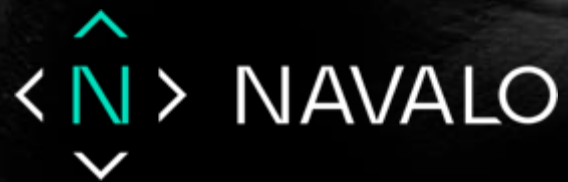


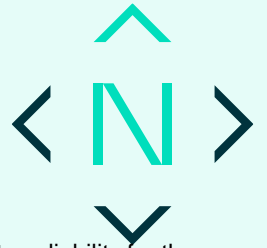
# Navalo Financial Services Group

Entitlement Offer Update

June 2024



# Disclaimer



## Purpose of Document

This document has been prepared by **Navalo Financial Services Group Limited (Navalo)** in connection with a proposed capital raising comprising a pro rata non-renounceable entitlement offer (**Entitlement Offer**) of new Navalo ordinary shares (**New Shares**). This document is not a Product Disclosure Statement or Prospectus required to be lodged with the Australian Securities and Investments Commission in accordance with the *Corporations Act 2001* (Cth) and it does not contain all of the information that such a Product Disclosure Statement or Prospectus is required to contain or that an offer document for the products described herein would contain. It is not an offer of interests in respect of any financial product. Eligible Shareholders should read the replacement Offer Information Statement lodged with ASIC on 21 June 2024, and the Entitlement and Acceptance Form, in their entirety in connection with the Entitlement Offer. The replacement Offer Information Statement replaces the original offer information statement that was lodged with ASIC on 7 June 2024.

## Summary information

This document contains summary information about the current activities of Navalo and its subsidiaries as at the date of this document. The information in this document is of a general nature and does not purport to be complete. This document does not purport to contain all the information that an investor should consider when making an investment decision. It should be read in conjunction with Navalo's other periodic and continuous disclosure announcements lodged on its website.

## Responsibility for Information

Navalo has prepared this document from sources it believes to be correct and based on the information available to it and the facts and circumstances in existence as at the date of this document. Neither Navalo nor any of its related entities, associates, officers, employees or agents make any

representation or warranty, express or implied as to or assume any responsibility or liability for the authenticity, origin, validity, accuracy or completeness of any information, statement or opinion contained in this document or in any accompanying, previous or subsequent material or document. To the maximum extent permitted by law, Navalo and each of its related entities, associates, officers, employees or agents disclaims all and any responsibility or liability for any loss or damage which may be suffered by any person relying upon any information contained in, or any omissions from, this document.

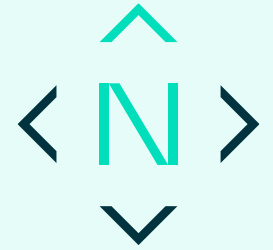
## Confidential

This document and all of the information contained in it must not be disclosed to any person or replicated in any form without the prior written consent of Navalo.

## Reliance on Document

This document has been prepared without taking into account any particular person's objectives, financial situation or needs and does not constitute any legal, taxation, investment or accounting advice. All information in this document is indicative, is based on certain assumptions and current market conditions and is subject to change without notice. Any historical information contained in this document is provided by way of illustration only, past performance is not a guide to future performance and actual performance may differ materially. Assumptions upon which financial illustrations are based may differ from actual circumstances. No reliance should be placed on the information in this document and any investment decision should be based only on the purchaser's own due diligence, inquiry, assessment and advice in respect of the matters described herein.

# Disclaimer (cont.)



## Future Performance

This document contains certain “forward looking statements”. Forward looking statements can generally be identified by the use of forward looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target”, “outlook”, “guidance” and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of Navalo, the outcome and effects of the Entitlement Offer and the use of proceeds.

The forward looking statements contained in this document are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Navalo, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the risks section of this document for a summary of certain general and Navalo specific risk factors that may affect Navalo. You are strongly cautioned not to place undue reliance on forward looking statements in this document. There can be no assurance that actual outcomes will not differ materially from these forward looking statements.

