

23 October 2020

Notice is given that the Annual General Meeting (**AGM or Meeting**) of Shareholders of **Change Financial Limited ACN 150 762 351 (Company)** will be held:

Date of Meeting: Thursday, 26 November 2020

Time of Meeting: 12:00pm (Brisbane time)

Place of Meeting: Virtually (online) at <https://AGMlive.link/CCA20>

Dear Shareholder,

Change Financial Limited – Annual General Meeting

The full Notice of Meeting which sets out the Agenda (including details of all resolutions being put to the meeting), important Voting Information and an Explanatory Memorandum can be found at www.changefinancial.com

Change Financial Limited (**the Company**) hereby announces its intention to hold its 2020 Annual General Meeting (**AGM or Meeting**) of Shareholders at 12:00pm (Brisbane time) on Thursday 26 November 2020. This meeting will be a Virtual Meeting that is accessible online at <https://AGMlive.link/CCA20>

The agenda of the Meeting will be to consider the following items of business:

- Adoption of the 2020 Remuneration Report that was included in the 2020 Annual Report;
- Re-election of Director Harley Dalton who retires by rotation;
- Ratification approval for shares issued in the placement announced on 11 September 2020;
- Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A; and
- Amendments to the Company's constitution.

In planning for the Meeting, the Company has focused on ensuring the safety of shareholders and its team members whilst seeking to equally maximise the opportunity for shareholder participation. Given the current restriction on gatherings and travel imposed by governments as a consequence of the COVID-19 virus, the Federal Treasurer has made a determination modifying the operation of provisions of the *Corporations Act 2001 (Cth)* and the *Corporations Regulations (2001) (Cth)* under *Corporations (Coronavirus Economic Response) Determination (No. 3) 2020 (Determination)* to allow companies who are required or permitted to hold those meetings remotely as virtual meetings, instead of in person.

As a consequence of this Determination, the Company has adopted the following approach for the Meeting as set out below.

- The Meeting will be held virtually (online) via an online platform, at <https://AGMlive.link/CCA20>
- We recommend logging into our online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below.
- Enter <https://AGMlive.link/CCA20> into a web browser on your computer or online device:

- Shareholders will need their Shareholder Reference Number (**SRN**) or Holder Identification Number (**HIN**) to be verified as a Shareholder; and
- Proxyholders will need their proxy code which Link Market Services will provide via email no later than 48 hours prior to the Meeting.

Shareholders are requested to participate in the AGM virtually via our virtual AGM platform at <https://AGMlive.link/CCA20> or the appointment of a proxy.

Further information on how to participate virtually is set out in this Notice and the [Online Platform Guide](#). The Online Meeting Guide explains how to ensure that the browser is compatible with the online platform, as well as a step-by-step guide to successfully log in and navigate the online platform. The Online Meeting Guide will be lodged with ASX and is attached to this Notice of Meeting.

AGM Considerations and Shareholder Questions

A discussion will be held on all items to be considered at the AGM.

All Shareholders will have a reasonable opportunity to ask questions during the AGM via the virtual online platform, subject to the connectivity of their devices.

To ensure that as many Shareholders as possible have the opportunity to speak, Shareholders are requested to observe the following:

- all Shareholder questions should be stated clearly and should be relevant to the business of the Meeting;
- if a Shareholder has more than one question on an item, all questions should be asked at the one time; and
- Shareholders should not ask questions at the Meeting regarding personal matters or those that are commercial in confidence.

Shareholders who prefer to register questions in advance of the AGM are invited to do so. A Shareholder Question Form has been included with this Notice and is also available on the Company's website at www.changefinancial.com

Written questions must be received by the Company or Link Market Services Limited by 12:00pm (Brisbane time) on 24 November 2020, and can be submitted online, by mail, by fax or in person (as set out on the top of the Shareholder Question Form).

All Resolutions by Poll

In accordance with the Determination, the each of the resolutions proposed at the AGM will be decided on a poll. The Chairman considers voting by poll to be in the interests of the shareholders as a whole, and to ensure the representation of as many Shareholders as possible at the meeting.

How to Vote

Please see the Notice of Meeting for details on Voting Entitlement, Proxy and Corporate Representative Instructions. As the situation regarding the management of COVID-19 is evolving, shareholders are encouraged to monitor the Company's website for any further updates in relation to the arrangements for the Meeting. The Company appreciates the understanding of shareholders during this difficult time. We look forward to your virtual attendance and participation at the Meeting.

By order of the Board

Ben Harrison
Chairman

23 October 2020

Notice of Annual General Meeting and Explanatory Memorandum

Change Financial Limited ACN 150 762 351

Date of Meeting: 26 November 2020

Time of Meeting: 12.00pm (Brisbane time)

Accessible online at: <https://AGMlive.link/CCA20>

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 Annual General Meeting

Notice is given that the Annual General Meeting (**AGM** or **Meeting**) of shareholders of Change Financial Limited ACN 150 762 351 (**Company**) will be held as a virtual Meeting accessible online at <https://AGMLive.link/CCA20> on **26 November 2020** at **12.00pm** (Brisbane time).

Terms used in this Notice of Meeting are defined in Section 8 of the accompanying Explanatory Memorandum.

AGENDA

ORDINARY BUSINESS

Financial Report

To receive and consider the Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Statement of Financial Performance, Balance Sheet, Statement of Cashflows and notes to and forming part of the accounts for the Company and its controlled entities for the financial year ended 30 June 2020.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, pass the following Resolution, with or without amendment, as a non-binding advisory Resolution:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2020 (as set out in the Directors' Report) is adopted."

