



Oliver's Real Food Ltd
ABN 33 166 495 441
5 Lenton Place
NORTH ROCKS NSW 2151

Dear Shareholder,

Annual General Meeting 2024

On behalf of the Board of Oliver's Real Food Limited (**Oliver's**), I am pleased to invite you to attend the 2024 Annual General Meeting (**AGM**).

Oliver's 2024 AGM will be held as a physical meeting (where shareholders can attend in person) at the offices of Thomson Geer 60 Martin Place Sydney NSW 2000 Australia at **10am AEDT (Sydney time)** on **Friday 29 November 2024**.

The **2024 Annual Report** and **Notice of Meeting** are available on the Company's website <https://olivers.com.au/investors/> and will be circulated separately to those who have requested a printed copy.

The Notice of Meeting and Explanatory Memorandum set out the material to be considered at the AGM. I encourage you to read these documents carefully. The Directors have provided background and reasoning in the Explanatory Memorandum for each of the resolutions. Subject to the voting abstentions set out in the Notice of Meeting, the Directors of Oliver's unanimously recommend that Shareholders vote in favour of all resolutions.

If you would like to vote on the items of business outlined in the Notice of Meeting and whether or not you intend to be present at the AGM, you are encouraged to appoint a proxy to vote on your behalf at the AGM. If you wish to appoint a proxy, please do so by completing the Proxy Form included in the Notice of Meeting and returning the completed form to Boardroom Limited in accordance with the instructions on the Proxy Form or vote by proxy electronically, in either case no later than **10am AEDT** on **Wednesday 27 November 2024**.

VOTING IS NOW OPEN. To vote online, please follow the instructions below:

- **STEP 1:** Visit <https://www.votingonline.com.au/oliagm2024>
- **STEP 2:** Enter your Postcode (if within Australia) OR Country of Residence (if otherwise);
- **STEP 3:** Enter your Voting Access Code (VAC) – as contained in the attached proxy form;
- **STEP 4:** Follow the prompts to vote on each resolution.

Thank you for your continued support of Oliver's and I look forward to your participation in Oliver's forthcoming AGM.

A handwritten signature in black ink, appearing to read "Martin Green".

Yours faithfully
Martin Green
Chairman

FRESH. NATURAL. ORGANIC.

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NOTICE OF 2024 ANNUAL GENERAL MEETING

Notice is hereby given that the 2024 Annual General Meeting (**Meeting**) of the shareholders (**Shareholders**) of Oliver's Real Food Limited ABN 33 166 495 441 (**Oliver's** or the **Company**) will be held as follows:

Time: 10am AEDT (Sydney time)

Date: Friday, 29 November 2024

Place: Thomson Geer - 60 Martin Place, Sydney, NSW 2000 Australia

This Notice of Meeting should be read in conjunction with the attached Explanatory Memorandum and the accompanying Proxy Form which is provided for those Shareholders wishing to vote by proxy. Please follow the instructions on the Proxy Form carefully. The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form both form part of this Notice of Meeting.

AGENDA

A. CONSIDERATION OF REPORTS

To receive and consider the Financial Report, the Directors' Report and the independent Auditor's Report of the Company and its controlled entities, for the financial year ended 30 June 2024 (**Reports**).

All Shareholders can view the Reports on the Company's website at <https://olivers.com.au/investors>

Note: There is no requirement for Shareholders to approve the Reports.

B. QUESTIONS AND COMMENTS

Following consideration of the Reports, the Chairman will give Shareholders a reasonable opportunity to ask questions about, or comment on the management of, the Company.

The Chairman will also give Shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the independent Auditor's Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by Shareholders that are relevant to the content of the independent Auditor's Report or the conduct of the audit. A list of relevant written questions submitted by Shareholders will be made available at the start of the Meeting and any written answer tabled by the Auditor at the Meeting will be made available as soon as practicable after the Meeting.

