
**CONICO LTD
ACN 119 057 457**

**NOTICE OF ANNUAL GENERAL MEETING
OF SHAREHOLDERS**

EXPLANATORY STATEMENT

AND

PROXY FORM

TO BE HELD ON

**24 NOVEMBER 2020
COMMENCING AT 9:00 AM**

AT

**LEVEL 15
197 ST GEORGES TERRACE, PERTH
WESTERN AUSTRALIA**

CONICO LTD

(ACN 119 057 457)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting of shareholders of Conico Ltd (the **Company**) will be held at Level 15, 197 St Georges Terrace, Perth on Tuesday the 24th day of November 2020 at 9:00am.

AGENDA

1. Annual Reports

To table the Annual Financial Report for the financial year ended 30 June 2020 and the Director's Report and Auditor's Report for that financial year.

2. Resolution 1 – Adoption of Remuneration Report

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

"That for the purposes of section 250R(2) of the Act and for all other purposes, the Company be authorised to adopt the Remuneration Report contained in the Annual Financial Report."

Short Explanation: In accordance with section 249L(2) of the Act, a resolution that the Remuneration Report be adopted must be put to the vote. The effect of section 250R(3) of the Act is that the vote on this Resolution is advisory only and does not bind the Directors or the Company.

3. Resolution 2 – Election of Director

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

"That Mr Gregory Howard Solomon being a Director of the Company who retires by rotation pursuant to the Company's Constitution, and being eligible offers himself for re-election is hereby re-elected as a Director of the Company."

4. Resolution 3 – Approval of issue of Shares to Mr Douglas Solomon to convert debt into equity

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

"That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Act and for all other purposes, approval is given for the Directors to issue 2,571,428 Shares to Douglas Howard Solomon ("DH Solomon") as trustee for Solomon Brothers (a partnership), in full and final satisfaction of all amounts owing by the Company to DH Solomon on account of unpaid directors fees as at 31 July 2020 of \$36,000 and to issue to March Bells Pty Ltd as trustee for the Douglas H Solomon Superannuation Fund, 244,285 Shares, in full and final satisfaction of all amounts owing by the Company to DH Solomon on account of superannuation as at 31 July 2020 of \$3,420."

The Company will disregard any votes cast on this Resolution by or on behalf of Douglas Howard Solomon or March Bells Pty Ltd, or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

5. Resolution 4 – Approval of issue of Shares to Mr Gregory Solomon to convert debt into equity

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

"That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Act and for all other purposes, approval is given for the Directors to issue 4,285,714 Shares to Gregory Howard Solomon ("GH Solomon") as trustee for Solomon Brothers (a partnership), in full and final satisfaction of all amounts owing by the Company to GH Solomon on account of unpaid directors fees as at 31 July 2020 of \$60,000 and to issue 407,142 Shares to Arkenstone Pty Ltd as trustee for the Gregory H Solomon and Lee H Solomon Superannuation Fund, in full and final satisfaction of all amounts owing by the Company to GH Solomon on account of superannuation as at 31 July 2020 of \$5,700."

The Company will disregard any votes cast on this Resolution by or on behalf of Gregory Howard Solomon or Arkenstone Pty Ltd, or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way

6. Resolution 5 – Approval of issue of Shares to Mr Guy Le Page to convert debt into equity

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

"That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Act and for all other purposes, approval is given for the Directors to issue 1,837,571 Shares to Guy Touzeau Le Page ("GT Le Page"), in full and final satisfaction of all amounts owing by the Company to GT Le Page on account of unpaid directors fees as at 31 July 2020 of \$25,726 (exclusive of PAYGW on these outstanding fees, which will be satisfied by the Company in cash) and to issue 264,642 Shares to Guy Le Page and Dina Le Page

as trustee for The Guy Le Page Superannuation Fund, in full and final satisfaction of all amounts owing by the Company to GT Le Page on account of superannuation as at 31 July 2020 of \$3,705.”

The Company will disregard any votes cast on this Resolution by or on behalf of GT Le Page and Dina Le Page, or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way

7. Resolution 6 – Approval of issue of Shares to Mr James Richardson to convert debt into equity

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

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Act and for all other purposes, approval is given for the Directors to issue 1,877,857 Shares to James Bradley Richardson (“JB Richardson”), in full and final satisfaction of all amounts owing by the Company to JB Richardson on account of unpaid directors fees as at 31 July 2020 of \$26,290 (exclusive of PAYGW on these outstanding fees, which will be satisfied by the Company in cash) and to issue 264,642 Shares to Red Eight Pty Ltd as trustee for The Richardson Family Superannuation Fund, in full and final satisfaction of all amounts owing by the Company to JB Richardson on account of superannuation as at 31 July 2020 of \$3,705.”

The Company will disregard any votes cast on this Resolution by or on behalf of James Bradley Richardson or Red Eight Pty Ltd, or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way

8. Resolution 7 – Approval of issue of Shares to RM Corporate Finance Pty Ltd to convert debt into equity

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

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Act and for all other purposes, approval is given for the Directors to issue 3,250,000 Shares to RM Corporate Finance Pty Ltd (“RM Corporate”) in full and final satisfaction of corporate advisory fees of \$45,500 owing by the Company to RM Corporate in respect of corporate advisory services provided to the Company in the period 1 July 2019 to 31 July 2020.”

The Company will disregard any votes cast on this Resolution by or on behalf of RM Corporate Pty Ltd, Guy Touzeau Le Page or James Bradley Richardson, or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way

9. Resolution 8 - Approval of Issue of Options to RM Corporate Finance Pty Ltd

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

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Act and for all other purposes, approval is given for the Directors to issue 20,000,000 options in the Company, each to acquire one Share at an exercise price of \$0.04 at any time on or before 3 years after the date of their issue, to RM Corporate Finance Pty Ltd in part satisfaction of the fee which is payable to RM Corporate Finance Pty Ltd for underwriting the Rights Issue.”

The Company will disregard any votes cast on this Resolution by or on behalf of RM Corporate Finance Pty Ltd, Guy Touzeau Le Page or James Bradley Richardson, or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way

10. Resolution 9 – Approval of the Company’s Employee Share Option Plan

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

"That, for the purposes of Exception 13 of ASX Listing Rule 7.2 and for all other purposes, that the issue of Options under the Company’s Employee Share Option Plan is approved."

The Company will disregard any votes cast on this Resolution by or on behalf of by any person who is eligible to participate in the Company’s Employee Share Option Plan, or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way

14. General

To transact any business which may be brought before the meeting in accordance with the Constitution of the Company, the Act, or otherwise.

PROXIES

In accordance with section 249L of the Act, shareholders are advised each shareholder has a right to appoint a proxy, the proxy need not be a shareholder of the Company, and a shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

In accordance with section 250BA of the Act the Company specifies the following for the purposes of receipt of proxy appointments:

Delivery Advanced Share Registry Limited:

In Person 110 Stirling Hwy, Nedlands WA 6009
 By Post PO Box 1156, Nedlands WA 6909
 By Facsimile (08) 6370 4203
 BY Email admin@advancedshare.com.au

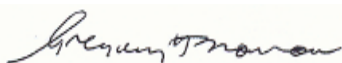
Each shareholder entitled to vote at the Annual General Meeting has the right to appoint a proxy to vote on each particular Resolution. A shareholder may specify the way in which the appointed proxy is to vote on a particular Resolution or may allow the appointed proxy to vote at its discretion. The instrument appointing the proxy must be received by the Company as provided in its Constitution no later than 48 hours prior to the time of the commencement of the Annual General Meeting. This proxy form may be sent by facsimile transmission to the number identified on the proxy form. Where a shareholder appoints the Chairman as their proxy and does not expressly direct the Chairman to vote 'For' or 'Against' a resolution or to abstain from voting on a resolution, the Chairman intends to vote in favour of such resolution. Notwithstanding the Chairman's voting intention, a shareholder can (where they have appointed the Chairman as their proxy) expressly direct the Chairman to vote for or against such resolution, or to abstain from voting on such resolution, by marking the appropriate box on their proxy form. That is, a shareholder can direct the Chairman to vote as their proxy in a manner which is contrary to the Chairman's stated voting intentions. If a shareholder does not mark any of the 'For', 'Against' or 'Abstain' boxes on the proxy form for Resolution 1 (Adoption of Remuneration Report), that shareholder will thereby be taken to have directed the Chairman to vote in accordance with the Chairman's stated voting intention (that is, to vote in favour of such resolution).

The Chairman will call a poll for all resolutions.

A corporation may elect to appoint a representative in accordance with the Act in which case the Company will require written proof of the representative's appointment which must be lodged with, or presented to the Company before the meeting.

For the purposes of Regulation 7.11.37 of the *Corporations Regulations 2001* the Company determines that shareholders holding ordinary shares at 5.00pm WST on 22 November 2020 will be entitled to attend and vote at the Annual General Meeting.

Except where the contrary intention appears, all defined terms used in this Notice of Meeting have the meanings set out in the glossary of the Explanatory Statement accompanying this Notice.



Chairman

Dated this 6th day of October 2020

CONICO LTD
(ACN 119 057 457)

EXPLANATORY STATEMENT FOR SHAREHOLDERS

This Explanatory Statement is intended to provide shareholders of the Company with sufficient information to assess the merits of each Resolution contained in the accompanying Notice of Annual General Meeting of the Company.

The Directors recommend that shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions. The following information should be noted in respect of the various matters contained in the accompanying Notice of Meeting.

1 – RECEIVE AND CONSIDER THE ANNUAL REPORTS

The first agenda item is to receive and consider the Annual Financial Report, Director's Report and Auditor's Report for the Company for the financial year ended 30 June 2020. No Resolution is required in respect of this agenda item. However, it provides shareholders with the opportunity to ask questions of the Company's Directors and auditors in relation to the Company's results and operations for that financial year.

2 – REMUNERATION REPORT

The Annual Financial Report for the financial year ended 30 June 2020 contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 249L(2) of the Act, a resolution that the Remuneration Report be adopted must be put to the vote. However, pursuant to section 250R(3) of the Act, the vote on the Resolution is advisory only and will not require the Directors or the Company to alter any arrangements detailed in the Remuneration Report, should the Resolution not be passed.

Where the Chairman is appointed as proxy for a shareholder to vote on this resolution and is not expressly directed by such shareholder to vote 'For' or 'Against' this resolution, or to 'Abstain' from voting on this resolution, the Chairman intends to vote in favour of this resolution.

3 – ELECTION OF DIRECTOR

In accordance with the Company's Constitution, Mr Gregory Howard Solomon retires by rotation and, being eligible, offers himself for re-election as a Director of the Company.

Mr Gregory Solomon has been a Board member since March 2006. Mr G Solomon is a qualified lawyer with more than 30 years' Australian and international experience in a wide range of areas including commercial negotiation and corporate law. Mr G Solomon has over 15 years' experience as a director for a number of ASX listed companies.

The Board recommends that shareholders vote in favour of this Resolution.

4 – BACKGROUND TO RESOLUTIONS 3 TO 7

These Resolutions seek shareholder approval for the conversion of certain amounts which are owing by the Company to:

- the Company's directors (on account of unpaid director fees, and superannuation); and
- RM Corporate (on account of unpaid corporate advisory fees).

A summary of the Company's indebtedness to each of the abovementioned parties follows:

	AMOUNT (\$)	AMOUNT (\$)	DETAILS
RM Corporate Finance Pty Ltd		45,500	Corporate advisory fees – 1 July 2019 to 31 July 2020
GT Le Page	39,000		Directors fees (less PAYGW thereon) – 1 July 2019 to 31 July 2020
Less PAYGW	<u>(13,274)</u>		
Net amount owing to GT Le Page		25,726	
Guy Le Page & Dina Le Page atf The Guy Le Page Superannuation Fund		3,705	Superannuation on outstanding director fees
JB Richardson	39,000		Directors fees (less PAYGW thereon) – 1 July 2019 to 31 July 2020
Less PAYGW	<u>(12,710)</u>		
Net amount owing to JB Richardson		26,290	
Red Eight Pty Ltd atf The Richardson Family Superannuation Fund		3,705	Superannuation on outstanding director fees
GH Solomon		60,000	Directors fees – 1 July 2019 to 31 July 2020
Arkenstone Pty Ltd atf The Gregory H Solomon & Lee H Solomon Superannuation Fund		5,700	Superannuation on outstanding director fees
DH Solomon		36,000	Directors fees – 1 July 2019 to 31 July 2020
March Bells Pty Ltd atf The Douglas H Solomon Superannuation Fund		3,420	Superannuation on outstanding director fees
		<u>\$210,046</u>	

The Company announced to ASX its intention to convert all of the above debts into Shares (subject to Shareholder approval) on 19 August 2020.

