

AWN HOLDINGS LIMITED

ACN 103 472 751

10 February 2022

For Attention:

AWN Holdings Limited (“AWN”) Shareholders

Subject: Offer from AWN Holdings Limited to sell small holdings of shares on your behalf

The Directors of AWN Holdings Limited (“Company”, “AWN”) are pleased to announce the establishment of an opt-out Small Holding Sale Facility (**Facility**).

In accordance with AWN’s constitution, a small holding of shares (**Small Holding**) is a shareholding in the Company valued at less than \$500. For the purposes of determining the value of a Small Holding, the Market Value in relation to a share is the last price at which shares in AWN have traded. The Facility will be available to all shareholders with a Small Holding (**Small Holders**) of shares in AWN as at 7.00pm Sydney time on Wednesday, 9 February 2022 (**Record Date**).

The Directors have decided to implement the Facility to provide liquidity to Small Holders, and to reduce the administrative and share registry costs incurred by the Company in connection with maintaining Small Holdings.

The Facility will provide Small Holders with a convenient and brokerage-free opportunity to sell their shares. The Company will pay for all transaction costs related to the Facility (this does not include tax arising from participation in the Facility which will remain the responsibility of participating shareholders).

Through the Facility, the Company is offering to use all reasonable commercial endeavours to sell Small Holdings on behalf of Small Holders at the prevailing market price. The Company’s right to sell those shares which remain unsold as at 5 August 2022 will lapse. The Directors have determined, subject to law, there is no restriction on the ability of Directors or Key Management Personnel to acquire shares from Small Holders via the Facility.

The sale price of each share sold via the Facility will be the average price of every share sold via the Facility (**Sale Price**). All Small Holders who are participating in the Facility will receive the same Sale Price per share and the payment for those shares will be the Sale Price multiplied by the number of shares sold.

The Company does not require shareholder approval to implement the Facility, however Small Holders are entitled to opt-out by signing and returning a Share Retention Form to the Company’s share registry, Boardroom Limited (**Boardroom**). Shareholders wishing to opt-out of the Facility must either acquire additional shares to take their total holding to at least 730 shares or return their executed Share Retention Form by Thursday, 31 March 2022.

Based on the last price at which shares in AWN have traded and the Company’s register of members as at the Record Date;

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- A Small Holding is any shareholding of 729 shares or less, calculated by reference to the last price at which shares in AWN have traded, being \$0.685 per share;
- 45 shareholders hold a Small Holding;
- 0.03% of the Company's ordinary shares form part of Small Holdings; and
- the aggregate value of Small Holdings is \$8,538.

Shareholders who own 730 shares or more will not be eligible to participate in the Facility. Boardroom has been appointed to transact the Facility.

The Company will shortly send the attached letter to those shareholders with a Small Holding as at the Record Date. Eligible shareholders who wish to retain their shares must complete and sign the Share Retention Form and forward it to Boardroom, to be received by 5pm Sydney time on Thursday, 31 March 2022.

Dividend and voting rights associated with unsold Small Holdings will remain unaffected for the duration of the Facility, with such rights only transferring to new holders in the event those Small Holdings (or any proportion thereof) are sold and transferred in accordance with the Facility.

For further important information about the Facility, please refer to the 'Additional Important Information' and 'Frequently Asked Questions' sections in the letter attached to this announcement. If, after reading those sections, shareholders still have questions or require further information, please contact AWN's Company Secretary, Cameron Fellows, via email at smallholderfacility@arowanaco.com or on (02) 8083 9800.

On behalf of the Board of AWN,



Cameron Fellows
Company Secretary

AWN HOLDINGS LIMITED

ACN 103 472 751

14 February 2022

(Shareholder name)
(Address)
(Address)
(Suburb, state, postcode)

Dear Shareholder,

Subject: Offer from AWN Holdings Limited to sell small holdings of shares on your behalf

This letter contains important information about your shareholding in AWN Holdings Limited ("Company", "AWN").

I am writing to you as a shareholder with a small holding of shares in AWN as at 7.00pm Sydney time on Wednesday, 9 February 2022 (**Record Date**).

In accordance with AWN's constitution, a small holding of shares (**Small Holding**) is a shareholding in the company valued at less than \$500. At the Record Date, based upon the last price at which shares in AWN have traded (being \$0.685 per share), a Small Holding in the Company is any shareholding comprised of 729 shares or less.

