

THE GO2 PEOPLE LTD
ACN 616 199 896

ENTITLEMENT ISSUE PROSPECTUS

For a non-renounceable entitlement issue of 1 Share for every 1 Share held by those Shareholders registered at the Record Date at an issue price of \$0.016 per Share to raise up to \$1,887,433 (based on the number of Shares on issue as at the date of this Prospectus), together with 1 free attaching Option (**New Option**) for every 2 Shares issued exercisable at \$0.04 per New Option on or before 29 January 2021 (**Offer**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

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1. **CORPORATE DIRECTORY**

Directors

Darren Cooper
Non-Executive Chairman

Abilio (Billy) Ferreira
Managing Director

Paul Goldfinch
Executive Director

Joint Company Secretaries

Matthew Thomson & Peter Torre

Share Registry*

Computershare Investor Services
Pty Limited
Level 11
172 St Georges Terrace
PERTH WA 6000

Registered Office

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BELMONT WA 6104

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Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Auditor

William Buck Audit (Vic) Pty Ltd
Level 20 181 William Street
MELBOURNE VIC 3000

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

2. TIMETABLE

Lodgement of Prospectus with the ASIC	Thursday, 28 November 2019
Lodgement of Prospectus & Appendix 3B with ASX	Thursday, 28 November 2019
Notice sent to Optionholders	Friday, 29 November 2019
Notice sent to Shareholders	Monday, 2 December 2019
Ex date	Tuesday, 3 December 2019
Record Date for determining Entitlements	Wednesday, 4 December 2019
Prospectus despatched to Shareholders & Company announces despatch has been completed	Monday, 9 December 2019
Closing Date*	Wednesday, 18 December 2019
Securities quoted on a deferred settlement basis	Thursday, 19 December 2019
ASX notified of under subscriptions	Monday, 23 December 2019
Issue Date	Tuesday, 24 December 2019
Despatch of holding statements	Friday, 27 December 2019
Quotation of Securities issued under the Offer*	Friday, 27 December 2019

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Securities are expected to commence trading on ASX may vary.

3. IMPORTANT NOTES

This Prospectus is dated 28 November 2019 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form (as the case may be).

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

3.1 Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

3.2 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 7 of this Prospectus.

4. DETAILS OF THE OFFER

4.1 The Offer

The Offer is being made as a non-renounceable entitlement issue of 1 Share for every 1 Share held by Shareholders registered at the Record Date at an issue price of \$0.016 per Share, together with 1 free attaching unquoted Option for every 2 Shares issued exercisable at \$0.04 per Option on or before 29 January 2021 (**New Option**). Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming no existing Options are exercised prior to the Record Date) a maximum of 117,964,583 Shares and 58,982,292 New Options will be issued pursuant to this Offer to raise up to \$1,887,433. No funds will be raised from the issue of the New Options.

As at the date of this Prospectus the Company has 16,750,000 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to section 5.4 of this Prospectus for information on the exercise prices and expiry dates of the Options on issue.

In addition, the Company has 6,000,000 Performance Rights on issue, which have not vested and will not be converted into Shares prior to the Record Date.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 6.1 of this Prospectus for further information regarding the rights and liabilities attaching to the Shares.

All of the New Options offered under this Prospectus will be issued on the terms and conditions set out in section 6.2 of this Prospectus. The New Options will not be quoted.

The purpose of the Offer and the intended use of funds raised are set out in section 5.1 of this Prospectus.

4.2 Minimum subscription

The minimum subscription in respect of the Offer (and the Shortfall Offer) is \$150,000. No Securities will be issued under the Offer until the minimum subscription has been received. If the minimum subscription is not achieved within 4 months after the date of issue of this Prospectus, the Company will either repay the application monies to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their application monies.

4.3 Acceptance

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. If your acceptance of the Offer exceeds your Entitlement as shown on that form, your acceptance will be deemed to be for the maximum Entitlement and Shortfall your application monies can cover. You may also apply for additional Securities over and above your Entitlement by applying for Shortfall in the manner set out below.