If Shareholders approve all of Resolutions 3 to 7, all of the above debts will be converted into Shares at a price of 1.4 cents per Share, being the same price as the issue price under the August 2020 Placement and the issue price under the recently completed Rights Issue. On the day immediately prior to the date of this Notice, the closing price of the Company's Shares was 1.8 cents (the proposed conversion price is a 22.2% discount to this price).

The Company wishes to repay these debts, by issuing equity, in order to clean up its balance sheet. The Company would prefer not to apply any of its existing cash reserves in repayment of these debts as it considers those reserves are likely to be required to fund the ongoing working capital requirements of the Company and its proposed exploration activities.

If Shareholders approve all of Resolutions 3 to 7, the Company will issue an additional 15,003,281 Shares, representing 2.55% of its issued Share capital as at the date of this Notice (of 588,095,702 Shares).

The following table summarises the impact on the Company's share capital structure if all of Resolutions 3 to 7 are passed:

Table 1

	Shares	% of Total
Current structure	588,095,702	81.33%
Shares issued to all of the shareholders of Longland Resources at completion of the SSA, if approved at the meeting of the Company's shareholders to be held on 20 October 2020	120,000,000	16.60%
Shares to be issued if Resolution 3 is passed	2,815,713	0.39%
Shares to be issued if Resolution 4 is passed	4,692,856	0.65%
Shares to be issued if Resolution 5 is passed	2,102,213	0.29%
Shares to be issued if Resolution 6 is passed	2,142,499	0.30%
Shares to be issued if Resolution 7 is passed	3,250,000	0.45%
TOTAL	723,098,983	100.00%

In addition, the Company has on issue as at the date of this Notice 37,246,052 Options. If Resolutions 8 is passed, the Company will issue a further 20,000,000 Options shortly after the conclusion of this Annual General Meeting to RM Corporate. In addition, the Company has agreed, subject to receiving shareholder approval at the meeting of the Company's Shareholders to be held on 22 October 2020, to issue 6,000,000 Options to Oracle Capital Group Pty Ltd on account of corporate advisory services to be provided by it to the Company.

If Resolutions 3 to 7 are passed, the Shares the subject of those resolutions will be issued to related parties of the Company. The following table shows the beneficial interest which each director of the Company (either personally or through entities controlled by him) has in the Company's Shares as at the date of this Notice, and will have if all of Resolutions 3 to 7 are passed.

Table 2

	GH Solomon	DH Solomon	GT Le Page	JB Richardson
Current Shares held (%¹)	33,193,654 (5.64%)	33,601,148 (5.71%)	20,898,448 (3.55%)	38,500,001 (6.55%)
Beneficial interest in Resolution 3 Shares	771,429 ³	1,015,714	-	-
Beneficial interest in Resolution 4 Shares	1,692,857	1,285,715 ⁴	-	-
Beneficial interest in Resolution 5 Shares	-	-	2,102,213	-
Beneficial interest in Resolution 6 Shares	-	-	-	2,142,499
Beneficial interest in Resolution 7 Shares	-	-	3,250,000 ⁵	3,250,000 ⁵
Shares held if all Resolutions 3 to 7 are passed (%²)	35,657,940 (4.93%)	35,902,577 (4.97%)	26,250,661 (3.63%)	43,892,500 (6.07%)

¹ - Of current issued share capital of 588,095,702 Shares

² - Of proposed issued share capital of 723,098,983 Shares on the basis that all of the Shares which are referred to in Table 1 are issued.

³ - GH Solomon has a beneficial interest in 771,429 Shares being issued to DH Solomon

⁴ - DH Solomon has a beneficial interest in 1,285,715 Shares being issued to GH Solomon

⁵ - These Shares are being issued to RM Corporate, an entity jointly controlled by G T Le Page and J B Richardson

For completeness, the following table shows the interest which each director of the Company (either personally or through entities controlled by him) has in the Company's Options as at the date of this Notice:

Table 3

	GH Solomon	DH Solomon	GT Le Page²	JB Richardson²
Current Options held (%¹)	4,888,185 (13.12%)	4,688,985 (12.59%)	3,333,357 (8.95%)	2,000,000 (5.37%)

¹ - Of current issued options of 37,246,052.

² - If Resolution 8 is passed, each of GT Le Page and JB Richardson will have an interest in the 20,000,000 Options to be issued to RM Corporate, an entity jointly controlled by G T Le Page and J B Richardson.

If any of Resolutions 3 to 7 are not approved by the Company's Shareholders, the Company will not be able to effect the relevant debt-equity conversion(s) the subject of that Resolution(s), and the Company will (in lieu of converting the outstanding debts into equity) need to repay these outstanding debts in full, in cash.

The following table shows the total annual remuneration package for each director.

Director	Director Fees	Superannuation	Total remuneration
GH Solomon	\$60,000	\$5,700	\$65,700
DH Solomon	\$36,000	\$3,420	\$39,420
GT Le Page	\$36,000	\$3,420	\$39,420
JB Richardson	\$36,000	\$3,420	\$39,420

5 – RESOLUTION 3 – APPROVAL OF ISSUE OF SHARES TO MR DOUGLAS SOLOMON TO CONVERT DEBT INTO EQUITY

Shareholder approval to the proposed issue of:

- (a) 2,571,428 Shares to Douglas Howard Solomon (“DH Solomon”) as trustee for Solomon Brothers (a legal partnership comprised of Gregory Howard Solomon, Douglas Howard Solomon, David Marsh, Chris Williams and Michelle Hawksley) in full and final satisfaction of all amounts owing by the Company to DH Solomon on account of unpaid directors fees as at 31 July 2020 of \$36,000; and
- (b) 244,285 Shares to March Bells Pty Ltd as trustee for the Douglas H Solomon Superannuation Fund (“March Bells ATF DHS SuperFund”), in full and final satisfaction of all amounts owing by the Company to DH Solomon on account of superannuation as at 31 July 2020 of \$3,420,

is being sought for all purposes, including for the purposes of:

- (a) ASX Listing Rule 10.11; and
- (b) Chapter 2E of the Act.

As set out above, the Company proposes to issue:

- (a) to D H Solomon, 2,571,428 Shares, which represent 0.44% of the Company’s issued Share capital as at the date of this Notice (of 588,095,702 Shares); and
- (b) to March Bells ATF DHS SuperFund, 244,285 Shares, which represent 0.04% of the Company’s issued capital as at the date of this Notice (of 588,095,702 Shares).

DH Solomon (or an entity associated with him) is only beneficially entitled to thirty percent (30%) of the Shares which will be issued to him (in his capacity as trustee for Solomon Brothers) if this Resolution is passed. DH Solomon (or an entity associated with him) is also beneficially entitled to thirty percent (30%) of the Shares which will be issued to GH Solomon (in his capacity as trustee for Solomon Brothers) if Resolution 4 is passed.

The Shares which the Company propose to issue to DH Solomon and March Bells ATF DHS SuperFund together represent 0.48% of the Company’s issued Share capital as at the date of this Notice (of 588,095,702 Shares).

When the Shares which the Company proposes to issue to DH Solomon and March Bells ATF DHS SuperFund are aggregated with those which it proposes to issue if all of Resolutions 4, 5, 6 and 7 are also passed, the Company proposes to issue, in total, 15,003,281 Shares representing 2.55% of its issued Share capital as at the date of this Notice.

As at the date of this Notice, DH Solomon holds no shares and March Bells ATF DHS SuperFund holds 1,175,626 Shares. If this Resolution 3 is passed, the interest of DH Solomon will increase to 2,571,428 Shares (of which DH Solomon will have a beneficial interest in 1,015,714 Shares only) and the interest of March Bells ATF DHS SuperFund will increase to 1,419,911 Shares.

Table 2 (in the section headed “Background to Resolutions 3 to 7”) shows the beneficial interest which DH Solomon, and entities controlled by him, including March Bells, will acquire in the Company’s Shares if this Resolution 3 (and if Resolution 4) are passed.

For the purposes of both the Listing Rules and the Act, the related parties of the Company includes the directors of the Company. DH Solomon is a director of the Company and, accordingly, is a related party of the Company for the purposes of both the Act and the Listing Rules. DH Solomon controls March Bells and accordingly that entity is also a related party of the Company for the purposes of both the Act and the Listing Rules.

Listing Rule 10.11

As noted above, the Company is proposing to issue 2,571,428 Shares to DH Solomon and 244,285 Shares to March Bells ATF DHS SuperFund (the “DS Issue”).

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX’s opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The DS Issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company’s shareholders under Listing Rule 10.11.

Resolution 3 seeks the required shareholder approval to the DS Issue under and for the purposes of Listing Rule 10.11.

If resolution 3 is passed, the Company will be able to proceed with the DS Issue and the debt which is owing by the Company to DH Solomon and March Bells ATF DHS SuperFund as at 31 July 2020 will be converted into Shares (and not repayable in cash).

If resolution 3 is not passed, the Company will not be able to proceed with the DS Issue and will need to repay the sum of \$36,000 to DH Solomon and \$3,420 to March Bells ATF DHS SuperFund in repayment of the amount which is currently owing to them by the Company.

The following information is provided in accordance with Listing Rule 10.13:-

1. The Shares the subject of this Resolution 3 will be issued to Douglas Howard Solomon as trustee for Solomon Brothers (a partnership) and to March Bells Pty Ltd as trustee for the Douglas H Solomon Superannuation Fund.
2. DH Solomon is a director, and therefore, related party of the Company. March Bells is a company controlled by DH Solomon and is therefore also a related party of the Company.
3. If this Resolution 3 is passed, the Company will issue 2,815,713 Shares. The Shares will be issued on the same terms as, and rank pari passu with, the existing issued Shares of the Company (ASX Code: CNJ) and will be quoted on the ASX.
4. All of the Shares will be issued to DH Solomon as trustee for Solomon Brothers (a partnership) and March Bells ATF DHS SuperFund not more than one month after the date of this meeting (it is intended that they will be issued immediately after this Resolution is passed).
5. For the purpose of determining the number of Shares to be issued to DH Solomon and March Bells ATF DHS SuperFund to convert outstanding director fees and superannuation owing by the Company into equity, the issue price for the Shares has been fixed at 1.4 cents per Share, being the same price as the issue price under the August 2020 Placement and the issue price under the recently completed Rights Issue.
6. No funds will be raised from the proposed issue of the Shares. The Shares are being issued in full and final satisfaction of the aggregate amount of \$39,420 owing by the Company to DH Solomon on account of unpaid director fees and superannuation.
7. The Company will disregard any votes cast on this Resolution by or on behalf of Douglas Howard Solomon and March Bells Pty Ltd, and any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:
 - 7.1. a person as proxy or attorney 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
 - 7.2. the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
 - 7.3. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 7.3.1. 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
 - 7.3.2. the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way

An issue made with approval of the Company's Shareholders under Listing Rule 10.11 does not also require approval under Listing Rule 7.1 (by virtue of exception 14 of Listing Rule 7.2). Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities (which term includes shares) in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities. Equity securities issued under an exception in Listing Rule 7.2 are not required to be included in the 15% limit imposed by Listing Rule 7.1. Together, the maximum number of Shares which the Company propose to issue to DH Solomon and March Bells ATF DHS SuperFund under this Resolution 3 and if all of Resolutions 4, 5, 6 and 7 are passed represent 0.48% of the Company's issued capital as at the date of this Notice (of 588,095,702 Shares).

Chapter 2E of the Act

Part 2E.1 of the Act regulates the provision of "financial benefits" by a public company and entities controlled by the public company to related parties of the public company.

By s.208(1) of the Act, the Company can only give a "financial benefit" to a "related party" of the Company if the Company obtains the approval of its Shareholders in accordance with the procedures set out in Part 2E.1 of the Act.

For the purposes of the Act, related parties of the Company includes the directors of the Company. As noted above, DH Solomon is a director of the Company and, accordingly, is a related party of the Company for the purposes of the Act. Further, March Bells is a related party of the Company for the purposes of the Act as it is controlled by DH Solomon.