In order to provide liquidity to shareholders with a Small Holding (**Small Holders**), and to reduce the administrative and share registry costs associated with maintaining Small Holdings, the Board of AWN Holdings Limited has established an opt-out Small Holding Sale Facility (**Facility**), as announced to shareholders on 10 February 2022.

The Facility will provide Small Holders with a convenient and brokerage-free opportunity to sell their shares. The Company will pay for all transaction costs related to the Facility (this does not include tax arising from participation in the Facility which will remain the responsibility of participating shareholders).

Through the Facility, the Company is offering to use all reasonable commercial endeavours to sell Small Holdings on behalf of Small Holders at the prevailing market price. The Company's right to sell those shares which remain unsold as at 5 August 2022 will lapse. The Directors have determined, subject to law, there is no restriction on the ability of Directors or Key Management Personnel to acquire shares from Small Holders via the Facility.

The sale price of each share sold via the Facility will be the average price of every share sold via the Facility (**Sale Price**). All Small Holders who are participating in the Facility will receive the same Sale Price per share and the payment for those shares will be the Sale Price multiplied by the number of shares sold.

The Company does not require shareholder approval to implement the Facility, however Small Holders are entitled to opt-out by signing and returning a Share Retention Form to the Company's

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share registry, Boardroom Limited (**Boardroom**). Shareholders wishing to opt-out of the Facility must either acquire additional shares to take their total holding to at least 730 shares or return their executed Share Retention Form by Thursday, 31 March 2022.

This letter provides more information about the Facility and the choices available to you.

Your choices

- 1) If you want the Company to attempt to sell your Small Holding on your behalf at the prevailing market price, **you do not need to do anything**.
- 2) If you do not want the Company to attempt to sell your Small Holding on your behalf at the prevailing market price, then you must do one of the following:
 - (a) complete the enclosed Share Retention Form and return it in accordance with the instructions on that form. Your completed Share Retention Form must be received by our share registry, Boardroom Limited (**Boardroom**), by no later than 5.00pm (Sydney time) Thursday, 31 March 2022 (**Closing Date**). If your completed Share Retention Form is not received by the Closing Date, the Company will attempt to sell your shares through the Facility; or
 - (b) acquire additional shares in the Company so that your shareholding is noted on its share register as being greater than 729 shares (that is, a Small Holding) as at the Closing Date; or
 - (c) if you hold shares in multiple shareholdings that together constitute a holding of more than 729 shares, arrange to have those holdings merged into one shareholding that is noted on the Company's share register as being greater than 729 shares (that is, a Small Holding) as at the Closing Date.

If you choose to complete and return a Share Retention Form as outlined in step 2(a) above, you should allow sufficient time for it to be received by Boardroom by mail by the Closing Date. If you choose to acquire additional shares or merge multiple shareholdings as outlined in step 2(b) or step 2(c) above, you should allow sufficient time for these actions to be effected on the Company's share register by the Closing Date.

The timetable and key dates for the Small Holding Sale Facility are set out below. The Company may modify these dates or suspend or terminate the Facility. Any modification, suspension or termination will be notified by written notice to Small Holders.

Item	Event	Date
1.	Record date for determining which shareholders may participate in the Facility	9 February 2022
2.	Dispatch sale offer and Share Retention Forms to Small Holders	14 February 2022
3.	Closing date for receipt of share retention forms	31 March 2022

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Item	Event	Date
4.	Company commences sale process on behalf of Small Holders	1 April 2022
5.	Company's right to sell those shares which remain unsold lapses	5 August 2022
6.	Proceeds remitted to participating shareholders, including documentation confirming the number of shares sold and details of proceeds. Proceeds will be remitted to the bank account shareholders have registered with Boardroom. If no bank account is registered, proceeds will be remitted by cheque mailed to the address that the shareholder has registered with Boardroom.	As soon as practicable following completion of sale process or 5 August 2022, whichever is earlier

Dividend and voting rights associated with unsold Small Holdings will remain unaffected for the duration of the Facility, with such rights only transferring to new holders in the event those Small Holdings (or any proportion thereof) are sold and transferred in accordance with the Facility.

For further important information about the Facility, please refer to the 'Additional Important Information' and 'Frequently Asked Questions' sections below. If, after reading those sections, you still have questions or require further information, please contact me via email at smallholderfacility@arowanaco.com or on (02) 8083 9800.