You may participate in the Offer (and Shortfall Offer, as defined in section 4.8 below, if you wish) as follows:

- (a) accept your **full** Entitlement;

- (b) accept your full Entitlement and **apply for Shortfall, under the Shortfall Offer**, if you wish;
- (c) accept **part** of your Entitlement; or
- (d) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

4.4 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "**Go2 People Limited**" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5:00 pm WST on the Closing Date.

4.5 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 3:00 pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

4.6 Not Underwritten

The Offer is not underwritten.

4.7 Effect on control of the Company

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings may be diluted by up to 50% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the

dilution may impact Shareholders assuming no New Options have been exercised is set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	8.5%	10,000,000	10,000,000	4.2%
Shareholder 2	5,000,000	4.2%	5,000,000	5,000,000	2.1%
Shareholder 3	1,500,000	1.3%	1,500,000	1,500,000	0.6%
Shareholder 4	400,000	0.3%	400,000	400,000	0.2%
Total	117,964,583		117,964,583		235,929,166

Notes:

1. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

4.8 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open to any investor for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.016 being the price at which Shares have been offered under the Offer.

Those who wish to apply for Securities above their Entitlement are entitled do so by completing the relevant section on the Entitlement and Acceptance Form (if you are an Eligible Shareholder) or Shortfall Application Form.

The Directors reserve the right to issue Shortfall Securities at their absolute discretion and there can be no guarantee that an Eligible Shareholder who applies for Shortfall Securities will be issued the number of Shortfall Securities applied for.

4.9 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Securities and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

The Company will not apply for Official Quotation of the New Options.

4.10 Issue

Securities issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Securities issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Securities issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Securities issued under the Shortfall Offer as soon as practicable after their issue.

4.11 Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

New Zealand

This Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the *Financial Markets Conduct Act 2013* (NZ) and Part 9 of the *Financial Markets Conduct Regulations 2014* (NZ).

This Offer and the content of the Offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this Offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Nominees and custodians

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia and New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

4.12 Enquiries

Any questions concerning the Offer should be directed to Mr Matthew Thomson, Company Secretary, on +61 8 6151 9200.

5. PURPOSE AND EFFECT OF THE OFFER

5.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$1,887,433. No funds will be raised from the issue of the New Options.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Proceeds of the Offer	Minimum Subscription (\$)	% of Minimum	Maximum (\$)	% of Maximum
Payment of outstanding legal fees and costs of previously announced IPW transaction	95,876	63.9%	95,876	5.1%
Other corporate costs (including insurance premiums) of the Group	-	-	133,876	7.1%
Expansion of the facilities maintenance division	-	-	120,000	6.4%
Expenses of the Offer ¹	25,677	17.1%	31,703	1.7%
Expected future corporate costs of the Group	-	-	452,235	24.0%
Working capital ²	28,447	19.0%	1,053,743	55.8%
Total	150,000	100	1,887,433	100

Notes:

1. Refer to section 8.7 of this Prospectus for further details relating to the estimated expenses of the Offer.
2. Working capital consists of amounts required to fund the stabilised growth of the Recruitment Division of the Company reducing the reliance on debt facilities to meet the weekly candidate payroll costs and other statutory requirements.
3. In the event the Company does not raise \$1,887,433 pursuant to the Offer, the proceeds will firstly be scaled back from Working capital, then the corporate costs of the Group, then Expansion of the facilities maintenance division, then other corporate costs and then payment of outstanding legal fees.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances (including the need to adapt to a changing competitive environment, and the level of demand for the Company's products and services) have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis. The use of further debt or equity funding will be considered by the Board where it is appropriate to expand sales, accelerate product development, develop additional production or serving capacity, or capitalise on further corporate opportunities including, but limited to, further acquisitions.

5.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, will be to:

- (a) increase the cash reserves by \$1,855,730 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer;
- (b) increase the number of Shares on issue from 117,964,583 as at the date of this Prospectus to 235,929,166 Shares following complete of the Offer; and
- (c) increase the number of Options on issue from 16,750,000 as at the date of this Prospectus to 75,732,292 Options following completion of the Offer.