Furthermore, the Act deems the issuing of securities to a related party to constitute the giving of a "financial benefit" to the related party.

Section 211 of the Act provides an exception to the need to obtain shareholder approval where, inter alia, the financial benefit would be reasonable in the circumstances if the company and the related party were dealing at arm's length or are less favourable to the related party than such terms. The proposed conversion price (1.4 cents) is the same price as the issue price under the August 2020 Placement and the issue price under the recently completed Rights Issue. The Directors therefore consider that the debt-equity conversion at the proposed conversion price, and consequential issue of the Shares, is being made on arms' length terms. Nevertheless, the Company is seeking Shareholder approval for the purposes of Part 2E.1 of the Act.

In accordance with the requirements of Part 2E.1 of the Act, and in particular section 219 of the Act, the following information is provided to allow Shareholders of the Company sufficient information to determine whether they should approve this Resolution 3:-

1. The proposed financial benefit is to be given to Douglas Howard Solomon as trustee for Solomon Brothers (a partnership), and March Bells Pty Ltd as trustee for the Douglas H Solomon Superannuation Fund, a company which is controlled by DH Solomon. Another director of the Company, Gregory Howard Solomon, will also obtain a financial benefit if this Resolution is passed by virtue of having a 30% beneficial interest in the Shares to be issued to DH Solomon as trustee for Solomon Brothers under this Resolution.
2. The nature of the financial benefit is the issue:
 - 2.1 to DH Solomon (in his capacity as trustee for Solomon Brothers, a legal partnership comprised of GH Solomon, DH Solomon, David Marsh, Chris Williams and Michelle Hawksley), of 2,571,428 Shares, which represent 0.44% of the Company's issued Share capital as at the date of this Notice of 588,095,702 Shares (and being Shares in which DH Solomon and GH Solomon will each have a 30% beneficial interest); and
 - 2.2 to March Bells ATF DHS SuperFund, of 244,285 Shares, which represent 0.04% of the Company's issued capital as at the date of this Notice (of 588,095,702 Shares).

These Shares are being issued in full and final satisfaction of outstanding director fees and superannuation owing by the Company to DH Solomon.

3. DH Solomon does not wish to make a recommendation to Shareholders about this Resolution: he will have a beneficial interest in 30% of the Shares which are being issued to him in his capacity as trustee for Solomon Brothers (he will also have a beneficial interest in 30% of the Shares which are being issued to GH Solomon in his capacity as trustee for Solomon Brothers if Resolution 4 is passed), and he is both a director and shareholder of March Bells, and a member of the Douglas H Solomon Superannuation Fund. Similarly, as Resolutions 4, 5, 6 and 7 seek Shareholder approval to a similar Share issue to GH Solomon (who also has a beneficial interest in 30% of the Shares which will be issued to DH Solomon in his capacity as trustee for Solomon Brothers under this Resolution), GT Le Page, JB Richardson and RM Corporate (a company which GT Le Page and JB Richardson control), none of these directors wish to make a recommendation to Shareholders about this Resolution 3.
4. As noted above, DH Solomon and GH Solomon, both directors of the Company, have an interest in the outcome of this Resolution 3.
5. Save for the following information as to the value of the financial benefit which will be given to DH Solomon, March Bells ATF DHS SuperFund and GH Solomon if this Resolution 3 is passed, the directors of the Company are not aware of any other information (other than as set out elsewhere in this Explanatory Statement) that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution 3.
 - 5.1 The Shares which will be issued to DH Solomon and March Bells ATF DHS SuperFund if this Resolution 3 is passed will be listed on the ASX (ASX Code: CNJ).
 - 5.2 The proposal to convert this debt into Shares was announced on 19 August 2020. On 18 August 2020 (being the date immediately preceding the date of this announcement), the closing price of the Company's Shares was \$0.018. The proposed conversion price is a 22.2% discount to this price. If the Shares the subject of this Resolution had of been issued on 19 August 2020, the outstanding director fees (and superannuation thereon) of \$39,420 would have been converted into Shares having a market price of \$50,683.
 - 5.3 The conversion price is the same as the issue price (1.4 cents per Share) under the August 2020 Placement and under the recently completed Rights Issue.
 - 5.4 On the day immediately prior to the date of this Notice, the closing price of the Company's Shares was \$0.018. If the Shares the subject of this Resolution had of been issued on the day immediately preceding the date of this Notice, the outstanding director fees (and superannuation thereon) of \$39,420 would have been converted into Shares having a market price of \$50,683.
 - 5.5 The trading price of the Shares on the date of the Annual General Meeting at which this Resolution will be considered (namely, 24 November 2020), and (assuming this Resolution is passed) on the date the debt-equity conversion is effected, could be more or less than the price the Shares were trading as at the date of this Notice. Accordingly, the Shares which will be issued to DH Solomon and March Bells ATF DHS SuperFund if this Resolution 3 is passed could have a market value of more or less than the value of the debt.
 - 5.6 By fixing the conversion price, the Company has certainty as to the number of Shares it will need to issue to fully satisfy this outstanding indebtedness (and the consequent dilutionary impact of this debt-equity conversion), irrespective of subsequent fluctuations in the trading price of the Company's Shares.

As required by s.224 of the Act, the Company will disregard any votes cast on this Resolution 3 by DH Solomon, March Bells and GH Solomon (being the related parties of the Company to whom this Resolution would permit the financial benefit to be given) and their associates (who are all prohibited from voting).

6 – RESOLUTION 4 – APPROVAL OF ISSUE OF SHARES TO MR GREGORY SOLOMON TO CONVERT DEBT INTO EQUITY

Shareholder approval to the proposed issue of:

- (a) 4,285,714 Shares to Gregory Howard Solomon ("GH Solomon") as trustee for Solomon Brothers (a legal partnership comprised of Gregory Howard Solomon, Douglas Howard Solomon, David Marsh, Chris Williams and Michelle Hawksley) in full and final satisfaction of all amounts owing by the Company to GH Solomon on account of unpaid directors fees as at 31 July 2020 of \$60,000; and
- (b) 407,142 Shares to Arkenstone Pty Ltd as trustee for the Gregory H Solomon and Lee H Solomon Superannuation Fund ("Arkenstone ATF G & L SuperFund"), in full and final satisfaction of all amounts owing by the Company to GH Solomon on account of superannuation as at 31 July 2020 of \$5,700,

is being sought for all purposes, including for the purposes of:

- (a) ASX Listing Rule 10.11; and
- (b) Chapter 2E of the Act.

As set out above, the Company proposes to issue:

- (a) to GH Solomon, 4,285,714 Shares, which represent 0.73% of the Company's issued Share capital as at the date of this Notice (of 588,095,702 Shares); and
- (b) to Arkenstone ATF G & L SuperFund, 407,142 Shares, which represent 0.07% of the Company's issued capital as at the date of this Notice (of 588,095,702 Shares).

GH Solomon (or an entity associated with him) is only beneficially entitled to thirty percent (30%) of the Shares which will be issued to him (in his capacity as trustee for Solomon Brothers) if this Resolution 4 is passed. GH Solomon (or an entity associated with him) is also beneficially entitled to thirty percent (30%) of the Shares which will be issued to DH Solomon (in his capacity as trustee for Solomon Brothers) if Resolution 3 is passed.

The Shares which the Company propose to issue to GH Solomon and Arkenstone ATF G&L SuperFund represent 0.80% of the Company's issued Share capital as at the date of this Notice (of 588,095,702 Shares).

When the Shares which the Company proposes to issue to GH Solomon are aggregated with those which it proposes to issue if all Resolutions 3, 5, 6 and 7 are also passed, the Company proposes to issue, in total, 15,003,281 Shares representing 2.55% of its issued Share capital as at the date of this Notice.

As at the date of this Notice, GH Solomon holds no Shares and Arkenstone ATF G & L SuperFund holds 2,933,887 Shares. If this Resolution 4 is passed the interest of GH Solomon will increase to 4,285,714 Shares (of which GH Solomon will have a beneficial interest in 1,692,857 Shares only) and the interest of the Arkenstone ATF G & L SuperFund will increase to 3,341,029 Shares.

Table 2 (in the section headed "Background to Resolutions 3 to 7") shows the beneficial interest which GH Solomon, and entities controlled by him, including Arkenstone, will acquire in the Company's Shares if this Resolution 4 (and if Resolution 3) are passed.

For the purpose of both the Listing Rules and the Act, related parties of the Company includes the directors of the Company. GH Solomon is a director of the Company and, accordingly, is a related party of the Company for the purposes of both the Act and the Listing Rules. GH Solomon controls Arkenstone and accordingly that entity is also a related party of the Company for the purposes of both the Act and the Listing Rules.

Listing Rule 10.11

As noted above, the Company is proposing to issue 4,285,714 Shares to GH Solomon and 407,142 Shares to Arkenstone ATF G & L SuperFund (the "GS Issue").

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The GS Issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's shareholders under Listing Rule 10.11.

Resolution 4 seeks the required shareholder approval to the GS Issue under and for the purposes of Listing Rule 10.11.

If resolution 4 is passed, the Company will be able to proceed with the GS Issue and the debt which is owing by the Company to GH Solomon and Arkenstone ATF G & L SuperFund as at 31 July 2020 will be converted into Shares (and not repayable in cash).

If resolution 4 is not passed, the Company will not be able to proceed with the GS Issue and will need to repay the sum of \$60,000 to GH Solomon and \$5,700 to Arkenstone ATF G & L SuperFund in repayment of the amount which is currently owing to them by the Company.

The following information is provided in accordance with Listing Rule 10.13:-

1. The Shares the subject of this Resolution 4 will be issued to Gregory Howard Solomon as trustee for Solomon Brothers (a partnership) and to Arkenstone Pty Ltd as trustee for the Gregory H Solomon and Lee H Solomon Superannuation Fund.
2. If this Resolution 4 is passed, the Company will issue 4,692,856 Shares. The Shares will be issued on the same terms as, and rank *pari passu* with, the existing issued Shares of the Company (ASX Code: CNJ) and will be quoted on the ASX.
3. All of the Shares will be issued to GH Solomon as trustee for Solomon Brothers (a partnership) and Arkenstone ATF G & L SuperFund not more than one month after the date of this meeting (it is intended that they will be issued immediately after this Resolution 4 is passed).
4. GH Solomon is a director, and therefore, related party of the Company. Arkenstone is a company controlled by GH Solomon and is therefore also a related party of the Company.
5. For the purpose of determining the number of Shares to be issued to GH Solomon and Arkenstone ATF G & L SuperFund to convert outstanding director fees and superannuation owing by the Company into equity, the issue price for the Shares has been fixed at 1.4 cents per Share, being the same price as the issue price under the August 2020 Placement and the issue price under the recently completed Rights Issue.
6. No funds will be raised from the proposed issue of the Shares. The Shares are being issued in full and final satisfaction of the aggregate amount of \$65,700 owing by the Company to GH Solomon on account of unpaid director fees and superannuation.
7. The Company will disregard any votes cast on this Resolution by or on behalf of Gregory Howard Solomon and Arkenstone Pty Ltd, and any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:
 - 7.1. a person as proxy or attorney 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
 - 7.2. the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
 - 7.3. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 7.3.1. 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
 - 7.3.2. the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

An issue made with approval of the Company's Shareholders under Listing Rule 10.11 does not also require approval under Listing Rule 7.1 (by virtue of exception 14 of Listing Rule 7.2). Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities (which term includes shares) in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities. Equity securities issued under an exception in Listing Rule 7.2 are not required to be included in the 15% limit imposed by Listing Rule 7.1. Together, the maximum number of Shares which the Company propose to issue to GH Solomon and Arkenstone ATF G & L SuperFund under this Resolution and if all of Resolutions 3, 5, 6 and 7 are passed represent 2.55% of the Company's issued capital as at the date of this Notice (of 588,095,702 Shares).

Chapter 2E of the Act

Part 2E.1 of the Act regulates the provision of “financial benefits” by a public company and entities controlled by the public company to related parties of the public company.

By s.208(1) of the Act, the Company can only give a “financial benefit” to a “related party” of the Company if the Company obtains the approval of its Shareholders in accordance with the procedures set out in Part 2E.1 of the Act.

For the purposes of the Act, related parties of the Company includes the directors of the Company. As noted above, GH Solomon is a director of the Company and, accordingly, is a related party of the Company for the purposes of the Act. Further, Arkenstone is a related party of the Company for the purposes of the Act as it is controlled by GH Solomon.

