



**VOLUNTARY DELISTING FROM ASX**

Jayex Technology Limited (ACN 119 122 477) (ASX: JTL) (**Company**) wishes to advise that it has made a formal application to the Australian Securities Exchange (**ASX**) to be removed from the official list of the ASX (**Official List**), following receipt of in-principle advice from ASX that it would be likely to agree to remove the Company from the Official List on a date to be determined by ASX in consultation with the Company, subject to compliance with the following conditions:

- (a) The request for removal of the Company from the Official List is approved by way of a special resolution of the shareholders of the Company.
- (b) The notice of meeting seeking shareholder approval for the Company's removal from the Official List must include, in form and substance satisfactory to ASX:
  - (i) a timetable of key dates, including the time and date at which the Company will be removed from the Official List if that approval is given;
  - (ii) a statement to the effect that the removal will take place no earlier than one month after approval is granted;
  - (iii) a statement to the effect that if shareholders wish to sell their securities on ASX, they will need to do so before the Company is removed from the Official List, and if they do not, details of the processes that will exist after the Company is removed from the Official List to allow security holders to dispose of their holdings and how they can access those processes; and
  - (iv) the information prescribed in section 2.11 of ASX Guidance Note 33.
- (c) The removal of the Company from the Official List must not take place any earlier than one month after security holder approval has been obtained so that security holders have at least that period to sell their securities on ASX should they wish to do so.
- (d) The Company must apply for its securities to be suspended from quotation at least two (2) business days before its proposed removal date.
- (e) The Company releases the full terms of this decision to the market upon making a formal application to ASX to remove the Company from ASX.

**Reasons for Delisting**

Following a detailed review, the Board of Directors of the Company have unanimously determined that the delisting is in the best interests of shareholders for the following reasons:

(a) **Lack of Liquidity**

The Company has approximately 20 members holding 214,565,155 shares of 281,278,539 total shares. There has been a significant lack of liquidity in trading in the Company's shares on ASX, as evidenced by the following statistics:

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Month	Days traded	Number of Shares Traded	Value of Shares Traded (AUD) <sup>1</sup>
March 2024	5	2,377,728	\$12,126
February 2024	9	3,963,318	\$23,780
January 2024	10	2,986,859	\$26,882
December 2023	6	569,790	\$5,128
November 2023	8	968,094	\$8,713
October 2023	10	1,610,132	\$12,881
September 2023	10	1,899,116	\$17,092

**Notes:**

1. Approximate value based on the average share price (rounded up) for the relevant month.

Recent trading history shows notably low volume trading in the Company's shares on ASX and the Company believes this is unlikely to change in the foreseeable future.

**(b) Fundraising difficulties**

The Company requires funding to meet its ongoing operational and working requirements. However, since 2021, the Company has experienced significant fundraising difficulty and has not benefited from being a listed entity in this sense.

The Company's most recent capital raising in September 2021 received applications for approximately 28,774,760 shares, representing approximately 39.16% of the 73,484,593 shares offered to shareholders. Approximately 90% of this capital raising was funded by Covenant Holdings (WA) Pty Ltd, an entity controlled by the Company's Chairman, Michael Boyd.

In addition, due to the level of the Company's share price, any future material capital raising would be highly dilutive to existing shareholders and would further reduce the share price.

**(c) Disproportionate impact on price**

As only small numbers of the Company's shares are being traded on ASX, this has on occasion had a disproportionate impact on the share price. A low value trade or a trade in a small number of Company shares could have a marked impact on the official ASX market price, and there is a risk that a trade of only a few Company shares could cause the reported price to change significantly as some recent trades have proved. This potential volatility could make it difficult for investors to make an accurate assessment of the actual value of their Company shares and increase exposure to a person effecting trades with the intention of manipulating the reported price.

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(d) **Listing Costs**

As at 31 December 2023, the Company had cash reserves of less than \$55,000. The Board estimates that costs attributable to the Company's ASX listing are approximately \$500,000 per annum. In addition, there are indirect costs associated with the need to devote management time attending to matters relating to the ASX listing and other ongoing administrative and compliance obligations. The Board believes that the funds used to maintain the Company's ASX listing, together the management time, could be directed toward the ongoing focus and development of the Company's projects if the Company is delisted from the ASX, in particular where the Company sees little tangible benefit from being a listed company at present.

(e) **Business is based in the United Kingdom**

The Company's business operations are now entirely based in the United Kingdom, with only the Company's dormant or ceased operating entities remaining in Australia. The Company is currently in the process of deregistering these entities, and therefore the Company does not see any value to its business or its shareholders in remaining listed on the ASX.