5.3 Pro-forma balance sheet

The audited balance sheet as at 30 June 2019, the unaudited 30 September 2019 balance sheet and the unaudited pro-forma balance sheet as at 30 September 2019 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Options are exercised prior to the Record Date and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	AUDITED 30 June 2019	UNAUDITED 30 September 2019	PROFORMA 30 September 2019
CURRENT ASSETS			
Cash and cash equivalents	938,804	466,369	2,322,099
Trade and other receivables	9,027,101	6,332,316	6,332,316
Other assets	632,467	859,322	859,322
Other financial assets	156,878	156,878	156,878
TOTAL CURRENT ASSETS	10,755,250	7,814,885	9,670,615
NON-CURRENT ASSETS			
Plant and equipment	990,356	985,001	985,001
Investments in associates	141,896	141,896	141,896
Intangible assets	552,019	552,019	552,019
TOTAL NON-CURRENT ASSETS	1,684,271	1,678,916	1,678,916
TOTAL ASSETS	12,439,521	9,493,801	11,349,531
CURRENT LIABILITIES			
Trade and other payables	5,130,101	3,775,129	3,775,129
Provisions	226,500	201,234	201,234
Borrowings	5,440,111	4,283,230	4,283,230

	AUDITED 30 June 2019	UNAUDITED 30 September 2019	PROFORMA 30 September 2019
TOTAL CURRENT LIABILITIES	10,796,712	8,259,593	8,259,593
NON-CURRENT LIABILITIES			
Borrowings	288,427	271,330	271,330
TOTAL NON-CURRENT LIABILITIES	288,427	271,330	271,330
TOTAL LIABILITIES	11,085,139	8,530,923	8,530,923
NET ASSETS	1,354,382	962,878	2,818,608
EQUITY			
Issued capital	15,858,288	15,858,288	17,714,018
Reserves	1,608,300	1,608,300	1,608,300
Accumulated losses	(16,112,206)	(16,503,710)	(16,503,710)
TOTAL EQUITY	1,354,382	962,878	2,818,608

5.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, is set out below.

Shares

	Number
Shares currently on issue	117,964,583
Shares issued pursuant to the Offer (including the Shortfall Offer)	117,964,583
Total Shares on issue after completion of the Offer	235,929,166

Options

	Number
Unquoted Options exercisable at \$0.225 each before 21 June 2021	2,500,000
Unquoted Options exercisable at \$0.30 each before 21 June 2021	5,000,000
Unquoted Options exercisable at \$0.30 each before 17 December 2021	1,750,000
Unquoted Options exercisable at \$0.40 each before 21 June 2021	7,500,000
New Options offered pursuant to the Offer (exercisable at \$0.04 before 29 January 2021)	58,982,292
Total Options on issue after completion of the Offer	75,732,292

Performance Rights

	Number
Unquoted, unvested Performance Rights exercisable for nil consideration after 1 July 2020	6,000,000
Total Performance Rights on issue after completion of the Offer	6,000,000

The capital structure on a fully diluted basis as at the date of this Prospectus would be 140,714,583 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Options are exercised prior to the Record Date) would be 317,661,458 Shares.

No Shares, Options or Performance Rights on issue are subject to escrow restrictions, either voluntary or ASX imposed.

5.5 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Abilio (Billy) Ferreira ¹	27,887,976	23.64%
Paul Goldfinch ²	27,611,301	23.41%

Notes:

1. Mr Ferreira's relevant interest in the securities of the Company is comprised of 27,500,000 Shares held indirectly through Everglades Investment Pty Ltd <Everglades Discretionary A/C>, 40,000 Shares held indirectly through BNP Paribas Nominees Pty Ltd HUB24 Custodial Serv Ltd <BF Super Fund A/C> and 347,976 Shares which are held directly by Mr Ferreira.
2. Mr Goldfinch's relevant interest in the securities of the Company is comprised of 27,500,000 Shares held indirectly through Goldfinch Discretionary Pty Ltd <Goldfinch Discretionary A/C>, 27,730 Shares which are held directly by Mr Goldfinch and 83,571 Shares which are held by Mr Goldfinch's wife and sons.

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

All Directors, including Mr Ferreira and Goldfinch, being Shareholders, reserve the right to participate in the Offer. Each Director will decide whether to take up their respective Entitlement based on their financial position at the relevant time.