Furthermore, the Act deems the issuing of securities to a related party to constitute the giving of a “financial benefit” to the related party.

Section 211 of the Act provides an exception to the need to obtain shareholder approval where, inter alia, the financial benefit would be reasonable in the circumstances if the company and the related party were dealing at arm’s length or are less favourable to the related party than such terms. The proposed conversion price (1.4 cents) is the same price as the issue price under the August 2020 Placement and the issue price under the recently completed Rights Issue. The Directors therefore consider that the debt-equity conversion at the proposed conversion price, and consequential issue of the Shares, is being made on arms’ length terms. Nevertheless, the Company is seeking Shareholder approval for the purposes of Part 2E.1 of the Act.

In accordance with the requirements of Part 2E.1 of the Act, and in particular section 219 of the Act, the following information is provided to allow Shareholders of the Company sufficient information to determine whether they should approve this Resolution:-

1. The proposed financial benefit is to be given to Gregory Howard Solomon as trustee for Solomon Brothers (a partnership), and Arkenstone Pty Ltd as trustee for the Gregory H Solomon and Lee H Solomon Superannuation Fund, a company which is controlled by GH Solomon. Another director of the Company, Douglas Howard Solomon, will also obtain a financial benefit if this Resolution is passed by virtue of having a 30% beneficial interest in the Shares to be issued to GH Solomon as trustee for Solomon Brothers under this Resolution.
2. The nature of the financial benefit is the issue:
 - 2.3 to G H Solomon (in his capacity as trustee for Solomon Brothers, a legal partnership comprised of GH Solomon, DH Solomon, David Marsh, Chris Williams and Michelle Hawksley), of 4,285,714 Shares, which represent 0.73% of the Company’s issued Share capital as at the date of this Notice of 588,095,702 Shares (and being Shares in which GH Solomon and DH Solomon will each have a 30% beneficial interest); and
 - 2.4 to Arkenstone ATF G & L SuperFund, of 407,142 Shares, which represent 0.07% of the Company’s issued capital as at the date of this Notice (of 588,095,702 Shares).These Shares are being issued in full and final satisfaction of outstanding director fees and superannuation owing by the Company to GH Solomon.
3. GH Solomon does not wish to make a recommendation to Shareholders about this Resolution: he will have a beneficial interest in 30% of the Shares which are being issued to him in his capacity as trustee for Solomon Brothers (he will also have a beneficial interest in 30% of the Shares which are being issued to DH Solomon in his capacity as trustee for Solomon Brothers if Resolution 3 is passed), and is both a director and shareholder of Arkenstone, and a member of the Gregory H Solomon and Lee H Solomon Superannuation Fund. Similarly, as Resolutions 3, 5, 6 and 7 seek Shareholder approval to a similar Share issue to DH Solomon (who also has a beneficial interest in 30% of the Shares which will be issued to GH Solomon in his capacity as trustee for Solomon Brothers under this Resolution 4), GT Le Page, JB Richardson and RM Corporate (a company which GT Le Page and JB Richardson control), none of these directors wish to make a recommendation to Shareholders about this Resolution 4.
4. As noted above, GH Solomon and DH Solomon, both directors of the Company, have an interest in the outcome of this Resolution.
5. Save for the following information as to the value of the financial benefit which will be given to GH Solomon, Arkenstone ATF G & L SuperFund and DH Solomon if this Resolution is passed, the directors of the Company are not aware of any other information (other than as set out elsewhere in this Explanatory Statement) that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution 4.
 - 5.1 The Shares which will be issued to GH Solomon and Arkenstone ATF G & L SuperFund if this Resolution is passed are listed on the ASX (ASX Code: CNJ).
 - 5.2 The proposal to covert this debt into Shares was announced on 19 August 2020. On 18 August 2020 (being the date immediately preceding the date of this announcement), the closing price of the Company’s Shares was \$0.018. The proposed conversion price is a 22.2% discount to this price. If the Shares the subject of this Resolution had of been issued on 19 August 2020, the outstanding director fees (and superannuation thereon) of \$65,700 would have been converted into Shares having a market price of \$84,471.
 - 5.3 The conversion price is the same as the issue price (1.4 cents per Share) under the August 2020 Placement and under the recently completed Rights Issue.
 - 5.4 On the day immediately prior to the date of this Notice, the closing price of the Company’s Shares was \$0.018. If the Shares the subject of this Resolution had of been issued on the day immediately preceding the date of this Notice, the outstanding director fees (and superannuation thereon) of \$65,700 would have been converted into Shares having a market price of \$84,471.
 - 5.5 The trading price of the Shares on the date of the Annual General Meeting at which this Resolution will be considered (namely, 24 November 2020), and (assuming this Resolution is passed) on the date the debt-equity conversion is effected, could be more or less than the price the Shares were trading as at the date of this Notice. Accordingly, the Shares which will be issued to GH Solomon and Arkenstone ATF G & L SuperFund if this Resolution 4 is passed could have a market value of more or less than the value of the debt.
 - 5.6 By fixing the conversion price, the Company has certainty as to the number of Shares it will need to issue to fully satisfy this outstanding indebtedness (and the consequent dilutionary impact of this debt-equity conversion), irrespective of subsequent fluctuations in the trading price of the Company’s Shares.

As required by s.224 of the Act, the Company will disregard any votes cast on this Resolution by GH Solomon, Arkenstone and DH Solomon (being the related parties of the Company to whom this Resolution would permit the financial benefit to be given) and their associates (who are all prohibited from voting).

7 – RESOLUTION 5 – APPROVAL OF ISSUE OF SHARES TO MR GUY LE PAGE TO CONVERT DEBT INTO EQUITY

Shareholder approval to the proposed issue of:

- (a) 1,837,571 Shares to Guy Touzeau Le Page (“GT Le Page”) in full and final satisfaction of all amounts owing by the Company to GT Le Page on account of unpaid directors fees as at 31 July 2020 of \$25,726 (exclusive of PAYGW on these outstanding fees, which will be satisfied by the Company in cash); and
- (b) 264,642 Shares to Guy Le Page and Dina Le Page as trustee for The Guy Le Page Superannuation Fund (“G & D ATF GLP SuperFund”), in full and final satisfaction of all amounts owing by the Company to GT Le Page on account of superannuation as at 31 July 2020 of \$3,705,

is being sought for all purposes, including for the purposes of:

- (a) ASX Listing Rule 10.11; and
- (b) Chapter 2E of the Act.

As set out above, the Company proposes to issue:

- (a) to GT Le Page, 1,837,571 Shares, which represent 0.31% of the Company’s issued Share capital as at the date of this Notice (of 588,095,702 Shares); and
- (b) to G & D ATF GLP SuperFund, 264,642 Shares, which represent 0.04% of the Company’s issued capital as at the date of this Notice (of 588,095,702 Shares).

The Shares which the Company propose to issue to GT Le Page and G & D ATF GLP SuperFund together represent 0.35% of the Company’s issued Share capital as at the date of this Notice (of 588,095,702 Shares).

When the Shares which the Company proposes to issue to GT Le Page and G & D ATF GLP SuperFund are aggregated with those which it proposes to issue if Resolutions 3, 4, 6 and 7 are also passed, the Company proposes to issue, in total, 15,003,281 Shares representing 2.55% of its issued Share capital as at the date of this Notice.

As at the date of this Notice, GT Le Page and G & D ATF GLP SuperFund currently hold 5,602,509 Shares and 8,128,476 Shares respectively. Accordingly, if this Resolution is passed, the interest of GT Le Page and G & D ATF GLP SuperFund in the Company will increase to 6,900,080 Shares and 8,393,118 Shares respectively.

Table 2 (in the section headed “Background to Resolutions 3 to 7”) shows the beneficial interest which GT Le Page and entities controlled by him will acquire in the Company’s Shares if this Resolution 5 (and Resolutions 7) are passed.

For the purposes of both the Listing Rules and the Act, related parties of the Company includes the directors of the Company. GT Le Page is a director of the Company and, accordingly, is a related party of the Company for the purposes of both the Act and the Listing Rules. GT Le Page controls the Guy Le Page Superannuation Fund and accordingly that entity is also a related party of the Company for the purposes of both the Act and the Listing Rules.

Listing Rule 10.11

As noted above, the Company is proposing to issue 1,837,571 Shares to GT Le Page and 264,642 Shares to G & D ATF GLP SuperFund (the “GLP Issue”).

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX’s opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The GLP Issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company’s shareholders under Listing Rule 10.11.

Resolution 5 seeks the required shareholder approval to the GLP Issue under and for the purposes of Listing Rule 10.11.

If resolution 5 is passed, the Company will be able to proceed with the GLP Issue and the debt which is owing by the Company to GT Le Page and G & D ATF GLP SuperFund as at 31 July 2020 will be converted into Shares (and not repayable in cash).

If resolution 5 is not passed, the Company will not be able to proceed with the GLP Issue and will need to repay the sum of \$25,726 to GT Le Page and \$3,705 to G & D ATF GLP SuperFund in repayment of the amount which is currently owing to them by the Company.

The following information is provided in accordance with Listing Rule 10.13:-

1. The Shares the subject of this Resolution 5 will be issued to GT Le Page and to Guy Le Page and Dina Le Page as trustee for The Guy Le Page Superannuation Fund.
2. If this Resolution 5 is passed, the Company will issue 2,102,213 Shares. The Shares will be issued on the same terms as, and rank pari passu with, the existing issued Shares of the Company (ASX Code: CNJ) and will be quoted on the ASX.
3. All of the Shares will be issued to GT Le Page and the G & D ATF GLP SuperFund not more than one month after the date of this meeting (it is intended that they will be issued immediately after this Resolution is passed).
4. GT Le Page is a director, and therefore, related party of the Company. GT Le Page controls the Guy Le Page Superannuation Fund, which is therefore also a related party of the Company.
5. For the purpose of determining the number of Shares to be issued to GT Le Page and the G & D ATF GLP SuperFund to convert outstanding director fees and superannuation owing by the Company into equity, the issue price for the Shares

has been fixed at 1.4 cents per Share, being the same price as the issue price under the August 2020 Placement and the issue price under the recently completed Rights Issue.

6. No funds will be raised from the proposed issue of the Shares. The Shares are being issued in full and final satisfaction of the aggregate amount of \$29,431 owing by the Company to GT Le Page on account of unpaid director fees and superannuation.
7. The Company will disregard any votes cast on this Resolution by or on behalf of GT Le Page and Dina Le Page, and any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:
 - 7.1. a person as proxy or attorney 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
 - 7.2. the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
 - 7.3. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 7.3.1. 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
 - 7.3.2. the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way

An issue made with approval of the Company's Shareholders under Listing Rule 10.11 does not also require approval under Listing Rule 7.1 (by virtue of exception 14 of Listing Rule 7.2). Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities (which term includes shares) in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities. Equity securities issued under an exception in Listing Rule 7.2 are not required to be included in the 15% limit imposed by Listing Rule 7.1. Together, the maximum number of Shares which the Company propose to issue to GT Le Page and G&D ATF GLP SuperFund under this Resolution and if all of Resolutions 3, 4, 6 and 7 are passed represent 2.55% of the Company's issued capital as at the date of this Notice (of 588,095,702 Shares).

Chapter 2E of the Act

Part 2E.1 of the Act regulates the provision of "financial benefits" by a public company and entities controlled by the public company to related parties of the public company.

By s.208(1) of the Act, the Company can only give a "financial benefit" to a "related party" of the Company if the Company obtains the approval of its Shareholders in accordance with the procedures set out in Part 2E.1 of the Act.

For the purposes of the Act, related parties of the Company includes the directors of the Company. As noted above, GT Le Page is a director of the Company and, accordingly, is a related party of the Company for the purposes of the Act. Further, GT Le Page controls the Guy Le Page Superannuation Fund which is therefore also a related party of the Company.

Furthermore, the Act deems the issuing of securities to a related party to constitute the giving of a "financial benefit" to the related party.

Section 211 of the Act provides an exception to the need to obtain shareholder approval where, inter alia, the financial benefit would be reasonable in the circumstances if the company and the related party were dealing at arm's length or are less favourable to the related party than such terms. The proposed conversion price (1.4 cents) is the same price as the issue price under the August 2020 Placement and the issue price under the recently completed Rights Issue. The Directors therefore consider that the debt-equity conversion at the proposed conversion price, and consequential issue of the Shares, is being made on arms' length terms. Nevertheless, the Company is seeking Shareholder approval for the purposes of Part 2E.1 of the Act.