The vote on this Resolution 1 is advisory only and does not bind the Directors or the Company.

Voting restriction pursuant to section 250R(4) of the Corporations Act

A vote on this Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel (**KMP**) details of whose remuneration are included in the Remuneration Report; and
- (b) a Closely Related Party of such a member.

However, the above persons may cast a vote on Resolution 1 if:

- (a) the person does so as a proxy; and
- (b) the vote is not cast on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member; and
- (c) either:
 - (1) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
 - (2) the voter is the Chairman of the Meeting and the appointment of the Chairman as proxy:
 - A. does not specify the way the proxy is to vote on the Resolution; and
 - B. expressly authorises the Chairman to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity.

Notice of Annual General Meeting

Voting Intentions of the Chairman

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the Resolutions the subject of this Meeting, including Resolution 1, subject to compliance with the Corporations Act. In exceptional circumstances, the Chairman of the Meeting may change his 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.

Resolution 2 – Re-election of Mr Harley Dalton as a Director

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

“That Mr Harley Dalton, who retires by rotation in accordance with Rule 39.1 of the Company’s Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.”

Resolution 3 - Ratification for issue of Shares - Placement

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 and ratify the prior issue of 67,433,543 fully paid ordinary shares issued on 18 September 2020, to certain sophisticated and professional investors on the terms as set out in the Explanatory Memorandum.”

Voting exclusion statement pursuant to Listing Rule 7.5.8

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of any person that participated in the issue of shares or any of their associates.

However, the Company will not disregard a vote cast in favour of Resolution 3 by:

- (a) a person as a proxy for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chairman of the Meeting as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (1) 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
 - (2) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

SPECIAL BUSINESS

Notice of Annual General Meeting

Resolution 4 - Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

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

*"That, for the purposes of Listing Rule 7.1A, and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, over a 12 month period from the date of the Meeting, at a price not less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions described in the Explanatory Memorandum (**Placement Securities**)."*

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution 4 by:

- (a) a person who may participate in the issue of the Placement Securities; and
- (b) a person who might obtain a material benefit if this Resolution 4 is passed, except a benefit solely in their capacity as a holder of Shares if the Resolution is passed; and
- (c) any associate of that person (or those persons).

However, the Company will not disregard a vote cast in favour of Resolution 3 by:

- (a) a person as a proxy for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chairman of the Meeting as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (1) 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
- (a) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Important Note (in relation to Resolution 4)

The proposed allottees of any Placement Securities are not as yet known or identified. In these circumstances (and in accordance with the note set out in Listing Rule 14.11.1 relating to Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of the Placement Securities), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted and there is no reason to exclude their votes.

Resolution 5 – Amendment to Company's Constitution

To consider and, if thought fit, to pass the following Resolution, with or without amendment, as a Special Resolution:

"That, with effect from the close of this Meeting, for the purposes of section 136(2) of the Corporations Act and for all other purposes, the Constitution of the Company be amended in accordance with, and as explained in, the Explanatory Memorandum."

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GENERAL BUSINESS

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

By order of the Board

Adam Gallagher
Company Secretary
23 October 2020

Notice of Annual General Meeting

Virtual Attendance at the General Meeting

Due to health concerns and the current government-imposed restrictions on public gatherings arising from the COVID-19 pandemic, Shareholders will not be able to attend the Meeting in person.

The Federal Treasurer has made a determination modifying, among other matters, the operation of provisions of the *Corporations Act 2001 (Cth)* and the *Corporations Regulations (2001) (Cth)* under *Corporations (Coronavirus Economic Response) Determination (No. 3) 2020 (Determination)* to allow companies who are required or permitted to hold meetings to hold those meetings remotely as virtual meetings, instead of in person.

As a consequence of this Determination, the Meeting will be held virtually (online) via an online platform at <https://agmlive.link/CCA20>.

To attend the Meeting virtually, Shareholders and proxyholders will need a desktop or mobile/tablet device with internet access to log onto the online platform on the morning of the Meeting and provide their details (**including your Shareholder Reference Number (SRN) or Holder Identification Number (HIN)**) to be verified as a Shareholder or proxyholder.

Shareholders and proxyholders will be able to log in to the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions set out in the Notice of Meeting and the Online Meeting Guide (which is attached to this Notice of Meeting). We recommend logging in to our online platform at least 15 minutes prior to the scheduled start time for the Meeting.

Once the Meeting commences at 12:00pm (Brisbane time), Shareholders and proxyholders will be able to listen to the Chairman of the Meeting talking live and in real time.

Shareholders and proxyholders will have the ability to ask questions during the Meeting via the online platform, and to hear all of the discussion, subject to connectivity of their devices.

A detailed guide on how to participate virtually in the Meeting is set out in the Online Meeting Guide. The Online Meeting Guide explains how to ensure that the browser is compatible with the online platform, as well as a step-by-step guide to successfully log in and navigate the online platform. The Online Meeting Guide will be lodged with ASX and is attached to this Notice of Meeting.

In addition to the above, Shareholder and proxyholder participation (as relevant) is possible by shareholders completing and lodging the Proxy Form in the manner described below so that it is received by 12:00pm (Brisbane time) on Tuesday, 24 November 2020, in order to be valid. In addition to the enclosed Proxy Form, the Proxy Form is also available on the Company's website at www.changefinancial.com

Discussion will take place on all resolutions to be considered at the Meeting. Shareholders will have a reasonable opportunity to ask questions in respect of the resolutions put forward at the Meeting during the Meeting via the online platform.