Please refer to section 4.7 of this Prospectus for more information regarding the potential effect on control of the Company and potential dilution to Shareholders.

6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

6.1 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of

the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

6.2 New Options

The New Options offered pursuant to this Prospectus have the following terms:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.04 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 29 January 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

7. RISK FACTORS

7.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section 7, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Company specific

(a) Going concern risk and additional funds

In respect of the financial condition of the Company and the Company Group, the Company's Annual Financial Report for the financial year ended 30 June 2019 (**FY19**) (**Annual Report**) outlines the existence of items of material uncertainty about the Company Group's ability to continue as a going concern. The Annual Report explains that:

- (i) For the period ended 30 June 2019, the Company Group generated a loss after tax of \$3,588,144 (30 June 2018: \$1,343,927), is reporting a net working capital deficiency of \$41,462 (30 June 2018: positive \$1,664,838), but has incurred net cash inflows from operations of \$611,404 (30 June 2018 net cash outflows: \$4,058,781). As at 30 June 2019, the Group had \$938,804 in cash (30 June 2018: \$2,611,479) and consolidated net assets of \$1,354,382 (30 June 2018: 4,914,927).¹
- (ii) To achieve the Company Group's objectives, ensure its continuing viability and its ability to continue as a going concern and to meet its debts and commitments as they fall due, the Directors of the Company are pursuing the following strategies:
 - (A) continue to keep expenditure to a minimum and has implemented cost reduction measures and will continue to monitor operating costs to identify if further reductions need to be implemented. As such, the Board does not expect that the level of operating expenditure in FY19 will be incurred in FY20;
 - (B) the Board will seek to raise additional capital and engage with shareholders on capital raising efforts at the appropriate times; and

¹ Refer to Annual Report, pages 34 and 35 for further information.

- (C) continuation of engagement with its working capital providers, who may be able to provide additional advances.

On 4 November 2019, the Company provided an update in respect to its working capital position on its ASX platform. It advised that:

- (i) The Company recently outlined its strategy to consolidate the core recruitment business during FY20, which included a restructure of overhead costs to drive profitability and EBITDA improvement. As such, overhead levels have been reduced from FY19 levels by circa \$3.5m on an annualised basis. Progress is being made on the back of this initiative, however the benefit of these cost savings is likely to occur in the second half of the year, with redundancy costs incurred in the first half.
- (ii) To ensure adequate funding is in place to deliver the Company's objectives, the Company was intending to undertake a non-renounceable rights issue to current shareholders, the subject of this Prospectus.
- (iii) The Company has engaged with its Lenders to provide additional advances against the Company's trade receivable book, and a further announcement will be released once the new facility has been finalised. In the interim, to further assist its working capital position, the Company has entered into a 6 month payment plan with the Australian Tax Office for its recent quarterly GST payment.

Should the Company not be able to execute the above strategies, including raising additional funds through the issue of new equity, such as the funds sought to be raised under the Offer, there is a material uncertainty that may cast significant doubt as to whether or not the Company Group will be able to continue as a going concern and therefore, be able to undertake its business and financial objectives.

(b) **Workers health and safety (major workers claims)**

The Company is a major employer and is controlled by the laws, regulations and rules relating to workers' health and safety (**WHS**). Any major incident that may cause a death, injury or mental related illness may cause a major disruption to the labour hire division and could create a major financial claim against the Company. Claims of sexual or racial abuse may also have a detrimental effect on the labour hire division operations. The Company may face legal proceedings and penalties that force the Company to cease labour hire division operations.

Due to the nature of the labour hire business, and the Company contracting to third party clients, companies and businesses where the Company has no direct corporate or management control, and no total transparency of the management & WHS risk control within the clients operations, the Company is limited in its ability to carry out continuing assessment and monitoring of WHS risks, and has less control over the management of risk of a WHS incident and greater exposure to WHS risks and a possible claim.

To mitigate risk, the Company has workplace policies and procedures in place to systematically manage risks arising from workplace hazards,

including effective consultation and communication with the workers involved about these risks and how they are to be managed. The Company carries out due diligence and risk checking/monitoring on all clients.

