

SANDON CAPITAL

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23 April 2024

ANNOUNCEMENT: LODGEMENT OF BIDDER'S STATEMENT

On 12 April 2024, Sandon Capital Limited (ASX:SNC) (**SNC**) announced its intention to make an off-market takeover offer (**Offer**) to acquire ordinary shares of Carbon Conscious Investments Ltd (**CCIL**).

SNC has today lodged its bidder's statement (**Bidder's Statement**) with the Australian Securities and Investments Commission and sent it to CCIL.

The Bidder's Statement is attached to this announcement.

This announcement has been approved by the Board of SNC.

Gabriel Radzynski

Chairman

For and on behalf of Sandon Capital Investments Limited

This is an important document and requires your immediate attention. If you are in any doubt as to how to deal with it, you should consult your financial or other professional advisor.

BIDDER'S STATEMENT

RECOMMENDED Offer to acquire ordinary shares in

Carbon Conscious Investments Ltd (CCIL)
(ACN 629 272 037)

By

Sandon Capital Investments Limited (SNC)
(ACN 107 772 467)

OFFER PRICE OF \$0.0667 PER CCIL SHARE

If you have any queries about the Offer, you may call Gabriel Radzynski on +61 2 8014 1188 between 10.00am and 12.00pm (Sydney time) Monday to Friday.

Australian Legal Adviser

MONT
LAWYERS

Important Information

Key Dates

Event	Date
Date of Bidder's Statement	[insert]
Offer opens (date of Offer)	[insert]
Close of Offer*	[insert]

* This date is indicative only and may be changed as permitted by the Corporations Act.

Bidder's Statement and Offer

This is a Bidder's Statement dated [date] given by SNC to CCIL and each CCIL Shareholder under Part 6.5 of Chapter 6 of the Corporations Act. This Bidder's Statement was approved by a resolution of the Board. It includes an Offer for CCIL Shares dated [date]. The Offer extends to CCIL Shares on issue on [date] and any CCIL Shares issued during the Offer Period.

ASIC and ASX

A copy of this Bidder's Statement was lodged with ASIC and ASX on [date]. None of ASX, ASIC nor any of their officers takes any responsibility for the contents of this Bidder's Statement.

Investment decision

This is an important document. This Bidder's Statement does not take into account the individual investment objectives, financial situation or any particular needs of each CCIL Shareholder or any other person. CCIL Shareholders may wish to seek independent financial and taxation advice before making a decision as to whether to accept the Offer.

Disclaimer

Except for historical information contained in this Bidder's Statement, there may be matters discussed in this Bidder's Statement that are forward-looking statements. Such statements are only predictions and are subject to inherent risks and uncertainty. Forward-looking statements, which are based on assumptions and estimates and describe SNC's future plans, strategies and expectations, are generally identifiable by the use of the words 'anticipate', 'will', 'believe', 'estimate', 'expect', 'intend', 'seek' or similar expressions. CCIL Shareholders are cautioned not to place undue reliance on forward-looking statements. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties both general and specific that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur. Those risks and uncertainties include factors and risks specific to the industry in which SNC and CCIL operate as well as general economic conditions and prevailing exchange rates and interest rates. Actual events or results may differ materially. All forward-looking statements attributable to SNC, or persons acting on behalf of SNC, are expressly qualified in their entirety by the cautionary statements in this Section. Except as expressly

required by the Corporations Act, SNC makes no undertaking to publicly update or revise any forward-looking statements provided in this Bidder's Statement, whether as a result of new information, future events or otherwise, or the list of risks affecting this information.

None of SNC's officers, any person named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement, except to the extent required by law.

Offers outside Australia

The distribution of this Bidder's Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Bidder's Statement should inform themselves of, and observe, those restrictions.

Important notice to US shareholders

The Offer is made for the shares of an Australian registered company. It is important that US CCIL Shareholders understand that the Offer is subject to disclosure requirements in Australia that are materially different from those in the US. You should be aware that, subject to the Corporations Act, SNC may purchase CCIL Shares otherwise than under the Offer, such as in open market or privately negotiated purchases after the end of the Offer Period.

Defined terms

Defined terms used in this Bidder's Statement are capitalised. Definitions of these terms are set out in Section 10. Unless the contrary intention appears, the context requires otherwise or words are defined in Section 10, words and phrases in the Bidder's Statement have the same meaning and interpretation as in the Corporations Act.

Sources of Information

Information included in this Bidder's Statement relating to CCIL and its business has been derived solely from publicly available sources published by CCIL, including CCIL's Annual Reports and CCIL's announcements to investors on its website.

Subject to the foregoing and to the maximum extent permitted by law, SNC and its Directors disclaim all liability for any information concerning CCIL included in this Bidder's Statement. CCIL Shareholders should form their own views concerning CCIL from publicly available information.

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CHAIRMAN'S LETTER

[insert]

Dear CCIL Shareholders

I am pleased to introduce the Offer by SNC to acquire your CCIL Shares for \$0.0667 (or 6.67 cents) cash per CCIL Share.

The Offer enables you to sell all your CCIL Shares without the need to pay brokerage fees or stamp duty.

The Offer is subject to a limited number of defeating Conditions, which are detailed in Section 1.7 of Schedule 1 to the Bidder's Statement.

Reasons to accept the Offer

CCIL demerged from Alterra in December 2018. CCIL has never been separately listed on ASX or another securities exchange. Since the demerger, CCIL Shareholders have had limited opportunities to sell their CCIL Shares. The Offer provides CCIL Shareholders with the opportunity to exit their investment at a cash price of \$0.0667 (or 6.67 cents) per CCIL Share.

This price represents a 234% premium to the last reported net asset value of CCIL of 2.0 cents per CCIL Share, adjusted for the dividend of 0.4 cents per CCIL Share paid subsequent to the release of the FY23 Annual Report.

This price also represents a significant premium to the price of CCIL Shares implied when it was demerged from Alterra, which was 0.72 cents per CCIL Share.¹

SNC is aware of unsolicited offers being made by an offshore party seeking to buy up to 34 million CCIL Shares at a cash price of 2.0 cents per CCIL Share. The Offer represents a 234% premium to this 2.0 cents per CCIL Share offer.

SNC is also aware that other parties in the past may have approached CCIL to make non-binding indicative offers (**NBIO**) for the acquisition of CCIL. None of these NBIO have led to any formal offers being made to CCIL Shareholders. Sales processes conducted by CCIL in 2021 and 2023 were not able to secure a formal offer for CCIL.

SNC is offering an all-cash consideration to acquire your CCIL Shares. The value and certainty of SNC's all-cash Offer should be compared with the risks and uncertainties of remaining a CCIL Shareholder.

¹ The closing market price of Alterra shares on 24 December 2018, the last time shares traded prior to the 27 December 2018 ex-entitlement date, was 4.15 cents per share. The first closing market price after this date was 3.43 cents per share on 7 January 2019. The difference between these two market prices has been used as a benchmark by SNC to determine the value of CCIL implied by the market.

The SNC Offer is fully funded and is subject to a limited number of defeating Conditions. This means you can accept the Offer and, assuming the defeating Conditions are satisfied or waived, as the case may be, you will be paid the Offer Price for your CCIL Shares.

CCIL has an uncertain future

CCIL has not developed any new carbon projects beyond the initial projects established under the CPAs with BP and Origin in 2009 and 2012 (respectively). The CPAs for these projects have a finite term and are due to end in December 2025 (subject to options to extend until December 2030) and December 2027 (respectively). Beyond these initial projects, any revenue generated by CCIL will likely be attributable to tree growth and the prevailing market prices for ACCUs. SNC considers that this income stream is inherently riskier, noting the contracted management fee income earned from BP and Origin under the CPAs.