**Consequences for Delisting**

The consequences for the Company and its security holders if the Company is removed from the Official List are as follows:

(a) **Inability to trade the Company's shares on ASX**

If the Company is unlisted, Shareholders will no longer have the ability to buy and sell shares in the Company on the ASX. This means that there will no longer be a readily accessible market and mechanism to buy and sell the Company's shares. Shares will only be able to be sold by way of private transaction. There will be difficulties finding a buyer for Shares if Shareholders wish to sell them.

There are also restrictions under the Corporations Act on a potential buyer's ability to make unsolicited offers to buy Shares from a Shareholder (section 1019C). These requirements for example, impose an obligation on a potential purchaser in an unlisted context to provide a fair estimate of the value of the Shares and an explanation of the basis on which that estimate was made.

(b) **Removal of ASX Listing Rules Protection**

The ASX Listing Rules will cease to apply to the Company once delisted and Shareholders will not have the benefit of protections inherent in the ASX Listing Rules. These include restrictions relating to:

- (i) disclosures on issuing of Shares and other Securities (Listing Rule 3);
- (ii) ASX corporate governance principles (Listing Rule 4); and
- (iii) making significant changes to the nature or scale of the Company's activities (Listing Rule 11).



However, Shareholders will continue to have the protections applicable to public companies under the Corporations Act.

While the Company continues to have in excess of 100 Shareholders, the Company will be an 'unlisted disclosing entity' for the purposes of the Corporations Act and will therefore remain subject to the continuous disclosure provisions in section 675 of the Corporations Act, which require an entity to lodge certain material information with ASIC.

The Company will also continue to be subject to obligations to prepare audited annual and half-yearly financial statements under Part 2M.3 of the Corporations Act and will be required to hold an Annual General Meeting at least once each calendar year and within five months after the end of its financial year in accordance with section 250N of the Corporations Act. Moreover, Shareholders will continue to receive the benefit of the protections under Chapter 6 of the Corporations Act (for so long as the Company has 50 shareholders or more).

(c) **Restriction on Public Capital Raising**

If the Company is not listed on the ASX, it will not be able to raise funds on the ASX. As set out above, the Company is already experiencing difficulty in raising funds on the ASX. The Company will, however, be able to raise funds through the issue of Shares to existing or new Shareholders, subject to compliance with Chapter 6 of the Corporations Act.

If a shareholder of the Company considers the proposed delisting to be contrary to the interests of the shareholders of the Company as a whole or oppressive to, unfairly prejudicial to, or unfairly discriminatory against a shareholder or shareholders, it may apply to the court for an order under Part 2F.1 of the Corporations Act. Under section 233 of the Corporations Act, the court can make any order that it considers appropriate in relation to the Company, including an order that the Company be wound up or an order regulating the conduct of the Company's affairs in the future.

If a shareholder of the Company considers the proposed delisting involves "unacceptable circumstances", it may apply to the Takeovers Panel for a declaration of unacceptable circumstances and other orders under Part 6.10 Division 2 Subdivision B of the Corporations Act (refer also to Guidance Note 1: Unacceptable Circumstances issued by the Takeovers Panel). Under section 657D of the Corporations Act, if the Takeovers Panel has declared circumstances to be unacceptable, it may make any order that it thinks appropriate to protect the rights or interests of any person or group of persons, where the Takeovers Panel is satisfied that those rights or interests are being affected, or will be or are likely to be affected, by the circumstances.

**Shareholder Arrangements**

The Company intends to purchase unmarketable parcels and expects that its shares will remain listed on ASX for at least one month after the upcoming General Meeting of Shareholders, so that security holders have at least that period to offer their securities for sale on ASX should they wish to do so, assuming that Shareholders approve the delisting of the Company and there remains an active market for those shares. Further details of the minimum holding buyback will be included in a separate announcement to be released by the Company in due course.

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The Company will look at buy back options post delisting upon a strategic investor providing capital to support the buy back.

**Indicative Timetable**

The proposed delisting is subject to shareholder approval (as a special resolution at a General Meeting likely to be held in May 2024). Further details relating to the proposed delisting, including potential advantages and disadvantages for shareholders, the consequences of the special resolution not being approved, and further details as to how shareholders can sell their securities prior to the proposed delisting, will be included in the Notice of Meeting. All shareholders will be entitled to vote on the resolution.

The indicative timetable for the proposed delisting is set out below.

Event	Date
Formal application submitted to ASX	8 May 2024
Notice of Meeting (NOM) dispatched to shareholders	24 May 2024
General Meeting of Shareholders	24 June 2024
Expected Date of removal of the Company from the Official List	25 July 2024

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