Voting via online platform – During the Meeting

Shareholders participating in the Meeting via the online platform will be able to vote directly at any time between the start of the Meeting at 10:00am (Brisbane time) and the closure of voting as announced by the Chairman during the 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 7:00 pm (Sydney time) on 24 November 2020 will be entitled to attend (virtually) and vote at the Meeting as a shareholder.

Notice of Annual General Meeting

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 24 November 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 24 November 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.

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 each of the resolutions 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 <https://AGMLive.link/CCA20>, on 26 November 2020 commencing at 12:00pm (Brisbane time).

The purpose of this Explanatory Memorandum is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the Resolutions. The Company's Notice of Annual General Meeting and this Explanatory Memorandum should be read in their entirety and in conjunction with each other.

Subject to the abstentions noted below, the Directors unanimously recommend that Shareholders vote in favour of all Resolutions. The Chairman of the Meeting intends to vote all available undirected proxies in favour of each resolution.

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 8.

2. Consider the Company's Annual Report

The Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Statement of Financial Performance, Balance Sheet, Statement of Cashflows and notes to and forming part of the financial statements for the Company and its controlled entities for the financial year ended 30 June 2020 was released to ASX on 1 September 2020.

The Company's Annual Report is placed before the Shareholders for discussion.

No voting is required for this item.

3. Resolution 1 - Adoption of Remuneration Report

3.1 Remuneration Report

The Board has submitted its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding advisory Resolution in accordance with section 250R of the Corporations Act.

The Remuneration Report is set out on pages 10 to 19 of the Company's Annual Report for the period ending 30 June 2020. The Annual Report is available to download on the Company's website.

Under the Corporations Act, if at least 25% of the votes cast on the Resolution are voted against adoption of the Remuneration Report at two consecutive Annual General Meetings, the Company will be required to put to shareholders a resolution at the second of those Annual General Meeting's proposing the calling of an extraordinary General Meeting to consider the election of directors of the Company (**Spill Resolution**).

If more than 50% of shareholders vote in favour of the spill resolution, the Company must convene the extraordinary General Meeting (**Spill Meeting**) within 90 days of the second Annual General Meeting. All of the directors who were in office when the second (consecutive) Remuneration Report was considered at the second (consecutive) Annual General Meeting, other than the Managing Director, will cease to hold office immediately before the end of the spill meeting but may stand for re-election at the spill meeting. Following the spill meeting those persons whose election or re-election as directors are approved will be the directors of the Company.

At the 2019 Annual General Meeting less than 25% of the votes cast were voted against adoption of the Remuneration Report included in the 2019 Annual Report.

Explanatory Memorandum

The Remuneration Report:

- (a) explains the Board's policy for determining the nature and amount of remuneration of Key Management Personnel of the Company;
- (b) explains the relationship between the Board's remuneration policy and the Company's performance;
- (c) sets out remuneration details for each Key Management Personnel of the Company including details of performance related remuneration and options granted as part of remuneration; and
- (d) details and explains any performance conditions applicable to the remuneration of Key Management Personnel of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

3.2 Directors' Recommendation

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 1. A vote on this resolution is advisory only and does not bind the Directors or the Company.

3.3 Voting restrictions on Key Management Personnel and their Closely Related Parties and their proxies

As set out in the notes to Resolution 1, a voting restriction statement applies with respect to the voting on this Resolution by members of the Key Management Personnel and their Closely Related Parties and their proxies voting (in any capacity) (**Voting Restriction**). Key Management Personnel has the definition given in *Accounting Standards AASB 124 Related Party Disclosure* as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Details of the restrictions on members of KMP and their Closely Related Parties and their proxies voting (in any capacity) are set out in the voting restriction statement included in Resolution 1 of the Notice of Meeting.

However, the Voting Restriction does not apply where:

- (a) the member of the Key Management Personnel is appointed in writing (by a Shareholder who is not a member of the Key Management Personnel or a Closely Related Party of the Key Management Personnel) as a proxy (**Management Proxy**) with specific instructions on how to vote on the Resolution; or
- (b) the Chairman is appointed in writing (by a Shareholder who is not a member of the Key Management Personnel or a Closely Related Party of the Key Management Personnel) as a proxy with no specific instructions on how to vote on the Resolution and expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity .

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the Resolutions the subject of this Meeting, including this Resolution 1, subject to compliance with the Corporations Act. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Explanatory Memorandum

4. Resolution 2 – Re-election of Mr Harley Dalton as a Director

4.1 Background

Listing Rule 14.4 provides that an entity which has directors must hold an election of directors at each annual general meeting.

Mr Harley Dalton retires by rotation in accordance with Rule 39.1 of the Company's Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election as a Director.

Under Rule 39.1 of the Company's Constitution and Listing Rule 14.4, one-third of Directors are required to retire at each Annual General Meeting (excluding directors seeking election at the meeting for the first time, or the Managing Director) and, if eligible, stand for re-election.

Prior to submitting himself for election, Mr Dalton has confirmed that he would continue to have sufficient time to properly fulfil his duties and responsibilities to the Company.

4.2 Harley Dalton's qualifications and experience

Harley Dalton is the founder and director of Altor Capital, and is responsible for sourcing and negotiating investments and building the capability of the business and the team.

Harley has over 20 years' experience in investments and the funds management industry. His key background and capabilities include leadership, strategy, negotiation and operational management. He has been actively involved in taking a number of businesses to ASX listing as well as providing capital raising, structuring, debt, equity; and board composition advice in this process.

