

Notice of General Meeting and Explanatory Memorandum

Change Financial Limited

ACN 150 762 351

Date of Meeting: 6 August 2020

Time of Meeting: 12.00pm (Brisbane time)

Place of Meeting: Level 11, 82 Eagle Street Brisbane, Queensland, Australia

If Shareholders wish to attend the Meeting in person they will need to contact the Company Secretary (email: investor@changefinancial.com) in order for the Company to ensure that it is able to maintain compliance with COVID-19 related restrictions applicable as at the Meeting date.

As a precaution in relation to COVID-19, each Resolution will be decided by poll, based on proxy votes and by votes from Shareholders in attendance at the Meeting. Shareholders are strongly encouraged to vote by online voting (www.linkmarketservices.com.au) or by lodging the proxy form attached to this Notice by no later than 12:00pm on 4 August 2020.

This is an important document and requires your attention

If you are in any doubt about how to deal with this document, please consult your legal, financial or other professional advisor.

Notice of General Meeting

Notice is given that the General Meeting of shareholders of Change Financial Limited ACN 150 762 351 (**Company**) will be held at Level 11, 82 Eagle Street Brisbane, Queensland, Australia on **6 August 2020** at **12.00pm** (Brisbane time).

Terms used in this Notice of Meeting are defined in Section 7 of the accompanying Explanatory Memorandum.

AGENDA

ORDINARY BUSINESS

Resolution 1 - Ratification for issue of Shares pursuant to the conversion of Convertible Notes

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders grant approval for the prior issue of 24,377,652 fully paid ordinary shares issued on 13 May 2020, to certain sophisticated and professional investors on the terms as set out in the Explanatory Memorandum."

Voting exclusion

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of any person that participated in the issue of shares (being any person who received the shares issued pursuant to the terms of the convertible notes), or any of their associates.

However, the Company will not disregard a vote cast in favour of Resolution 1 if it is cast by a person as a proxy for a person who is entitled to vote on the resolution, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Resolution 2 - Ratification for issue of Shares to CPx Holdings, L.L.C. (CBKC)

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders grant approval for the prior issue of 8,333,333 fully paid ordinary shares issued on 26 June 2020 to CPx Holdings, L.L.C. on the terms as set out in the Explanatory Memorandum."

Voting exclusion

The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of CPx Holdings, L.L.C. or any of their associates. However, the Company will not disregard a vote cast in favour of Resolution 2 if it is cast by a person as a proxy for a person who is entitled to vote on the resolution, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote

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as the proxy decides or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Resolution 3 - Approval for issue of Shares to Altor Capital Management Pty Ltd Management Pty Ltd

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval be given to issue 3,000,000 fully paid ordinary shares to Altor Capital Management Pty Ltd Management Pty Ltd, as detailed in the Explanatory Memorandum."

Voting exclusion

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of Altor Capital Management Pty Ltd Management Pty Ltd or any person who will obtain a material benefit as the result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the company) or any of their associates.

However, the Company will not disregard a vote cast in favour of Resolution 3 if it is cast by a person as a proxy for a person who is entitled to vote on the resolution, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Resolution 4 – Approval for issue of Shares to Director - Mr Harley Dalton

To consider and, if thought fit, pass the following Resolution with or without amendment, as an Ordinary Resolution:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval be given to issue 1,500,000 fully paid ordinary shares for \$0.05 consideration per share to Mr Harley Dalton or his nominee on the terms as set out in the Explanatory Memorandum."

Voting exclusion

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of Mr Harley Dalton or any person who will obtain a material benefit as the result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the company) or any of their associates.

However, the Company will not disregard a vote cast in favour of Resolution 4 if it is cast by a person as a proxy for a person who is entitled to vote on the resolution, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as a proxy for a person who is entitled

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to vote, in accordance with a direction on the proxy form to vote as the proxy decides or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Resolution 5 – Approval for issue of Shares to Director - Mr Benjamin Harrison

To consider and, if thought fit, pass the following Resolution with or without amendment, as an Ordinary Resolution:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval be given to issue 1,500,000 fully paid ordinary shares for \$0.05 consideration per share to Mr Benjamin Harrison or his nominee on the terms as set out in the Explanatory Memorandum."