In accordance with the requirements of Part 2E.1 of the Act, and in particular section 219 of the Act, the following information is provided to allow Shareholders of the Company sufficient information to determine whether they should approve this Resolution 5:-

1. The proposed financial benefit is to be given to Guy Touzeau Le Page, a director of the Company, and Guy Le Page and Dina Le Page as trustee for The Guy Le Page Superannuation Fund, a company which is controlled by GT Le Page.
2. The nature of the financial benefit is the issue:
 - 2.1 to GT Le Page of 1,837,571 Shares, which represent 0.31% of the Company's issued Share capital as at the date of this Notice (of 588,095,702 Shares); and
 - 2.2 to G & D ATF GLP SuperFund, of 264,642 Shares, which represent 0.04% of the Company's issued capital as at the date of this Notice (of 588,095,702 Shares).

These Shares are being issued in full and final satisfaction of outstanding director fees and superannuation owing by the Company to GT Le Page.

3. GT Le Page does not wish to make a recommendation to Shareholders about this Resolution: he has an interest in the Shares which are being issued to him in his personal capacity, and he is also a trustee, and member, of the Guy Le Page Superannuation Fund. Similarly, as Resolutions 3, 4, 6 and 7 seek Shareholder approval to a similar Share issue to DH Solomon, GH Solomon, JB Richardson and RM Corporate (a company which GT Le Page and JB Richardson control), none of these directors wish to make a recommendation to Shareholders about this Resolution.
4. As noted above, GT Le Page, a director of the Company, has an interest in the outcome of this Resolution 5.
5. Save for the following information as to the value of the financial benefit which will be given to GT Le Page and G & D ATF GLP SuperFund if this Resolution 5 is passed, the directors of the Company are not aware of any other information (other than as set out elsewhere in this Explanatory Statement) that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution 5.
 - 5.1 The Shares which will be issued to GT Le Page and G & D ATF GLP SuperFund if this Resolution is passed are listed on the ASX (ASX Code: CNJ).
 - 5.2 The proposal to convert this debt into Shares was announced on 19 August 2020. On 18 August 2020 (being the date immediately preceding the date of this market announcement), the closing price of the Company's Shares was \$0.018. The proposed conversion price is a 22.2% discount to this price. If the Shares the subject of this Resolution had of been issued on 19 August 2020, the outstanding director fees (and superannuation thereon) of \$29,431 would have been converted into Shares having a market price of \$37,840.

- 5.3 The conversion price is the same as the issue price (1.4 cents per Share) under the August 2020 Placement and under the recently completed Rights Issue.
- 5.4 On the day immediately prior to the date of this Notice, the closing price of the Company's Shares was \$0.018. If the Shares the subject of this Resolution had of been issued on the day immediately preceding the date of this Notice, the outstanding director fees (and superannuation thereon) of \$29,431 would have been converted into Shares having a market price of \$37,840.
- 5.5 The trading price of the Shares on the date of the Annual General Meeting at which this Resolution will be considered (namely, 24 November 2020), and (assuming this Resolution is passed) on the date the debt-equity conversion is effected, could be more or less than the price the Shares were trading as at the date of this Notice. Accordingly, the Shares which will be issued to GT Le Page and G & D ATF GLP SuperFund if this Resolution 5 is passed could have a market value of more or less than the value of the debt.
- 5.6 By fixing the conversion price, the Company has certainty as to the number of Shares it will need to issue to fully satisfy this outstanding indebtedness (and the consequent dilutionary impact of this debt-equity conversion), irrespective of subsequent fluctuations in the trading price of the Company's Shares.

As required by s.224 of the Act, the Company will disregard any votes cast on this Resolution by GT Le Page and Dina Le Page and their associates (who are all prohibited from voting).

8 – RESOLUTION 6 – APPROVAL OF ISSUE OF SHARES TO MR JAMES RICHARDSON TO CONVERT DEBT INTO EQUITY

Shareholder approval to the proposed issue of:

- (a) 1,877,857 Shares to James Bradley Richardson ("JB Richardson") in full and final satisfaction of all amounts owing by the Company to JB Richardson on account of unpaid directors fees as at 31 July 2020 of \$26,290 (exclusive of PAYGW on these outstanding fees, which will be satisfied by the Company in cash); and
- (b) 264,642 Shares to Red Eight Pty Ltd as trustee for The Richardson Family Superannuation Fund ("Red Eight ATF JB SuperFund"), in full and final satisfaction of all amounts owing by the Company to JB Richardson on account of superannuation as at 31 July 2020 of \$3,705,

is being sought for all purposes, including for the purposes of:

- (a) ASX Listing Rule 10.11; and
- (b) Chapter 2E of the Act.

As set out above, the Company proposes to issue:

- (a) to JB Richardson, 1,877,857 Shares, which represent 0.32% of the Company's issued Share capital as at the date of this Notice (of 588,095,702 Shares); and
- (b) to Red Eight ATF JB SuperFund, 264,642 Shares, which represent 0.04% of the Company's issued capital as at the date of this Notice (of 588,095,702 Shares).

The Shares which the Company propose to issue to JB Richardson and Red Eight ATF JB SuperFund together represent 0.36% of the Company's issued Share capital as at the date of this Notice (of 588,095,702 Shares).

When the Shares which the Company proposes to issue to JB Richardson and Red Eight ATF JB SuperFund are aggregated with those which it proposes to issue if Resolutions 3, 4, 5 and 7 are passed, the Company proposes to issue, in total, 15,003,281 Shares representing 2.55% of its issued Share capital as at the date of this Notice.

As at the date of this Notice, JB Richardson holds no shares and Red Eight ATF JB SuperFund holds 20,000,000 Shares. If this Resolution is passed, the interest of JB Richardson and Red Eight ATF JB SuperFund in the Company will increase to 1,877,857 Shares and 264,642 Shares respectively.

Table 2 (in the section headed "Background to Resolutions 3 to 7") shows the beneficial interest which JB Richardson and entities controlled by him will acquire in the Company's Shares if this Resolution (and if Resolution 7) are passed.

For the purposes of both the Listing Rules and the Act, related parties of the Company includes the directors of the Company. JB Richardson is a director of the Company and, accordingly, is a related party of the Company for the purposes of both the Act and the Listing Rules. JB Richardson controls Red Eight and accordingly that entity is also a related party of the Company for the purposes of both the Act and the Listing Rules.

Listing Rule 10.11

As noted above, the Company is proposing to issue 1,877,857 Shares to JB Richardson and 264,642 Shares to Red Eight ATF JB SuperFund (the "JBR Issue").

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The JBR Issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's shareholders under Listing Rule 10.11.

Resolution 6 seeks the required shareholder approval to the JBR Issue under and for the purposes of Listing Rule 10.11.

If resolution 6 is passed, the Company will be able to proceed with the JBR Issue and the debt which is owing by the Company to JB Richardson and Red Eight ATF JB SuperFund as at 31 July 2020 will be converted into Shares (and not repayable in cash).

If resolution 6 is not passed, the Company will not be able to proceed with the JBR Issue and will need to repay the sum of \$29,290 to JB Richardson and \$3,705 to Red Eight ATF JB SuperFund in repayment of the amount which is currently owing to them by the Company.

The following information is provided in accordance with Listing Rule 10.13:-

1. The Shares the subject of this Resolution will be issued to JB Richardson and to Red Eight Pty Ltd as trustee for The Richardson Family Superannuation Fund.
2. If this Resolution is passed, the Company will issue 2,142,499 Shares. The Shares will be issued on the same terms as, and rank *pari passu* with, the existing issued Shares of the Company (ASX Code: CNJ) and will be quoted on the ASX.
3. All of the Shares will be issued to JB Richardson and Red Eight ATF JB SuperFund not more than one month after the date of this meeting (it is intended that they will be issued immediately after this Resolution is passed).
4. JB Richardson is a director, and therefore, related party of the Company. Red Eight is an entity controlled by JB Richardson and is therefore also a related party of the Company.
5. For the purpose of determining the number of Shares to be issued to JB Richardson and Red Eight ATF JB SuperFund to convert outstanding director fees and superannuation owing by the Company into equity, the issue price for the Shares has been fixed at 1.4 cents per Share, being the same price as the issue price under the August 2020 Placement and the recently completed Rights Issue.
6. No funds will be raised from the proposed issue of the Shares. The Shares are being issued in full and final satisfaction of the amount of \$29,995 owing by the Company to JB Richardson on account of unpaid director fees and superannuation.
7. The Company will disregard any votes cast on this Resolution by or on behalf of James Bradley Richardson and Red Eight Pty Ltd, and any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:
 - 7.1. a person as proxy or attorney 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
 - 7.2. the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
 - 7.3. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 7.3.1. 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
 - 7.3.2. the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

An issue made with approval of the Company's Shareholders under Listing Rule 10.11 does not also require approval under Listing Rule 7.1 (by virtue of exception 14 of Listing Rule 7.2). Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities (which term includes shares) in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities. Equity securities issued under an exception in Listing Rule 7.2 are not required to be included in the 15% limit imposed by Listing Rule 7.1. Together, the maximum number of Shares which the Company propose to issue to JB Richardson and Red Eight ATF JB SuperFund under this Resolution and if all of Resolutions 3, 4, 5 and 7 are passed represent 2.55% of the Company's issued capital as at the date of this Notice (of 588,095,702 Shares).

Chapter 2E of the Act

Part 2E.1 of the Act regulates the provision of "financial benefits" by a public company and entities controlled by the public company to related parties of the public company.

By s.208(1) of the Act, the Company can only give a "financial benefit" to a "related party" of the Company if the Company obtains the approval of its Shareholders in accordance with the procedures set out in Part 2E.1 of the Act.

For the purposes of the Act, related parties of the Company includes the directors of the Company. As noted above, JB Richardson is a director of the Company and, accordingly, is a related party of the Company for the purposes of the Act. Further, Red Eight is a related party of the Company for the purposes of the Act as it is controlled by JB Richardson.

Furthermore, the Act deems the issuing of securities to a related party to constitute the giving of a "financial benefit" to the related party.

Section 211 of the Act provides an exception to the need to obtain shareholder approval where, *inter alia*, the financial benefit would be reasonable in the circumstances if the company and the related party were dealing at arm's length or are less favourable to the related party than such terms. The proposed conversion price (1.4 cents) is the same price as the issue price under the August 2020 Placement and the issue price under the recently completed Rights Issue. The Directors therefore consider that the debt-equity conversion at the proposed conversion price, and consequential issue of the Shares, is being made on arms' length terms. Nevertheless, the Company is seeking Shareholder approval for the purposes of Part 2E.1 of the Act.

In accordance with the requirements of Part 2E.1 of the Act, and in particular section 219 of the Act, the following information is provided to allow Shareholders of the Company sufficient information to determine whether they should approve this Resolution 6:-

1. The proposed financial benefit is to be given to JB Richardson, a director of the Company, and Red Eight Pty Ltd as trustee for The Richardson Family Superannuation Fund, an entity which is controlled by JB Richardson.
2. The nature of the financial benefit is the issue:
 - 2.1. to JB Richardson of 1,877,857 Shares, which represent 0.32% of the Company's issued Share capital as at the date of this Notice (of 588,095,702 Shares); and
 - 2.2. to Red Eight ATF JB SuperFund, of 264,642 Shares, which represent 0.04% of the Company's issued capital as at the date of this Notice (of 588,095,702 Shares).

These Shares are being issued in full and final satisfaction of outstanding director fees and superannuation owing by the Company to JB Richardson.

3. JB Richardson does not wish to make a recommendation to Shareholders about this Resolution 6: he has an interest in the Shares which are being issued to him in his personal capacity, and is both a director and shareholder of Red Eight, and a member of The Richardson Family Superannuation Fund. Similarly, as Resolutions 3, 4, 5 and 7 seek Shareholder approval to a similar Share issue to DH Solomon, GH Solomon, GT Le Page and RM Corporate (a company which GT Le

Page and JB Richardson control), none of these directors wish to make a recommendation to Shareholders about this Resolution.

