



A.C.N. 119 057 457

CLEANSING NOTICE

This notice is given by Conico Ltd (**Conico** or **Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (the **Act**).

Overview

Conico is undertaking a non-renounceable pro-rata rights offer to Conico shareholders (the **Offer**). The terms of the Offer are as follows:

1. The Offer is open to all Conico shareholders who are on the register as at 5.00pm WST on 10 July 2019 (the **Record Date**) and who have registered addresses in Australia or New Zealand (**Eligible Shareholders**).
2. Conico shareholders with registered addresses outside of Australia and New Zealand (**Non-Resident Shareholders**) are not entitled to participate in the Offer. Conico has determined, in accordance with the Act and Rule 7.7 of the Listing Rules of ASX Limited (the **Rules**) that it would be unreasonable to make the Offer to Non-Resident Shareholders having regard to the number of Non-Resident Shareholders in each country other than Australia and New Zealand, the number and value of the Shares that would be offered to them and the cost of complying with the legal requirements in countries other than Australia and New Zealand.
3. Under the Offer each Eligible Shareholder will be entitled to be issued with two (2) new fully paid ordinary Conico shares (**Share**) for every seven (7) Shares held by them as at the Record Date at a price of \$0.01 per Share.
4. The rights of Eligible Shareholders under the Offer are non-renounceable.

The Offer, if fully subscribed, will raise approximately \$1,005,023.58 and will result in the issue of approximately 100,502,358 new Shares.

The Offer is being made without disclosure to investors under Part 6D.2 of the Act. The Offer is being made in accordance with section 708AA of the Act, and does not therefore require disclosure under a disclosure document. Conico is satisfied that it is entitled to rely on section 708AA of the Act.

As at the date of this notice, Conico has complied with:

1. the provisions of Chapter 2M of the Act as they apply to Conico; and
2. section 674 of the Act.

As at the date of this notice, there is no excluded information as described in section 708AA(8) and (9) of the Act.

Rights and liabilities attaching to the Shares

The Shares will rank equally with the 351,758,253 Shares already issued by Conico and quoted on the ASX (ASX code: CNJ).

Impact on control

The capital structure of the Company on completion of the Offer will be as follows*:

Shares	
Shares currently on issue	351,758,253
Shares offered under the Offer (est.)	100,502,358
Total Shares on issue on completion of the Offer (est.)	452,260,611
Options**	
Listed options currently on issue	28,264,866
Unlisted options currently on issue	44,875,000
Options offered under the Offer (est.)	Nil.
Total options on issue on completion of the Offer (est.)	73,139,866

* Assuming the Offer is fully subscribed, and none of the options currently on issue in the Company are converted to Shares before the Record Date.

** No new options in the Company are being issued pursuant this Offer. Assuming none of the existing options currently on issue in the Company are exercised before the Record Date, the number of listed and unlisted options currently on issue in the Company will remain unchanged on completion of the Offer.

The new Shares issued under this Offer will represent up to 22.22% of the expanded issued Share capital of Conico upon completion of the Offer (depending on the level of take up of the Offer).

Eligible Shareholders will be able to apply for additional Shares (over and above their entitlement) if all of the Shares under the Offer are not taken up by Eligible Shareholders (the Shares which are not taken up are hereinafter referred to as "the Shortfall"). The Shortfall will be placed at the discretion of the Company, and the Company reserves the right not to allot any of the Shortfall or to allot to an applicant a lesser number of the new Shares comprising the Shortfall than the number for which the applicant applies or to reject an application.

Tasman Resources Limited A.C.N. 009 253 187 (**Tasman**), the Company's largest shareholder, has indicated that it may not take up all of its rights, but that it will participate in the Offer. It does not intend to apply for any of the Shortfall. Tasman currently holds 46,660,821 Shares (13.27% of the existing Share capital) and 5,184,536 listed options (1.50% of the total listed options) of Conico.

If all of the Eligible Shareholders take up their entitlements under the Offer in full (i.e. the Offer is fully subscribed), there will be no appreciable change in each Eligible Shareholder's (including Tasman's) voting power in the Company. If not all of the Eligible Shareholders take up their entitlements under the Offer in full, then the Offer will have an effect on the control of the Company as follows:

- (a) Eligible Shareholders who have taken up their entitlement in full will not have their proportionate interest in the Company diluted by the Offer;
- (b) Eligible Shareholders who take up their entitlement in full, and apply for (and are issued) additional new Shares forming part of the Shortfall will increase their proportionate interest in the Company;
- (c) Eligible Shareholders who do not take up their entitlement in full will have their interest in the Company diluted; and
- (b) Tasman's voting power in the Company may increase upon it taking up some or all of its entitlement under the Offer.

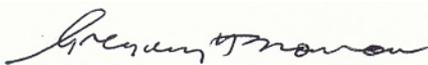
Assuming Tasman is the only Eligible Shareholder who takes up its entitlement under the Offer (and it does so in full):

- (a) Tasman would acquire 13,331,664 new Shares, which would increase the number of Shares held by Tasman to 59,992,485 Shares;
- (b) there would, assuming Tasman does not exercise any of its existing listed options prior to the Record Date, be no change in the number of listed options held by Tasman;
- (c) this would result in Tasman's voting power in Conico increasing from 13.27% to 16.43% of the enlarged Share capital. If some, but not all, of the Eligible Shareholders take up their entitlement, Tasman's voting power in Conico may increase from its current percentage to an amount not exceeding 16.43%, depending on the extent to which Tasman and the other Eligible Shareholders take up their rights and acquire any of the Shortfall.

Whilst Tasman's shareholding interest in the Company may have increased at the conclusion of the Offer, in view of Tasman's current shareholding in the Company, it is not considered that the Offer will have a material affect on the control of the Company. Further, the proportional shareholdings of Non-Resident Shareholders will be diluted by the Offer because those shareholders are not entitled to participate in the Offer.

For further information please contact Aaron Gates, Company Secretary, on 9282 5889.

Dated: 5 July 2019



Gregory H Solomon
Chairman