Harley was the founder, director and CEO of Dalton Nicol Reid up to 2014, one of Australia's leading Australian Equities fund managers. He grew the business from start up to circa AUD \$1 billion in assets under management prior to his exit. Dalton Nicol Reid manages money on behalf of retail, wholesale and institutional clients both domestically and internationally.

Harley has a Bachelor of Science from Griffith University, a Graduate Diploma in Applied Finance and Investment and is a member of The Australian Institute of Company Directors.

Mr Dalton has been a valuable member of the board and has been instrumental in steering the corporate events of the Company in the last twelve months that has enabled the Company to position itself for future growth.

4.3 Directors' Recommendation

For the reasons set out above, all of the Directors (with Mr Dalton abstaining) unanimously recommend that you vote in favour of this Ordinary Resolution 2.

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the resolutions the subject of this Meeting, including this Resolution 2, subject to compliance with the Corporations Act. In exceptional circumstances, the Chairman may change their voting intention on any resolution, in which case an ASX announcement will be made.

5. Resolution 3 - Ratification for issue of Shares

5.1 Background

On 11 September 2020, the Company announced that it had entered into a binding agreement to acquire all the business assets (**Wirecard Business**) of Wirecard NZ Limited (administrators appointed) (**Wirecard NZ**) and Wirecard Australia Pty Ltd (administrators appointed) (**Wirecard Australia**) for a total

Explanatory Memorandum

cash consideration of approximately \$7.8million (**Acquisition**). The cash consideration and costs of this acquisition were in part funded via placement to institutional, sophisticated and professional investors to raise approximately A\$6.4million (**Placement**), and an Entitlement Offer to existing shareholders to raise approximately \$4.9 million.

The Company also announced that it had received unconditional binding commitments for the Placement to institutional, sophisticated and professional investors.

On 18 September 2020, the Company issued 67,433,543 fully paid ordinary shares (**Shares**) at an issue price of \$0.095 per share.

The Placement was undertaken in a single tranche within the Company's existing placement capacity under Listing Rules 7.1 and 7.1A.

Under Listing Rule 7.1, the Company is generally not permitted to issue more than 15% of its issued share capital in any 12 month period unless the issue is approved by the Company's shareholders or an exemption applies (**15% Placement Capacity**).

However, at the Company's last Annual General Meeting on 28 November 2019, shareholders approved and gave the Company authority to issue an additional 10% of its issued share capital under Listing Rule 7.1A without the issue being approved by the Company's shareholders (**2019 Additional Placement Capacity**). As such, prior to the Placement occurring, the Company was permitted to issue 25% of its issued share capital (less the securities issued under 7.1 in the preceding 12 months that had not been subsequently approved in accordance with listing rule 7.4) without the issue being approved by the Company's shareholders (**Combined Placement Capacity**).

The Placement does not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by the Company's Shareholders, it effectively uses up the Company's Combined Placement Capacity, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

Under Listing Rule 7.4, an issue of any securities made without approval under Listing Rule 7.1 may be treated as having been made with approval under Listing Rule 7.1 if each of the following apply:

- (a) the issue was not in breach of that rule; and
- (b) the holders of ordinary shares in the Company subsequently approve the issue.

The issue of Shares under the Placement fell within Listing Rules 7.1 and 7.1A and did not require shareholder approval to be effected.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1

Ratification by the Shareholders of the Placement is now sought pursuant to Listing Rule 7.4 under this Resolution 3, in order to refresh the Company's 15% Placement Capacity to issue Equity Securities under Listing Rule 7.1 to the extent of the Placement (but not to refresh its Additional Placement Capacity under Listing Rule 7.1A, which is the subject of Resolution 4). If this Resolution 3 is passed, the Placement will not be counted towards the Company's 15% Placement Capacity, therefore providing the Company with greater flexibility in managing its future capital requirements.

5.2 Effect of Shareholder approval

If Resolution 3 is passed, the Shares issued under the Placement will be excluded in calculating the Company's 15% placement capacity to issue further Shares under Listing Rule 7.1 which will provide the Company flexibility to issue Shares in the future without obtaining Shareholder approval, if required.

Explanatory Memorandum

If Resolution 3 is not passed, the Shares issued under the Placement 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.

5.3 Requirements of Listing Rule 7.5

It is a requirement of 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) **Listing Rule 7.5.1 – The names of the persons to whom the entity issued or agreed to issue the securities or the basis on which those persons were identified or selected**

The Shares issued under the Placement were issued and allotted to 61 sophisticated and institutional investors, being investors identified by Altor Advisory Partners Pty Ltd and Canaccord Genuity (Australia) Ltd (together, the **Joint Lead Managers**) who were appointed as joint lead managers to the Placement and joint lead managers and underwriters to the Entitlement Offer. In respect of the Placement, the Joint Lead Managers are entitled to receive:

- a. *Management Fee*: 2.0% of the total amount raised by the Company under the Entitlement Offer and the Placement;
- b. *Placement Fee*: 4% of the total amount raised by the Company under the Entitlement Offer and the Placement (where each Joint Lead Manager will receive their respective proportion based on final firm allocations).

Otherwise, none of the Shares issued under the Placement were issued to a related party, member of Key Management Personnel, substantial holder, adviser or associate of any of the foregoing, and are not considered to be "material investors" for the purposes of ASX Guidance Note 21, paragraph 7.2.

(b) **Listing Rule 7.5.2 – The number and class of securities the entity issued or agreed to issue**

The total number of securities that were issued under the Placement was 67,433,543 Shares, and the number of Shares issued under Listing Rule 7.1 was 39,060,126 Shares which were issued on 18 September 2020.