4. As noted above, JB Richardson, a director of the Company, has an interest in the outcome of this Resolution.
5. Save for the following information as to the value of the financial benefit which will be given to JB Richardson and Red Eight ATF JB SuperFund if this Resolution is passed, the directors of the Company are not aware of any other information (other than as set out elsewhere in this Explanatory Statement) that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution.
 - 5.1. The Shares which will be issued to JB Richardson and Red Eight ATF JB SuperFund if this Resolution is passed are listed on the ASX (ASX Code: CNJ).
 - 5.2. The proposal to convert this debt into Shares was announced on 19 August 2020. On 18 August 2020 (being the date immediately preceding the date of this announcement), the closing price of the Company's Shares was \$0.018. The proposed conversion price is a 22.2% discount to this price. If the Shares the subject of this Resolution had of been issued on 19 August 2020, the outstanding director fees (and superannuation thereon) of \$29,995 would have been converted into Shares having a market price of \$38,565.
 - 5.3. The conversion price is the same as the issue price (1.4 cents per Share) under the August 2020 Placement and under the recently completed Rights Issue.
 - 5.4. On the day immediately prior to the date of this Notice, the closing price of the Company's Shares was \$0.018. If the Shares the subject of this Resolution had of been issued on the day immediately preceding the date of this Notice, the outstanding director fees (and superannuation thereon) of \$29,995 would have been converted into Shares having a market price of \$38,565.
 - 5.5. The trading price of the Shares on the date of the Annual General Meeting at which this Resolution will be considered (namely, 24 November 2020), and (assuming this Resolution is passed) on the date the debt-equity conversion is effected, could be more or less than the price the Shares were trading as at the date of this Notice. Accordingly, the Shares which will be issued to JB Richardson and Red Eight ATF JB SuperFund if this Resolution 6 is passed could have a market value of more or less than the value of the debt.
 - 5.6. By fixing the conversion price, the Company has certainty as to the number of Shares it will need to issue to fully satisfy this outstanding indebtedness (and the consequent dilutionary impact of this debt-equity conversion), irrespective of subsequent fluctuations in the trading price of the Company's Shares.

As required by s.224 of the Act, the Company will disregard any votes cast on this Resolution by JB Richardson and the Red Eight and their associates (who are all prohibited from voting).

9 – RESOLUTION 7 – APPROVAL OF ISSUE OF SHARES TO RM CORPORATE IN SATISFACTION OF CORPORATE ADVISORY FEES

Shareholder approval for the proposed issue of 3,250,000 Shares, which represent 0.55% of the Company's issued capital as at the date of this Notice (of 588,095,702 Shares), to RM Corporate in full and final satisfaction of corporate advisory fees payable by the Company to RM Corporate (exclusive of GST on these outstanding fees, which will be satisfied by the Company in cash) with respect to corporate advisory services provided in the period 1 July 2019 to 31 July 2020, is being sought for all purposes, including for the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Act.

The corporate advisory services provided by RM Corporate were:

- provide general corporate advisory services to Conico Ltd;
- assist with the ongoing management and reporting of the Mt Thirsty Joint Venture;
- assist with identification, due diligence and analysis on potential mining projects or companies on behalf of Conico.
- assist the Company with arranging roadshows/analyst briefings and investor presentations both in Australia and overseas;
- assist the Company with presentation material, term sheets as and when required including assistance with content and layout with a view to optimising commercial messages for greatest impact;
- liaise with journalists and public relations consultants as and when required; and
- assist with a social media strategy for the Company.

The corporate advisory services were provided under a corporate advisory mandate which commenced on 1 July 2019 for a period of twelve (12) months, renewable subject to mutual agreement for a further twelve (12) months and may be terminated with cause by either the Company or RM Corporate by giving 14 days' notice. The monthly fee payable for the corporate advisory services was \$3,500 plus GST.

When the Shares which the Company proposes to issue to RM Corporate are aggregated with those which it proposes to issue if all of Resolutions 3, 4, 5 and 6 are passed, the Company proposes to issue, in total, 15,003,281 Shares representing 2.55% of its issued Share capital as at the date of this Notice.

As at the date of this Notice, RM Corporate currently holds no Shares.

If this Resolution is passed, RM Corporate's interest in the Company will increase to 3,250,000 Shares.

Table 2 (in the section headed "Background to Resolutions 3 to 7") shows the beneficial interest which two of the Company's directors, GT Le Page and JB Richardson, will acquire in the Company's Shares if this Resolution 7 (and if Resolutions 5 and 6) are passed.

For the purposes of both the Listing Rules and the Act, related parties of the Company includes the directors of the Company, and any entities that the directors control. GT Le Page and JB Richardson (two of the directors of the Company) are the sole directors, and entities which are associated with them are the majority shareholders, of RM Corporate. Accordingly, as GT Le Page and JB Richardson, if they were to act together, would control RM Corporate, the Company considers it is prudent to treat RM Corporate as a related party of the Company for the purposes of both the Act and the Listing Rules.

Listing Rule 10.11

As noted above, the Company is proposing to issue 3,250,000 Shares to RM Corporate (the "RMC Issue").

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;

- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The RMC Issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's shareholders under Listing Rule 10.11.

Resolution 7 seeks the required shareholder approval to the RMC Issue under and for the purposes of Listing Rule 10.11.

If resolution 7 is passed, the Company will be able to proceed with the RMC Issue and the amount which is owing by the Company to RM Corporate on account of corporate advisory fees as at 31 July 2020 will be converted into Shares (and not repayable in cash).

If resolution 7 is not passed, the Company will not be able to proceed with the RMC Issue and will need to repay \$45,500 to RM Corporate on account of the corporate advisory fees payable by the Company to RM Corporate with respect to corporate advisory services provided in the period 1 July 2019 to 31 July 2020.

The following information is provided in accordance with Listing Rule 10.13:-

1. The Shares the subject of this Resolution 7 will be issued to RM Corporate Finance Pty Ltd.
2. If this Resolution is passed, the Company will issue to RM Corporate 3,250,000 Shares. The Shares will be issued on the same terms as, and rank pari passu with, the existing issued Shares of the Company (ASX Code: CNJ) and will be quoted on the ASX.
3. All of the Shares will be issued to RM Corporate not more than one month after the date of this meeting (it is intended that they will be issued immediately after this Resolution is passed).
4. GT Le Page and JB Richardson (directors, and thus related parties, of the Company) if they were to act together would control RM Corporate, and the Company therefore considers it is prudent to treat RM Corporate as a related party of the Company.
5. For the purpose of determining the number of Shares to be issued to RM Corporate to convert outstanding corporate advisory fees into equity, the issue price for the Shares has been fixed at 1.4 cents per Share, being the same price as the issue price under the August 2020 Placement and the recently completed Rights Issue.
6. No funds will be raised from the proposed issue of the Shares. The Shares are being issued in full and final satisfaction of the amount owing by the Company to RM Corporate on account of corporate advisory services provided over the period 1 July 2019 to 31 July 2020.
7. The Company will disregard any votes cast on this Resolution by or on behalf of RM Corporate Pty Ltd, Guy Touzeau Le Page and James Bradley Richardson, and any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:
 - 7.1. a person as proxy or attorney 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
 - 7.2. the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
 - 7.3. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 7.3.1. 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
 - 7.3.2. the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way

An issue made with approval of the Company's Shareholders under Listing Rule 10.11 does not also require approval under Listing Rule 7.1 (by virtue of exception 14 of Listing Rule 7.2). Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities (which term includes shares) in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities. Equity securities issued under an exception in Listing Rule 7.2 are not required to be included in the 15% limit imposed by Listing Rule 7.1. Together, the maximum number of Shares which the Company propose to issue to RM Corporate under this Resolution 7 and if all of Resolutions 3, 4, 5, and 6 are passed represent 2.55% of the Company's issued capital as at the date of this Notice (of 588,095,702 Shares).

Chapter 2E of the Act

Part 2E.1 of the Act regulates the provision of "financial benefits" by a public company and entities controlled by the public company to related parties of the public company. By s.208(1) of the Act, the Company can only give a "financial benefit" to a "related party" of the Company if the Company obtains the approval of its Shareholders in accordance with the procedures set out in Part 2E.1 of the Act.

For the purposes of the Act, related parties of the Company includes the directors of the Company, and entities which they control. As noted above, GT Le Page and JB Richardson (two of the directors of the Company) are also the sole directors of RM Corporate and entities which are associated with them are the majority shareholders of RM Corporate. Accordingly, as GT Le Page and JB Richardson, if they were to act together, would control RM Corporate, the Company considers it is prudent to treat RM Corporate as a related party of the Company for the purposes of the Act.

Furthermore, the Act deems the issuing of securities to a related party to constitute the giving of a "financial benefit" to the related party.

Section 211 of the Act provides an exception to the need to obtain shareholder approval where, inter alia, the financial benefit would be reasonable in the circumstances if the company and the related party were dealing at arm's length or are less favourable

to the related party than such terms. The proposed conversion price (1.4 cents) is the same price as the issue price under the August 2020 Placement and the issue price under the recently completed Rights Issue. The Directors therefore consider that the debt-equity conversion at the proposed conversion price, and consequential issue of the Shares, is being made on arms' length terms. Nevertheless, the Company is seeking Shareholder approval for the purposes of Part 2E.1 of the Act.

In accordance with the requirements of Part 2E.1 of the Act, and in particular section 219 of the Act, the following information is provided to allow Shareholders of the Company sufficient information to determine whether they should approve this Resolution 7:-

1. The proposed financial benefit is to be given to the RM Corporate Finance Pty Ltd, an entity which is controlled by GT Le Page and JB Richardson.
2. The nature of the financial benefit is the issue to RM Corporate of 3,250,000 Shares, which represent 2.55% of the Company's issued Share capital as at the date of this Notice (of 588,095,702 Shares). These Shares are being issued in full and final satisfaction of outstanding corporate advisory fees owing by the Company to RM Corporate.
3. GT Le Page and JB Richardson do not wish to make a recommendation to Shareholders about this Resolution as they are both directors of RM Corporate and entities which are associated with them are shareholders of RM Corporate. Similarly, as Resolutions 3 and 4 seek Shareholder approval to a similar Share issue to entities which GH Solomon and DH Solomon control, neither of these directors wish to make a recommendation to Shareholders about this Resolution 7.
4. As noted above, GT Le Page and JB Richardson, two of the directors of the Company, are directors, and entities which are associated with them, are shareholders of RM Corporate and they therefore have an interest in the outcome of this Resolution.
5. Save for the following information as to the value of the financial benefit which will be given to RM Corporate if this Resolution is passed, the directors of the Company are not aware of any other information (other than as set out elsewhere in this Explanatory Statement) that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution.
 - 5.1 The Shares which will be issued to RM Corporate if this Resolution is passed are listed on the ASX (ASX Code: CNJ).
 - 5.2 The proposal to convert this debt into Shares was announced on 19 August 2020. On 18 August 2020 (being the date immediately preceding the date of this announcement), the closing price of the Company's Shares was \$0.18. The proposed conversion price is a 22.2% discount to this price. If the Shares the subject of this Resolution had of been issued on 19 August 2020, the outstanding corporate advisory fees of \$45,500 would have been converted into Shares having a market price of \$58,500.
 - 5.3 The conversion price is the same as the issue price (1.4 cents per Share) under the August 2020 Placement and under the recently completed Rights Issue.
 - 5.4 On the day immediately prior to the date of this Notice, the closing price of the Company's Shares was \$0.018. If the Shares the subject of this Resolution had of been issued on the day immediately preceding the date of this Notice, the outstanding director fees (and superannuation thereon) of \$45,500 would have been converted into Shares having a market price of \$58,500.
 - 5.5 The trading price of the Shares on the date of the Annual General Meeting at which this Resolution will be considered (namely, 24 November 2020), and (assuming this Resolution is passed) on the date the debt-equity conversion is effected, could be more or less than the price the Shares were trading as at the date of this Notice. Accordingly, the Shares which will be issued to RM Corporate if this Resolution 7 is passed could have a market value of more or less than the value of the debt.
 - 5.6 By fixing the conversion price, the Company has certainty as to the number of Shares it will need to issue to fully satisfy this outstanding indebtedness (and the consequent dilutionary impact of this debt-equity conversion), irrespective of subsequent fluctuations in the trading price of the Company's Shares.

As required by s.224 of the Act, the Company will disregard any votes cast on this Resolution by RM Corporate, GT Le Page and JB Richardson (being the related parties of the Company to whom this Resolution would permit the financial benefit to be given) and their associates (who are all prohibited from voting).