C. BUSINESS

Resolution 1: To Adopt the Remuneration Report

To consider and, if thought fit, to pass the following as a non-binding ordinary resolution of the Company:

"That the Company's Remuneration Report for the financial year ended 30 June 2024, as set out in the Director's Report, be received, approved and adopted."

The Remuneration Report is included in the 'Directors' Report' section of the 2024 Annual Report.

Please note that the vote on this item is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this resolution must not be cast in any capacity by or on behalf of either of the following persons:

- (a) a member of the Company's Key Management Personnel (**KMP**) whose remuneration details are included in the Remuneration Report of the Company's 2023 Annual Report; or
- (b) a Closely-Related Party (as defined in the Corporations Act 2001 (Cth) (**Corporations Act**) of such a member.

However, a person (the voter) described above may cast a vote on this resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy in writing that specifies the way the proxy is to vote on this resolution; or
- (b) the voter is the Chairman and the appointment of the Chairman as proxy:
 - (i) does not specify the way the proxy is to vote on this resolution; and
 - (ii) expressly authorises the Chairman to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Resolution 2: Re-election of Director – Kathryn Gregg

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

"That, for the purposes of clause 69.2 of the Constitution and for all other purposes, Ms. Kathryn Gregg, who retires by rotation, being eligible, offers himself for election, be re-elected as a Director of the Company."

Resolution 3: Approval of acquisition of relevant interest in the Company's Shares arising from the issue of the Conversion Shares

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

"That, for the purposes of section 611, item 7 of the Corporations Act and for all other purposes, shareholders approve and authorise the Company to issue 100,000,000 Shares at an issue price of \$0.014 per Share to Michael Gregg to convert the full amount owing under a \$1,400,000 debt loan to equity on the terms set out in the Explanatory Memorandum."

Voting Prohibition Statement:

In accordance with the notice requirements of item 7 of section 611 of the Corporations Act, the Company will disregard any votes cast in favour of the resolution by:

- (a) Michael Gregg;
- (b) the persons (if any) from whom the acquisition of Shares is to be made; or
- (c) any of the above listed persons' Associates.

However, this does not apply to a vote cast in favour of a resolution by:

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

Expert Report:

Shareholders should carefully consider the Independent Expert Report prepared by the Independent Expert accompanying this Notice, as required under item 7 of section 611 of Corporations Act. The Independent Expert Report comments on the fairness and reasonableness to the existing non-associated Shareholders in the Company of the issue of the Conversion Shares to Michael Gregg. The Independent Expert has determined that the issue of Shares to Michael Gregg is fair and reasonable to the non-associated Shareholder.

Resolution 4: Approval to extend term of security under the Secured Loan Agreement

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

"That, for the purposes of Listing Rule 10.1 and for all other purposes, approval is given for the Company to extend the term of a secured loan and thereby extend the term of the security provided under that secured loan, over the Company's assets and undertaking in favour of the lenders on the terms set out in the Explanatory Memorandum."

Voting Prohibition Statement:

The Company will disregard any votes cast in favour of this resolution by or on behalf of the following persons:

- (a) Michael Gregg;
- (b) Suzanne Gregg;
- (c) Gelba Pty. Limited;
- (d) any other person who will obtain a material benefit as a result of, the proposed issue (except solely by reason of being a holder of Shares in the Company); or
- (e) any of the above listed persons' Associates.

However, this does not apply to a vote cast in favour of a resolution by:

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

Expert Report:

Shareholders should carefully consider the Independent Expert Report prepared by the Independent Expert accompanying this Notice, as required under Listing Rule 10.1. The Independent Expert Report comments on the fairness and reasonableness of the transaction the subject of this Resolution to the non-associated Shareholders in the Company. The Independent Expert has determined the transaction the subject of this resolution to be fair and reasonable to the non-associated Shareholders.

Please refer to the Explanatory Memorandum for details of these resolutions.

Other Business

To transact any other business that may be properly brought before the Meeting.

Further information in relation to these Resolutions is set out in the attached Explanatory Memorandum. The Explanatory Memorandum and the Proxy Form attached form part of this Notice of Meeting.