The Company also has comprehensive insurance to mitigate the financial effect that may arise from an incident or claim.

(c) **Reliance on Major Clients**

The Company's labour hire business has operated over since 2011 and has an established and consistent client list which utilise its labour hire services. A large percentage of the Company's revenue is derived from its top 10 clients. If a major client has a financial failure and has a major outstanding debt to the Company, and that debt ultimately becomes a bad debt, this may cause financial stress on the Company. The Company mitigates the risk through debtor insurance, debtor management and debtor limits. There is also a risk to the sales of the business if any one or a number of these top clients ceases to use the Company's services, or significantly reduces the amount of labour hire due to financial failure or reduced labour requirements. To mitigate this risk, the Company has continued to increase the client base in Australia (including the eastern states) to reduce the effects of the loss of revenue from any existing clients.

(d) **Key management, employee and staff risk**

There is a risk that, where there is a turnover of key staff who have knowledge of business processes, that knowledge will be lost upon those staff resigning or retiring. This risk relates to information in respect of the present labour hire division and incorporates the opportunity cost for replacement of those staff, and the cost of subsequent training.

This risk is mitigated by the fact that management of the labour hire division has historically had low levels of turnover, and most management positions can be covered by internal staff. The businesses do not have a high degree of intellectual knowledge that would be lost if any key management or employee resigned or retired. This risk is further mitigated by the fact that a number of key management personnel have significant shareholdings in the Company, which aligns their interests with that of Shareholders.

(e) **Additional requirements for working capital (cashflow risk)**

The cashflow requirements of the Company depend on a number of factors. Depending on the ability of the Company to generate income from its operations, depending on the amount raised under this Prospectus, and on the timing of cash receipts and payment due (cashflow management), the Company may require further financing in addition to amounts raised under this Prospectus, including bank overdrafts, debtors factoring/financing and further capital raising in order to meet the Earn Out Consideration.

Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations, renegotiate the timing of payment for the Earn Out

Consideration, and may experience cashflow tightness. As the main business of the Company is labour hire, it will be required to pay labour cost consistently in a short period of time, payroll weekly/fortnightly, PAYG/BAS and financing costs monthly, but may not receive payment from its clients (debtor's collection) for more than 30 days (60 – 90 days). This will require strict cashflow management by the Company.

The Company has mitigated the risk by having a facility with Scottish Pacific (BFS) Pty Ltd for debtor finance, this facility provides available funds weekly to the Company based on the value of invoices raised. The facility has restrictions arounds debtor limits, concentration and payment terms. The Company's chief financial officer oversees cashflow management, manage debtors and debtor controls.

(f) **Technology disruption eroding labour hire & building business**

Industries in which the building businesses compete may be subject to disruptive changes from new technologies for the building of fast build smart housing. If the building businesses are unable to continue to develop technologies or gain access to new technologies and anticipate or respond to disruptions in the market it competes in, the Company may suffer a reduction of demand for their building services which may have an adverse effect on the Company's financial performance.

The labour hire industry may experience disruption from the use of new technologies that may be able to reduce the number of workers required by the Company's clients. The Company may suffer a reduction of demand for their labour hire services, which may have an adverse effect on the Company's financial performance.

(g) **Key management/employee/staff risk**

There is a risk that, where there is a turnover of key staff who have knowledge of businesses processes, that knowledge will be lost in the event that those staff resign or retire. This involves the risk that those staff will have information in respect of the present labour hire business and incorporates the opportunity cost for replacement of those staff and subsequent training.

This risk is mitigated as the Company's labour hire management has historically had low levels of turnover, and most management positions can be covered by internal staff. The businesses do not have a high degree of intellectual knowledge that would be lost if any key management or employee resigned or retired.

(h) **Competition**

The labour hire business is considered a competitive low margin business, and the size of the market can be affected by over-supply or the entrant of too many new entrants, or a large competitor. The initial investment required and the cashflow requirements are difficult for new entrants, and create some barriers to easy entry into the market. There is a number of smaller labour hire business in Australia, the main market in Western Australia being the mining industry, and in the eastern states more predominately infrastructure projects. There are only a small number of labour hire companies of similar size to the Company (in terms of revenue and number of employees).