A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors set out in this document. Investors should consider the forward looking statements contained in this document in light of those disclosures. The forward looking statements are based on information available to Navalo as at the date of this document. Except as required by law or regulation, Navalo undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements.

## Information and liability

To the maximum extent permitted by law, each of Navalo and its respective affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, agents and advisers (together, the “Beneficiaries”) exclude and expressly disclaim:

- all duty and liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) for any expenses, losses, damage or costs incurred by you as a result of your participation in, or failure to participate in, the Entitlement Offer or the information in this document being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise;

- any obligations or undertaking to release any updates or revisions to the information in this document to reflect any change in expectations or assumptions; and
- all liabilities in respect of, and make no representation or warranty, express or implied, as to the fairness, currency, accuracy, reliability or completeness of information in this document or any constituent or associated document, information or material, or the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns (or any event or results expressed or implied in any forward looking statement) contained in, implied by, the information in this document or any part of it, or that this document contains all material information about Navalo or which a prospective investor or purchaser may require in evaluating a possible investment in Navalo or acquisition of securities in Navalo.

You acknowledge and agree that:

- determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements and the discretion of Navalo. You further acknowledge and agree that each of Navalo and its Beneficiaries exclude and expressly disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- allocations are at the sole discretion of Navalo. Navalo disclaims any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law; and
- Navalo reserves the right to change the timetable in its absolute discretion including by closing the Entitlement Offer early, withdrawing the Entitlement Offer entirely or extending the Entitlement Offer closing time (generally or for particular investor(s)) in its absolute discretion (but has no obligation to do so), without recourse to them or notice to you.

## Financial data

Except where otherwise mentioned, all dollar values are in Australian dollars (“A\$”). Recipients should note that certain financial data included in this Document is not recognised under the Australian Accounting Standards (AAS) and is classified as ‘non-IFRS financial information’ under Regulatory Guide 230 ‘Disclosing non-IFRS financial information’ published by ASIC. The Company believes that this non-IFRS financial information provides useful information to users in measuring the financial performance and condition of Navalo. Investors are cautioned not to place undue reliance on any non IFRS financial information, ratios and metrics included in this document.

# Executive Summary (1 of 2)

- Navalo is undertaking a pro rata non-renounceable entitlement offer (**Entitlement Offer**) to raise up to approximately \$10.0m to:
  - Repay a short-term loan from Metrics of ~\$4.5m;
  - Provide additional working capital to cover operating expenses to approximately December 2024; and
  - Pay for costs associated with the Entitlement Offer.
- The Board established an Independent Board Committee (IBC) to oversee the capital raising process
- Although not required, Navalo engaged RSM to undertake an independent valuation of Navalo for the purposes of the Entitlement Offer



# Executive Summary (2 of 2)



- This independent valuation has been used by the IBC to determine the price of the Entitlement Offer at \$0.194 per share. Further details in relation to the determination of the offer price are set out in the replacement Offer Information Statement lodged with ASIC on 21 June 2024. The replacement Offer Information Statement replaces the original offer information statement lodged with ASIC on 7 June 2024.
- Under the Entitlement Offer, eligible shareholders are entitled to subscribe for 5.87 New Shares for every 1 Navalo share held on the record date of 7.00pm (Sydney time) on 13 June 2024
- Navalo's substantial shareholder, Metrics and its related bodies corporate, currently have voting power of approximately 88.79% in Navalo. Metrics and its related bodies corporate have committed to subscribe for 100% of their entitlements under the Entitlement Offer. If there is no participation from other shareholders in the Entitlement Offer, Metrics' voting power in Navalo could increase to 98.20%
- Metrics has advised the Company that it has not currently made any determination in relation to any further dealings in Navalo shares including a potential exercise of the general compulsory acquisition power in Chapter 6A of the Corporations Act should its shareholding in Navalo reach 90% or greater
- As the Entitlement Offer is non-renounceable, a shareholder's entitlement is not able to be traded
- Founded in 2016, Navalo provides point-of-sale consumer finance options enabling consumers to make a purchase through an approved merchant, and to pay for the product or service over time
- Navalo continues to make significant efforts to profitably grow the loan book to reach sufficient scale such that it can generate a sustainable profit from operations