Resolutions

All Resolutions, are ordinary resolutions. Ordinary resolutions are required to be approved by a simple majority of the votes of those Shareholders entitled to vote and voting on the resolution.

Each resolution considered at the Meeting will be conducted by a poll, rather than a show of hands.

Eligibility to Vote

For the purposes of regulation 7.11.37 of the Corporations Act, the Directors have set 7:00 pm (AEDT) (Sydney time) on 27 November 2024 as the time and date to determine holders of the Company's Shares for the purposes of the Meeting. Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Voting Intentions of the Chairman

The Chairman intends to vote all available undirected proxies in favour of all resolutions, as indicated in the Notice of Meeting and the Explanatory Memorandum.

Proxies

To be effective, Proxy Forms must be received by the Company at its registered office at least 48 hours before the time for holding the Meeting and otherwise in accordance with the instructions on the Proxy form.

A Shareholder entitled to attend online, and vote, is entitled to appoint not more than two persons as his / her proxy to attend and vote instead of the member. A proxy need not be a member of the Company. If more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. Unless under Power of Attorney (which should have been noted by the Company) a Proxy Form by a corporation should be executed under its common seal or in accordance with the Corporations Act.

Dated: 22 October 2024

By order of the Board



Robert Lees
Company Secretary

EXPLANATORY MEMORANDUM

This Explanatory Memorandum sets out information in connection with the business to be considered at the 2024 Annual General Meeting (**Meeting**) of Oliver's Real Food Limited (**Oliver's** or the **Company**) to be held physically at the offices of Thomson Geer 60 Martin Place Sydney NSW 2000 on **Friday 29 November 2024** at **10:00 am (AEDT)**.

This document and the Notice of Meeting should be read in their entirety and in conjunction with each other.

ORDINARY BUSINESS

The following items of ordinary business will be considered at the Meeting:

1. Financial Report

The first item of the Meeting deals with the consolidated financial report of the Company and its controlled entities for the year ended 30 June 2024, including the Directors' Declaration and Directors' Report in relation to that financial year, and the Auditors' Report on the financial statements (**Financial Report**).

Shareholders are asked to consider the Financial Report and raise any matters of interest with the Directors when this item is being considered. Shareholders will be provided with a reasonable opportunity at the Meeting to ask questions about, or make comments on, the Financial Report.

No resolution is required to be moved in respect of this item of business.

2. Resolution 1: To Adopt the Remuneration Report

The Corporations Act requires that a resolution be put to the members to receive, approve and adopt the Remuneration Report, as it is disclosed in the Directors' Report of the Annual Report of the Company. The vote on this resolution is advisory only and non-binding. The resolution gives the members the opportunity to ask questions or make comments concerning the Remuneration Report during the Meeting.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (**Spill Resolution**) that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must stand for re-election. Any undirected proxies held by Directors, with the exception of the Chairman of the Meeting, or other KMP, or any of their closely-related parties, will not be voted on Resolution 1. Their closely-related parties are defined in the Corporations Act, and include certain of their family members, dependents and companies they control. The Chairman of the Meeting has received express authority to vote undirected proxies on Resolution 1 as he sees fit.

At the Company's previous annual general meeting the votes cast against the Remuneration Report considered at that annual general meeting were less than 25%. Accordingly, a further resolution relating to the Spill Resolution is not relevant for this Meeting.

Directors' recommendation

The board of Directors unanimously recommends that Shareholders vote in favour of this resolution. Voting exclusions apply.

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3. Resolution 2: Re-election of Director – Kathryn Gregg

Pursuant to clause 69.2 of the Constitution Ms. Gregg is retiring and submitting herself for re-election as a Director of the Company. Clause 69.2 of the Constitution states that at each annual general meeting of the Company, one third of the directors must retire from office. Clause 69.4 of the Constitution states that a retiring director is eligible for re-election.