(c) **Listing Rule 7.5.3 – If the securities are not fully paid ordinary securities, a summary of the material terms of the securities**

The terms of the shares were issued on terms identical to the Company's existing quoted fully paid ordinary Shares.

(d) **Listing Rule 7.5.4 – The date or dates on which the securities were or will be issued**

The Shares under the Placement were issued on 18 September 2020.

(e) **Listing Rule 7.5.5 – The price or other consideration the entity has received or will receive for the issue**

The price at which the securities were issued is \$0.095 per Share.

(f) **Listing Rule 7.5.6 – The purpose of the issue, including the use (or intended use) of any funds raised by the issue**

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The proceeds of the issue, less fees and expenses, were applied to the Acquisition of the business assets of Wirecard NZ Limited and Wirecard Australia Pty Ltd that was announced to the ASX on 11 September 2020.

(g) **Listing Rule 7.5.7 – If the securities were or will be issued under an agreement, a summary of any other material terms of the agreement**

The Shares under the Placement were not issued under an agreement.

(h) **Listing Rule 7.5.8 – A voting exclusion statement**

A voting exclusion statement is set out under Resolution 3 of the Notice of Meeting.

5.4 Directors' Recommendation

All of the Directors unanimously recommend, so that the Company's placement capacity is reinstated as set out above, that Shareholders vote in favour of Resolution 3.

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the resolutions the subject of this Meeting, including this Resolution 3, subject to compliance with the Corporations Act. In exceptional circumstances, the Chairman may change their voting intention on any resolution, in which case an ASX announcement will be made.

6. Resolution 4 - Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

6.1 Introduction

Pursuant to Resolution 4 the Company is seeking Shareholder approval to issue an additional 10% of its issued capital over a 12 month period pursuant to Listing Rule 7.1A. If passed, this Resolution will allow the Company to allot and issue up to the number of new Equity Securities calculated in accordance with Listing Rule 7.1A.2 (**Placement Securities**) each at an issue price of at least 75% of the volume weighted average price (**VWAP**) for the Company's Equity Securities in that class (calculated over the last 15 days on which trades in the Equity Securities are recorded immediately before the date on which the price at which the Placement Securities are to be issued is agreed, or if the Placement Securities are not issued within five trading days of that date, the date on which the Placement Securities are issued) (**Issue Price**).

This approval is sought pursuant to Listing Rule 7.1A. Under Listing Rule 7.1A, small and mid-cap listed entities that meet the eligibility threshold and have obtained the approval of their ordinary shareholders by Special Resolution at the Annual General Meeting, are permitted to issue an additional 10% of issued capital over a 12 month period from the date of the Annual General Meeting (**Additional 10% Placement**). The Additional 10% Placement under Listing Rule 7.1A is in addition to the ability of the Company to issue 15% of its issued capital without shareholder approval over a 12 month period pursuant to Listing Rule 7.1. The Company may issue the Placement Securities to raise funds for the Company and as non-cash consideration (further details of which are set out below).

Funds raised from the issue of Placement Securities, if undertaken, would be applied towards the continued growth of the Company's business operations (including client growth) and general working capital.

Explanatory Memorandum

6.2 Listing Rule 7.1A

(a) General

(1) Eligibility

An entity is eligible to undertake an Additional 10% Placement if at the time of its Annual General Meeting it has a market capitalisation of \$300 million or less and it is not included in the S&P/ASX300 Index.

As required by the Listing Rules, the Company's market capitalisation will be based on the closing price on the Trading Day before the AGM. The calculation of market capitalisation will be based on the Closing Price of Shares on the last Trading Day on which trades in the Shares were recorded before the date of the AGM, multiplied by the number of Shares on issue (in that main class, but excluding restricted securities and securities quoted on a deferred settlement basis).

For illustrative purposes only, on 22 October 2020] (being the last trading day prior the date of this AGM Notice) the Company's market capitalisation was approximately \$80 million based on the closing trading price on that date. The Company is not included in the S&P/ASX300 Index as at the time of issue of this Notice of Meeting and the Company does not expect that it will be included in the S&P/ASX300 Index at the date of the AGM.

The Company is therefore an eligible entity and able to undertake an Additional 10% Placement under Listing Rule 7.1A. In the event that the Company is no longer an eligible entity to undertake an Additional 10% Placement after the Company has already obtained Shareholder approval, the approval obtained will not lapse and the Company will still be entitled to undertake the Additional 10% Placement.

(2) Special Resolution

Listing Rule 7.1A requires this Resolution 4 to be passed as a Special Resolution, which means that it must be passed by at least 75% of the votes cast by members entitled to vote on the Resolution. Pursuant to Listing Rule 7.1A, no Placement Securities will be issued until and unless this Special Resolution is passed at the Meeting.

(3) Shareholder Approval

The ability to issue the Placement Securities is conditional upon the Company obtaining Shareholder approval by way of a Special Resolution at the Meeting.

(b) 10% Placement Period - Listing Rule 7.1A.1

Assuming Resolution 4 is passed, Shareholder approval of the Additional 10% Placement under Listing Rule 7.1A is valid from the date of the AGM and expires on the earlier to occur of:

- a. the date that is 12 months after the date of the AGM;
- b. the time and date of the Company's next AGM; or
- c. the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX.

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If approval is given for the issue of the Placement Securities then the approval will expire, on 26 November 2021, unless the Company holds its next Meeting or Shareholder approval is granted pursuant to Listing Rules 11.1.2 or 11.2 prior to that date.