The building/construction business is considered to operate in a competitive market. The size of the market can be affected by over supply or the entrance of too many new entrants, or a large competitor. There have been a number of business failures, corporate administrations, reconstructions and liquidations in the housing building & construction industry in the past 5 years.

There is no assurance that the Company will be able to compete effectively with existing and new competitors in the future. Increased competition in the industry may reduce sales and selling prices and profit margins and may adversely affect the Company's performance. There is also the risk that a competitor could concentrate on the quick build, smart home, and over 55 market creating further competition for the Company. This may adversely affect the Company's financial performance and potentially impact Shareholder returns.

(i) **Reputational risk**

The reputation of the Company has been a key advantage of the Company. The reputation and value associated with this reputation could be adversely affected by a number of factors including a WHS incident, disputes or litigation with third parties, employees, suppliers or clients, or adverse media coverage (including social media) or other circumstances including those beyond the direct control of Company. The labour hire industry and building and construction industries rely heavily on the reputation of the supplier, and any loss of reputation of the Company or its businesses could result in a reduction in revenue and may have an adverse impact on the Company's performance.

(j) **Litigation risks**

The Company is exposed to possible litigation risks including contractual disputes, WHS claims, occupational health and safety claims, employee claims, union disputes, and construction and building faults claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.

(k) **Trading Price of Shares**

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to general economic conditions including interest rates, building and construction indexes, the performance of the Australian dollar on world markets, inflation rates, foreign exchange rates and, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares.

In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be

made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

(l) **Acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, companies, products, or businesses that are complementary to the Company's businesses. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies, products and technologies, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving the sales and margins anticipated and retaining key staff and client and supplier relationships.

(m) **Leverage Risk**

The Company will use debt, as required, to assist in managing its labour hire business requirements and operating payments, making investments in new businesses, funding building and development projects, subject to an appropriate gearing ratio (net debt/shareholders equity ratio) range in the Company. If prevailing interest rates or other factors at the time of a refinancing result in higher interest rates on the debtor facility on such refinancing, the Company's interest expense would increase, which could harm the operating results of the Company and its ability to pay dividends.

7.3 Industry specific

(a) **Building & Construction Industry Volatility Risk**

The Company's labour hire division and the building and construction businesses it does and will operate are highly dependent on the activities of the construction and building industry (including major infrastructure, residential, non-residential, commercial building and construction) in Australia. The industry can be cyclical and sometimes volatile, and is highly sensitive to a broad range of economic and other factors that may be beyond the Company's control. Factors include general economic and market conditions, housing demand from population growth, demographic trends, commercial leasing market conditions and commercial and industrial site vacancy levels, present and future governmental infrastructure investments, general housing prices, housing interest rates, inflation/deflation, government and/or Reserve Bank lending policies in relation to residential housing construction, land releases, energy and environment requirements and regulations, income tax rates, employment levels, jobs growth, personal income levels, consumer spending, business and consumer confidence including homebuyers, commercial property developers and investors.

The Company will be affected by the level of construction activity in Australia, and the rise and fall of property prices. Any lower levels of construction or building activity, or reduction in property prices as a result of the above factors, or others, could lead to a significant reduction in the Company's future revenues and profits.

The Company is looking to mitigate this risk by diversifying its offering both within the construction industry, and also in other potential industries such as health and aged care, maintenance and IT. The Company also has

an advisory board, that will assist in tracking and assessing the risks and trends of the industry.

(b) **Industrial Relations Risk**

The Company's main business of labour hire may be significantly affected by any adverse changes to industrial relations laws, regulations and rules. This may increase employee costs, reducing an already thin operating margin within the labour hire industry. Any industrial relations changes may also have a significant effect on clients of the Company, forcing them to reduce the number of workers that they contract. The Company may also be subject to industrial action and disputes from trade unions, which may cause a disruption to the Company's operations, and may harm the Company's reputation and adversely impact financial performance.