Voting exclusion

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of Mr Benjamin Harrison or any person who will obtain a material benefit as the result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the company) or any of their associates.

However, the Company will not disregard a vote cast in favour of Resolution 5 if it is cast by a person as a proxy for a person who is entitled to vote on the resolution, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Voting Intentions of the Chairman

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman (and in the case of Resolutions 3 and 5, the alternate Chairman) and counted in favour of all Resolutions the subject of this Meeting, including Resolutions 3, 4, and 5, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any Resolution, in which case an ASX announcement will be made.

Further details, in relation to the ability of the Chairman to vote on undirected proxies are set out in the accompanying proxy form.

GENERAL BUSINESS

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

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By order of the Board



Adam Gallagher
Company Secretary
3 July 2020

Notice of General Meeting

ENTITLEMENT TO ATTEND AND VOTE

In accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm (Brisbane time) on 4 August 2020 will be entitled to attend (subject to the Company's written acknowledgement of their attendance) and vote at the Meeting as a shareholder.

If more than one joint holder of shares is present at the Meeting (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Appointment of Proxy

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act 2001 (Cth) (the Act) to exercise its powers as proxy at the Meeting.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the Share Registry of the Company no later than 12:00pm (Brisbane time) on 4 August 2020. Proxies must be received before that time by one of the following methods:

- By post: Change Financial Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia
- By facsimile: 02 9287 0309 (within Australia)
+61 2 9287 0309 (from outside Australia)
- By delivery in person: Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138
- Online: www.linkmarketservices.com.au

To be valid, a proxy form must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Power of Attorney

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 12:00pm (Brisbane time) on 4 August 2020 being 48 hours before the Meeting.

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Corporate Representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative in respect of the Meeting. The appointment of the representative must comply with the requirements under section 250D of the Act. A "Certificate of Appointment of Corporate Representative" form may be obtained from the Company's share registry or online at www.linkmarketservices.com.au. Given that the Meeting is taking place as a hybrid meeting, no corporate representatives will be permitted to attend in person.

IMPORTANT: If you appoint the Chairman of the Meeting as your proxy, or the Chairman becomes your proxy by default, and you do not direct your proxy how to vote on Resolutions 1, 2, 3, 4 and 5 then by submitting the proxy form you will be expressly authorising the Chairman to exercise your proxy on the resolutions, even though some of the resolutions are connected, directly or indirectly, with approvals with respect to related parties.

Voting at the Meeting

It is intended that voting on each of the proposed resolutions at this Meeting will be conducted by a poll, rather than on a show of hands.

ENCLOSURES

Enclosed are the following documents:

- proxy form to be completed if you would like to be represented at the Meeting by proxy. Shareholders are encouraged to use the online voting facility that can be accessed on Change Financial Limited's share registry's website at www.linkmarketservices.com.au to ensure the timely and cost effective receipt of your proxy;
- a reply paid envelope for you to return the proxy form if you do not wish to use the online voting facility.

Explanatory Memorandum

1. Introduction

This Explanatory Memorandum is provided to shareholders of Change Financial Limited ACN 150 762 351 (**Company**) to explain the resolutions to be put to Shareholders at the Meeting to be held at Level 11, 82 Eagle Street Brisbane, Queensland, Australia, on 6 August 2020 commencing at 12:00pm (Brisbane time).

The Directors recommend shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Terms used in this Explanatory Memorandum are defined in Section 7.

2. Resolution 1 - Ratification for issue of Shares pursuant to the conversion of Convertible Notes

2.1 Background

On 28 November 2019 the Company announced that it issued 11,550,000 convertible notes under the Convertible Note facility announced to the market on 1 November 2019 (**Notes**).