ACCU market is subject to sovereign and regulatory risks

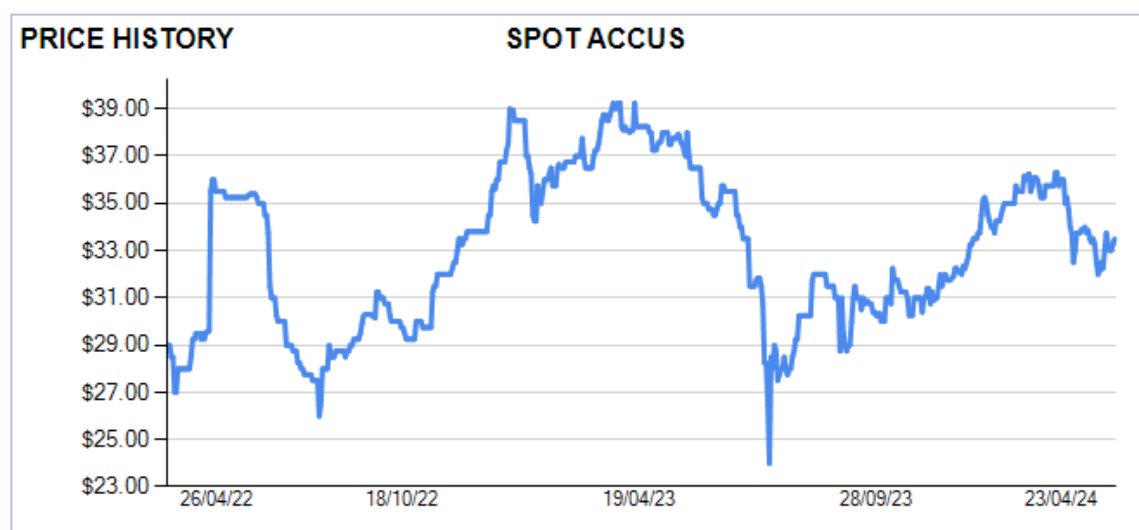
Actions taken by the then Federal Government in March 2022 had a significant adverse effect on the market prices of ACCUs, with market prices declining from \$57.60 to \$31.00 per ACCU (following the announcement of the Federal Government changes).

There also continues to be some criticisms levelled at the ACCU framework, for example arguments that levels of carbon abatement from some projects have been overstated. While the findings of an independent review of the integrity of the ACCU Scheme commissioned by the Federal Government concluded that the ACCU Scheme's arrangements are essentially sound, since ACCUs are instruments created by legislation, SNC considers the ACCU market is subject to sovereign and regulatory risks, which are outside the control of CCIL and SNC.

ACCU market is subject to adverse price movements

There are various factors that affect the market prices of ACCUs.

The chart below shows the market price of ACCUs since April 2022.



Source: [Accus.com.au](https://www.accus.com.au)

How to accept the Offer

If you choose to accept the Offer, you must complete, sign and return the Acceptance Form in accordance with the instructions on it.

Signed Acceptance Forms must be received before the end of the Offer Period via email or mail in the reply-paid envelope so that it is received before the Offer close date. See Summary of the Offer for more information.

The Offer is currently scheduled to close at 5:00pm (Sydney time) on **[Offer close date]**.

If you require additional assistance, please call me on +61 2 8014 1188.

Yours faithfully

Gabriel Radzyninski

Chairman

Sandon Capital Investments Limited

SUMMARY OF THE OFFER

The information set out below is only a summary of the Offer. You should read the entire Bidder's Statement before deciding whether to accept the Offer.

The Bidder	SNC is the company making the Offer.
The Offer	SNC is offering an all-cash off-market takeover bid to acquire your CCIL Shares.
Offer Consideration	You are being offered \$0.0667 (or 6.67 cents) cash for each CCIL Share you own.
Closing date	The Offer is scheduled to close at 5:00pm (Sydney time) on [Offer close date] (but it may be extended).
What are the Conditions to the Offer?	<p>The Offer is subject to Conditions set out in Section 1.7 of Schedule 1. These Conditions include, amongst other matters, a 50.1% minimum acceptance condition.</p> <p>Further details of the Conditions are set out in Section 1.7 of Schedule 1.</p>
Settlement terms	<p>If you accept the Offer, you will be paid the Offer Price on the earlier of:</p> <ul style="list-style-type: none">(a) within one month after the Offer becomes unconditional; and(b) 21 days after the end of the Offer Period. <p>The Offer Price will be paid in Australian currency.</p>
How to accept the Offer	<p>To accept the Offer you must complete, sign and return the Acceptance Form in accordance with the instructions on it.</p> <p>Signed Acceptance Forms must be received before the end of the Offer Period as follows:</p> <ul style="list-style-type: none">• Paper acceptance: To accept the Offer by paper, post the completed and signed Acceptance Form and any associated documents to Link Market Services Limited at Locked Bag A14, Sydney South, NSW 1235 Australia. A reply-paid envelope is enclosed for use within Australia; or• Email acceptance: To accept the Offer by email, email the completed and signed Acceptance Form and any associated documents to Link Market Services Limited at snc.capitalmarkets@linkmarketservices.com.au. <p>You may instruct SNC to pay the consideration by direct credit by returning the form entitled "Request for Direct Credit of Payments" form with your Acceptance Form.</p>
No stamp duty	You will not pay any stamp duty on accepting the Offer.

What to do next You should read this Bidder's Statement in its entirety before making a decision as to whether or not to accept the Offer for your CCIL Shares.

If you wish to accept the Offer, please see Schedule 1 of this Bidder's Statement.

Further information For questions about your CCIL Shares, the Offer, or how to accept the Offer please refer to the remainder of this Bidder's Statement.

1. WHY YOU SHOULD ACCEPT THE OFFER

1.1. The Offer Price is an attractive cash price

The all cash consideration of \$0.0667 (or 6.67 cents) per CCIL Share is being offered to CCIL Shareholders.

The Offer values CCIL at \$11,582,258.

1.2. The Offer represents an attractive value for your CCIL Shares

The Offer Price represents a 234% premium to the last reported net asset value of CCIL of 2.0 cents per CCIL Share, adjusted for the dividend of 0.4 cents per CCIL Share paid to CCIL Shareholders following the release of CCIL's FY23 Annual Report.

1.3. The Offer Price is a large premium to CCIL's implied value at demerger

The Offer represents a significant premium to the price of 0.72 cents per CCIL Share, being the price implied when CCIL was demerged from Alterra in December 2018. The closing market price of shares in Alterra on 24 December 2018, being the last day shares in Alterra traded on ASX (prior to the 27 December 2018 ex-entitlement date), was 4.15 cents per Alterra share. The first closing market price after this date was 3.43 cents per share on 7 January 2019.

The difference between these two market prices has been used by SNC as a benchmark to determine the value of CCIL implied by the market.

1.4. The Offer provides certainty of value for all of your CCIL Shares

The Offer is an offer to acquire your CCIL Shares for cash.

Since being demerged in late 2018, CCIL's strategy has been to return cash to CCIL Shareholders (whenever feasible and prudent to do so). Consistent with this strategy, CCIL has paid dividends and/or made returns of capital for the financial years ended 30 September 2019, 30 September 2020, 30 September 2021, 30 September 2022 and 30 September 2023.

As part of this Offer, CCIL has also paid the Pre-Completion Dividend. Beyond this, there is no certainty as to the timing and quantum of future distributions from CCIL. The cash Offer provides CCIL Shareholders with certainty. The Offer is an opportunity for CCIL Shareholders to exit their investment for cash.

1.5. CCIL is not listed

As CCIL is an unlisted public company, you are not able to sell your CCIL Shares on ASX or any other securities exchange. The Offer presents an opportunity to dispose of your CCIL Shares.

1.6. There is no competing Offer

As at the date of this Bidder's Statement, the Offer is the only available offer to dispose of your CCIL Shares.

SNC is aware of an unsolicited offer of 2.0 cents per CCIL Share being made to CCIL some Shareholders. This offer is for a maximum of 34 million CCIL Shares. This means not all CCIL Shareholders can accept it.

The Offer represents a significant premium (234%) to this unsolicited offer.

