

ASX Announcement

GrowthOps (ASX:TGO)

Trimantium GrowthOps Ltd applies for voluntary removal from the official list of the ASX

Trimantium GrowthOps Ltd ("**GrowthOps**" or "**the Company**") (ASX:TGO) announces today that it has formally applied to the ASX for the removal of the Company from the official list of the Australian Securities Exchange (ASX), pursuant to ASX Listing Rule 17.11 and ASX Guidance Note 33.

The ASX has accepted the Company's application and will remove it from the official list, subject to the conditions outlined below.

Highlights

- The view of the Board is that delisting GrowthOps' securities is in the best interests of shareholders.
- Shareholder approval to delist will be sought at the Company's Annual General Meeting (AGM) on 30 November 2020.
- All appropriate notices and supporting information in connection with the AGM are expected to be sent to shareholders no later than 29 October 2020.
- The Company's main reasons for delisting are:
 - share price valuation;
 - limited trading of its securities;
 - share price volatility;
 - costs and administration of being listed;
 - inability to raise capital through the issue of shares; and
 - future funding alternatives.
- GrowthOps is considering a number of initiatives to enable smaller shareholders to exit the register.
- The Company's key objectives remain: delivering exceptional customer experiences for our clients; providing extraordinary opportunities and reward for our people; and continuing the turn-around in the Company's financial performance to deliver long term value for shareholders.

More details follow on the reasons and consequences of delisting, together with last exit opportunities for shareholders, treatment of share performance rights and convertible securities, and an indicative timetable, subject to approval by shareholders at the AGM.

Conditions

The ASX has accepted GrowthOps' application and will remove the Company from the official list, subject to the following conditions:

The notice of meeting seeking shareholder approval for GrowthOps' removal from the official list of the ASX ("**Notice**") must include a statement, in form and substance, satisfactory to the ASX, setting out:

1. That the removal will take place no earlier than one month after approval is granted;
2. The time and date at which GrowthOps will be removed from the ASX if that approval is given; and
3. That if shareholders wish to sell their shares on the ASX, they will need to do so before GrowthOps is removed from the official list of the ASX; and if they do not, details of the processes that will exist after GrowthOps is removed from the official list to allow shareholders to dispose of their holdings and how they can access those processes.

Reasons for delisting

The board of directors of the Company ("**Board**") has undertaken an extensive review of the business and has considered a variety of options to improve the Company's underlying performance, financial stability, and working capital to continue to build a pathway to growth.

As a result of the review, the Board has unanimously formed the view that removal of the Company from the official list is in the best interests of shareholders for the reasons outlined below:

Share price valuation

GrowthOps' current and historical share price, in the Board's view, does not appropriately reflect the underlying value of the Company, especially when compared with trading multiples of similar businesses.

Liquidity

GrowthOps' share register has remained highly concentrated since its Initial Public Offering (IPO), with approximately 79.57% of the shares on issue held by the top 20 shareholders, whilst 96.54% is held by only 76 (or 6.35% of the total number of) shareholders.

Moreover, as at 23 October 2020, 968 shareholders held non-marketable* parcels totalling approximately 0.63% of the share register.

Table 1: Distributions of shares and non-marketable parcels a 23 October 2020

Range	Total holders	Units	% Units
1 - 1,000	644	64,124	0.04
1,001 - 5,000	294	689,193	0.45
5,001 - 10,000	54	440,366	0.29
10,001 - 100,000	129	4,071,010	2.68
100,001 Over	76	146,680,105	96.54
Total	1,197	151,944,798	100.00

**A non-marketable parcel is defined as a parcel of shares with a market value below \$500.*

The Board is of the view that the current concentration and lack of liquidity is unlikely to improve in the foreseeable future.

Limited trading

Trading of GrowthOps' stock has been extremely low, evidenced in the table below, which shows the Company's daily average trading volume over the past six months to September 2020 was below 0.02% of the total register.