12 – RESOLUTION 8 – APPROVAL OF ISSUE OF OPTIONS – RM CORPORATE FINANCE PTY LTD

Resolution 8 seeks shareholder approval for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Act and for all other purposes, for the Directors to issue 20,000,000 Options, each to acquire one Share at an exercise price of \$0.04 at any time on or before 3 years after the date of issue, to RM Corporate in part satisfaction of the fee which is payable to RM Corporate for fully underwriting the recently completed Rights Issue. The Rights Issue was a non-renounceable pro rata rights issue of 1 new Share for every 3 Shares held by qualifying shareholders as at 5:00pm WST on 7 September 2020 at an issue price of \$0.14 per Share and raised \$2,044,265 (before expenses of the Rights Issue) through the issue of 146,018,934 Shares.

GT Le Page and JB Richardson (two of the directors of the Company) are the sole directors, and entities which are associated with them are the majority shareholders, of RM Corporate. Accordingly, as GT Le Page and JB Richardson, if they were to act together, would control RM Corporate, the Company considers it is prudent to treat RM Corporate as a related party of the Company for the purposes of both the Act and the Listing Rules.

These Options are being issued to RM Corporate as part of the consideration which is payable to RM Corporate under the underwriting agreement entered into between the Company and RM Corporate on 1 September 2020 ("UA"). Under the UA, RM Corporate agreed to underwrite 100% of the shortfall (if any) under the Rights Issue at an issue price of \$0.014 per Share, giving a maximum underwritten amount of \$2,062,937. In accordance with its obligations under the UA, RM Corporate was required to subscribe for 36,719,669 Shares. All of these Shares were issued to persons with whom RM Corporate had entered into sub-underwriting agreements.

In consideration of the obligations it agreed to assume under the UA, the Company agreed to pay to RM Corporate a management fee of 1% of the maximum underwritten amount (a fee of \$20,629) and a lodgement fee of 5% of the maximum underwritten amount (a fee of \$103,146). In addition, it agreed to issue 20,000,000 Options to RM Corporate (subject to approval of the Company's shareholders being obtained). If Shareholder approval is obtained, the Company will issue the Options to RM Corporate within 3 Business Days of the date of this meeting. If Shareholder approval is not obtained, the Company will not issue the Options to RM Corporate.

The proposed issue of these Options was announced by the Company on 18 August 2020.

The terms and conditions upon which each of these Options will be issued are set out in Schedule 2.

RM Corporate currently holds no Shares or Options in the Company:

GT Le Page and JB Richardson (directors of the Company) are also directors of RM Corporate. The beneficial interest which they hold in the Shares of the Company is set out in Table 2 (in the section headed "Background to Resolutions 3 to 7").

At the conclusion of the issues contemplated by Resolution 7, and this Resolution 8, RM Corporate will hold 3,250,000 Shares and 20,000,000 Options in the Company.

If all of the new Options proposed to be issued to RM Corporate under this Resolution are exercised, an additional 20,000,000 Shares in the Company will then be on issue. Assuming this occurs and assuming further that none of the other Options which are currently on issue in the Company are exercised, the Company's issued share capital will increase from 588,095,702 Shares (as at the date of this Notice) to 608,095,702 Shares (if shareholders approve the issue of 120,000,000 Shares in the Company to the shareholders of Longland Resources at the meeting of the Company's shareholders to be held on 22 October 2020, the Company's issued share capital will further increase).

Accounting Standard AASB 1046 states that where market prices are not available, the fair value of the Options as at the date of grant shall be determined using a valuation technique to estimate what the price of the Options would have been on the date of grant in an arms length transaction between knowledge and willing parties.

There is no market price for the new Options. The CNJO Options are listed but are exercisable at a price of \$0.048. The market price of the CNJO Options as at the day prior to the date of this Notice is \$0.001.

Subject to the significant qualifications detailed below, the directors of the Company have estimated, using the valuation formulae summarised below, that the value of each of the new Options to be granted to RMCF is \$0.007 per Option. This would place a value on the 20,000,000 Options which are to be granted to RMCF of \$140,000.

The valuation formula is a warrant valuation formula which is derived from the Black-Scholes formula for valuing call options. Details of this formula can be found in, for instance, 'Options, Futures and Other Derivatives' by John Hull, 5th Edition. It is an appropriate method for valuing these options, which are European Warrants. The essential difference between this and the standard Black Scholes formula is that the warrant valuation formula takes into account the dilutionary effect of warrants on the share price. The standard Black Scholes formula works on the assumption that exercising an option has no effect on the share price. This is appropriate where the number of shares is constant (when the person writing the option is a third party, not the company) and the number of options relative to the number of shares is small. On the other hand, in the case of a warrant, the option is issued by the company and when it is exercised, more shares are issued, ie the company's value is split amongst a larger number of shares. Furthermore, the number of warrants outstanding in this company is large relative to the number of shares. Both of these justify the warrant formula as opposed to the standard Black-Scholes method. The estimates are subject to considerable uncertainty, because many of the necessary parameters of the model (or indeed of any standard option pricing model) are difficult to estimate.

For the purposes of both the Listing Rules and the Act, related parties of the Company includes the directors of the Company, and any entities that the directors control. GT Le Page and JB Richardson (two of the directors of the Company) are the sole directors, and entities which are associated with them are the majority shareholders, of RM Corporate. Accordingly, as GT Le Page and JB Richardson, if they were to act together, would control RM Corporate, the Company considers it is prudent to treat RM Corporate as a related party of the Company for the purposes of both the Act and the Listing Rules.

Listing Rule 10.11

As noted above, the Company is proposing to issue 20,000,000 Options to RM Corporate (the "RMC Option Issue").

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The RMC Option Issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's shareholders under Listing Rule 10.11.

Resolution 8 seeks the required shareholder approval to the RMC Option Issue under and for the purposes of Listing Rule 10.11.

If resolution 8 is passed, the Company will be able to proceed with the RMC Option Issue in part satisfaction of the fees which are payable to RM Corporate under the UA.

If resolution 8 is not passed, the Company will not be able to proceed with the RMC Option Issue.

The following information is provided in accordance with Listing Rule 10.13:

1. The Options the subject of this Resolution 8 will be issued to RM Corporate Finance Pty Ltd.
2. GT Le Page and JB Richardson (directors, and thus related parties, of the Company) if they were to act together would control RM Corporate, and the Company therefore considers it is prudent to treat RM Corporate as a related party of the Company.
3. If this Resolution is passed, the Company will issue to RM Corporate 20,000,000 Options. Each Option will entitle RMCF to acquire one Share at an exercise price of \$0.04 at any time on or before 3 years after the date of issue. The Options will not be listed.
4. A summary of the terms of the options is set out in Schedule 2.
5. All of the Options will be issued to RM Corporate not more than one month after the date of this meeting (it is intended that they will be issued within 3 business days after this Resolution is passed).

6. No issue price is payable for the Options.
7. No funds will be raised from the proposed issue of the Options. The Options are being issued as part of the consideration which is payable to RM Corporate under the UA.
8. The Company will disregard any votes cast on this Resolution by or on behalf of RM Corporate Finance Pty Ltd, Guy Touzeau Le Page and James Bradley Richardson, and any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:
 - 8.1. a person as proxy or attorney 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
 - 8.2. the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
 - 8.3. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 8.3.1. 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
 - 8.3.2. the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way

An issue made with approval of the Company's Shareholders under Listing Rule 10.11 does not also require approval under Listing Rule 7.1 (by virtue of exception 14 of Listing Rule 7.2). Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities (which term includes options) in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities. Equity securities issued under an exception in Listing Rule 7.2 are not required to be included in the 15% limit imposed by Listing Rule 7.1. The number of Options which the Company propose to issue to RM Corporate under this Resolution 8 represent 3.40% of the Company's issued capital as at the date of this Notice (of 588,095,702 Shares).

Chapter 2E of the Act

Part 2E.1 of the Act regulates the provision of "financial benefits" by a public company and entities controlled by the public company to related parties of the public company. By s.208(1) of the Act, the Company can only give a "financial benefit" to a "related party" of the Company if the Company obtains the approval of its Shareholders in accordance with the procedures set out in Part 2E.1 of the Act.

For the purposes of the Act, a "related party" of the Company includes the directors of the Company, and entities which they control. As noted above, GT Le Page and JB Richardson (two of the directors of the Company) are also the sole directors of RM Corporate and entities which are associated with them are the majority shareholders of RM Corporate. Accordingly, as GT Le Page and JB Richardson, if they were to act together, would control RM Corporate, the Company considers it is prudent to treat RM Corporate as a related party of the Company for the purposes of the Act.

Furthermore, the Act deems the issuing of securities to a related party to constitute the giving of a "financial benefit" to the related party.

If the approval of the shareholders of the Company is not obtained, the Options will not be issued to RM Corporate.

In accordance with the requirements of Part 2E.1 of the Act, and in particular section 219 of the Act, the following information is provided to allow the shareholders of the Company sufficient information to determine whether they should approve this Resolution 8:-

1. The proposed financial benefit is to be given to RM Corporate Finance Pty Ltd (which is controlled by two of the directors of the Company).
2. The nature of the financial benefit is the issue of 20,000,000 new Options in the Company.
3. GT Le Page and JB Richardson do not wish to make a recommendation to Shareholders about this Resolution as they are both directors of RM Corporate and entities which are associated with them are shareholders of RM Corporate. GH Solomon and DH Solomon recommend Shareholders approve this Resolution 8 as they believe it was in the best interest of the Company that the Rights Issue be underwritten.
4. As noted above, GT Le Page and JB Richardson, two of the directors of the Company, are directors, and entities which are associated with them, are shareholders of RM Corporate and they therefore have an interest in the outcome of this Resolution 8.
5. Save for the information set out above as to the value of the financial benefit which will be given to RMCF if this Resolution 8 is passed, the directors of the Company are not aware of any other information (other than as set out elsewhere in this Explanatory Statement) that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution.

As required by s.224 of the Act, the Company will disregard any votes cast on resolution 8 by RM Corporate (being the related party of the Company to whom the resolution would permit the financial benefit to be given) and its associates (who are all prohibited from voting).

RESOLUTION 9 – RATIFICATION OF AMENDMENT TO, AND APPROVAL OF, EMPLOYEE SHARE OPTION PLAN

In 2007, the Company's ESOP was established to allow the Company's employees to participate in the ownership of the Company and to provide employees with both short and long term incentives to achieve growth in shareholder wealth.

Listing Rule 7.1 prohibits an entity from issuing or agreeing to issue equity securities in any 12-month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities.

However, exemption 13(b) of Listing Rule 7.2 provides that Listing Rule 7.1 does not apply in relation to, among other things, an issue of securities under an employee incentive scheme if within 3 years before the date of the issue the holders of the entity's ordinary securities approved the issue of securities under the scheme as an exception to Listing Rule 7.1.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

If this approval is not granted, the issue of any options under the ESOP would need to be counted in this 15% limit.

If the approval is granted, the issue of options under the ESOP will be excluded from the calculation of the number of equity securities that the Company can issue without shareholder approval under Listing Rule 7.1.

The Listing Rules define “employee incentive scheme” to include a scheme for the issue or acquisition of equity securities in an entity to be held by, or for the benefit of, participating employees or non-executive directors of the entity or a related entity or their associates. Under the Listing Rules, equity securities include options over issued or unissued shares in an entity. The Company’s ESOP is therefore an employee incentive scheme for the purposes of the Listing Rules.

The Company’s shareholders approved the issue of securities under the Company’s ESOP at the Company’s AGM on 24 November 2017. Accordingly, the approval required to attract exemption 13(b) of Listing Rule 7.2 remains current only until 23 November 2020.

Clause 9.1 of the Company’s ESOP provides that the Board may from time to time amend, vary or supplement the rules of the Company’s ESOP by resolution of the Board without the consent of any eligible employee under, or participant of, the Company’s ESOP.