Under the terms of the Notes the Company had the ability to place up to 20,000,000 Notes to raise a total of \$2,000,000. Up until conversion the Company had issued 11,550,000 Notes to raise \$1.155 million.

On 13 May 2020 (**Conversion Date**), the Notes, at the request of the Noteholders and pursuant to their terms of issue, were converted to Shares (**Conversion**).

On the Conversion Date the interest owing on the Notes was calculated at \$63,882.60 which under the terms of the Notes entitled the Noteholders to an additional 638,826 Notes in aggregate to satisfy the interest payment in lieu of cash. This amount was added to the principal of 11,550,000 Notes in determining the number of Shares to be issued to the Noteholders.

Pursuant to their terms of issue the Notes convert at the lower of 75% of the preceding 10-day VWAP or \$0.05 per Share (the Entitlement Offer issue price). As the 10-day VWAP is \$0.0763 and 75% of that is \$0.0572 the Shares were thus issued at \$0.05 per Share.

The number of Shares issued was calculated as:

$$(11,550,000 + 638,826) \text{ multiplied by } \$0.10 = \$1,218,882.60$$

$$\$1,218,882.60 \text{ at } \$0.05 \text{ per Share equates to } 24,377,652 \text{ Shares}$$

The table below sets out the summary of other material terms of the Notes, including terms that were provided in the announcement of the Note facility on 1 November 2019:

Transaction Overview	Capital raising of up to \$2 million of Convertible Notes ("Notes"). Notes will be held directly by investors. Restricted to professional, sophisticated and experienced investors.
Issue Price	\$0.10 per Note
Term	3 years from the date of issue
Use of Funds	The proceeds of the raising will be used to fund further development and commercialisation of the Change platform and provide working capital. This included executing on a number of short-term strategic initiatives that

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	occurred to enable the Company to complete the transaction with CBKC and Entitlement Offer initially announced on 1 April 2020.
Ranking	The Notes were unsecured interests and rank above ordinary fully paid shares in the Company.
Coupon	12% p.a. paid quarterly in arrears. The Company could elect to pay interest by way of cash or additional Notes and chose to issue additional Notes to satisfy the interest owing from issue of the Notes to their conversion.

The Company advised on issue of the Notes that any Shares issued following conversion of the Notes would fall under the Company's existing placement capacity (under LR 7.1) if not approved earlier by shareholders.

ASX Listing Rule 7.1 prohibits a listed entity from issuing or agreeing to issue more than 15% of its issued capital in a 12 month period without Shareholder approval (15% Limit), unless an exception applies.

Pursuant to ASX Listing Rule 7.4, an issue of securities made without approval is deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1 provided that:

- (a) the issue did not breach the 15% Limit; and
- (b) the Company in general meeting subsequently approves the issue.

Shareholder ratification for the issue of the Shares issued pursuant to the Conversion of the Notes and associated interest is now sought pursuant to ASX Listing Rule 7.4 to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without further Shareholder approval. At the time of issue of the Shares, the Company had capacity to issue such Shares and accordingly was not in breach of ASX Listing Rule 7.1.

If Resolution 1 is passed, the Shares issued on Conversion will be excluded in calculating the Company's 15% placement capacity to issue further Shares under Listing Rule 7.1 without obtaining Shareholder approval which will provide the Company flexibility to issue Shares in the future without obtaining Shareholder approval, if required.

If Resolution 1 is not passed, the Shares issued on Conversion will be included in calculating the Company's 15% placement capacity to issue further Shares under Listing Rule 7.1 without obtaining Shareholder approval which will impact on the Company's flexibility for future capital raisings.