(c) Formula for calculating Additional 10% Placement

Listing Rule 7.1A.2 provides that Eligible Entities that have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12 month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

Where:

A is the number of ordinary securities on issue 12 months before the date of issue or agreement:

1. plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2;
2. plus the number of partly paid ordinary securities that became fully paid in the 12 months;
3. plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under Listing Rules 7.1 or 7.4 (but note that this does not include an issue of fully paid ordinary securities under the entity's 15% placement capacity without shareholder approval); and
4. less the number of fully paid ordinary securities cancelled in the 12 months.

Note that "A" has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 or 7.4.

(d) Listing Rule 7.1A.3

(1) Equity Securities

Any Equity Securities issued under the Additional 10% Placement must be in the same class as an existing quoted class of Equity Securities of the Company.

As at the date of this notice of meeting, the only class of Equity Securities in the Company quoted on the ASX are ordinary shares. The Company presently has shares on issue at the date of this Notice of Meeting.

(2) Minimum Issue Price

The issue price for the Placement Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days immediately before:

- a. the date on which the price at which the relevant Placement Securities are to be issued is agreed by the Company and the recipient of the Placement Securities; or

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- b. if the relevant Placement Securities are not issued within ten trading days of the date in paragraph (A) above, the date on which the relevant Placement Securities are issued.

(e) Information to be given to ASX – Listing Rule 7.1A.4

If Resolution 4 is passed and the Company issues any Placement Securities under Listing Rule 7.1A, the Company will comply with the requirements of 7.1A.4.

(f) Listing Rules 7.1 and 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 402,754,620 Shares, and therefore has the capacity to issue:

- i. 60,413,193 Equity Securities under Listing Rule 7.1; and
- ii. 40,275,462 Equity Securities under Listing Rule 7.1A.

The actual number of Placement Securities that the Company will have the capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Placement Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as described above).

6.3 Specific information required by Listing Rule 7.3A

(a) A statement of the period for which the approval will be valid (as set out in Listing Rule 7.1A.1) – Listing Rule 7.3A.1

The Company will only issue and allot the Placement Securities during the approval period. The approval under Resolution 4 for the issue of the Placement Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities of the Company) or Listing Rule 11.2 (the disposal of the main undertaking of the Company), or the Company holds its next Meeting before the 12 month anniversary of the Meeting.

(b) Minimum price of Equity Securities issued under Listing Rule 7.1A - Listing Rule 7.3A.2

Pursuant to and in accordance with Listing Rule 7.1A.3, the Placement Securities issued pursuant to approval under Listing Rule 7.1A must be issued for cash consideration and have an issue price of not less than 75% of the VWAP for the Equity Securities over the 15 trading days immediately before:

1. the date on which the price at which the Placement Securities are to be issued is agreed; or
2. if the Placement Securities are not issued within ten trading days of the date in paragraph (1) above, the date on which the Placement Securities are issued.

The Company will disclose to the ASX the issue price on the date of issue of the Placement Securities.

(c) A statement of the purposes for which the funds raised by an issue of Equity Securities under Listing Rule 7.1A.2 may be used – Listing Rule 7.3A.3

As noted above, the purpose for which the Placement Securities may be issued include to be applied towards the continued growth of the Company's business operations (including client growth) and general working capital.

(d) Risk of economic and voting dilution - Listing Rule 7.3A.4

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As provided by Listing Rule 7.3A.4, if Resolution 4 is passed and the Company issues the Placement Securities, there is a risk of economic and voting dilution to the existing Shareholders. The Company currently has on issue 402,754,620 Shares and 4,000,000 Options. On this basis, following approval of the Additional 10% Placement, the Company will have approval to issue an additional 40,275,462 Equity Securities. The exact number of Placement Shares to be issued under the Additional 10% Placement will be calculated in accordance with the formula contained in Listing Rule 7.1A.2 and set out above. Any issue of Placement Securities will have a dilutive effect on existing Shareholders.

There is a specific risk that:

1. the Market Price for the Company's Equity Securities may be significantly lower on the date of the issue of any Placement Securities than it is on the date of the Meeting; and
2. the Placement Securities may be issued at a price that is at a discount to the Market Price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue or the value of the Placement Securities.

As required by Listing Rule 7.3A.4, Table 1 below shows the potential economic and voting dilution effect, in circumstances where the issued share capital has doubled and the Market Price of the shares has halved. Table 1 also shows additional scenarios in which the issued share capital has increased (by both 50% and 100%) and the Market Price of the shares has:

1. decreased by 50%; and
2. increased by 100%.

TABLE 1

Issued Share Capital	50% decrease in Market Price \$0.065		Current Market Price \$0.13		100% Increase in Market Price \$0.26	
	10% Voting Dilution	Capital Raise	10% Voting Dilution	Capital Raise	10% Voting Dilution	Capital Raise
Present Issued Share Capital = 402,754,620 Shares	40,275,462	\$2,617,905	40,275,462	\$5,235,810	40,275,462	\$10,471,620
50% Increase in Share Capital = 604,131,930 Shares	60,413,193	\$3,926,858	60,413,193	\$7,853,715	60,413,193	\$15,707,430
100% Increase in Share Capital = 805,509,240 Shares	80,550,924	\$5,235,810	80,550,924	\$10,471,620	80,550,924	\$20,943,240

Assumptions and explanations

- The Market Price is \$0.13, based on the closing price of the shares on ASX on 14 October 2020.
- The above table only shows the dilutionary effect based on the issue of the Placement Securities (assuming only Shares are issued), and not any Shares issued under the 15% capacity under Listing Rule 7.1.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue.