Table 2: Average trading volumes, 6 months to September 2020

Month	Daily average volume	Daily average volume (% of issued capital)	Daily average value (using average open to close price)
Sep-20	35,062	0.02%	\$ 3,272
Aug-20	3,697	0.00%	\$ 1,223
Jul-20	12,300	0.01%	\$ 1,331
June-20	17,235	0.01%	\$ 1,773
May-20	13,112	0.01%	\$ 1,962
Apr-20	30,003	0.02%	\$ 5,307

The Board is of the view that in the absence of a delisting, it is highly unlikely there will be a substantial improvement in liquidity in the Company's stock in the

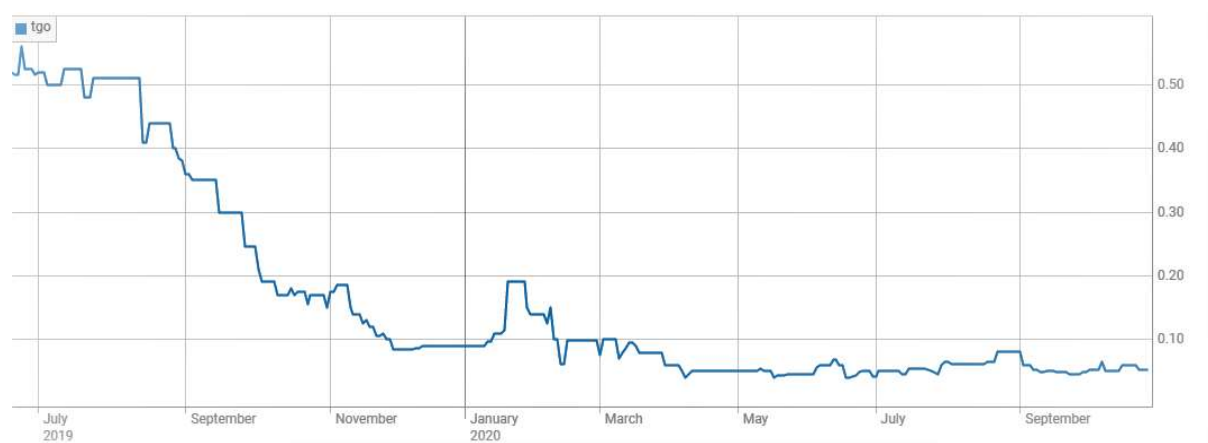
foreseeable future, thereby affecting the ability of current shareholders to realise their investment and conversely for potential investors to invest.

Share price volatility

The illiquidity of the security artificially increases share price volatility, with very light volumes having potentially significant impact on the quoted share price. This excess volatility makes it ineffective and excessively costly for the Company to raise the necessary capital it needs.

The illiquidity of the Company's stock means that the share price at any given point in time is highly dependent upon and dictated by considerably low volumes and/or price. By way of an example and reflected in the chart below, since 1 July 2019, the Company's share price has decreased by 90% from \$0.53 to \$0.051 per share as at 23 October 2020 with a total volume traded of less than 4% of the entire register during the same period.

Share price movement July 2019 to October 2020 (Source: ASX)



Given this, the Board is of the view that the value effectively imputed by the last trade sale substantially undervalues GrowthOps.

Costs and administration of listing

Whilst not benefiting from the advantages of listing, the Company also incurs a level of costs as a result of being listed that the Board considers unsustainable, given the Company's current levels of operation, debt and cash flow.

In addition to the direct costs of listing, there are related costs to the Company of the additional compliance and regulatory requirements associated with being listed, including ASX continuous disclosure obligations, additional content for financial statements, and the preparation of a remuneration report as part of its directors' report, as well as exposure to potential 'spill' motions and meetings every other year, often for reasons having very little to do with executive remuneration.

The Board estimates that direct listing costs alone are between \$0.35m and \$0.55m per annum. Elimination of these costs could assist the Company's operating cash requirements along with being better able to conserve cash flow and direct resources towards growing the business, particularly in a post-COVID-19 environment.