# Key Offer Dates

Event	Date
Record Date	7:00pm (Sydney time), Thursday 13 June 2024
Dispatch of Replacement Offer Information Statement and Entitlement and Acceptance Form	Monday 24 June 2024
Offer opens	Monday 24 June 2024
Offer closes (5:00pm Sydney time)	Monday 8 July 2024
Announcement of results of Offer published on Navalo's website	Wednesday 10 July 2024
Issue Date – Issue of New Shares	Thursday 11 July 2024
Dispatch of holding statements	Friday 12 July 2024

Dates are indicative and subject to change.

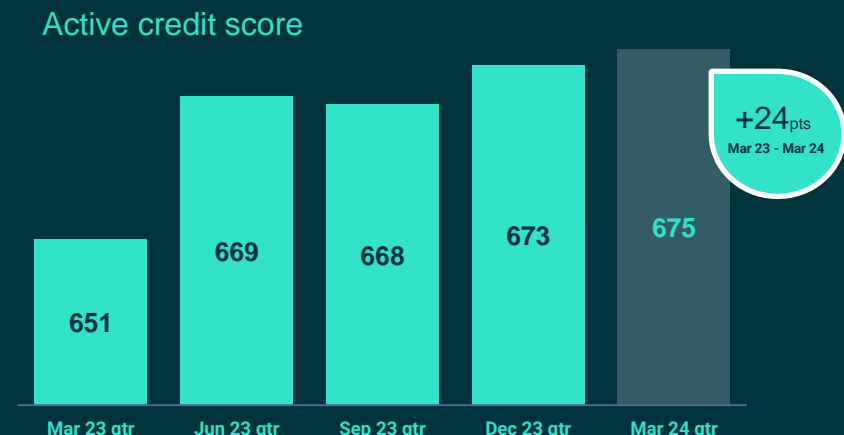
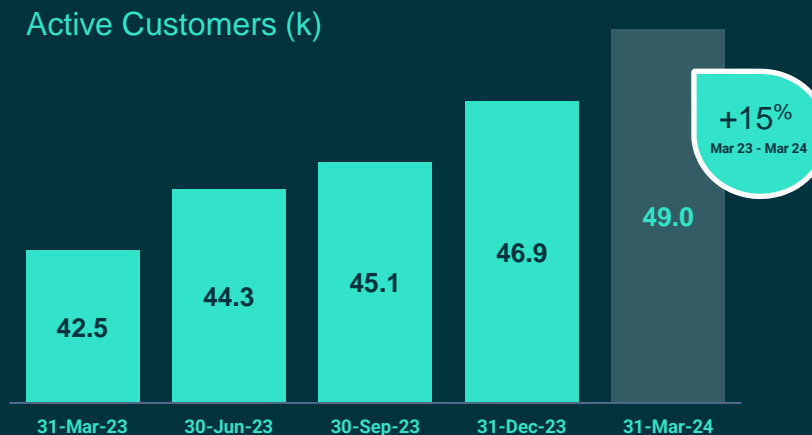
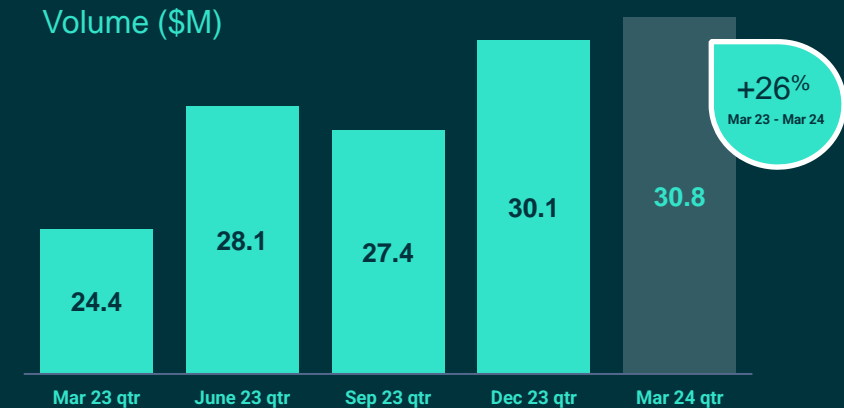
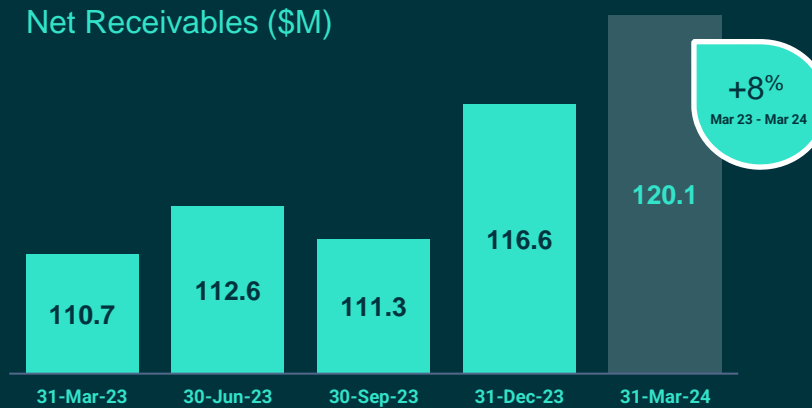