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- The Company issues the maximum number of Placement Securities.
- The issued share capital has been calculated in accordance with the formula in Listing Rule 7.1A2 as at 14 October 2020.
- The issue price of the Placement Securities used in the table is the same as the Market Price and does not take into account the discount to the Market Price (if any).

(e) Company's allocation policy - Listing Rule 7.3A.5

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue of the Placement Securities. The identity of the allottees of Placement Securities will be determined on a case-by-case basis having regard to a number of factors including but not limited to the following:

1. the methods of raising funds that are available to the Company including, but not limited to, rights issue or other issue in which existing shareholders can participate;
2. the effect of the issue of the Placement Securities on the control of the Company;
3. the financial situation and solvency of the Company; and
4. advice from corporate, financial and broking advisers (if applicable).

The allottees of the Placement Securities have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

(f) Previous issues under Shareholder Approval previously obtained under Listing Rule 7.1A –Listing Rule 7.3A.6

The Company obtained Shareholder approval under Listing Rule 7.1A at the Company's last Annual General Meeting held on 28 November 2019.

On 18 September 2020, the Company issued 28,373,417 Equity Securities pursuant to Listing Rule 7.1A in the twelve months prior to the date of the Meeting.

No other Equity Securities were issued pursuant to 7.1A in the twelve months prior to the date of the Meeting.

It is a requirement of Listing Rule 7.3A.6, that a listed entity seeking Shareholder approval under Listing Rule 7.1A provides the Shareholders with the following information pursuant to Listing Rule 7.3A.6:

(a) The total number of securities that were issued under LR 7.1A was 28,373,417 fully paid ordinary shares which were issued on 18 September 2020, which equates to 27.68% of the shares on issue when the Company obtained shareholder approval under 7.1A on 28 November 2019.

(b) The price at which the securities were issued is \$0.095 per Share which represented a

- 17.4% discount to the last close price of A\$0.115; and a
- 21.3% discount to the 15-day Volume Weight Average Price ("VWAP") of A\$0.121, prior to the date of announcement.

(c) The terms of the shares were issued on terms identical to the Company's existing quoted fully paid ordinary Shares.

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(d) The Shares were issued to 61 sophisticated and institutional investors. None of the Shares were issued to a related party, member of Key Management Personnel, substantial holder, adviser or associate of any of the foregoing. Further details are set out in section 5.3(a) above.

(e) All of the proceeds of the issue under LR 7.1A being \$2,695,464.62 less fees and expenses, were applied to the Acquisition of the business assets of Wirecard NZ and Wirecard Australia that was announced to the ASX on 11 September 2020.

(g) Voting Exclusion Statement

A voting exclusion statement is included in this Notice. At the date of the Notice, the proposed allottees of any 10% Securities are not as yet known or identified. In these circumstances (and in accordance with the note set out in Listing Rule 14.11.1 relating to Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of the 10% Securities), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted and there is no reason to exclude their votes.

6.4 Directors' Recommendation

The Directors unanimously recommend, to provide additional capacity to raise additional funds should a requisite, appropriate, compliant, and compelling opportunity arise, that Shareholders vote in favour of Resolution 4.

7. Resolution 5 – Amendment of Constitution

6.1 Background

The Company is currently governed by its existing Constitution, a copy of which is available for review by Shareholders on the Company's website www.changefinancial.com.

Under Section 136(2) of the Corporations Act, a company can modify its Constitution or a provision of its Constitution by Special Resolution. This requires approval of 75% or more of all votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a member which is a corporation, a representative).

The Company seeks to amend its Constitution with respect to:

1. updating the restricted securities provisions in a manner to allow the Constitution to meet the relevant requirements under the Listing Rules (should the Company apply for listing on the ASX);
2. facilitating the Company's ability to hold Annual General Meetings of Shareholders utilising technology and providing for direct voting; and
3. including a number of minor updates and modernisations in accordance with the progression of Listing Rules and corporations law (including with respect to update to electronic communications, electronic execution and other updated market practices).

The Company's current Constitution was adopted on 30 June 2016 and has not been comprehensively reviewed or materially amended since then. Since that time, there have been developments in Australian corporate law and practice, including a number of amendments to the Corporations Act, the Listing Rules and other applicable laws and rules which impact on the Company which are not reflected in the current Constitution (such as practical changes to the ways a company can interact with its shareholders).

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The Board of Directors has conducted a review of its current Constitution and considers that now is an ideal opportunity to bring the Constitution into line with current law and market practice and to ensure it reflects the amendments to the Corporations Act, Listing Rules and other applicable laws and rules since the current Constitution was adopted.

Many of the proposed amendments to the Constitution are administrative or minor in nature. It is not practicable to list all of the changes to the current Constitution in detail in this Explanatory Memorandum, however, a summary of the proposed material changes is set out below.

A copy of the proposed amended Constitution (and a comparison between the current Constitution and the proposed amended Constitution) is available for review by Shareholders at the Company's website (www.changefinancial.com). A copy of the proposed amended Constitution can also be sent to Shareholders upon request to the Company Secretary via email at adam.gallagher@changefinancial.com. Shareholders are invited to contact the Company if they have any queries or concerns regarding the proposed amended Constitution.

6.2 Summary of material proposed changes

(a) Restricted Securities (Rule 83)

Background

On 2 December 2019, amendments to the Listing Rules came into effect. Specifically, amendments to Listing Rule 15.12 relate to new requirements for listed entities' constitutions in respect of restricted securities. These amendments apply to currently listed entities, or those that issue restricted securities, on or after 2 December 2019.