1.7. Limited conditionality

The Offer is only subject to a limited number of defeating Conditions; see Section 1.7 of Schedule 1.

1.8. Directors support the Offer

Subject to there being no superior proposal and the Independent Expert concluding that the Offer is reasonable:

- (a) the IBC recommends that the Offer is accepted; and
- (b) each CCIL director intends to accept the Offer with respect to all of the CCIL Shares that they Control.

1.9. You risk becoming a minority CCIL Shareholder if you do not accept the Offer

If you do not accept the Offer, there is a risk that you will be a minority CCIL Shareholder.

Being a minority CCIL Shareholder may have the following implications:

- (a) the price of CCIL Shares will likely reduce once the Offer Period expires;
- (b) trading liquidity may be significantly reduced, making it difficult to sell your CCIL Shares once the Offer Period expires; and
- (c) decisions made by CCIL (consistent with CCIL being a Controlled Entity of SNC) may adversely affect the CCIL Share price.

If SNC obtains majority control of CCIL, but SNC is not entitled to compulsorily acquire the remaining CCIL Shares, those CCIL Shareholders who have not accepted the Offer will become minority CCIL Shareholders, with less influence over the future direction and control of CCIL.

In these circumstances, SNC will also seek to appoint nominees to the board of directors of CCIL (**CCIL Board**) in proportion to its shareholding. SNC may gain control over the CCIL Board and, in this case, SNC (through its representatives on the CCIL Board) will control the decisions and future direction of CCIL to the extent permissible by law.

See Section 5 for further information concerning SNC's intentions with respect to CCIL.

1.10. No stamp duty payable on accepting the Offer

You will not be required to pay any stamp duty if you accept the Offer.

2. KEY QUESTIONS

This Section answers some key questions that you may have about the Offer and it should be read in conjunction with the entire Bidder's Statement.

2.1. What is the Bidder's Statement?

The Bidder's Statement sets out the terms of SNC's Offer and information relating to the consideration you will receive.

2.2. What is the Offer?

SNC is offering to acquire your CCIL Shares by way of an all-cash off-market takeover offer. The Offer is conditional. See Schedule 1.

The Offer extends to CCIL Shares on issue at 5:00pm (Sydney time) on **[date]**.

The Offer Price is \$0.0667 (or 6.67 cents) for every CCIL Share you hold.

2.3. Can I accept the Offer for part of my holding?

No, you can only accept the Offer for all of your holding. Your acceptance will be treated as being for all of your CCIL Shares.

2.4. What happens if I accept the Offer?

Once you accept the Offer in respect of all of your CCIL Shares, you will not be able to sell those CCIL Shares or otherwise deal with the Rights attaching to those CCIL Shares, subject to your limited statutory rights to withdraw your acceptance in certain circumstances.

2.5. What happens if I do not accept the Offer?

Subject to what is stated below, you will remain a CCIL Shareholder if you do not accept the Offer.

If SNC Controls at least 90% of the CCIL Shares (by number) on issue, SNC presently intends to proceed to compulsorily acquire your CCIL Shares if you have not accepted the Offer (see Section 5). At the conclusion of the compulsory acquisition process, you will receive \$0.0667 (or 6.67 cents) for every CCIL Share which is compulsorily acquired. You will receive consideration for your CCIL Shares sooner if you accept the Offer.

If SNC Controls less than 90% of CCIL Shares, SNC will not be able to immediately proceed to compulsorily acquire your CCIL Shares. SNC's intentions if it Controls less than 90% of CCIL Shares are described in Section 5.

2.6. Can I withdraw my acceptance?

Under the terms of the Offer, you cannot withdraw your acceptance unless a withdrawal right arises under the Corporations Act. Such a withdrawal right will arise if, after you accept the Offer, SNC varies the Offer in a way that postpones for more than one month the time when SNC has to pay you under the Offer.

2.7. When does the Offer close?

The Offer is currently scheduled to close at 5:00 pm (Sydney time) on **[Offer close date]**.

2.8. Can SNC extend the Offer Period?

Yes, the Offer can be extended by SNC in accordance with the Corporations Act.

You will be sent written notice of any extension, as required by the Corporations Act.

2.9. If I accept the Offer, when will I receive the cash consideration?

If you accept this Offer, SNC will, in the usual course, pay to you the cash consideration to which you are entitled on the earlier of:

- (a) within one month after the Offer becomes unconditional; and
- (b) 21 days after the end of the Offer Period.

Full details of when you will be paid the cash consideration are set out in Section 1.6 of Schedule 1.

2.10. Will I need to pay brokerage or stamp duty if I accept the Offer?

You will not pay any stamp duty on accepting the Offer. Unless you instruct your broker to accept the Offer on your behalf, SNC would not expect that you would be required to pay brokerage either.

3. ABOUT SNC

3.1. Corporate

SNC is an ASX listed investment company whose assets are managed by an external investment manager, Sandon Capital Pty Ltd (ACN 130 853 691).

SNC currently has a portfolio of listed and unlisted securities with a value exceeding \$120 million (**Securities Portfolio**).

SNC may invest in cash, term deposits, unlisted and listed securities and debt instruments.

3.2. Directors of SNC

The Directors of SNC are:

- (a) Gabriel Radzynski (Non-Executive Chairman);
- (b) Peter Velez (Independent Non-Executive Director); and
- (c) Jacqueline Sullivan (Independent Non-Executive Director).

3.3. Public announcements by SNC

SNC is a disclosing entity for the purposes of section 111AC(1) of the Corporations Act and as such, is subject to regular reporting and disclosure obligations. Broadly, these obligations require SNC to:

- (a) prepare and lodge with ASX both yearly and half-yearly financial statements accompanied by a directors' statement and report and an audit or review report; and
- (b) immediately notify ASX of any information concerning SNC of which it is, or becomes, aware and which a reasonable person would expect to have a material effect on the price or value of securities in SNC, subject to certain limited exceptions related mainly to confidential information.

Copies of documents lodged at ASIC in relation to SNC may be obtained from or inspected at an office of ASIC. Copies of documents lodged with ASX in relation to SNC may be obtained from ASX's website (www.asx.com.au).

4. ABOUT CCIL

4.1. Disclaimer

The description of CCIL contained in this Section 4 has been prepared by SNC using publicly available information. To the extent permitted by law, SNC does not make any representation or warranty, express or implied, as to the currency, accuracy or completeness of such information.

The primary sources of information about CCIL used by SNC are as follows:

- (a) annual reports provided to CCIL Shareholders;
- (b) updates issued by CCIL on the investor portal of its website; and
- (c) the CCIL website.

4.2. Overview of CCIL and its principal business activities

CCIL is an unlisted public company that holds carbon property rights with respect to 30 properties in the Western Australia wheat belt. CCIL manages large scale projects registered with the Clean Energy Regulator that generate ACCUs.

4.3. Directors

The directors of CCIL are:

- (a) Paul Jensen (Non-Executive Chairman);
- (b) Andrew McBain (Executive Director and Company Secretary);
- (c) Gregory Harvey (Non-Executive Director); and
- (d) Jonathan Trollip (Independent Non-Executive Director).

4.4. Major CCIL Shareholders

Based on the FY23 Annual Report and the Alterra Notice of General Meeting dated 19 November 2018, CCIL had the following substantial CCIL Shareholders:

Name	Number of CCIL Shares	Percentage of issued capital
SNC (and Associates) ²	28,958,686	31.7%
Alterra Ltd	26,085,403	15.0%
Trevor Stoney	24,917,361	14.3%
Andrew McBain	12,367,188	6.5%
Aroona Management Pty Ltd	9,600,000	5.5%

² This includes SNC's interests arising from its shareholding in Alterra. SNC has a deemed Relevant Interest in the CCIL Shares held by Alterra because it holds more than 20% of the issued Alterra shares. See Section 5.1.

5. SNC'S INTENTIONS

5.1. General

This Section 5 sets out SNC's intentions in relation to:

- (a) CCIL's business;
- (b) any significant changes to be made to CCIL's business, including any redeployment of CCIL's fixed assets; and
- (c) the future employment of CCIL's employees.