# 2023 Key Performance Metrics



- ✓ Net receivables grew to \$120.1M as at 31 March driven by volume growth over the same period.
- ✓ Volume up 26% year-on-year to \$30.8M in the March 24 quarter.
- ✓ Active customers up 15% from March 23 to March 24 reflective of an increase in new plans written.
- ✓ Average credit score climbed from 651 in the March 23 quarter to 675 in the March 24 quarter reflective of the company's focus on improved credit quality origination.



# 2023 Profit and Loss



\$'000	2023	2022	Var (\$)	Var (%)
Loan Volumes	\$110,015	\$113,273	(\$3,258)	(3%)
Fee income	\$18,758	\$17,223	\$1,535	9%
Finance income	\$181	\$37	\$144	389%
Other income	\$2,434	\$380	\$2,054	541%
<b>TOTAL INCOME</b>	<b>\$21,373</b>	<b>\$17,640</b>	<b>\$3,733</b>	<b>21%</b>
Expected Credit Losses	(\$7,609)	(\$5,567)	(\$2,042)	37%
Finance costs	(\$11,991)	(\$10,115)	(\$1,876)	19%
<b>TOTAL GROSS PROFIT</b>	<b>\$1,773</b>	<b>\$1,958</b>	<b>(\$185)</b>	<b>(9%)</b>
Employee benefits expense	(\$7,298)	(\$9,199)	\$1,901	(21%)
Marketing and advertising	(\$98)	(\$204)	\$106	(52%)
Consulting and professional fees	(\$3,083)	(\$2,392)	(\$691)	29%
Depreciation & Amortisation	(\$68)	(\$158)	\$90	(57%)
Administration costs	(\$2,333)	(\$1,583)	(\$750)	47%
Other expenses	(\$857)	(\$1,326)	\$469	(35%)
<b>TOTAL OPERATING EXPENSES</b>	<b>(\$13,737)</b>	<b>(\$14,862)</b>	<b>\$1,125</b>	<b>(8%)</b>
Gain/(loss) on revaluation of embedded derivative	(\$533)	\$1,316	(\$1,849)	(141%)
<b>NET OPERATING LOSS</b>	<b>(\$12,497)</b>	<b>(\$11,588)</b>	<b>(\$909)</b>	<b>8%</b>