Ms. Kathryn Gregg is a representative of the Gregg family, the Company's largest shareholder and principal lender. Ms. Gregg's background is in sales and marketing. She holds a Bachelor of Business from the University of Technology Sydney, majoring in marketing and she also holds a Diploma of Public Relations from New York University. Ms. Gregg has completed the Australian Institute of Company Director's course in Governance Essentials. Her extensive commercial background is in retail facing and travel related businesses. The Company believes Ms. Gregg's skills place the Company in a strong position as it continues to recover from difficult trading conditions over the past two years.

Ms. Gregg is a non-executive Director.

Directors' recommendation

The Board (with Ms. Gregg abstaining) recommends that Shareholders vote in favour of the resolution.

4. Resolution 3: Approval of acquisition of relevant interest in the Company's Shares arising from the issue of the Conversion Shares

(a) **Background**

On 27 September 2024 and as announced on that same date, the Company and Michael Gregg entered into a \$1,400,000 unsecured debt facility (**Unsecured \$1.4M Loan**). As at the date of this Notice of Meeting, the entire principal amount has been drawn down. The key terms of the Unsecured \$1.4M Loan are summarized below:

Lender	Michael Gregg (the relative of Director Kathryn Gregg)
Principal	\$1,400,000
Maturity Date	31 December 2025
Security	Unsecured
Interest Rate	7.3%
Debt to Equity Conversion	<ul style="list-style-type: none"> Subject to receipt of Shareholder approvals (the subject of this Resolution), the principal under the Unsecured \$1.4M Loan will be converted from debt to equity at an issue price of \$0.014 per Share. If Shareholder approvals are received and the Company converts the debt to equity, Michael Gregg will waive his right to receive all interest accruing on the principal in cash or Shares.

In accordance with its obligations under the Unsecured \$1.4M Loan, the Company proposes the Unsecured \$1.4M Loan be converted to equity by the issue of 100,000,000 new Shares at \$0.014 per Share (**Conversion Shares**), representing a premium to the closing price of \$0.013 as at the day before the date of this Notice.

As at the date of this Notice, Michael Gregg and his Associates hold 21.54% of the voting power in the Company. If Michael Gregg were to be issued the Conversion Shares, he and his Associates would come to hold 36.05% of the voting power in the Company.

(b) **Section 606 of the Corporation's Act**

Section 606 of the Corporations Act prohibits a person acquiring a relevant interest in issued voting shares in a company if, as a result of the acquisition, that person or someone else's voting power in the company increases from less than 20% to more than 20%, or from a starting point that is above 20% and below 90% (**Section 606 Prohibition**).

The voting power of a person in a body corporate is determined under section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

A person has a relevant interest in securities if they:

- (i) are the holder of the securities; or
- (ii) have power to exercise, or control the exercise of, a right to vote attached to securities; or
- (iii) have power to dispose of, or control the exercise of power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

There are various exceptions to the Section 606 Prohibition, including under section 611 item 7 of the Corporations Act. Section 611 item 7 of the Corporations Act states that an acquisition of a relevant interest is exempt where the shareholders of the company approve the acquisition of the relevant interest at a meeting at which no votes are cast by the acquirer of the relevant interest or the person from whom the acquisition is to be made, including their respective associates.

(c) **Chapter 2E of the Corporations Act**

A public company must not give a financial benefit to a related party of that public entity without first obtaining the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act, unless an exception set out in sections 210 to 216 of the Corporations Act applies. Where approval is granted, the public company must give the benefit within 15 months following such approval.

A financial benefit is defined in section 229 of the Corporations Act and includes issuing securities to a related party. A related party is defined in section 228 of the Corporations Act and includes an entity controlled by a director. The issue of the Conversion Share

therefore constitutes the giving of a financial benefit to a related party as Michael Gregg is a relative, as defined by section 9 of the Corporation Act, of Kathryn Gregg, a Director appointed to represent the Gregg family, the Company's largest shareholder and principal lender. Section 210 of the Corporations Act exempts the provision of a financial benefit from the need to obtain member approval, where such financial benefit is given on terms that would be reasonable in the circumstances if the public company and related party were dealing at arm's length or on terms that are less favourable to the related party (Michael Gregg) than arm's length. The Directors (with Kathryn Gregg abstaining) are of the view that the Unsecured \$1.4M Loan and the issue of Conversion Shares upon conversion of the Unsecured \$1.4M Loan is on arm's length terms or terms less favourable than arm's length terms to Michael Gregg, therefore approval pursuant to Chapter 2E of the Corporations Act is not required.