Cameron Fellows
Company Secretary

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Additional Important Information

1. The Facility was first announced to shareholders on 10 February 2022 (refer announcement posted on Company's website at <https://arowanaco.com/shareholders/>). For information about the Company's most recent financial performance and other relevant information, you may wish to refer to its Annual Report for the year ended 30 June 2021 which was released to shareholders on 30 September 2021 and is available on the Company's website. Shareholders may also wish to refer to other announcements which have been released on the Company's website.
2. The Company is offering the Facility in accordance with the terms set out in this letter and the AWN constitution. The AWN constitution is available on the Company's website.
3. If a shareholder holds more than one Small Holding, the Company will attempt to sell each Small Holding on behalf of Small Holders unless (a) a Share Retention Form is received for each Small Holding that the shareholder wishes to retain; OR (b) multiple Small Holdings are merged to form a holding of greater than 729 shares.
4. If you hold one or more Small Holdings in the Company on trust, the Company will only attempt to sell those Small Holdings on your behalf in respect of which it has not received a Share Retention Form. If the beneficial holder of a Small Holding that you hold on trust wishes to retain their holding, you must submit a Share Retention Form for that particular Small Holding.
5. Following its voluntary delisting from the ASX effective 16 November 2021, AWN's shares are no longer publicly listed. The Company will use all reasonable commercial endeavours to attempt to sell Small Holdings on behalf of Small Holders to buyers on arm's length terms and conditions. The Sale Price may be more or less than the price at which shares in AWN have last traded. As at the Record Date, shares in AWN last traded at \$0.685 per share.
6. While the Company will pay for brokerage and handling costs associated with the sale of shares through the Facility, any taxation consequences of the sale of shares through this Facility will be the shareholder's responsibility. Please see the Frequently Asked Questions section below for general information on taxation consequences.
7. If you have questions about taxation consequences, please seek the independent advice of a legal, financial or taxation adviser.
8. The Company makes no recommendation as to whether you should participate in this Facility, whether or how you should sell your shares or the value of your shares. If you have questions about whether to retain or sell your shares, you should seek independent professional advice.
9. This Information Sheet (and the accompanying letter) does not constitute advice, nor is it a recommendation to sell, buy or hold shares in the Company.

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Frequently Asked Questions

Who is eligible to participate in this Facility?

In accordance with AWN's constitution, any shareholding in the Company valued at less than \$500 is considered to be a "small holding" of shares. Shareholders in the Company are eligible to participate in this Facility if they held shareholdings in AWN valued at less than \$500 as at the Record Date (being 7:00pm (Sydney time) on Wednesday, 9 February 2022). Based on the last sale price of \$0.685 per share as at the Record Date, a small holding of shares in AWN is any shareholding of 729 shares or less. AWN shareholders who hold 730 shares or more as at the Record Date will not be eligible to participate in this Facility.

If my shares are sold through the Facility, how much will I receive per share?

The Company is offering to use all reasonable commercial endeavours to sell Small Holdings on behalf of Small Holders at the prevailing market price, which is not guaranteed. If your small holding is sold through the Facility, the sale price of each share sold will be the average price of every share sold via the Facility (**Sale Price**). All Small Holders who are participating in the Facility will receive the same Sale Price per share. The Sale Price may be more or less than the price at which shares in AWN have last traded. As at the Record Date, shares in AWN last traded at \$0.685 per share.

What do I need to do to sell my shares?

Nothing. The Company will attempt to sell your small holding on your behalf through the Facility unless you return a Share Retention Form or increase your shareholding to more than 729 shares by 5.00pm (Sydney time) Thursday, 31 March 2022 (**Closing Date**).

If my shares are sold through the Facility, how much will I receive for all of my shares?

All Small Holders who are participating in the Facility will receive the same Sale Price per share (refer question above) and the payment for those shares will be the Sale Price multiplied by the number of shares sold.

You can confirm the number of shares in your small holding by reviewing the enclosed, personalised Share Retention Form or by contacting the Company's share registry, Boardroom, on 1300 737 760 (from within Australia) or +61 2 9290 9600 (from outside Australia) between Wednesday, 9 February 2022 and Thursday, 31 March 2022, noting the Closing Time for receipt of your Share Retention Form is 5:00pm (Sydney time) on Thursday, 31 March 2022.

Do I need to pay anything if I participate in the Facility?

The Company will pay all transaction costs and expenses arising in connection with the Offer. Any tax arising from participation in the Facility will be your responsibility.

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If my shares are sold through the Facility, when will I receive the proceeds from the sale?