Restricted securities are securities which are subject to escrow requirements, meaning they are restricted from being traded for a period of time. Whether securities are treated as restricted securities is determined on a case-by-case basis. They may be held by certain persons who acquired them as part of their participation in a fundraising, such as seed capitalists, professional advisers or employees, or acquired in conjunction with an acquisition or can be securities that ASX determines should be treated as restricted securities.

The updated Listing Rules require listed entities to include specific wording in their constituent documents regarding treatment of restricted securities – that they be subject to mandatory escrow restrictions, must be held on the issuer sponsored subregister, and be subject to a holding lock.

Proposed Amendments

The Company intends, subject to Shareholder approval, to amend Rule 83 of the Constitution in accordance with section 136(2) of the Corporations Act to expressly reflect the language contained in Listing Rule 15.12.

(b) Annual General Meetings of Shareholders (Rules 22-30)

Background

Section 249R of the Corporations Act requires that a General Meeting of Shareholders be held at a "reasonable time and place". Section 249S of the Corporations Act permits a company to hold a meeting at "two or more venues using any technology that gives members as a whole a reasonable opportunity to participate".

Explanatory Memorandum

The Company seeks to amend the Constitution to provide for greater flexibility in holding meetings using technology and the proposed amendments to the Constitution seek to cater for meetings of the Company to be held via hybrid or virtual meetings more effectively.

Proposed Amendments

The Company intends to better facilitate the Company's ability to hold a General Meeting of Shareholders utilising technology, subject to Shareholder approval, by amending Rules 25 to 32 of the Constitution in accordance with section 136(2) of the Corporations Act, including by:

- (1) **(Rules 23.3 and 23.4)** allowing the Directors to determine that:
 - (A) the place of a General Meeting of Shareholders is determined not to be a physical location and is facilitated by an instantaneous communication device (i.e. a virtual meeting); or
 - (B) a hybrid meeting (being a meeting held in both a physical place as well as at other venues which is facilitated by an instantaneous communication device) will be convened;
- (2) **(Rule 23.8)** confirming that a Shareholder attending a virtual or hybrid meeting convened is taken to be "present" for quorum purposes, if the technology allows the Shareholders a reasonable opportunity to participate in the business of the General Meeting of Shareholders, vote on a show of hands, a poll or by direct voting (as set out in proposed new Rule 29 described below);
- (3) ensuring that Rules 23 (Quorum), 27 (Voting Rights of Members) and 28 (Poll) specifically include Shareholders who attend a General Meeting of Shareholders in accordance with hybrid and virtual meeting provisions set out in Rule 23 above;
- (4) **(Rule 29)** allowing the Directors to determine that direct voting may occur before or during a General Meeting of Shareholders. Such a provision allows Shareholders to deliver votes by non-traditional methods approved by the Directors including voting via electronic means, and allows Director to prescribe regulations, rules and procedures in relation to direct voting, including specifying the form, method and timing of giving a direct vote at a General Meeting of Shareholders in order for the vote to be valid. If direct voting is proposed to be used at a General Meeting of Shareholders, the Directors must, among other matters, put in place direct voting regulations before despatching the relevant notice of meeting, and include information on the application of direct voting in that notice of meeting; and

The proposed amendments also include other additional provisions in order to further facilitate the orderly and proper conduct of General Meetings.

(c) **Transfer of Shares (Rule 17)**

The proposed amendment to Rule 17 will permit the Company, subject to the Listing Rules, to charge a reasonable fee for registering a paper-based transfer in registrable form. The fee is intended to represent the cost incurred by the Company in upgrading its verification processes specific to paper-based instruments of transfer.

6.3 Directors' Recommendation

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Resolution 5 is a Special Resolution. Accordingly, at least 75% of the votes cast by Shareholders present and eligible to vote at the Meeting must vote in favour of Resolution 5 for it to be passed.

The Directors recommend, for the reasons set out in 6.1, that Shareholders vote in favour of Resolution 5. Any undirected proxies held by the Chairman will be voted in favour of Resolution 5.

8. Interpretation

Annual General Meeting, AGM or Meeting means the Annual General Meeting of the Company to be held on 26 November 2020.

Annual Report means the document entitled "Appendix 4E and Annual Report" for the Company released to the ASX on 1 September 2020.

ASX means the ASX Limited ACN 008 624 691.

Auditor's Report means the document entitled "Independent Auditor's Report to the Members".

Balance Sheet means the Consolidated Balance Sheet for the Company as at 30 June 2020 contained within the Annual Report.

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.

Closely Related Party (as defined in the Corporations Act) of a member of the Key Management Personnel for an entity means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity;
- (e) a company the member controls; or

a person prescribed by the regulations for the purposes of this definition.

Company means Change Financial Limited ACN 150 762 351.

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

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

Directors means the directors of the Company.

Directors' Declaration means the declaration contained within the Annual Report.

Directors' Report means the document entitled 'Directors' Report' contained within the Annual Report.

Entitlement Offer means the entitlement offer announced to the ASX on 11 September 2020 and described in the Entitlement Offer booklet dated 17 September 2020.

Explanatory Memorandum means the explanatory statement accompanying this Notice.

Key Management Personnel or **KMP** has the definition given in *Accounting Standards AASB 124 Related Party Disclosure* as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity.

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Listing Rules means the listing rules of the ASX.

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.

Placement means the placement of ordinary securities described in the announcement lodged with the ASX on 11 September 2020.

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.

Statement of Cashflows means the consolidated Statement of Cashflows for the Company for the year ended 30 June 2020.

Statement of Financial Performance means the consolidated statement of Profit or Loss and Other Comprehensive Income for the Company for the year ended 30 June 2020 contained within the Annual Report.