Information Booklet.

Top Up Facility means the facility described in section 3.4 of this Information Booklet under which Eligible Retail Shareholders may apply for New Shares in excess of their Entitlement.

Underwriter means Morgans Corporate Limited (ACN 010 539 607).

Underwriting Agreement means the underwriting agreement dated 16 August 2021 between Mitchell Services and the Underwriter.

US Securities Act means the US Securities Act of 1933.

8 Corporate information

Company

Mitchell Services Limited (ACN 149 206 333)
112 Bluestone Circuit
Seventeen Miles Rocks QLD 4073

Underwriter

Morgans Corporate Limited (ACN 010 539 607)
Level 29, Riverside Centre
123 Eagle Street
Brisbane QLD 4000

Share Registry

Link Market Services Limited
Level 21
10 Eagle Street
Brisbane QLD 4000

Legal Adviser

Allens
Level 26
480 Queen Street
Brisbane QLD 4000

Mitchell Services Entitlement Offer Information Line and Website

Australia: 1300 306 413
International: +61 61 1300 306 413

Open 8.30am to 5.00pm (AEST) Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (AEST) on 6 September 2021.



Mitchell
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ACN 149 206 333

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: 1300 306 413
From outside Australia: +61 1300 306 413
ASX Code: MSV
Website: www.linkmarketservices.com.au

IID:

SRN/HIN:

Entitlement Number:

Number of Eligible Shares held as at the Record Date, 7:00pm (AEST) on 18 August 2021:

Entitlement to New Shares (on a 1 New Share for 8 basis):

Amount payable on full acceptance at A\$0.42 per Share:

| | |
|--|-------------------------|
| Offer Closes 5:00pm (AEST): | 6 September 2021 |
|--|-------------------------|

ENTITLEMENT AND ACCEPTANCE FORM

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

As an Eligible Shareholder you are entitled to acquire 1 New Share for every 8 Existing Shares that you hold on the Record Date, at an Offer Price of A\$0.42 per New Share. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

IMPORTANT: The Offer is being made under the Retail Offer Booklet dated 23 August 2021. The Retail Offer Booklet contains information about investing in the New Shares. Before applying for New Shares, you should carefully read the Retail Offer Booklet. This Entitlement and Acceptance Form should be read in conjunction with the Retail Offer Booklet.

If you do not have a paper copy of the Retail Offer Booklet, you can obtain a paper copy at no charge, by calling the Offer Information Line on 1300 306 413 (within Australia) or +61 1300 306 413 (from outside Australia).

PAYMENT OPTIONS

If you wish to take up all or part of your Entitlement (as shown above), you have two payment options detailed below.

OPTION 1: PAYING BY BPAY®

If paying by BPAY®, refer to the instructions overleaf. **You do NOT need to return the acceptance slip below if you elect to make payment by BPAY®.** Payment must be received via BPAY® before 5:00pm (AEST) on 6 September 2021. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY® you will be deemed to have completed an Application Form for the number of New Shares subject of your application payment.

If paying by EFT you need to complete and return the acceptance slip attached to this Application Form below. Payment must be received by the Registry by 5:00pm (AEST) on 6 September 2021. To obtain the bank details, you must contact the Offer Information Line on 1300 306 413 (within Australia) or +61 1300 306 413 (from outside Australia).

If you choose to make an EFT payment then you must use your CRN as the payment reference. If you do not use the CRN as your payment reference then your application may not be reconciled and considered an incomplete application with your Application Monies returned to you after the Offer has been completed. Send your acceptance slip to capitalmarkets@linkmarketservices.com.au. Funds transferred must be free of fees so the exact amount arrives or the application monies will be short. Please ensure you advise your bank that "remitter pays all" for all related fees associated with the funds transfer.

OPTION 2: PAYING BY ELECTRONIC FUNDS TRANSFER (EFT) - NEW ZEALAND HOLDERS ONLY



Billers Code: 357343
Ref:

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au
® Registered to BPAY Pty Ltd ABN 69 079 137 518

See overleaf for details and further instructions on how to complete and lodge this Entitlement and Acceptance Form.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.



ACN 149 206 333

Please detach and enclose with payment



IID:

SRN/HIN:

Entitlement Number:

A Number of New Shares accepted (being not more than your Entitlement shown above)

B Number of additional New Shares

+

C Total number of New Shares accepted (add Boxes A and B)

=

D CONTACT DETAILS – Telephone Number

Telephone Number – After Hours

Contact Name

MITCHELL SERVICES LIMITED

The Retail Entitlement Offer is not being made to any person in the United States, or acting for the account or benefit of a person in the United States. The Offer Document and Entitlement and Acceptance Form do not constitute an offer or invitation to acquire New Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

ACCEPTANCE OF RETAIL ENTITLEMENT OFFER

By either returning the Entitlement and Acceptance Form with payment to the Registry, or making payment received by BPAY®:

- you represent and warrant that you have read and understood the Retail Offer Booklet and that you acknowledge the matters, and make the warranties and representations;
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of Mitchell Services ;
- you are not in the United States and are not acting for the account or benefit of a person in the United States; and
- understand that the New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 ("Securities Act") or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

HOW TO APPLY FOR NEW SHARES

1. IF PAYING BY BPAY® (AVAILABLE TO ELIGIBLE RETAIL SHAREHOLDERS WITH AN AUSTRALIAN BANK ACCOUNT ONLY)

If you elect to make payment using BPAY® you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information on paying by BPAY®: www.bpay.com.au

Work out the total amount payable by you. To calculate the total amount, multiply the number of New Shares you wish to apply for by A\$0.42.

Refer overleaf for the Biller Code and Reference Number. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

2. IF PAYING BY ELECTRONIC FUNDS TRANSFER (EFT) - NEW ZEALAND HOLDERS ONLY

Complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Entitlement and Acceptance Form.

A. Acceptance of New Shares

Enter into section A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

B. Application for Additional New Shares

You can apply for more New Shares than your Entitlement. Please enter the number of additional New Shares above your Entitlement for which you wish to apply into Box B. Your Application for additional New Shares may not be successful (wholly or partially), will depend on the amount of the shortfall (if any) under the Retail Entitlement Offer and then only if and to the extent that Mitchell Services determines to issue any additional New Shares, in its absolute discretion. The decision of Mitchell Services on the number of New Shares to be allocated to you will be final. No interest will be paid on any Application Monies received or returned.

C. Total Number of New Shares Subscribed for

To calculate total number of New Shares subscribed for, add Box A and Box B and enter this in Box C.

D. Contact details

Enter your contact telephone number where we may contact you regarding your acceptance of New Shares, if necessary.

E. Electronic Funds Transfer (EFT)

If you are an Eligible Retail Shareholder in New Zealand, you may apply via making an Electronic Funds Transfer. You need to complete and return the acceptance slip attached to this Application Form. You must use your Customer Reference Number (CRN) as the payment reference. If you do not use the CRN as your payment reference then your application may not be reconciled and considered an incomplete application with your Application Monies returned to you after the Offer has been completed. Send your acceptance slip to capitalmarkets@linkmarketservices.com.au. Funds transferred must be free of fees so the exact amount arrives or the application monies will be short. Please ensure you advise your bank that "remitter pays all" for all related fees associated with the funds transfer.

To obtain the bank details, you must contact the Offer Information Line on 1300 306 413 (within Australia) or +61 1300 306 413 (from outside Australia).

3. HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM

A reply paid envelope is enclosed for your use. No postage stamp is required if it is posted in Australia. Alternatively, if you have lost the reply paid envelope, or you have obtained the Retail Offer Booklet electronically, your completed Entitlement and Acceptance Form with the payment for New Shares may be mailed to the postal address set out below. **If paying by BPAY® you do not need to complete or return the Entitlement and Acceptance Form.** You should check the processing cut-off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address

Mitchell Services Limited
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

Make sure you send your Acceptance Slip and application payment allowing enough time for mail delivery, so Link receives them no later than 5:00pm (AEST) on 6 September 2021. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Mitchell Services reserves the right not to process any Acceptance Slips and cheques received after the Closing Date.

If you require further information on how to complete this Entitlement and Acceptance Form, please contact the Offer Information Line on 1300 306 413 (within Australia) or +61 1300 306 413 (from outside Australia).



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Not for release or distribution in the United States

23 August 2021

Dear Shareholder

LETTER TO INELIGIBLE SHAREHOLDERS – A\$10.5 MILLION NON-RENOUNCEABLE ENTITLEMENT OFFER

On 16 August 2021, Mitchell Services Limited ("Mitchell Services") announced that it was conducting an A\$10.5 million accelerated non-renounceable entitlement offer to eligible shareholders to subscribe for 1 new share ("New Share") for every 8 existing Mitchell Services shares ("Existing Shares") held by that eligible shareholder at the Record Date of 7pm (AEST) on 18 August 2021 ("Entitlement Offer"). New Shares will be issued at an offer price of A\$0.42 per New Share.

The Entitlement Offer comprises an institutional component (the "Institutional Entitlement Offer") and a retail component (the "Retail Entitlement Offer"). The Entitlement Offer is being made by Mitchell Services in accordance with section 708AA of the Corporations Act 2001 (Cth) (as modified by, amongst other instruments, ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73)), meaning that no prospectus or product disclosure statement needs to be prepared.

The Institutional Entitlement Offer has already closed and raised approximately \$4.6 million. The Retail Entitlement Offer is expected to raise approximately \$5.9 million.