SNC's intentions are based on the information known and the circumstances that exist at the date of this Bidder's Statement.

SNC has a Relevant Interest in 31.7% of CCIL Shares.

SNC has a Relevant Interest in CCIL Shares held by Alterra, by virtue of SNC's 26.1% Voting Power in Alterra. SNC has not appointed a representative director to the Alterra board.

The Offer extends to the CCIL Shares held by Alterra. SNC understands that Alterra will need to seek Alterra shareholder approval before it can accept the Offer with respect to its CCIL Shares.

SNC has reviewed information in the public domain concerning CCIL, its business and the general business environment in which it operates. Based on its review of that material, and on its current assessment of CCIL's operations, SNC's intentions in relation to CCIL are summarised below. Statements set out in this Section 5 are statements of current intentions only which may change as new information becomes available or circumstances change.

Except for the changes and intentions set out in this Section 5, SNC intends, based on the information presently known to it, to continue operating CCIL's business.

CCIL and ACCUAM have certain obligations in respect of its agreements with one of its project counterparties. CCIL and Alterra have certain agreements that seek to provide the project counterparty with comfort that all obligations will be met. One of these agreements is the Step-in Services Deed, where Alterra has agreed to "step in" should CCIL fail to provide the services to the carbon project. CCIL pays Alterra a fee for this service.

If Alterra accepts the Offer for its CCIL Shares, SNC expects that Alterra will seek to terminate the arrangements between Alterra and CCIL. SNC expects that CCIL will need to negotiate with the project counterparty to agree to the change of Control. Among other things, such an agreement may require CCIL to raise additional capital to satisfy the project counterparty. Should this need arise, SNC may require CCIL to conduct an entitlement offer to raise the required funds. CCIL Shareholders who do not or are unable to participate in such an offer will face the risk of possible dilution of their shareholding.

There are no employees of CCIL.

5.2. Strategic review

As SNC does not currently have access to all material information, facts and circumstances which it considers necessary to assess the operational, commercial, taxation and financial implications of its current intentions, final decisions on these matters have not been made. Upon completion of the Offer, and in the event that SNC Controls more than 50% of CCIL's Shares (but less than 90%), SNC proposes to conduct a review of the strategy, operations, activities, assets and employees of CCIL in light of the information which then becomes available to it (**Review**).

Final decisions will only be reached in light of all material facts and circumstances. Accordingly, the statements set out in this Section 5 are statements of current intention only which may change as new information becomes available or circumstances change.

5.3. SNC's intentions upon controlling 90% or more of CCIL Shares

If SNC Controls 90% or more of CCIL Shares:

- (a) SNC intends to proceed to compulsory acquisition of CCIL Shares under the Corporations Act;
- (b) SNC intends to remove Gregory Harvey and Jonathan Trollip as directors;
- (c) SNC intends to appoint Gabriel Radzynski as a director;
- (d) SNC intends to undertake the Review; and
- (e) subject to the outcome of the Review, SNC expects to continue to operate the CCIL business in substantially the same manner as it is presently operated by CCIL.

5.4. SNC's intentions upon controlling less than 90% of CCIL Shares

If, following the Offer, Controls more than 50% but less than 90% of CCIL, CCIL will become a Controlled Entity of SNC and its current intentions are as set out below:

- (a) SNC intends to undertake the Review;
- (b) SNC intends to appoint Gabriel Radzynski as a director;
- (c) SNC intends to remove Gregory Harvey and Jonathan Trollip as directors;
- (d) SNC may, at some later time, acquire further CCIL Shares in a manner consistent with the Corporations Act; and
- (e) if SNC becomes entitled at some later time to exercise general compulsory acquisition rights under Part 6A.2 of the Corporations Act, it may exercise those rights.

The intentions and statements of future conduct set out in this Section 5 must be read as being subject to:

- (a) the law (including the Corporations Act), including in particular the requirements of the Corporations Act in relation to conflicts of interest and "related party" transactions; and
- (b) the legal obligation of the CCIL directors at the time, including any nominees of SNC, to act in good faith and in the best interests of CCIL and for proper purposes and to have regard to the interest of all CCIL Shareholders (in which regard the role of independent directors of CCIL will also be important).

6. SOURCES OF OFFER CONSIDERATION

6.1. Consideration under the Offer

The total amount that SNC would be required to pay for CCIL Shares if SNC acquires all of the CCIL Shares on issue on the date of this Bidder's Statement in which SNC and its Associates (excluding Alterra) do not have a Relevant Interest, at the Offer Price, is approximately \$9.7 million.

SNC expects that the costs payable by SNC in relation to the Offer will not exceed \$100,000.

6.2. Available funds

SNC currently has approximately \$14.1 million of cash in its bank accounts available to fund the Offer and the Offer costs. This exceeds the cash required to fund the Offer and any Offer costs. SNC also has access to unused borrowing capacity it may draw upon if required.

7. TAX CONSIDERATIONS

7.1. General

The following is a summary of the principal Australian tax consequences generally applicable to CCIL Shareholders who dispose of their CCIL Shares under the Offer for cash consideration. These consequences will depend on the individual circumstances of CCIL Shareholders. You should make your own inquiries and seek independent professional advice on your circumstances.

The comments set out below are relevant only to those CCIL Shareholders who hold their CCIL Shares as capital assets for the purpose of investment and who do not (or would not) hold those CCIL Shares in connection with the conduct of a business. Certain CCIL Shareholders (such as those engaged in a business of trading, those who acquired their CCIL Shares for the purpose of resale at a profit or those which are banks, insurance companies, tax exempt organisations, superannuation funds or persons who acquired their CCIL Shares in the course of their employment with CCIL) will or may be subject to special or different tax consequences specific to their circumstances.

The following outline is based upon Australian taxation law and practice in effect as at the date of this Bidder's Statement. It is not intended to be an authoritative or complete statement or analysis of the taxation laws applicable to the particular circumstances of every CCIL Shareholder. CCIL Shareholders should seek independent professional advice regarding the taxation consequences of disposing of CCIL Shares in light of their own particular circumstances.

7.2. Australian resident CCIL Shareholders

If you accept the Offer, you will be treated as having disposed of your CCIL Shares. If you held them on capital account and you dispose of them, such a disposal is likely to constitute a CGT event for CGT purposes. Australian resident CCIL Shareholders may make a capital gain or capital loss on the disposal of a CCIL Share under the Offer.

In general, the capital gain or loss on the disposal of a CCIL Share under the Offer is the difference between the value of the capital proceeds (i.e. the cash consideration received from SNC) and the cost base of the CCIL Share. The cost base of CCIL Shares is generally their cost of acquisition or deemed cost of acquisition. Certain other amounts associated with acquisition and disposal, such as brokerage or stamp duty, may be added to the cost base.

Capital gains and capital losses of a taxpayer in a year of income are aggregated to determine whether there is a net capital gain. Capital gains made during an income year are reduced by any capital losses made during that same income year. This may be reduced further by capital losses carried forward from prior years, subject to the loss recoupment rules applicable for the relevant CCIL Shareholder. A 'CGT Discount' may be available to reduce further the taxable gain for certain CCIL Shareholders (see further below). The remaining net capital gain is included as assessable income in your income tax return and is subject to income tax at your marginal tax rate in the year in which you dispose of the CCIL Shares. A net capital loss may be carried forward to be offset against future capital gains (not against other income for income tax purposes).

A CCIL Shareholder who is an individual, complying superannuation entity or trustee of a trust may be eligible for a 'CGT Discount' if they acquired (or are deemed to have acquired) their CCIL Shares at least 12 months before the time they accept the Offer (excluding both the date of acquisition and disposal). The CGT Discount is generally 33.33% for superannuation funds and 50% for individuals and certain trusts. The CGT Discount is not available to companies, nor does it apply to CCIL Shares owned (or deemed to be owned) for less than the relevant 12 month period, or shares that are not held on capital account.