The following information is provided for the purposes of Listing Rule 7.2 Exception 13(b):

1. A summary of the terms of the ESOP is set out in Schedule 1.
2. The number of Options issued under the ESOP since the date of the last approval (24 November 2017) is 1,000,000.
3. The Company does not currently have any intention to issue any Options under the ESOP in the near future. Under the terms of the ESOP, the Board may not offer Options under the ESOP if the grant of the Options would result in the total number of Shares in respect of which Options have been granted but not yet exercised, and which have been issued to participants on the exercise of Options granted, in accordance with the ESOP or any other employee incentive scheme in the preceding five years (in each case, disregarding any Shares issued or transferred as a result of an excluded offer or invitation within s.708 of the Act) exceeding 5% of the total number of Shares as at the date of the offer.
4. In accordance with the Listing Rules and the terms of the ESOP, the maximum of Options that can be issued under the ESOP following approval is 29,404,785 (being 5% of the total number of Shares on issue as at the date of the Notice).
5. The Company will disregard any votes cast on this Resolution by or on behalf of by any person who is eligible to participate in the Company’s ESOP, and any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:
 - 5.1 a person as proxy or attorney 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
 - 5.2 the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
 - 5.3 a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 5.3.1 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
 - 5.3.2 the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

The Board recommends that shareholders vote in favour of this Resolution.

GLOSSARY OF TERMS

In this Explanatory Statement and accompanying Notice of Meeting the following words and expressions have the following meanings:

"**Act**" means Corporations Act 2001 (Cth);

"**Arkenstone**" means Arkenstone Pty Ltd A.C.N. 009 112 878;

"**Arkenstone ATF G & L SuperFund**" means Arkenstone acting as trustee for the Gregory H Solomon and Lee H Solomon Superannuation Fund;

"**ASIC**" means Australian Securities and Investments Commission;

"**ASX**" means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange (as required by the context);

"**August 2020 Placement**" means the issue of 57,659,733 Shares to a number of institutional and sophisticated and/or professional investors on 21 August 2020;

"**Board**" means the board of Directors of the Company;

"**Company**" or "**Conico**" means Conico Ltd (ACN 119 057 457) (ASX: CNJ);

"**Director**" means a director of the Company;

"**Explanatory Statement**" means the information attached to the Notice of Meeting which provides information to Shareholders about the Resolutions contained in the Notice of Meeting;

"**GLP SuperFund**" means the Guy Le Page Superannuation Fund;

"**Listing Rules**" means the ASX Listing Rules and "**Listing Rule**" has a corresponding meaning;

"**Longland Resources**" means Longland Resources Ltd (Company No: 1040001), a company incorporated in the United Kingdom and Wales;

"**March Bells**" means March Bells Pty Ltd A.C.N. 009 126 881;

"**March Bells ATF DHS SuperFund**" means March Bells acting as trustee for the Douglas H Solomon Superannuation Fund;

"**Notice**" or "**Notice of Meeting**" means the notice of meeting which accompanies this Explanatory Statement;

"**Option**" means an option to acquire a Share;

"**Resolutions**" means all of the resolutions contained in the Notice;

"**RM Corporate**" means RM Corporate Finance Pty Ltd A.C.N. 108 084 386;

"**Red Eight**" means Red Eight Pty Ltd A.C.N. 009 064 233;

"**Red Eight ATF JB SuperFund**" means Red Eight acting as trustee for the Richardson Family Superannuation Fund;

"**Rights Issue**" means the non-renounceable pro-rata rights issue of one (1) new Share for every three (3) Shares held by qualifying Shareholders as at 5.00pm WST on 7 September 2020 at an issue price of \$0.014 per Share which raised \$2,044,065 (before expenses of the Issue) by the issue of 146,018,934 Shares (109,299,265 issued on 2 October 2020 and 36,719,669 issued on 5 October 2020);

"**Share**" means an ordinary fully paid share in the Company;

"**SSA**" means the share sale agreement between the Company and all of the shareholders of Longland Resources dated 14 September 2020 pursuant to which all of the shareholders of Longland Resources have agreed to sell all of their shares in Longland Resources to the Company; and

"**UA**" means the agreement between the Company and RM Corporate dated 1 September 2020 pursuant to which RM Corporate agreed to fully underwrite the Rights Issue.

SCHEDULE 1
SUMMARY OF TERMS OF ESOP

1. The Board may offer free Options to full or part time employees or a director or officer of the Company or of associated bodies corporate of the Company who is determined by the Board to be an Eligible Employee for the purposes of the Plan or any other person who is declared by the Board to be an Eligible Employee for the purposes of the Plan. (**Eligible Employees**).
2. In accordance with Listing Rule 10.14, Options under the ESOP can only be issued to Directors, and/or associates of the Directors, with the approval of the holders of ordinary securities by a resolution passed at a general meeting.
3. There is no issue price for the Options. The exercise price for the Options will be:
 - 3.1 125% of the weighted average market price of Shares sold on the ASX on the 5 trading days immediately before the date the board approves the issue of the Options to the Eligible Employee under the ESOP (the Date of Issue); or
 - 3.2 any greater price determined by the Board at the date the Board approves the issue of the Options to the Eligible Employee under the ESOP (the **Date of Issue**).
4. Shares issued on exercise of Options will rank equally with other Shares of the Company.
5. Options may not be transferred without the approval of the Board. Quotation of Options on ASX will not be sought. However, the Company will apply to ASX for official quotation of the Shares issued on the exercise of the Options.
6. The Board may not offer Options under the ESOP if the grant of the Options would result in the total number of Shares in respect of which Options have been granted but not yet exercised, and which have been issued to participants on the exercise of Options granted, in accordance with the ESOP or any other employee incentive scheme in the preceding 5 years (in each case, disregarding any Shares issued or transferred as a result of an excluded offer or invitation within s.708 of the Act), exceeding 5% of the total number of issued Shares as at the date of the offer.
7. Options may only be issued or exercised within the limitations imposed by the Act and the Listing Rules.
8. Options may be issued which impose conditions that will result in the Options lapsing if those conditions are satisfied, impose dates (called vesting dates) which must be reached before an Option is capable of exercise, and may be issued with restrictions on the disposal of Shares acquired by an option holder as a result of the exercise of the Options.
9. Subject to the paragraphs below, Options must be exercised in the period determined by the Board at the Date of Issue (**Exercise Period**).
10. If an Eligible Employee's employment with the Company ceases due to his or her resignation, all Options (except those which have not vested) may be exercised within 30 days thereafter, after which period they will lapse.
11. If an Eligible Employee's employment with the Company ceases because of retirement at or after 60 years of age, permanent disablement, retrenchment, death or any other circumstances approved by the Board, all Options may be exercised within 30 days. If not exercised in that time, the Options lapse, unless the Board determines otherwise.
12. If an Eligible Employee's employment with the Company ceases due to his or her death, all Options may be exercised within 3 months thereafter, after which period they will lapse, unless the Board determines otherwise.
13. If an Eligible Employee leaves the employment of the Company or of a related body corporate of the Company for any reason other than those contemplated in paragraphs 10,11 or 12 above, the Options lapse, unless the Board determines otherwise.
14. If any Eligible Employee acts fraudulently, dishonestly or in breach of obligations to the Company or any subsidiary then, at the Board's discretion, Options issued to that person will lapse.
15. Options will automatically lapse at the expiration of the Exercise Period.
16. The holders of Options will only participate in new issues, including bonus issues, if they have exercised the Options at that time and provided such exercise is permitted by the terms of the Option.
17. If the Company makes a bonus issue of securities to ordinary shareholders, each unexercised Option will, on exercise, entitle its holder to receive additional Shares.
18. If the Company makes a pro rata rights issue of ordinary Shares for cash to its ordinary shareholders, then there is provision for adjustment of the exercise price of unexercised Options to reflect the diluting effect of the issue.
19. In the event of any reconstruction (including consolidation, subdivision, reduction, capital return, buy back or cancellation) of the issued capital of the Company, all rights of the Option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital, at the time of the reconstruction.
20. The Board may determine within 7 days of the exercise of an Option not to allot or issue Shares under the Option but to refund the tendered exercise price for the Option and either to pay to the Option holder an amount equal to the difference between the market price of the Shares as at the date of exercise and the exercise price of the Option, or issue that number of Shares having a market value at the date of exercise of the Option equal to the difference between the market price of the shares as at the date of exercise and the exercise price for the Option.
21. Subject to the Listing Rules the Board may from time to time amend, vary or supplement the rules of the ESOP by resolution of the Board without the consent of any Eligible Employee or participant. Any amendment to the rules will apply to all Options granted under the rules which have not yet been exercised. No variation of the ESOP will be effective unless and until all applicable requirements of the Act and the Listing Rules in relation to that variation have been fully complied with by the Company.

SCHEDULE 2
SUMMARY OF TERMS OF OPTIONS TO BE ISSUED IF RESOLUTION 8 IS PASSED

- (1) The Options are exercisable at any time prior to 5.00pm WST on the date which is three years after their issue date ("the Time of Expiry"). Options not exercised on or before the Time of Expiry will automatically lapse.
- (2) The Options may be exercised wholly or in part by completing a notice of exercise of options substantially in the form attached to the option certificate ("Notice of Exercise") to be delivered to the Company's registered office and received by it any time prior to the Time of Expiry.
- (3) The Options entitle the holder to subscribe (in respect of each Option held) for one Share at an exercise price per Option of \$0.04.
- (4) Upon the exercise of the Options and receipt of all relevant documents and payment, Shares will be issued ranking equally with the then issued Shares. If at the date of exercise of the Options the Shares of the Company are quoted on the ASX, the Company will apply to ASX to have the Shares so issued granted Quotation.
- (5) A summary of the terms and conditions of the Options including the Notice of Exercise will be sent to all holders of Options when they are issued.
- (6) Any Notice of Exercise received by the Company prior to the Time of Expiry will be deemed to be a Notice of Exercise as at the last Business Day of the month in which such notice is received.
- (7) There are no participating entitlements inherent in the Options to participate in new issues of capital, which may be offered to Shareholders during the currency of the Options. Prior to any new pro rata issue of securities to Shareholders, holders of Options will be notified by the Company and will be afforded 10 business days before the Record Date (as defined in the Listing Rules) (to determine entitlements to the issue), to exercise Options.
- (8) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Time of Expiry, the number of Options or the exercise price of the Options or both shall be reconstructed (as appropriate) in a manner which will not result in any benefits being conferred on holders of Options which are not being conferred on Shareholders and (subject to the provisions with respect to rounding of entitlements as sanctioned by the meeting of Shareholders approving the reconstruction of capital), in all respects, the terms for the exercise of Options shall remain unchanged. For these purposes the rights of the Option holder may be changed from time to time to comply with the Listing Rules applying to a reorganisation of capital at the time of reorganisation.
- (9) The Options may be transferred at any time prior to the Time of Expiry.
- (10) Shares issued pursuant to the exercise of an Option will be issued not more than 14 days after the Notice of Exercise.

LODGE YOUR PROXY APPOINTMENT ONLINE



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.

2020 ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Conico Ltd and entitled to attend and vote hereby:

APPOINT A PROXY

The Chair of the meeting **OR**



PLEASE NOTE: If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of the Company to be held at **Level 15, 197 St Georges Terrace, Perth, Western Australia on 24 November 2020 at 9.00am (WST)** and at any adjournment or postponement of that Meeting.

Chair authorised to exercise undirected proxies on remuneration related resolution: Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though this resolution is connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chair. I/we acknowledge the Chair of the Meeting intends to vote all undirected proxies available to them in favour of each Resolution of Business.

VOTING DIRECTIONS

Resolutions

	For	Against	Abstain*
1 Resolution 1 – Adoption of remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Resolution 2 – Election of director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Resolution 3 - Approval of issue of Shares to Mr Douglas Solomon to convert debt into equity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Resolution 4 - Approval of issue of Shares to Mr Gregory Solomon to convert debt into equity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Resolution 5 - Approval of issue of Shares to Mr Guy Le Page to convert debt into equity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Resolution 6 - Approval of issue of Shares to Mr James Richardson to convert debt into equity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Resolution 7 - Approval of issue of Shares to RM Corporate Finance Pty Ltd to convert debt into equity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Resolution 8 - Approval of Issue of Options to RM Corporate Finance Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Resolution 9 - Approval of the Company's Employee Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholder should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address

Please tick here to agree to receive communications sent by the company via email. This may include meeting notifications, dividend remittance, and selected announcements.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chair) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolution 1, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolution 1.

PLEASE NOTE: If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as they see fit on that resolution.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- On each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- Return both forms together.

COMPLIANCE WITH LISTING RULE 14.11

In accordance with Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company you are in compliance with Listing Rule 14.11.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, the security holder must sign.

Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

Companies:

Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 9.00am (WST) on 22 November 2020, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909



BY FAX

+61 8 6370 4203



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033