For these reasons, the Board is of the view that the benefits of delisting outweigh the benefits of retaining the Company on the official list of the ASX.

Inability to raise capital

The Company requires capital to sustain and grow its business beyond the damage caused by COVID-19. In seeking to raise additional capital, the Company has encountered a number of challenges, including a lack of support or interest, with some potential external investors in the Company perceiving the listing as an impediment to investing.

Future funding alternatives

The Board is of the view that delisting may provide greater flexibility for the Company to unlock future funding alternatives, along with exploring M&A activity to continue to grow the business. The Board believes that access to private capital, particularly from parties who perceive the Company's current listing as an impediment to investing, is more likely if the Company becomes an unlisted public entity.

Consequences of delisting

If the Company is removed from the official list of the ASX, shareholders of the Company will not have a formal market in which they may sell their shares. No formal exit mechanism from their shareholding in the Company will exist. Shareholders wishing to trade their shares will be entitled to transfer their shares off market to a willing third-party purchaser in accordance with the Company's constitution.

Many of the corporate governance principles applicable to listed companies will cease to apply to the Company once it ceases to be listed. These include:

1. Shareholders will have their CHESS holdings converted to the certificated sub-register on the Company's register. This process will occur automatically, and no action will be required by shareholders. The sub-register will be unlisted and accordingly the Company's securities will not be able to be traded on the ASX.
2. The holders of shares will continue to have the rights attaching to shares, including but not limited to, the right to:
 - a) receive notices of meetings and other notices issued by the Company;
 - b) exercise the voting rights attached to the Company's shares;and

- c) receive any dividends paid by the Company, from time to time, to the Company's shareholders.
- 3. Substantial holders will no longer be required to notify substantial holdings or movements in substantial holdings.
- 4. Directors will not be required to notify transactions in the Company's securities outside disclosure in the Company's financial statements.
- 5. The Company will not be required to lodge documents with the ASX. However, provided it continues to have 100 or more shareholders (which is likely), the Company will continue to be a disclosing entity, requiring ongoing compliance by the Company with continuous disclosure obligations and half-yearly financial reporting. Lodgements will be on the Company's website or with ASIC or both, rather than with the ASX.
- 6. The Company will not be required to include a remuneration report in its annual directors' report and there will be no need to have a resolution to adopt the Company's remuneration report at future AGMs.
- 7. Subject to the constitution of the Company there will not necessarily be a requirement for an annual election of at least one director of the Company.

As an unlisted entity, the Company will not be required to comply with the ASX Corporate Governance Council Principles and Recommendations, and the Company will not be required to pay annual ASX listing fees.

Last exit opportunities for shareholders

The Company is considering a number of initiatives to enable holders of quoted securities of the Company to sell their securities in the lead up to delisting and potentially thereafter. These pre-delisting initiatives include but are not limited to the following:

Minimum holding buy-back

Under a minimum holding buy-back, shareholders holding parcels of shares that are less than a marketable parcel (*being those parcels of shares worth less than \$500 based on the last closing sale price of the shares before the date of this announcement*) will have the ability to exit their holdings prior to the delisting through a minimum holding buyback (buyback).

As at 23 October 2020 there are approximately 968 shareholders holding a parcel of shares worth less than \$500 based on the last ASX closing sale price of \$0.053 at 23 October 2020. Collectively, these shareholders hold around 955,195 shares in aggregate, representing approximately 0.63% of the total issued shares of the Company.

If the minimum holding buy-back proceeds, all GrowthOps shareholders with an unmarketable parcel will receive a letter outlining the buyback process and containing a buy-back offer. Shareholders will have a reasonable period to opt-in to participate in the buyback by accepting the offer. The Company will acquire those share parcels that have opted into the buyback and cancel those shares.