7.3. Non-resident CCIL Shareholders

CCIL Shareholders who are not resident in Australia for tax purposes should also consider the tax consequences under the laws of their country of residence, as well as under Australian law. In Australia, the CGT rules only apply to non-residents of Australia in relation to 'taxable Australian property'. CCIL Shares held by a CCIL Shareholder who is not an Australian resident for tax purposes will be taxable Australian property only if the CCIL Shares:

- (a) are an indirect Australian real property interest; or
- (b) were used at any time by the CCIL Shareholder in carrying on a business through a permanent establishment in Australia; or
- (c) were included under a CGT deferral election when the CCIL Shareholder ceased to be an Australian resident.

CCIL Shares will generally not constitute an indirect Australian real property interest unless the total market value of Australian real property assets is more than 50% of the total market value of CCIL's assets and the shareholding represents at least 10% (including Associate interests) of either the total shares or voting rights or distribution rights.

To the extent that a capital gain is realised on the sale of CCIL Shares by a non-resident investor, no CGT discount is available for gains generated after 8 May 2012, however some apportionment may be available if the CCIL Shares were originally acquired before this date.

7.4. Stamp duty and GST

Any stamp duty payable pursuant to the Offer will be the liability of SNC and will be paid by SNC.

CCIL Shareholders may be charged GST on costs (such as advisor fees) that relate to their acceptance of the Offer. CCIL Shareholders may be entitled to input tax credits for such costs, but should seek independent advice in relation to their individual circumstances.

8. INFORMATION ON CCIL SHARES

8.1. CCIL capital structure

As at the date of this Bidder's Statement, there are 173,647,045 CCIL Shares on issue.

CCIL is an unlisted public company.

8.2. SNC's interests in CCIL

As at the date of this Bidder's Statement, SNC has a Relevant Interest in 31.7% of CCIL Shares. This Relevant Interest includes CCIL Shares held by Alterra by virtue of Section 608(3) of the Corporations Act. The Offer extends to the CCIL Shares held by Alterra.

9. OTHER MATERIAL INFORMATION

9.1. No collateral benefits

Neither SNC nor any of its Associates has, during the period of four months ending on the day immediately before the date of the Offer, given, or offered or agreed to give, a benefit to another person likely to induce the other person, or an Associate, to:

- (a) accept the Offer; or
- (b) dispose of CCIL Shares,

which benefit was not offered to all CCIL Shareholders under the Offer.

9.2. No escalation agreements

Neither SNC nor any Associate of SNC has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

9.3. No dealings in CCIL Shares

In the four months prior to the date of the Offer, neither SNC nor any of its Associates has dealt in any CCIL Shares.

9.4. Material contracts

Except as disclosed in Section 1.7 of Schedule 1, SNC is not aware of any contracts to which CCIL or any of its Controlled Entities are a party that contain provisions entitling the contract counterparty to terminate the contract in the event of a change of control of CCIL.

SNC has not engaged in any discussions with any party with whom CCIL or a Controlled Entity of CCIL has a substantive contract for the provision of goods or services to assess the impact of a change of control of CCIL on any contract.

9.5. Regulatory approvals

There are no regulatory approvals that SNC needs to obtain before acquiring CCIL Shares before or under the Offer.

9.6. Consents

Mont Lawyers Pty Ltd (**Mont**) has given and before lodgement of this Bidder's Statement has not withdrawn its written consent to be named as Australian legal adviser to the Offer in the form and context in which it is so named.

Link Market Services Pty Ltd (**Link**) has given and before lodgement of this Bidder's Statement has not withdrawn its written consent to be named as SNC's share registry in the form and context in which it is so named.

Each of Mont and Link:

- (a) has not authorised or caused the issue of the Bidder's Statement;
- (b) does not make, or purport to make, any statement in this Bidder's Statement other than as specified in this Section 9;
- (c) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding and takes no responsibility for, any part of this Bidder's Statement other than the reference to its name and the statements (if any)

included in this Bidder's Statement with the consent of that party as specified in this Section 9.

9.7. Date for determining holders of CCIL Shares

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) is **[insert date]**.

9.8. Other material information

There is no other information material to the making of a decision by an offeree whether or not to accept an Offer (being information that is known to SNC and has not previously been disclosed to the holders of CCIL Shares) other than as disclosed in this Bidder's Statement.

9.9. ASIC modifications and exemptions

This Bidder's Statement includes or is accompanied by statements that are made in, or based on, statements made in documents lodged with ASIC or ASX. Under the terms of ASIC Corporations (Takeover Bids) Instrument 2023/683, the parties making those statements are not required to consent to, and have not consented to, the inclusion of those statements in this Bidder's Statement.

In accordance with your right to obtain a copy of the above documents free of charge under ASIC Corporations (Takeover Bids) Instrument 2023/683, please contact SNC on (02) 8014 1188.

SNC has not obtained from ASIC any modifications or exemptions from the Corporations Act in relation to the Offer.

9.10. Costs and expenses

All costs and expenses of the preparation and circulation of this Bidder's Statement and the Offer will be paid by SNC.

10. DEFINITIONS AND INTERPRETATION

10.1. Definitions

The following defined terms are used throughout this Bidder's Statement unless the context otherwise requires. These terms are used throughout this Bidder's Statement.

Acceptance Form	The acceptance form for the Offer accompanying this Bidder's Statement.
ACCU	Australian Carbon Credit Units.
ACCUAM	ACCU Asset Management Pty Ltd (ACN 625 187 117), a wholly owned Subsidiary of CCIL.
Adverse Action	<p>In respect of a CPA, the occurrence of any of the following, which remains unremedied for a period of 5 Business Days:</p> <ul style="list-style-type: none">(a) an event of default occurs;(b) party to a CPA is the subject of an Insolvency Event;(c) non-payment or late payment of amounts due under a CPA; or(d) a material breach of a term of a CPA by a party to the relevant CPA.
Alterra	Alterra Ltd (ACN 129 035 221) (ASX:1AG).
Announcement Date	The date on which the Offer was announced to ASX, namely 12 April 2024.
ASIC	Australian Securities & Investments Commission.
Associate	Has the same meaning given to that term in section 9 of the Corporations Act.
ASX	ASX Limited (ACN 008 624 691) or, as the context requires, the financial market operated by it.
Bidder's Statement	This document, being the statement made by SNC under Part 6.5 Division 2 of the Corporations Act and all ASIC Regulatory Guides and Takeovers Panel Guidance Notes applicable to takeover bids under Chapter 6 of the Corporations Act.
Board	The board of Directors of SNC.
BP	BP Energy Asia Pte Limited, a company incorporated in Singapore under number 200510582K.
Business Day	Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.
CCIL	Carbon Conscious Investments Limited (ACN 629 272 037).
CCIL Share	A fully paid ordinary share in the capital of CCIL.