2.2 Requirements of ASX Listing Rule 7.5

It is a requirement of ASX Listing Rule 7.5, that a listed entity seeking subsequent Shareholder approval under listing rule 7.4 provides the Shareholders with the following information:

- (a) The total number of securities that were issued was 24,377,652 fully paid ordinary shares which were issued on the Conversion Date.
- (b) The price at which the securities were issued is \$0.05 per Share however the Company notes that no funds were raised as a direct result of the issue of Shares and instead the issue of Shares discharged the Company's liability under the terms of the Notes such that no further convertible debt is owing under the terms of the Notes.
- (c) The terms of the shares were issued on terms identical to the Company's existing quoted fully paid ordinary Shares.
- (d) The Shares were issued to 28 sophisticated and institutional investors who were holders of Notes and were initially identified by the [Company and Altor Capital Management Pty Ltd] as parties who were eligible and willing to subscribe for the Notes. None of the Shares were issued

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to a related party, member of Key Management Personnel, substantial holder, adviser or associate of any of the foregoing.

- (e) The proceeds of the Notes was used to fund further development and commercialisation of the Change platform and provide working capital. This included executing on a number of short-term strategic initiatives that occurred to enable the Company to progress the commercial and corporate relationship with CBKC as well as the Entitlement Offer. As noted above, the issue of the Shares discharged the Company's liability under the Notes.

2.3 Recommendation

The Directors unanimously recommend so that the Company's placement capacity is reinstated as set out above in the 2.1, that Shareholders vote in favour of Resolution 1.

3. Resolution 2 - Ratification for issue of Shares to CPx Holdings, L.L.C. (CBKC)

3.1 Background

On 1 April 2020, the Company announced that it had entered into a binding agreement to issue \$250,000 (USD) at a price of \$0.05 per Share to Central Bank of Kansas City (CBKC) via its affiliate, CPx Holdings, L.L.C. subject to a number of conditions including the raising of \$3.75 million (AUD). Following satisfaction of the conditions and receipt of the \$250,000 (USD) from CBKC, the Company issued 8,333,333 Shares on 26 June 2020 utilising the Company's placement capacity under ASX LR 7.1.

Shareholder approval

ASX Listing Rule 7.1 prohibits a listed entity from issuing or agreeing to issue more than 15% of its issued capital in a 12 month period without Shareholder approval (15% Limit), unless an exception applies. Pursuant to ASX Listing Rule 7.4, an issue of securities made without approval is deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1 provided that:

- (a) the issue did not breach the 15% Limit; and
- (b) the Company in general meeting subsequently approves the issue.

Shareholder ratification for the issue of the Shares issued is now sought pursuant to ASX Listing Rule 7.4 to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without further Shareholder approval. At the time of issue of the Shares, the Company had capacity to issue such Shares and accordingly was not in breach of ASX Listing Rule 7.1.

If Resolution 2 is passed, the Shares issued to CBKC will be excluded in calculating the Company's 15% placement capacity to issue further Shares under Listing Rule 7.1 without obtaining Shareholder approval which will provide the Company flexibility to issue Shares in the future without obtaining Shareholder approval, if required.

If Resolution 2 is not passed, the Shares issued to CBKC will be included in calculating the Company's 15% placement capacity to issue further Shares under Listing Rule 7.1 without obtaining Shareholder approval which will impact on the Company's flexibility for future capital raisings.

3.2 Requirements of ASX Listing Rule 7.5

It is a requirement of ASX Listing Rule 7.5, that a listed entity seeking subsequent Shareholder approval under listing rule 7.4 provides the Shareholders with the following information:

- (a) The total number of shares issued is 8,333,333 fully paid ordinary shares which were issued on 26 June 2020.
- (b) The price at which the securities were issued is \$0.05 per Share.

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- (c) The terms of the shares were issued on terms identical to the Company's existing quoted fully paid ordinary Shares.
- (d) The Shares were issued to CPx Holdings, L.L.C.
- (e) The proceeds of the raising will be used to:
 - Continue onboarding customers with CBKC
 - Build out further features and functionality of the Company's platform
 - Grow the Company's business development capabilities
- (f) The Shares were issued pursuant to a subscription agreement of which the material terms were announced to the market on 1 April 2020 and are set out below:
 - CPx invested an amount of \$250,000 USD at the same price as the Entitlement Offer being \$0.05 per share;
 - On these terms the number of Shares equated to 8,333,333;
 - The subscription agreement was subject to two key conditions that were satisfied prior to the issue of the Shares being:
 - i) the Company raising a minimum of \$3.75m under the Entitlement Offer; and
 - ii) a commercial agreement being entered into whereby the Company provides processing services to CBKC to facilitate the commercial launch of the Company's payments platform.