- ✔ Income totalled \$21.4M for the period ended 31 December 2023, an increase of 21% from the prior period.
- ✔ Increase in expenses for the group largely resulted from increase in Expected Credit Loss (ECL) driven by growth within the loan book, increased spend on software development and consultancy costs.
- ✔ Net finance costs increased due to higher average interest rates and borrowings in the period, supporting growth in loan receivables.



# 2023 Balance Sheet



\$'000	2023	2022	Var (\$)	Var (%)
<b>Current Assets</b>				
Cash & cash equivalents	\$8,695	\$7,679	\$1,016	13%
Receivables	\$65,942	\$62,095	\$3,847	6%
Prepayments and other assets	\$1,487	\$1,158	\$329	28%
<b>Total Current Assets</b>	<b>\$76,124</b>	<b>\$70,932</b>	<b>\$5,192</b>	<b>7%</b>
<b>Non-current Assets</b>				
Receivables	\$50,630	\$46,731	\$3,899	8%
Property, plant and equipment	\$36	\$32	\$4	13%
Right-of-use assets	-	\$40	(\$40)	(100%)
<b>Total Non-current Assets</b>	<b>\$50,666</b>	<b>\$46,803</b>	<b>\$3,863</b>	<b>8%</b>
<b>Total Assets</b>	<b>\$126,790</b>	<b>\$117,735</b>	<b>\$9,055</b>	<b>8%</b>
<b>Current Liabilities</b>				
Trade and other payables	\$3,654	\$2,968	\$686	23%
Loans & borrowings	-	\$4,548	(\$4,548)	(100%)
Employee benefit liabilities	\$626	\$468	\$158	34%
<b>Total Current Liabilities</b>	<b>\$4,280</b>	<b>\$7,984</b>	<b>(\$3,704)</b>	<b>(46%)</b>
<b>Non-current Liabilities</b>				
Loans & borrowings	\$117,762	\$105,607	\$12,155	12%
Derivative liability	\$818	\$284	\$534	188%
Employee benefit liabilities	\$260	\$162	\$98	60%
<b>Total Non-current Liabilities</b>	<b>\$118,840</b>	<b>\$106,053</b>	<b>\$12,787</b>	<b>12%</b>
<b>Total Liabilities</b>	<b>\$123,120</b>	<b>\$114,037</b>	<b>\$9,083</b>	<b>8%</b>
<b>Net Assets</b>	<b>\$3,670</b>	<b>\$3,698</b>	<b>(\$28)</b>	<b>(1%)</b>
<b>Equity</b>				
Issued capital	\$59,722	\$47,383	\$12,339	26%
Accumulated losses	(\$56,793)	(\$44,296)	(\$12,497)	28%
Other reserves	\$741	\$611	\$130	21%
<b>Total Equity</b>	<b>\$3,670</b>	<b>\$3,698</b>	<b>(\$28)</b>	<b>(1%)</b>

✓ Net receivables grew to \$116.6M as at 31 December 2023, up 7% from pcp, driven by volume growth over the same period. Receivables comprise the loan receivables net of the ECL provision.

✓ Loans & borrowings are made up primarily of warehouse loan facilities which increased to \$110.9M as at 31 Dec 23, up from \$99.2M at the prior corresponding period.

✓ The Group raised \$13.2m of share capital in calendar year 2023 taking total issued capital to \$59.7M as at 31 December 2023.