CCIL Shareholder	A registered holder of CCIL Shares.
CGT	Capital gains tax.
Condition	Each condition set out in Section 1.7 of Schedule 1.
Control	Has the meaning given to that word in the Corporations Act.
Controlled Entity	Has the meaning given to that word in the Corporations Act.
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
CPAs	<p>(a) the carbon plantation agreement between ACCUAM and Origin dated 16 July 2009, as amended from time to time (including on or about 16 March 2010, 25 March 2011, 1 December 2011 and 16 April 2015), and novated and amended by the Deed of Novation; and</p> <p>(b) the carbon plantation agreement between ACCUAM and BP dated 14 October 2009 (as amended),</p> <p>and CPA means either of them.</p>
Deed of Novation	The deed of novation and amendment dated on or around 22 November 2018, between Alterra, ACCUAM and Origin, under which the CPA with Origin was novated to ACCUAM.
Director	A director of SNC.
ERF Agreement	The ERF participation services agreement between Alterra and Origin dated 15 April 2015.
Governmental Agency	Any government, semi-government, administrative, fiscal, judicial or regulatory body, department, commission, authority, tribunal, agency or entity.
GST	Goods and services tax.
IBC	The independent board committee appointed by the board of directors of CCIL to consider the Offer and any competing proposals.
Independent Expert	Grant Thornton Corporate Finance Pty Ltd (ACN 003 265 987).
Insolvency Event	<p>The occurrence of any one or more of the following events in relation to any person:</p> <p>(a) an application is made to a court for an order, or an order is made, that it be wound up, declared bankrupt or that a provisional liquidator or receiver or receiver and manager be appointed;</p> <p>(b) a liquidator or provisional liquidator is appointed;</p> <p>(c) an administrator is appointed to it under sections 436A, 436B or 436C of the Corporations Act;</p> <p>(d) a controller (as defined in section 9 of the Corporations Act) is appointed to it or any of its assets;</p>

- (e) a receiver is appointed to it or any of its assets;
- (f) it enters into an arrangement or composition with one or more of its creditors, or an assignment for the benefit of one or more of its creditors, in each case other than to carry out a reconstruction or amalgamation while solvent;
- (g) it proposes a winding-up, dissolution or reorganisation, moratorium, deed of company arrangement or other administration involving one or more of its creditors;
- (h) it otherwise proposes, or effects, a winding-up, whether under the terms of a constituent document, the Corporations Act or any other applicable law;
- (i) it is insolvent as disclosed in its accounts or otherwise, states that it is insolvent, is presumed to be insolvent under an applicable law (including under sub-section 459C(2) or section 585 of the Corporations Act) or otherwise is, or states that it is, unable to pay all its debts as and when they become due and payable;
- (j) it is taken to have failed to comply with a bona fide statutory demand as a result of sub-section 459F(1) of the Corporations Act which has not been set aside or withdrawn;
- (k) a notice is issued under sections 601AA or 601AB of the Corporations Act;
- (l) a writ of execution is levied against it or a material part of its property;
- (m) it ceases to carry on business or threatens to do so; or
- (n) anything occurs under the law of any jurisdiction which has a substantially similar effect to any of the events set out in the above paragraphs of this definition.

MID	The merger implementation deed between SNC and CCIL dated 12 April 2024.
Offer	The offer as set out in Schedule 1 of this Bidder's Statement and includes a reference to that offer as varied in accordance with the Corporations Act and Offers means all such offers.
Offer Period	The period for which the Offer remains open as set out in Schedule 1.
Offer Price	\$0.0667 (or 6.67 cents) per CCIL Share.
Performance Guarantee	The performance guarantee provided by Alterra to Origin, detailed in the Performance Guarantee Deed.
Performance Guarantee Deed	The deed between ACCUAM, Alterra and Origin, dated 20 November 2018, under which the Performance Guarantee is provided.
Pre-Completion Dividend	The proposed fully franked dividend to be paid by CCIL before

	the Offer Close Date of not more than \$700,000.
Prescribed Occurrence Insolvency Event	<p>The occurrence of any one or more of the following events in relation to CCIL or a Subsidiary of CCIL:</p> <ul style="list-style-type: none"> (a) it resolves to be wound up; (b) a liquidator or provisional liquidator is appointed to it; (c) a court makes an order for its winding up; (d) an administrator is appointed to it under sections 436A, 436B or 436C of the Corporations Act; (e) it executes a deed of company arrangement; (f) a restructuring practitioner is appointed to it under section 453B of the Corporations Act; (g) it makes a restructuring plan under Division 3 of Part 5.3B of the Corporations Act; or (h) a receiver, or a receiver and manager is appointed in relation to the whole or a substantial part of its property.
Proceedings	Any suit, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, audit, examination or investigation commenced, brought, conducted or heard by or before or otherwise involving any court or other Regulatory Body or any arbitrator or arbitration panel.
Regulatory Body	Any Australian or foreign government or governmental, semi-governmental fiscal, regulatory or judicial body, department, commission, entity or authority. It includes a self-regulatory organisation established under statute or a stock exchange, ASIC, ASX, the Takeovers Panel and the Australian Taxation Office.
Relevant Interest	Has the meaning given in sections 608 and 609 of the Corporations Act.
Rights	All accretions, rights or benefits of whatever kind attaching to or arising from CCIL Shares directly or indirectly after the date of this Bidder's Statement, including, without limitation, all dividends or other distributions and all rights to receive any dividends or other distributions, or to receive or subscribe for shares, stock units, notes, bonds, options or other securities, declared or paid by CCIL or any of its Subsidiaries, which excludes the Pre-Completion Dividend.
Securities Portfolio	The meaning given to that term in Section 3.1.
Service Agreement	The agreement between CCIL and PF Olsen (Aus) Pty Limited (ACN 117 085 373) dated 15 February 2024.
Step-in Services Deed	The Step-In Services Deed between ACCUAM and Alterra dated 30 November 2018.

SNC	Sandon Capital Investments Limited (ACN 107 772 467).
Subsidiary	Has the meaning given to that word in the Corporations Act.
Takeovers Panel	The Takeovers Panel constituted under the <i>Australian Securities and Investments Commission Act 2001</i> (Cth).
Voting Power	Has the same meaning given to that term in section 610 of the Corporations Act.

10.2. Interpretation

In this Bidder's Statement, unless the context requires otherwise:

- (a) a reference to a word includes the singular and the plural of the word and vice versa;
- (b) a reference to a person in this Bidder's Statement or any other document or agreement includes its successors and permitted assigns;
- (c) a reference to a gender includes any gender;
- (d) if a word or phrase is defined, then other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;
- (e) a term which refers to a natural person includes a company, a partnership, an association, a corporation, a body corporate, a joint venture or a Governmental Agency;
- (f) headings are included for convenience only and do not affect interpretation;
- (g) a reference to a document or agreement including this Bidder's Statement, includes a reference to that document or agreement as amended, novated, supplemented, varied or replaced from time to time;
- (h) a reference to a thing includes a part of that thing and includes but is not limited to a right;
- (i) the terms included, including and similar expressions when introducing a list of items do not exclude a reference to other items of the same class or genus;
- (j) a reference to a statute or statutory provision includes but is not limited to:
 - (i) a statute or statutory provision which amends, extends, consolidates or replaces the statute or statutory provision;
 - (ii) a statute or statutory provision which has been amended, extended, consolidated or replaced by the statute or statutory provision; and
 - (iii) subordinate legislation made under the statute or statutory provision including but not limited to an order, regulation, or instrument;
- (k) reference to \$, A\$, Australian Dollars or dollars, c or cents is a reference to the lawful tender for the time being and from time to time of the Commonwealth of Australia; and
- (l) a reference to an asset includes all property or title of any nature including but not limited to a business, a right, a revenue and a benefit, whether beneficial, legal or otherwise.

11. APPROVAL OF BIDDER'S STATEMENT

This Bidder's Statement has been approved by a resolution of the Directors of SNC.

Dated [date]

Signed for and on behalf of Sandon Capital Investments Limited.

Gabriel Radzyninski

Chairman

SCHEDULE 1 – OFFER DETAILS

1. OFFER TERMS

1.1 SNC's Offer

- (a) SNC offers to acquire your CCIL Shares on the terms and conditions of this Offer. You may accept this Offer in respect of all of your CCIL Shares.
- (b) The consideration being offered by SNC is \$0.0667 (or 6.67 cents) for every CCIL Share you own. If you accept this Offer and SNC acquires your CCIL Shares, SNC is also entitled to any Rights in respect of your CCIL Shares.
- (c) If SNC becomes entitled to any Rights as a result of your acceptance of this Offer, it may require you to give SNC all documents necessary to vest those Rights in SNC or otherwise to give SNC the benefit or value of those Rights. If you do not give those documents to SNC, or if you have received the benefit of those Rights, then SNC will deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by SNC) of those Rights. However, no amount will be deducted in respect of the franking credits (if any) attached to the Rights.