3.3 Recommendation

Based on the reasons given in 3.1, the Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

4. Resolution 3 - Approval for issue of Shares to Altor Capital Management Pty Ltd

4.1 Background

Altor Capital Management Pty Ltd is the trustee company for a unit trust structured managed fund that invests in a portfolio of companies outside the ASX 300. Subject to shareholder approval of this Resolution 3, Altor Capital Management Pty Ltd intends to subscribe for \$150,000 in the Shortfall Shares (as per the announcement 6 May 2020). As announced on 6 May 2020, Directors Mr. Dalton and Mr. Harrison prior to the close of the offer made commitments above their existing entitlements to subscribe for Shortfall Shares enabling the Company to achieve its minimum subscription required as part of CBKC's Initial Investment.

Altor Capital Management Pty Ltd is a related party as Director, Harley Dalton, is also a director of Altor Capital Management Pty Ltd and he also holds units in the fund of which Altor Capital Management Pty Ltd is the trustee. The Chairman of Change Financial Limited, Benjamin Harrison also holds units in the fund.

The Directors are of the general view that it is in the interest of all Shareholders that Directors should have interests in shares in the companies in which they hold office.

4.2 Shareholder approval

Under ASX Listing Rule 10.11, an entity may only agree to issue securities to a related party (including a director) or an associate of a related party, with shareholder approval. As Altor Capital Management Pty Ltd is a related party of the Company, this Resolution is proposed for the purposes of obtaining approval under ASX Listing Rule 10.11.

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If this Resolution 3 is not passed, Altor Capital Management Pty Ltd will not be issued 3,000,000 Shares and will not pay the Company \$0.05 per Share.

4.3 Requirements of ASX Listing Rule 10.11

It is a requirement of ASX Listing Rule 10.13, that a listed entity provide the following information to shareholders:

- (a) The name of the allottee is Altor Capital Management Pty Ltd Management Pty Ltd
- (b) The allottee falls within the category under rule 10.11.1 as it is a 'Related Party'
- (c) The maximum number of Shares to be issued: 3,000,000
- (d) The issue price is \$0.05 per Share
- (e) Terms of the issue: Shares will be issued under the same terms as all other ordinary shares on issue.
- (f) Purpose of the issue is to allow Altor Capital Management Pty Ltd to purchase Shortfall Shares.
- (g) The Shares will be issued as soon as practicable, and in any event by no later than one month, after being approved by Shareholders.
- (h) Intended use of funds is to:
 - Continue onboarding customers with CBKC
 - Build out further features and functionality of the Company's platform
 - Grow the Company's business development capabilities

Where approval is obtained for the purpose of ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

4.4 Directors' recommendation

Based on the reasons given in 4.1, the Directors (with Mr Dalton and Mr Harrison abstaining) recommend that Shareholders vote in favour of this Ordinary Resolution.

4.5 Chapter 2E

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the benefit falls within one of various exceptions to the general prohibition. One of the exceptions includes under Section 210 of the Corporations Act where the financial benefit is given on terms that would be reasonable in the circumstances if the public company and the relevant related entity were dealing at arm's length.

A "related party" for the purposes of the Corporations Act is defined widely and includes a director of the public company.

A "financial benefit" for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the related party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing (rather than just the legal form). Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate.