# Outlook

**Continued focus on achieving sustainable and profitable growth.**

The primary objectives of Navalo are to:

- ✓ Accelerate the uptake of the new regulated personal loan product
- ✓ Seek expansion of the product offering
- ✓ Identify new distribution channels
- ✓ Profitable loan book growth
- ✓ Identify other organic and inorganic growth opportunities including potential acquisitions that may accelerate the path to profit



# Key Risks – Specific to Business (1 of 3)



- This section discusses some of the key risks associated with an investment in Navalo together with risks relating to the participation in the Entitlement Offer which may affect the future operating and financial performance of Navalo and the value of Navalo shares. The risks set out below do not constitute an exhaustive list of all risks involved with an investment in Navalo. Before investing in Navalo, you should carefully consider whether this investment is suitable for you. Potential investors should consider publicly available information on Navalo (such as that available on Navalo’s website and the replacement Offer Information Statement lodged with ASIC on 21 June 2024), and consider consulting a stockbroker, legal advisor, accountant or other professional advisor before making an investment decision.

## Going concern risk

The Company’s auditor has concluded in its audit report for the financial statements for the period ending 31 December 2023 that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial statements. The Directors consider that it is appropriate to prepare the financial statements on a going concern basis. The Directors have come to this conclusion as they have reasonable grounds to believe that the Company will continue to be successful in sourcing debt and/or equity funding in the future. In the event sourcing new or additional funding arrangements are not successful, the Company has other options available including but not limited to slowing down growth, further reductions in operating costs and pursuing alternate strategic opportunities to preserve cash reserves. If the Entitlement Offer does not reach successful completion, and if the Company is otherwise unsuccessful in sourcing other funding and/or taking steps to preserve its cash reserves, the Company may not be able to continue as a going concern, and accordingly may not be able to realise its assets and liabilities in the ordinary course of business. See section 6.2(a) of the Offer Information Statement for more details about this specific risk.

## Ongoing access to working capital to achieve scale

Navalo has not yet been able to generate a profit from its operations and continues to be reliant on other sources (including shareholders) to contribute funding to cover these losses. Without access to this required equity, there is no certainty that Navalo will be able to meet its commitments when due and, in an insolvency scenario, shareholders are at risk of losing some or all of their investment should there be insufficient assets remaining after secured and unsecured creditors are satisfied. See section 6.2(b) of the Offer Information Statement for more details about this specific risk.

# Key Risks – Specific to Business (2 of 3)



## Requirements for capital and funding

Navalo's business model is reliant on its ability to fund merchants whose customers use Navalo services to acquire products. Navalo's ability to fund merchants (and, through them, its customers) depends, in turn, on its ability to access debt funding, the terms on which such funding is obtained and Navalo's ability to comply with such terms. Failure to secure or maintain debt funding may have adverse consequences for Navalo including an inability to continue, or to grow, its business. There is also a risk that, if sufficient liquid funds are not available to fund customers of certain merchants within the specific service level agreed in relation to purchases made by the customer, the merchants will become dissatisfied and terminate their merchant agreements, which could have an adverse effect on Navalo's operations and financial performance. See section 6.2(c) of the Offer Information Statement for more details about this specific risk.

## Bad and doubtful debts and fraud

A current operating expense incurred by Navalo relates to the service of bad and doubtful debts, which represents the portion of customers who delay or fail to meet their repayment obligations. One of Navalo's points of differentiation across the Australian BNPL industry is the servicing of customers making higher value and/or service-related purchases (as opposed to physical goods) with longer maturity. This point of differentiation may also expose Navalo to higher risks of bad and doubtful debt relative to its competitors who limit their customer service offering to smaller value purchases with greater emphasis on goods related purchases. See section 6.2(d) of the Offer Information Statement for more details about this specific risk.

## Macroeconomic conditions

General economic conditions, changes in government policy, amendments to legislation, movements in interest rates, inflation and currency exchange rates may have an adverse impact on Navalo's operations as well as its ability to finance its business model. See section 6.2(e) of the Offer Information Statement for more information about this specific risk.