1.2 Offer Period

Unless withdrawn, this Offer remains open for acceptance during the period commencing on the date of this Offer and ending at 5:00pm on **[insert date]** (Sydney time), subject to any extension of that period in accordance with the Corporations Act.

1.3 Who may accept

- (a) An offer in the form of this Offer is being made to:
 - (i) each holder of CCIL Shares registered, or entitled to be registered, in the register of members of CCIL at 5:00pm (Sydney time) on **[insert date]**; and
 - (ii) each other holder of CCIL Shares who becomes so registered before the end of the Offer Period.
- (b) If at the time this Offer is made to you another person is, or at any time during the Offer Period and before this Offer is accepted becomes, the holder of, or entitled to be registered as the holder of, some or all of your CCIL Shares (**Transferred Shares**), SNC is deemed, in place of this Offer, to have made at that time a corresponding Offer on the same terms and conditions:
 - (i) to the other person, relating to the Transferred Shares; and
 - (ii) to you, relating to your CCIL Shares other than the Transferred Shares (if any).
- (c) If at any time during the Offer Period and before this Offer is accepted, you hold your CCIL Shares in two or more distinct portions (for example, you hold some as trustee, nominee or otherwise on account of another person) within the meaning of section 653B of the Corporations Act:
 - (i) this Offer is deemed to consist of a separate corresponding Offer to you in relation to each distinct portion of your CCIL Shares;
 - (ii) to accept any of those corresponding Offers, you must specify:
 - (A) by written notice accompanying your Acceptance Form; or

- (B) that your CCIL Shares consist of distinct portions and the number of the CCIL Shares to which the acceptance relates; and
- (C) otherwise, section 653B of the Corporations Act applies to this Offer in respect of your CCIL Shares and any acceptance of this Offer by you.

1.4 How to accept this Offer

- (a) You may only accept this Offer in respect of all of your CCIL Shares.
- (b) You may only accept this Offer during the Offer Period.
- (c) To accept this Offer, you may complete and sign the Acceptance Form in accordance with the instructions on the Acceptance Form and return it (together with any documents required by the instructions on it), so that the envelope or email in which they are sent is received by SNC in accordance with the Acceptance Form before the end of the Offer Period.
- (d) By signing and returning the Acceptance Form or otherwise accepting this Offer in accordance with Section 1.4(c), you will be deemed to have irrevocably authorised and directed CCIL to pay to SNC, or to account to SNC for, all Rights in respect of your CCIL Shares, subject, if this Offer is withdrawn, to SNC accounting to you for any such Rights received by SNC.

1.5 Effect of acceptance

- (a) By accepting the Offer in accordance with Section 1.4, you will have:
 - (i) accepted this Offer in respect of all of your CCIL Shares;
 - (ii) agreed to transfer your CCIL Shares to SNC;
 - (iii) represented and warranted to SNC that your CCIL Shares will, at the time of acceptance of this Offer and at the time of their transfer to SNC, be fully paid up and that SNC will acquire good title to and beneficial ownership of your CCIL Shares free from all encumbrances and other adverse third party interests of any kind;
 - (iv) irrevocably appointed SNC and each of its directors, secretaries and officers severally as your attorney to do all things which you could lawfully do in relation to your CCIL Shares or in exercise of any right derived from the holding of such CCIL Shares, including without limitation:
 - (A) attending and voting at any general meeting of CCIL;
 - (B) notifying CCIL that your address in the records of CCIL for all purposes including the dispatch of notices of meeting, annual reports and dividends should be altered to an address nominated by SNC; and
 - (C) doing all things incidental and ancillary to any of the above.

This appointment terminates on the registration of SNC as the registered holder of your CCIL Shares. SNC must indemnify you and keep you indemnified in respect of all costs, expenses and obligations which might otherwise be incurred or undertaken as a result of the exercise by an attorney of any powers under this Section 1.5.

- (v) agreed that in exercising the powers conferred by the power of attorney under Section 1.5 the attorney may act in the interests of SNC as the intended registered holder and beneficial holder of those CCIL Shares;

- (vi) agreed not to attend or vote in person at any general meeting of CCIL or to exercise or purport to exercise any of the powers conferred on an attorney under Section 1.5;
 - (vii) represented and warranted to SNC that the making of the Offer to you and your acceptance of this Offer is lawful under any foreign law which applies to you, to the making of this Offer or to your acceptance of this Offer;
 - (viii) agreed to indemnify SNC and CCIL fully in respect of any Proceedings made or brought against CCIL and any loss, expense, damage or liability whatsoever suffered or incurred by SNC or CCIL or both SNC and CCIL, in each case as a result of any representation or warranty made by you not being true; and
 - (ix) irrevocably authorised and directed CCIL to pay to SNC or to account to SNC for all dividends and other distributions and entitlements which are declared, paid or made or which arise or accrue after the date of this Offer in respect of the CCIL Shares which SNC acquires pursuant to this Offer, subject to your acceptance of this Offer being validly withdrawn pursuant to section 650E of the Corporations Act or the contract resulting from that acceptance becomes void, to SNC accounting to you for any such dividends, distributions and entitlements received by it.
- (b) By completing, signing and returning the Acceptance Form, you will also have:
- (i) authorised SNC and each of its directors, secretaries, officers, servants and agents severally to complete the Acceptance Form by correcting any errors in or omissions from the Acceptance Form as may be necessary for either or both of the following purposes:
 - (A) to make the Acceptance Form an effectual acceptance of this Offer; and
 - (B) to enable registration of the transfer to SNC of your CCIL Shares; and
 - (ii) authorised SNC and each of its directors, secretaries, officers, servants, and agents severally on your behalf to initiate acceptance.
- (c) SNC may at any time in its absolute discretion:
- (i) treat the receipt by it of an Acceptance Form during the Offer Period as a valid acceptance although it does not receive all other documents required by the instructions on the Acceptance Form or any requirements for a valid acceptance have not been complied with; and
 - (ii) where you have satisfied the requirements for acceptance in respect of only some of your CCIL Shares, treat the acceptance as a valid acceptance only in respect of those CCIL Shares.
- (d) In respect of any part of an acceptance treated by SNC as valid, SNC must provide you with the relevant cash consideration in accordance with Section 1.6.

1.6 Consideration for your CCIL Shares

- (a) The obligation of SNC to pay to you the cash consideration to which you are entitled under the Offer will be satisfied by SNC dispatching or procuring the dispatch to you a cheque made payable to you by pre-paid ordinary mail or, in the case of addresses outside Australia, by pre-paid airmail, to your address as shown on the register of members of CCIL (or such other address as you may notify in writing to SNC).
- (b) Subject to Section 1.6(c) of this Schedule 1, SNC will provide the cash consideration to which you are entitled on acceptance of this Offer on the earlier of:

- (i) within one month after the Offer becomes unconditional; and
- (ii) 21 days after the end of the Offer Period.

Under no circumstances will interest be paid on the consideration for the CCIL Shares accepted under this Offer, regardless of any delay in making payment or any extension of this Offer.

- (c) Where the Acceptance Form requires an additional document to be given with your acceptance (such as a power of attorney):
 - (i) if that document is given with your acceptance, SNC will provide the consideration in accordance with paragraph (b);
 - (ii) if the document is given after your acceptance and before the end of the Offer Period, SNC will provide the consideration 21 days after the document is received; or
 - (iii) if that document is received after the end of the Offer Period, SNC will provide the consideration within 21 days after that document is received.
- (d) If SNC becomes entitled to any Rights as a result of your acceptance of this Offer, it may require you to give SNC all documents necessary to vest those Rights in SNC or otherwise to give SNC the benefit or value of those Rights. If you do not give those documents to SNC, or if you have received the benefit of those Rights, then SNC may reduce the total amount of cash consideration to which you are otherwise entitled under this Offer by the amount (or value, as reasonably assessed by SNC) of those Rights. For the avoidance of doubt, SNC will not be entitled to deduct the value of any franking credits attaching to any dividends or capital distributions declared or paid by CCIL.
- (e) If, at the time of acceptance of this Offer, any consent, authority or clearance of the Reserve Bank of Australia and/or the Australian Taxation Office is required for you to receive any consideration under this Offer or you are resident in or a resident of a place to which, or you are a person to whom:
 - (i) the *Banking (Foreign Exchange) Regulations 1959* (Cth);
 - (ii) Part 4 of the *Charter of the United Nations Act 1945* (Cth);
 - (iii) the *Charter of the United Nations (Dealing with Assets) Regulations 2008* (Cth);
 - (iv) Part 9 of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth);
 - (v) any other regulations made under Part 4 of the *Charter of the United Nations Act 1945* (Cth); or
 - (vi) any other law of Australia applies that would make it unlawful for SNC to provide Consideration for your CCIL Shares,

acceptance of this Offer will not create or transfer to you any right (contractual or contingent) to receive (and you will not be entitled to receive) any consideration under this Offer unless and until all requisite consents, authorities or clearances have been obtained.