This proposed Resolution 3, if passed, will confer a financial benefit on Mr Dalton, a Director and an indirect benefit on Mr Harrison, a Director. The Directors (with Mr Dalton and Mr Harrison abstaining) believe that the issue of Shortfall Shares to Altor Capital Management Pty Ltd falls within the "arm's length terms" exception set out in Section 210 of the Corporations Act, as Altor Capital Management Pty Ltd is proposing to participate in the shortfall facility on the same terms offered to all other non-related investors who were invited by the Company to subscribe for Shortfall Shares under the Entitlement Offer. Accordingly, specific Shareholder approval for the issue of these Shares to Altor Capital Management Pty Ltd is only required under Listing Rule 10.11 and not Chapter 2E of the Corporations Act.

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5. Resolution 4 – Approval for issue of Shares to Director - Mr Harley Dalton

5.1 Background

Subject to shareholder approval of this Resolution 4, Mr. Harley Dalton or his nominee intends to subscribe for \$75,000 in the Shortfall Shares of the Entitlement Offer. Mr. Harley Dalton is a Director of Change Financial Limited.

As announced on 6 May 2020, Mr. Dalton, prior to the close of the Entitlement Offer made commitments above his existing entitlements to subscribe for Shortfall Shares enabling the Company to achieve its minimum subscription required as part of CBKC's Initial Investment.

The Directors are of the general view that it is in the interests of all Shareholders that Directors hold shares in the companies in which they hold office.

5.2 Shareholder approval

Under ASX Listing Rule 10.11, an entity may only agree to issue securities to a related party (including a director), with shareholder approval. As Mr Dalton is a Director, Resolution 4 is proposed for the purposes of obtaining approval under ASX Listing Rule 10.11.

If this Resolution 4 is not passed, Mr Dalton will not be issued 1,500,000 Shares and will not pay the Company \$0.05 per Share.

5.3 Requirements of ASX Listing Rule 10.11

It is a requirement of ASX Listing Rule 10.13, that a listed entity provide the following information to shareholders:

- (a) The name of the allottee is Harley Dalton or his nominee
- (b) The category under rules 10.11.1 to 10.11.5 is 10.11.1 'Related Party-director'
- (c) The maximum number of Shares to be issued: 1,500,000
- (d) The issue price is \$0.05 per Share
- (e) Terms of the issue: Shares will be issued under the same terms as all other ordinary shares on issue.
- (f) Purpose of the issue is to allow Harley Dalton or his nominee to purchase Shortfall Shares.
- (g) The Shares will be issued as soon as practicable, and in any event by no later than one month, after being approved by Shareholders.
- (h) Intended use of funds is to:
 - Continue onboarding customers with CBKC
 - Build out further features and functionality of the Company's platform
 - Grow the Company's business development capabilities

Where approval is obtained for the purpose of ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

5.4 Directors' recommendation

Based on the reasons given in 5.1, the Directors (with Mr Dalton abstaining) recommend that Shareholders vote in favour of this Ordinary Resolution.

5.5 Chapter 2E

Refer to Section 4.5 above for a summary of the relevant provisions of the Corporations Act as regards Chapter 2E.

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This proposed Resolution 4, if passed, will confer a financial benefit on Mr Dalton, a Director. The Directors (with Mr Dalton abstaining) believe that the issue of Shortfall Shares to Mr Dalton (or his nominee) falls within the “arm’s length terms” exception set out in Section 210 of the Corporations Act, as Mr Dalton is proposing to participate in the shortfall facility on the same terms offered to all other non-related investors who were invited by the Company to subscribe for Shortfall Shares under the Entitlement Offer. Accordingly, specific Shareholder approval for the issue of these Shares to Mr Dalton (or his nominee) is only required under Listing Rule 10.11 and not Chapter 2E of the Corporations Act.

6. Resolution 5 – Approval for issue of Shares to Director - Mr Benjamin Harrison

6.1 Background

Subject to shareholder approval of this Resolution 5, Mr. Benjamin Harrison or his nominee intends to subscribe for \$75,000 in the Shortfall Shares of the Entitlement Offer. Mr. Benjamin Harrison is a Director and the Chairman of Change Financial Limited.