## Regulatory compliance and change

Navalo is subject to a range of laws, regulations and industry compliance requirements. Failure to comply with laws, regulations and industry compliance requirements or appropriately respond to any changes, could adversely impact Navalo's reputation and financial performance. Changes to government policy, law or regulations, or the introduction of new regulatory regimes (for example, in relation to financial services generally and BNPL regulation more specifically), may lead to an increase in operational costs and could materially adversely impact Navalo's financial performance and profitability. See section 6.2(f) of the Offer Information Statement for more information about this specific risk.

# Key Risks – Specific to Business (3 of 3)



## Cybersecurity and data protection

Navalo collects and holds a significant amount of personal information about its customers. Navalo's systems, or those of its third-party service providers, may fail, or be subject to disruption as a result of external threats or system errors. Cyber-attacks could also compromise or breach the safeguards implemented by Navalo to maintain confidentiality in such information. While Navalo is engaged in ongoing review and implementation of strengthened cybersecurity and data protection measures, there is no guarantee that these measures will offer adequate protection against the risk of cyber-attacks. See section 6.2(g) of the Offer Information Statement for more information about this risk.

## Loss of merchant contracts and relationships

Navalo's business depends on its contracts and relationships with key existing merchant clients and attracting new merchant clients. There can be no guarantee that these contracts and relationships will continue or, if they do continue, that they will remain successful. Merchant agreements can be terminated and do not contain any obligations for the merchant to secure minimum volumes. Merchant businesses may also be impacted by broader macro-economic pressures causing them to cease trading or create increased risk of non-compliance resulting in termination of the relationship. See section 6.2(h) of the Offer Information Statement for more information about this risk.

## Competitors and new technology offerings

Navalo operates in a competitive environment in which systems and practices are subject to continual development and improvement and new or rival offerings emerge periodically. There is a risk that new BNPL entrants (including retailers with white labelled products) or existing competitors may deliver a superior solution and customer experience offering to that currently offered by Navalo. See section 6.2(i) of the Offer Information Statement for more information about this risk.

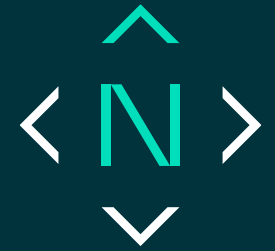
## Ability to maintain sufficient resources and rely on key personnel

The ability of Navalo to increase revenue and achieve profitability is dependent on its ability to scale its business in its key markets, particularly in the core sectors, in a manner that enables it to operate profitably over time. There is no guarantee that Navalo will be able to achieve the same level of rapid growth that it has achieved to date. See section 6.2(j) of the Offer Information Statement for more information about this risk.

## Technology risks

Navalo's business model relies on the execution of several critical business processes, particularly to support the on boarding of new customers, service existing customers and to process transactions (using a third-party customer relationship management platform). Key business processes could be disrupted by events outside of Navalo's control such as system infrastructure disruption, system failures, service outages, corruption of information technology network or information systems as a result of computer viruses, bugs, worms or cyber-attacks, as well as natural disasters, fire, power outages or other events outside the control of Navalo and that measures implemented by Navalo to protect against such events are ineffective. See section 6.2(k) of the Offer Information Statement for more information about this risk.