1.7 Defeating Conditions

This Offer and the contract that results from acceptance of this Offer are each subject to the fulfilment of the following Conditions:

(a) **Minimum acceptance condition**

The number of CCIL Shares in which SNC and its Associates have a Relevant interest (disregarding any Relevant Interests that SNC has with respect to CCIL Shares held by Alterra merely because of the operation of section 608(3) of the Corporations Act) is not less than 50.1% of the CCIL Shares then on issue.

(b) **No breach of MID**

Between the Announcement Date and the end of the Offer Period, CCIL has not materially breached its obligations under the MID.

(c) **No acquisition of more than 10%**

Between the Announcement Date and the end of the Offer Period no CCIL Shareholder increases its Relevant Interest in CCIL Shares above 10%.

(d) **No adverse environmental event**

Between the Announcement Date and the end of the Offer Period, no fires, floods, hurricanes, earthquakes or other natural disasters or forces of nature occur which materially adversely affect the properties the subject of a CPA.

(e) **Cash balance at completion**

During:

- (i) the period commencing on the Announcement Date and ending on date on which SNC delivers the notice under section 630(3) of the Corporations Act, the aggregate cash balance(s) in CCIL's bank accounts(s) remains above \$750,000; and
- (ii) the period after SNC delivers the notice under section 630(3) of the Corporations Act, and ending on the expiry of the Offer Period, the aggregate cash balance(s) in CCIL's bank accounts(s) remains a minimum of \$900,000.

(f) **No litigation**

Between the Announcement Date and the end of the Offer Period, no Proceedings have been or are instituted or threatened against CCIL or a Controlled Entity of CCIL which are material in the context of CCIL's operations as a whole.

(g) **No regulatory intervention**

Between the Announcement Date and the end of the Offer Period, no Regulatory Body or any other person takes any action to:

- (i) prohibit, prevent or inhibit the acquisition of, or trading in, CCIL Shares;
- (ii) impose conditions on the Offer which impose unduly onerous obligations upon SNC or would materially adversely affect the business or capital structure of CCIL; or
- (iii) require the divestiture by SNC of securities or assets of CCIL or any of its Controlled Entities.

(h) **No Prescribed Occurrence**

Between the Announcement Date and the end of the Offer Period, none of the following happens (each being a separate condition):

- (i) the CCIL Shares are converted into a larger or smaller number of shares;
- (ii) CCIL or a Subsidiary of CCIL resolves to reduce its share capital in any way;
- (iii) CCIL or a Subsidiary of CCIL:
 - (A) enters into a buy-back agreement; or
 - (B) resolves to approve the terms of a buy-back agreement under sections 257C or 257D of the Corporations Act;
- (iv) CCIL or a Subsidiary of CCIL makes an issue of or grants an option to subscribe for any of its securities or agrees to make such an issue or grant such an option;
- (v) CCIL or a Subsidiary of CCIL issues or agrees to issue convertible notes;
- (vi) CCIL or a Subsidiary of CCIL disposes or agrees to dispose of the whole or a substantial part of its business or property;
- (vii) CCIL or a Subsidiary of CCIL grants or agrees to grant a security interest over the whole or a substantial part of its business or property; or
- (viii) an Prescribed Occurrence Insolvency Event occurs with respect to CCIL or a Subsidiary of CCIL.

(i) **Payment of Pre-Completion Dividend**

Between the Announcement Date and the end of the Offer Period (each inclusive), CCIL does not declare or pay a dividend or dividends which in aggregate exceed the value of the Pre-Completion Dividend.

(j) **Non-termination of the Service Agreement**

Between the Announcement Date and the end of the Offer Period, the Service Agreement remains in full effect and force, is not terminated for any reason by a party and a party does not otherwise exercise any termination right under the Service Agreement.

(k) **Non-termination of CPA with Origin**

Between the Announcement Date and the end of the Offer Period, the CPA between ACCUAM and Origin remains in full force and effect, is not terminated for any reason by a party and a party does not otherwise exercise any termination right under the relevant CPA.

(l) **Performance Guarantee not called on by Origin**

Between the Announcement Date and the end of the Offer Period, Origin does not call, or otherwise express an intention to call, on the Performance Guarantee.

(m) **Non-termination of CPA with BP**

Between the Announcement Date and the end of the Offer Period, the CPA between ACCUAM and BP remains in full force and effect, is not terminated for any reason by a counterparty and a counterparty does not otherwise exercise any termination right under the relevant CPA.

(n) **No Adverse Action**

Between the Announcement Date and the end of the Offer Period, no Adverse Action occurs or is expected to occur in relation to or in connection with a CPA.

(o) **Non-termination of ERF Agreement**

Between the Announcement Date and the end of the Offer Period, the ERF Agreement remains in full force and effect, is not terminated for any reason by a party and a party does not otherwise exercise any termination right under the ERF Agreement.

(p) **Consent to change of Control by Origin**

Between the Announcement Date and the end of the Offer Period, Origin consents to the change of Control in CCIL under the CPA between Origin and ACCUAM.

2. NATURE AND OPERATION OF THE CONDITIONS

2.1 Nature of the Conditions

- (a) None of the Conditions prevent a contract to sell your CCIL Shares resulting from your acceptance of this Offer, but:
- (i) the Conditions in Section 1.7 are conditions precedent to the provisions of that contract relating to SNC's acquisition of an interest in your CCIL Shares becoming binding;
 - (ii) breach of any of the Conditions entitles SNC to rescind that contract by written notice to you; and
 - (iii) non-fulfilment of any of the Conditions at the end of the Offer Period will have the consequences set out in Section 2.4.

2.2 Separate Conditions for the benefit of SNC

- (a) Each of the Conditions in each Section 1.7 constitutes, and is to be construed as, a separate, several and distinct Condition. No Condition will be taken to limit the meaning or effect of any other Condition.
- (b) Subject to the Corporations Act, SNC is entitled to the benefit of the Conditions and to rely on breach or non-fulfilment of, or to waive compliance with, any of those conditions except for Section 1.7(h).

2.3 Waiver of Conditions

Subject to the Corporations Act, SNC may free this Offer and any contract resulting from your acceptance of this Offer from all or any of the Conditions except for the defeating Condition contained in Section 1.7(h) generally or in relation to a specific occurrence by giving written notice to CCIL:

- (a) in the case of the Conditions in Section 1.7(h) - not later than three Business Days after the end of the Offer Period; and
- (b) in the case of the other Conditions - not less than seven days before the last day of the Offer Period.

2.4 Contract is void if Conditions not fulfilled

Your acceptance of this Offer, and any contract resulting from your acceptance of this Offer, will be automatically void if:

- (a) at the end of the Offer Period, any of the Conditions is not fulfilled; and
- (b) SNC has not declared this Offer and any contract resulting from your acceptance of it free from that Condition in accordance with Section 2.3.

3. GENERAL TERMS OF THE OFFER

3.1 Governing law

This Offer and any contract that results from your acceptance of this Offer are governed by the laws in force in New South Wales.

This Offer is dated [**date**].