The Entitlement Offer proceeds are expected to be used to assist in funding a material organic growth strategy which amongst other things will include the funding of capital expenditure to fulfil current and expected contract pipeline requirements. An offer booklet in relation to the Retail Entitlement Offer will be mailed to Eligible Retail Shareholders (defined below) on or around 23 August 2021. Further information in relation to the Entitlement Offer has been disclosed on the Australian Securities Exchange ("ASX").

This letter is to inform you about the Retail Entitlement Offer and to explain why you will not be able to subscribe for New Shares under the Retail Entitlement Offer. This letter is not an offer to issue entitlements or New Shares to you, nor an invitation for you to apply for entitlements or New Shares. **You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Entitlement Offer that you should be aware of.**

The Retail Entitlement Offer is only available to Eligible Retail Shareholders. Eligible Retail Shareholders are those persons who:

- are registered as holders of Existing Shares as at 7:00pm (AEST) on the Record Date;

Mitchell Services Limited

ABN 31 149 206 333

112 Bluestone Circuit
Seventeen Mile Rocks Qld 4073 Australia
PO Box 3250 Darra Qld 4076 Australia

t +61 7 3722 7222

e info@mitchellservices.com.au

f +61 7 3722 7256

w www.mitchellservices.com.au



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- have a registered address in Australia or New Zealand as noted on Mitchell Services' share register or are a Shareholder that Mitchell Services has otherwise determined is eligible to participate in the Retail Entitlement Offer;
- are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States (to the extent such person holds Existing Shares for the account or benefit of such person in the United States);
- were not invited to participate in the Institutional Entitlement Offer and were not treated as an ineligible Institutional Shareholder under the Institutional Entitlement Offer (other than as nominee or custodian, in each case in respect of other underlying holdings); and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

The restrictions upon eligibility to participate in the Retail Entitlement Offer arise because of the legal and regulatory requirements in countries other than Australia or New Zealand and the potential costs to Mitchell Services of complying with these legal and regulatory requirements compared with the relatively small number of shareholders in those countries, the relatively small number of existing Mitchell Services shares they hold and the relatively low value of New Shares to which those shareholders would otherwise be entitled. Mitchell Services has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A(3) of the *Corporations Act 2001* (Cth), that it would be unreasonable to make or extend offers to Mitchell Services shareholders in certain countries under the Retail Entitlement Offer.

According to our records, you do not satisfy the eligibility criteria for an Eligible Retail Shareholder as set out above and Mitchell Services is unfortunately unable to extend to you the opportunity to participate in the Retail Entitlement Offer. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3)(b) of the *Corporations Act 2001* (Cth), this notice is to inform you that under the terms of the Retail Entitlement Offer, you are not entitled to participate in the Retail Entitlement Offer and as such, will not be offered any New Shares under the Retail Entitlement Offer.

Entitlements in respect of the New Shares you would have been entitled to if you were an Eligible Retail Shareholder ("Ineligible Shares") will lapse. The Ineligible Shares will be offered to Eligible Retail Shareholders who apply for additional New Shares in excess of their entitlement, or will be subscribed for by the underwriter to the Entitlement Offer at the Offer Price. Accordingly, there will be no net proceeds of that issue in excess of the Offer Price, and you will not receive any payment or value for those Ineligible Shares. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. This is consistent with the non-renounceable nature of the Entitlement Offer.

If you have any queries, please contact the Mitchell Services Offer Information Line on 1300 306 413 (within Australia) or +61 1300 306 413 (outside Australia) between 8:30am and 5:30pm (AEST), Monday to Friday.

Yours faithfully,

Greg Switala
Company Secretary
Mitchell Services Limited

Mitchell Services Limited

ABN 31 149 206 333

112 Bluestone Circuit
Seventeen Mile Rocks Qld 4073 Australia
PO Box 3250 Darra Qld 4076 Australia
t +61 7 3722 7222 f +61 7 3722 7256
e info@mitchellservices.com.au w www.mitchellservices.com.au



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Important Information

This letter is issued by Mitchell Services. This letter is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation, solicitation, advice or recommendation to subscribe for, retain or purchase any entitlements or shares in Mitchell Services in any jurisdiction. This letter does not constitute financial product advice and does not and will not form any part of any contract for the acquisition of entitlements or Mitchell Services shares.

This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. No action has been, or will be, taken to register, qualify or otherwise permit an offering of New Shares in any jurisdiction outside Australia or New Zealand. In particular, the New Shares have not been, nor will be, registered under the US Securities Act of 1933 (the "US Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

Important Notice To Nominees

Because of legal restrictions, you must not send copies of this letter nor any material relating to the Retail Entitlement Offer to any of your clients (or any other person) acting for the account or benefit of any person in any other jurisdiction outside of Australia and New Zealand. Failure to comply with these restrictions may result in violations of applicable securities laws.

Mitchell Services Limited

ABN 31 149 206 333

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Seventeen Mile Rocks Qld 4073 Australia
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