Small holdings

The constitution of the Company permits the Company, on one occasion each year while it is listed, to buy on-market, or in another way determined by the Board, the shares held by holders of non-marketable parcels (being those parcels of shares worth less than \$500 based on the last closing sale price of the shares before the date of this announcement) who do not give a notice to the Company within a notice period of not less than 6 weeks set by the Company, that they wish to retain their shares.

Typically, the notice is provided on a share divestment form or similar document that is sent to shareholders. For those shareholders who do not return their forms, the Company will facilitate a sale of their shares and pass through the proceeds to the shareholder.

In this way, the Company will facilitate the transfer of shares from non-marketable parcels to one or more other buyers should those holders of non-marketable parcels not opt out of the divestment of their shares by giving notice to the Company within the notice period (of not less than 6 weeks) given by the Company.

Share sale and related purchase facility

In conjunction with the minimum holding buyback, the Company is considering offering shareholders a share sale and related purchase facility in accordance with ASIC Corporations (Share and Interest Sale Facilities) Instrument 2018/99 or case specific relief allowing shareholders the opportunity to sell their shares or to purchase up to \$5,000 of additional shares, ahead of the delisting.

Treatment of share performance rights and convertible securities

1. Convertible Redeemable Preference Shares (CRPS)

CRPS were issued to the vendors of companies acquired during, and subsequent to, the IPO process. At the time of this application for voluntary removal from the official list, the following CRPS are yet to convert to ordinary equities. Conversion is scheduled for March 2021:

Table 3: Convertible Redeemable Preference Shares

Units	% Units
2,812,500	24.58
1,406,250	12.29
1,406,250	12.29
1,406,250	12.29
1,406,250	12.29
586,500	5.12
500,000	4.37
500,000	4.37
308,250	2.69
300,000	2.62
278,730	2.44
270,000	2.36
139,365	1.22
77,250	0.68
46,455	0.41
11,444,050	100.00

The Company intends to fulfil its obligations under the original share purchase agreements entered into with the vendors of these respective businesses and the terms of the CRPS as detailed in those agreements.

Based on legal advice the Board is of the view that the delisting of the Company may affect the rights attaching to the CRPS. Accordingly, the holders of these convertible securities will have a right to vote on the special resolution to be proposed at the AGM to approve the delisting of the Company. They will vote on the same basis as holders of ordinary shares, i.e., one vote per share on a poll.

2. Performance rights

Performance rights were issued to various employees as part of their remuneration or gifted by founders to those employees when their businesses were acquired. At the time of this application for voluntary removal from the official list, the following performance rights had not yet vested.

Table 4: Performance rights

Rank	Units	% Units
1	200,000	16.33
1	200,000	16.33
1	200,000	16.33
1	200,000	16.33
5	150,000	12.24
7	50,000	4.08
7	50,000	4.08
7	50,000	4.08
7	50,000	4.08
7	50,000	4.08
7	50,000	4.08
7	25,000	2.04
Total	1,225,000	100.00

The Company intends to fulfil its obligations to these rights holders in accordance with the agreements with the rights holders at the time of issuing the rights.

Future state

The Company's priority remains the delivery of excellent service to our clients, whilst ensuring the health, wellbeing and safety of our people. The Company's key objectives are clear: deliver better outcomes for our clients; provide better opportunities and reward for our people; and achieve a turn-around in financial performance for our shareholders.

The Company expects to achieve these objectives by: continuing to strengthen our foundation and platforms to enable our people to deliver their best work, while also achieving efficiencies; optimising our operating and delivery models, and every touch point with our brands; investing in our brands and people, empowering and incentivising them to pioneer new ways for clients to grow; and pursuing targeted inorganic growth. Through a culture of innovation, driven by collaboration and mutual success, we will achieve our purpose, to reinvent how organisations grow.

The delisting provides the Company with an opportunity to continue to expedite its cost improvement programs, along with securing new alternative funding sources to help facilitate and assist in achieving its growth objectives.

