



ASX Release

***Rights Issue Cleansing Notice under  
Section 708AA(2)(f) of the Corporations Act 2001***

Melbourne, Australia; 5 August 2021:

This notice is given by Jayex Technology Limited (**JTL** or **Company**) pursuant to section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (the **Act**) as modified by Australian Securities and Investments Commission (ASIC) Corporations (Non-Traditional Rights Issues) Instrument 2016/84.

JTL has today announced a pro rata non-renounceable entitlement offer (**Entitlement Offer**) of 1 new fully paid ordinary share in JTL (**New Shares**) for every 3 existing fully paid ordinary shares in JTL held at 7.00pm (AEST) on Wednesday, 11 August 2021 (**Record Date**) at the Offer Price of \$0.025 (2.5 cents) per New Share.

JTL will offer the New Shares for issue without disclosure to investors under section 708AA(2)(f) Corporations Act 2001 (Cth) (Corporations Act) as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**Instrument 2016/84**).

For the purposes of section 708AA(7) Corporations Act, JTL confirms that:

1. the New Shares will be issued without disclosure under part 6D.2 of the Act as notionally modified by Instrument 2016/84;
2. this notice is given under section 708AA(2)(f) Act as notionally modified by Instrument 2016/84;
3. as at the date of this notice, JTL has complied with:
  - a. the provisions of chapter 2M Corporations Act as they apply to JTL; and
  - b. section 674 of the Act;
4. as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Act; and
5. the potential effect the issue of the New Shares may have on the control of JTL and the consequence of that effect, is set out below.

**Potential Control Effect**

The potential effect that the Entitlement Offer will have on the control of the Company, and the consequences of that effect will depend on a number of factors including the number of New Shares taken up by shareholders eligible to participate in the Entitlement Offer on the Record Date (**Eligible Shareholders**).

Covenant Holdings (WA) Pty Ltd (**Covenant**), a substantial holder in JTL and a company associated with Michael Boyd, a director of the Company, holds 80,912,910 Shares equivalent to a voting power of 36.70% in the Company prior to the Entitlement Offer.

If the Entitlement Offer is fully subscribed, Covenant's voting power in the Company will remain at 36.70%. However, in the more likely event that there is a shortfall, Covenant's shareholding will increase. The precise change in voting power is uncertain given that the amount of the shortfall is unknown and the Offer is not underwritten.

The table below sets out the maximum potential increase in Covenant's voting power in the Company, assuming that Covenant subscribes for its entitlement for New Shares in full and no other Eligible Shareholders participate in the Entitlement Offer (and prior to the placement of any shortfall):

Shareholder	Current voting power <sup>1</sup>	Entitlement	Maximum voting power <sup>2</sup>
Covenant Holdings (WA) Pty Ltd	36.7%	26,970,970	43.6%

**Jayex Technology Limited**  
(ACN 119 122 477)

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**Notes:**

1. Assuming 220,453,779 shares on issue prior to the Entitlement Offer.
2. Assuming, following the Entitlement Offer, the Company has 247,424,749 shares on issue.

To the best of the Company's knowledge, on completion of the Entitlement Offer, except as previously announced by JTL, Covenant has no present intention of making any significant changes to the business of the Company.

Shareholders should also note the following in relation to the effect of the Entitlement Offer on the control of the Company:

- (a) if all Eligible Shareholders take up their full entitlements under the Entitlement Offer, then the Entitlement Offer will have no significant effect on the control of the Company;
- (b) Eligible Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 25%; and
- (c) JTL's directors have confirmed their present intentions to take up their full entitlements;
- (d) the Board has actively taken steps to minimise the potential impacts to voting power of the Entitlement Offer by granting JP Equity Holdings Pty Ltd a first right of refusal to place any shortfall and by having an equitable dispersion strategy.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Melanie Leydin', with a stylized flourish at the end.

Melanie Leydin  
Company Secretary