The Company mitigates this risk by diversifying its offering, both within the construction industry, and also outside the industry, in prospective industries that may experience different impacts from industrial relations changes, such as health and aged care, maintenance, and IT. The Company also has an advisory board, that advises on, and assists in managing any changes in industrial relations. The advisory board also advises on union and human relations matters.

(c) **Technology Disruption**

Industries in which the building businesses compete may be subject to disruptive changes from new technologies for the building of fast build smart housing. If the building businesses are unable to continue to develop technologies or gain access to new technologies and anticipate or respond to disruptions in the market it competes in, the Company may suffer a reduction of demand for their building services which may have an adverse effect on the Company's financial performance.

The labour hire industry may experience disruption from the use of new technologies that may be able to reduce the number of workers required by the Company's clients. The Company may suffer a reduction of demand for their labour hire services, which may have an adverse effect on the Company's financial performance.

(d) **Competition**

The labour hire business is considered a competitive low margin business, and the size of the market can be affected by over-supply or the entrant of too many new entrants, or a large competitor. There is a number of smaller labour hire business in Australia, the main market in Western Australia being the mining industry, and in the eastern states more predominately infrastructure projects. There are only a small number of labour hire companies of similar size to the Company (in terms of revenue and number of employees).

The building/construction business is considered to operate in a competitive market. The size of the market can be affected by over supply or the entrance of too many new entrants, or a large competitor. There have being a number of business failures, corporate administrations, reconstructions and liquidations in the housing building & construction industry in the past 10 years.

There is no assurance that the Company will be able to compete effectively with existing and new competitors in the future. Increased competition in the industry may reduce sales and selling prices and profit margins and may adversely affect the Company's performance. There is also the risk that a competitor could concentrate on the quick build, smart home, and over 55 market creating further competition for the Company. This may adversely affect the Company's financial performance and potentially impact Shareholder returns.

7.4 General risks

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Competition risk**

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(d) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is

unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(e) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(f) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

(g) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

7.5 **Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

8. ADDITIONAL INFORMATION

8.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

8.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;

- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company or an ASIC office during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below:

Date	Description of Announcement
28 November 2019	Final Director's Interest Notice Andries Dique
28 November 2019	Results of AGM 28 November 2019
26 November 2019	Appendix 3B November 2019
4 November 2019	The GO2 People Update on Working Capital Initiatives
31 October 2019	Appendix 3B Escrow Release
25 October 2019	Notice of Annual General Meeting/Proxy Form
22 October 2019	The GO2 People FY 20 Focus Presentation
22 October 2019	Appendix 4C – quarterly
21 October 2019	Initial Director's Notice
14 October 2019	Director Appointment
14 October 2019	Forthcoming Release of Restricted Securities
14 October 2019	Previous GO2 Building Client in Administration
30 September 2019	Appendix 4G and Corporate Governance Statement

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.thego2people.com.au.

8.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	Price	Date
Highest	\$0.09	26 August 2019 to 9 September 2019
Lowest	\$0.015	5 November 2019
Last	\$0.016	27 November 2019

8.4 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below:

Director	Shares	Options
Abilio (Billy) Ferreira	27,887,976 ^{1,2}	3,100,000 ³
Darren Cooper	500,000	750,000 ⁴
Paul Goldfinch	27,611,301 ⁵	3,100,000 ³

Notes:

1. Comprising:
 - (a) 27,500,000 Shares held indirectly through Everglades Investment Pty Ltd <Everglades Discretionary A/C>;
 - (b) 40,000 Shares held indirectly through BNP Paribas Nominees Pty Ltd Hub24 Custodial Serv Ltd <BF Super Fund A/C>; and
 - (c) 33,367 Shares held directly by Mr Ferreira.
2. This number does not include an additional 40,000 Shares which are held by members of Mr Ferreira's immediate family.
3. Comprising:
 - (a) 800,000 Class B Options exercisable at \$0.30 on or before 21 June 2021; and
 - (b) 2,300,000 Class C Options exercisable at \$0.40 on or before 21 June 2021.
4. Unlisted Options exercisable at \$0.30 each on or before 17 December 2021 and issued

pursuant to Shareholder approval obtained at the Annual General Meeting held 29 November 2018.