Indicative timeline

On the condition that shareholders approve the delisting special resolution at the AGM on 30 November 2020, the ASX's in-principle advice provides a condition ***that the removal will take place no earlier than 1 month after approval is granted.*** Note, the timeframe may be longer depending on whether an, and if so what, exit mechanism for shareholders, as outlined above, is adopted.

An indicative timetable follows:

Activity	Date
Formal request for removal of securities lodged with ASX listing office	26 October 2020
Notices of Annual General Meeting, Proxy Voting Forms despatched to shareholders	29 October 2020
Annual General Meeting held	30 November 2020
Approval of shareholder resolution submitted to ASX	30 November 2020
Subject to approval by special resolution to proceed, commencement of 1-month period prior to delisting	1 December 2020
Removal of Company from official list	31 December 2020

Options available for shareholders

If a shareholder considers the removal from the official list to be contrary to the interests of the shareholders as a whole or oppressive to, unfairly prejudicial to, or unfairly discriminatory against a shareholder or shareholders, it may apply to the court for an order under Part 2F.1 of the Corporations Act. Under section 233 of the Corporations Act, the court can make any order that it considers appropriate in relation to the Company, including an order that the Company be wound up or an order regulating the conduct of the Company's affairs in the future.

If a shareholder considers that the removal from the official list involves "unacceptable circumstances", it may apply to the Takeovers Panel for a declaration of unacceptable circumstances and other orders under Part 6.10 Division 2 Subdivision B of the Corporations Act (refer also to Guidance Note 1: Unacceptable Circumstances issued by the Takeovers Panel). Under section 657D of the Corporations Act, if the Takeovers Panel has declared circumstances to be unacceptable, it may make any order that it thinks appropriate to protect the rights or interests of any person or group of persons, where the Takeovers Panel is satisfied that those rights or interests are being affected, or will be or are likely to be affected, by the circumstances.

Change in circumstances

The delisting and any exit mechanism that might ultimately be adopted by the Board are subject to no superior proposal emerging and no material change in the Company's circumstances. The Company reserves the right not to proceed with the delisting in its absolute discretion, including if, in the view of the board, a superior proposal emerges or circumstances otherwise change, requiring the Company to reassess the merits of the delisting.

This announcement is authorised for release by the board of directors of Trimantium GrowthOps Limited.

28 October 2020

On behalf of the Board of directors

Craig McMenamin
CFO and Company Secretary
Email: craig.mcmenamin@growthops.com.au

— ENDS —

About GrowthOps

GrowthOps (ASX:TGO) is a network of creative thinkers, who create ideas and build solutions for organisations aspiring to lead tomorrow's markets. We help organisations unlock more potential from their brand, customer touch points and people.

Operating across Australia and Asia, we give advice, ideate, design, build, train, innovate and deliver outcomes that help organisations grow and work better, together. The services we offer include: creative, technology, coaching and leadership, and where these markets overlap.

Use of Non IFRS Measures

GrowthOps uses certain measures to report on its business that are neither recognised under AAS, nor under IFRS. These measures are collectively referred to as non-IFRS financial measures.

These non-IFRS financial measures do not have a prescribed definition under AAS or IFRS and therefore may not be directly comparable to similarly titled measures presented by other entities.

These should not be construed as an indication of, or alternative to, corresponding financial measures determined in accordance with AAS or IFRS.

Although GrowthOps believes these non-IFRS measures provide useful information to users in measuring the financial performance and condition of the business, investors are cautioned not to place undue reliance on any non-IFRS financial measures included in this document.

Forward looking statements

This announcement contains forward looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'expects', 'intends' and other similar words that involve risks and uncertainties. These forward-looking statements speak only as of the date of this announcement and GrowthOps does not undertake to publicly update or revise any forward-looking statement.

Any forward-looking statements are subject to various risks that could cause GrowthOps actual results to differ materially from the results expressed or anticipated in these statements. Such forward-looking statements are not guarantees of future financial performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of GrowthOps, GrowthOps' directors and management.

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

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