The Company is offering to use all reasonable commercial endeavours to sell Small Holdings on behalf of Small Holders at the prevailing market price. There is no guarantee that any or all shares forming part of your Small Holding will be sold.

The Company's right to sell those shares forming part of Small Holdings which remain unsold as at 5 August 2022 will lapse.

If the Company sells any or all of your shares through the Facility, the proceeds from the disposal of those shares will be remitted to you as soon as practicable after all shares have been sold via the Facility, or after 5 August 2022, whichever is earlier. Around that time, you will also receive documentation detailing the number of your shares sold and the amount of proceeds remitted to you. This documentation will be sent by mail or email if you have previously nominated to receive communication electronically.

What if I do not wish to sell my small holding?

If you do not wish to sell your small holding, you must return the Share Retention Form or increase your shareholding to more than 729 shares by the Closing Date.

If my shares are sold through the Facility, how will I receive the proceeds from the sale?

If your small holding is sold through the Facility, the proceeds from that sale will be paid into the bank account that you have nominated for your shareholding or, in circumstances where no bank account has been nominated, by cheque to the postal address you have registered for your shareholding. You can update your bank account details by visiting www.boardroomlimited.com.au or by contacting Boardroom on 1300 737 760 (from within Australia) or +61 2 9290 9600 (from outside Australia) between Wednesday, 9 February 2022 and Thursday, 31 March 2022. If you participate in the Facility and would like your updated address or bank account details to be used when remitting proceeds and sending documentation to you, please ensure that these details are updated by the Closing Date.

What are the tax consequences of having my shares sold through the Facility?

The tax outcomes of participating in the Facility will vary depending on your circumstances. If you are in the business of trading shares or hold the shares as revenue assets, you may have an assessable gain or loss on sale on revenue account. It is the Company's view that proceeds will be entirely treated as a return of capital, with the sale under the Facility resulting in a Capital Gains Tax (CGT) event. If you are an Australian resident shareholder, you will need to calculate a capital gain or capital loss. Details of the CGT event are required to be disclosed in your 2022 income tax return, regardless of whether you are required to pay tax on the event. If you are not an Australian resident, you should be entitled to disregard the capital gain or loss for the purposes of calculating your Australian taxable income. You may still have a tax liability in your country of residence. The above is broad in nature, and it is strongly recommended that you consult with your taxation professional regarding your particular circumstances.

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Can I sell some but not all of my shares through the Facility?

No, you may not sell part of a small holding through the Facility. Unless you choose not to participate in this Facility, the Company will attempt to sell your entire small holding on your behalf.

If I buy more shares, will my shareholding be sold?

Your small holding will not be sold if you acquire additional shares in AWN so that your shareholding is noted on its share register as being greater than 729 shares (that is, a small holding) as at the Closing Date. Any additional shares acquired must be registered by the Closing Date, under the same name and address and with the same holder number (SRN) as set out in the accompanying Share Retention Form.

What do I do if I have multiple small holdings?

If there is more than one small holding registered under your name, you will receive this letter and a personalised Share Retention Form for each of your small holdings. If you would like the Company to attempt to sell each of your small holdings on your behalf, you do not need to do anything. If you would like to keep one or more of your small holdings, you may take one of the following actions:

- 1) complete the enclosed, personalised Share Retention Form for each of the small holdings that you would like to keep and return it in accordance with the instructions on the Share Retention Form; or
- 2) acquire additional shares in AWN so that each of the small holdings that you would like to keep is noted on its share register as being greater than 729 shares (that is, a small holding) as at the Closing Date; or
- 3) if the small holdings that you hold together constitute a holding of more than 729 shares (that is, a small holding), arrange to have those holdings merged into one shareholding that is noted on the Company's share register as being greater than 729 shares as at the Closing Date.

I need to update my address or bank account details. How do I do this?

You can update your bank account details by visiting www.boardroomlimited.com.au or by contacting Boardroom on 1300 737 760 (from within Australia) or +61 2 9290 9600 (from outside Australia) between Wednesday, 9 February 2022 and Thursday, 31 March 2022. If you participate in the Facility and would like your updated address or bank account details to be used when remitting proceeds and sending documentation to you, please ensure these details are updated by the Closing Date.

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Who do I contact if I have further questions?

If you have any further questions about the information contained in this letter or about the Facility, please contact AWN's Company Secretary, Cameron Fellows, via email at smallholderfacility@arowanaco.com or on (02) 8083 9800.