5. Comprising:
- (a) 27,730 Shares which are held directly by Mr Goldfinch;
 - (b) 83,571 Shares which are held by Mr Goldfinch's wife and sons; and
 - (c) 27,500,000 Shares held by Goldfinch Discretionary Pty Ltd <Goldfinch Discretionary A/C>.

All Directors, being Shareholders, reserve the right to participate in the Offer. Each Director will decide whether to take up their respective Entitlement based on their financial position at the relevant time.

If any of the Directors do participate in the Offer, the Company will ensure compliance with the relevant ASX Listing Rules and make the relevant announcements in the form of Appendix 3Y.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$500,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	30 June 2018 (Actual) ¹	30 June 2019 (Actual) ¹	30 June 2020 (Proposed)
Billy Ferreira	\$294,583	\$328,500	\$328,500
Darren Cooper	\$55,550	\$82,125	\$82,125
Paul Goldfinch ²	Nil	Nil	Nil

Note:

1. Excluding non-monetary benefits and superannuation.
2. Mr Goldfinch was appointed on 14 October 2019.

The following table shows the total (and proposed) annual remuneration paid to Mr Goldfinch for his role as Head of Growth and Investor Relations of the Company.

30 June 2018 (Actual)	30 June 2019 (Actual)	30 June 2020 (Proposed)
\$220,144	\$227,107	\$90,415

8.5 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$82,389 (excluding GST and disbursements) for legal services provided to the Company.

William Buck Audit (Vic) Pty Ltd has acted as the auditor to the Company and prepared the audited financial information which is contained in section 5.3 of this Prospectus. The Company will not pay William Buck any fees in respect of the Offer which are separate to what has already been paid to William Buck in its capacity as auditor to the Company. During the 24 months preceding lodgement of this Prospectus with the ASIC, William Buck has been paid fees totalling \$59,088.70 (excluding GST and disbursements) for services provided to the Company.

8.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

William Buck Audit (Vic) Pty Ltd has given its written consent to being named as auditor to the Company in this Prospectus and the inclusion of the audited financial information contained in section 5.3 of this Prospectus. William Buck has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Computershare Investor Services Pty Limited has given its written consent to being named as the share registrar to the Company in this Prospectus in the form in which it is named. Computershare Investor Services Pty Limited has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

8.7 Estimated expenses of Offer

If the maximum raise of \$1,887,433 is raised under the Offer, the total expenses of the Offer are estimated to be approximately \$31,703 as follows:

Expense	(\$)
ASIC Fees	3,206
ASX Fees	8,497
Legal Fees	15,000
Miscellaneous, printing and other expenses	5,000
Total	31,703

8.8 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on 08 6151 9200 and the

Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or Prospectus or any of those documents were incomplete or altered.

8.9 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing Share certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

8.10 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988 (Cth)* (as amended), the *Corporations Act* and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

9. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Darren Cooper
Non-Executive Director
For and on behalf of
The Go2 People Ltd

For personal use only

10. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Annual Report or **Report** means the Company's annual financial report dated 30 September 2019 for the financial year ended 30 June 2019.

Applicant means a Shareholder who applies for Shares pursuant to the Offer or a Shareholder or other party who applies for Shortfall Shares pursuant to the Shortfall Offer.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESSE.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means The Go2 People Ltd (ACN 616 199 896).

Company Group or **Group** means the Company and its 100% owned subsidiaries:

- (a) GO2 Recruitment Pty Ltd (ACN 152 130 473) as trustee for the GO2 Recruitment Trust;
- (b) The GO2 People Australia Pty Ltd (ACN 616 564 115);
- (c) GO2 Skills and Training Pty Ltd (ACN 156 136 748); and
- (d) GO2 Building Pty Ltd (ACN 613 284 843).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

New Option means an Option issued on the terms set out in section 6.2 of this Prospectus.

Offer means the non-renounceable entitlement issue the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Securities means Shares and Options offered pursuant to this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall means the Shares not applied for under the Offer (if any).

Shortfall Application Form means the shortfall application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in section 4.8 of this Prospectus.

Shortfall Securities means those Securities issued pursuant to the Shortfall.

WST means Western Standard Time as observed in Perth, Western Australia.