# Key Risks – General



Future acquisitions	Navalo may selectively pursue acquisitions to complement its organic growth in the future. However, Navalo may not be able to identify suitable acquisition candidates at acceptable prices or complete and integrate acquisitions successfully. Even if successfully executed and integrated, there can be no guarantee of continued successful performance of those acquisitions. To the extent that Navalo's acquisition strategy is unsuccessful, its financial performance could be adversely impacted.
Compulsory acquisition of Navalo shares	If at any time a shareholder in Navalo obtains a beneficial interest in more than 90% of Navalo shares, it will be entitled to acquire the remaining Navalo shares pursuant to the compulsory acquisition provisions of the Corporations Act (but is not required to do so). Metrics has advised the Company that it has not currently made any determination in relation to any further dealings in Company shares including a potential exercise of the general compulsory acquisition power in Chapter 6A of the Corporations Act. See section 6.3(b) of the Offer Information Statement for more details about this general risk.
Litigation, claims and disputes	There is a risk that Navalo may be exposed to potential legal and other claims or disputes in the course of its business, including contractual disputes, intellectual property infringement claims, employment and shareholder disputes and indemnity claims. See section 6.3(c) of the Offer Information Statement for more details about this general risk.
Changes to accounting standards	The Australian Accounting Standards are set by the Australian Accounting Standards Board ("AASB"). Changes to accounting standards issued by AASB could materially adversely affect the financial position and performance reported in Navalo's financial statements.
Taxation changes may negatively affect the Company	There is the potential for changes to tax laws and changes in the way tax laws are interpreted. Any change to the current tax rates imposed on Navalo (including in foreign jurisdictions that Navalo may operate) is likely to affect returns to Shareholders. An investment in Navalo shares may involve tax considerations which will differ for each shareholder. Each prospective shareholder is encouraged to seek professional tax advice in connection with any investment in Navalo.

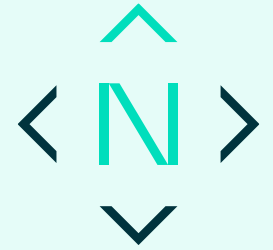


# Key Risks – General (cont.)



Risks of Shareholder dilution	The Company may in the future elect to issue Shares or engage in capital raisings to fund ongoing working capital requirements of the Company or acquisitions that the Company may decide to make, although none are contemplated in the short term. Shareholders at the time may be diluted as a result of such issues of Shares and capital raisings.
Additional funding	The Company may need to raise additional funds from time to time to finance ongoing development and growth and meet its other longer-term objectives. Directors can give no assurance that future funds can be raised on favourable terms, if at all. If further funds are required but cannot be raised, this may force curtailment of product development initiatives, operations and may adversely impact the Company's financial position.
Risks associated with an investment in shares	The market price of the Company's shares will fluctuate due to the financial and operating performance of the Company and various external factors (which are unpredictable and may be unrelated or disproportionate to the performance of the Company), many of which are non-specific to the Company and over which the Company and its directors have no control. See section 6.3(h) of the Offer Information Statement for more details about this general risk.
Limited share liquidity	Navalo is an unlisted public company and therefore the New Shares will have limited liquidity unless and until the Shares are listed on an exchange. Accordingly, Shareholders may have difficulty identifying persons who have an interest in acquiring Shares. Neither the Company or any other person guarantees that there will be any market for Shares, the Company will be successful, or it will pay any dividends in the future.

# Foreign Jurisdictions Disclaimer



## Foreign Jurisdictions

This document has been prepared to comply with Australian disclosure requirements. The distribution of this document in jurisdictions outside Australia may be restricted by law and persons who come into possession of this document outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

### Indonesia

A registration statement with respect to the New Shares has not been, and will not be, filed with Otoritas Jasa Keuangan in the Republic of Indonesia. Therefore, the New Shares may not be offered or sold to the public in Indonesia. Neither this document nor any other document relating to the offer or sale, or invitation for subscription or purchase, of the New Shares may be circulated or distributed, whether directly or indirectly, in the Republic of Indonesia or to Indonesian citizens, corporations or residents, except in a manner that will not be considered as a “public offer” under the law of the Republic of Indonesia.

### New Zealand

#### Warning

If you are a shareholder in Navalo, then you are being offered New Shares under the terms of the Entitlement Offer.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This requires those offering financial products to have disclosed information that is important for investors to make an informed decision.

The usual rules do not apply to this offer because it is a small offer in New Zealand. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment. Ask questions, read all documents carefully and seek independent financial advice before committing yourself.

### Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document relating to the New Shares may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the SFA) or another exemption under the SFA. This document has been given to you on the basis that you are an existing holder of the Company’s shares. If you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.