As announced on 6 May 2020, Mr. Harrison, prior to the close of the Entitlement Offer made commitments above his existing entitlements to subscribe for Shortfall Shares enabling the Company to achieve its minimum subscription required as part of CBKC's Initial Investment.

The Directors are of the general view that it is in the interests of all Shareholders that Directors hold shares in the companies in which they hold office.

6.2 Shareholder approval

Under ASX Listing Rule 10.11, an entity may only agree to issue securities to a related party (including a director), with shareholder approval. As Mr Harrison is a Director, Resolution 5 is proposed for the purposes of obtaining approval under ASX Listing Rule 10.11.

If this Resolution 5 is not passed, Mr Harrison will not be issued 1,500,000 Shares and will not pay the Company \$0.05 per Share.

6.3 Requirements of ASX Listing Rule 10.11

It is a requirement of ASX Listing Rule 10.13, that a listed entity provide the following information to shareholders:

- (a) The name of the allottee is Benjamin Harrison or his nominee
- (b) The category under rules 10.11.1 to 10.11.5 is 10.11.1 'Related Party-director'
- (c) The maximum number of Shares to be issued: 1,500,000
- (d) The issue price \$0.05 per Share
- (e) Terms of the issue: Shares will be issued under the same terms as all other ordinary shares on issue.
- (f) Purpose of the issue is to allow Mr. Benjamin Harrison or his nominee to purchase Shortfall Shares.
- (g) The Shares will be issued as soon as practicable, and in any event by no later than one month, after being approved by Shareholders.
- (h) Intended use of funds is to:
 - Continue onboarding customers with CBKC
 - Build out further features and functionality of the Company's platform
 - Grow the Company's business development capabilities

Where approval is obtained for the purpose of ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

6.4 Directors' recommendation

Explanatory Memorandum

Based on the reasons given in 6.1, the Directors (with Mr Harrison abstaining) recommend that Shareholders vote in favour of this Ordinary Resolution.

6.5 Chapter 2E

Refer to Section 4.5 above for a summary of the relevant provisions of the Corporations Act as regards Chapter 2E.

This proposed Resolution 5, if passed, will confer a financial benefit on Mr Harrison, a Director. The Directors (with Mr Harrison abstaining) believe that the issue of Shortfall Shares to Mr Harrison (or his nominee) falls within the "arm's length terms" exception set out in Section 210 of the Corporations Act, as Mr Harrison is proposing to participate in the shortfall facility on the same terms offered to all other non-related investors who were invited by the Company to subscribe for Shortfall Shares under the Entitlement Offer. Accordingly, specific Shareholder approval for the issue of these Shares to Mr Harrison (or his nominee) is only required under Listing Rule 10.11 and not Chapter 2E of the Corporations Act.

Explanatory Memorandum

7. Interpretation

General Meeting or **Meeting** means the General Meeting of the Company to be held on 6 August 2020.

ASX means the ASX Limited ACN 008 624 691.

Board means the board of directors of the Company.

Business Day means a day on which all banks are open for business generally in Brisbane.

Company means Change Financial Limited ACN 150 762 351.

Constitution means the constitution of the Company from time to time.

Convertible Notes means the convertible notes issued and announced by the Company on 1 November 2019 with an issue price of \$0.10 per note, a term of 3 years from the date of issue, and a 12% coupon.

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

Directors means the directors of the Company.

Entitlement Offer means the entitlement offer announced to the ASX on 1 April 2020 and described in the Entitlement Offer booklet dated 3 April 2020.

Explanatory Memorandum means the explanatory statement accompanying this Notice.

Listing Rules means the listing rules of the ASX.

Noteholders means the holders of the Convertible Notes.

Notice of Meeting or **Notice** means this notice of meeting.

Ordinary Resolution means a resolution passed by more than 50% of the votes cast by members entitled to vote on the Resolution.

Resolution means a resolution to be proposed at the Meeting.

Shares means ordinary fully paid shares in the issued capital of the Company.

Shortfall Shares means the available shortfall to the Entitlement Offer.