(d) ***Listing Rule 7.1 and Listing Rule 7.2 exception 16***

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

Listing Rule 7.2 exception 16 provides that Listing Rule 7.1 does not apply to an issue of securities approved for the purposes of item 7 of section 611 of the Corporations Act. Accordingly, if Shareholders approve the issue of the Conversion Shares under this Resolution, the Conversion Shares will not count towards the Company's 15% Placement Capacity and the Company will have flexibility to issue equity securities in future without Shareholder approval under its 15% Placement Capacity.

(e) ***Listing Rule 10.11 and Listing Rule 10.12 exception 6***

Listing Rule 10.11 states that an entity must not issue or agree to issue securities to certain parties, including relatives of directors, without the approval of shareholders.

Listing Rule 10.12 exception 6 however provides that Listing Rule 10.11 does not apply to an issue of securities approved for the purposes of item 7 of section 611 of the Corporations Act. Accordingly, if Shareholders approve the issue of the Conversion Shares under this Resolution, the Company will not require additional Shareholder approval, to issue the Conversion Shares to a relative of a Director, for the purposes of Listing Rule 10.11.

(f) ***Approval sought***

As at the date of this Notice, Michael Gregg and his Associates hold 94,927,516 Shares (being 21.54% of the total issued share capital of the Company on an undiluted basis). If the Secured Loan is converted to equity in the Company, Michael Gregg will be issued 100,000,000 Conversion Shares which will, when aggregated with his and his Associates' existing shareholding, result in those persons holding 36.05% of the total issued share capital of the Company on an undiluted basis. These figures assumes that no other Shares are issued by the Company in the period prior to conversion of the Unsecured \$1.4M Loan (including, without limitation, through the conversion of any convertible notes, warrants, exercise of options or other issues of Shares) and that none of Michael Gregg nor his Associates acquire additional Shares on market or by any other means (**Assumptions**).

As outlined in section 4(b) above, Michael Gregg is prohibited from acquiring Shares if the effect of that acquisition would result in his voting power increasing from a starting point that is above 20% and below 90%, unless an exemption applies.

For this reason, the Company is seeking Shareholder approval for the purposes of item 7 of section 611 of the Corporations Act to exempt Michael Gregg from the Section 606 Prohibition. If Resolution 3 is passed:

- (i) the Company would be permitted to convert the Unsecured \$1.4M Loan;
- (ii) Michael Gregg would be permitted to acquire the Conversion Shares; and
- (iii) Michael Gregg and his Associates' voting power in the Company increasing from a starting point that is above 20% (21.54%) and below 90% (36.05%).

If Resolution 3 is not passed, the Company would be required to repay the Unsecured \$1.4M Loan plus all interest accrued in cash by the maturity date (31 December 2025). This would deplete the Company's cash reserves and as all drawn down amounts were applied towards working capital, it would also inhibit the Company's capacity to generate future revenue to pay off its other debts and expenses.

(g) **Disclosure of Material Information**

The following information is provided in accordance with item 7 of section 611 of the Corporations Act and ASIC Regulatory Guide 74: Acquisitions approved by members (**RG 74**). Shareholders are also referred to the Independent Expert Report annexed with this Notice.

(i) **Identity of the person proposing to make the acquisition and their associates**

The Conversion Shares will be issued to Michael Gregg, the principal lender and the Company's largest shareholder. Michael Gregg is also a relative of Director Kathryn Gregg.

(ii) **Maximum extent of the increase in Michael Gregg and his Associates' voting power in the Company**

The Company currently has 440,731,971 Shares on issue. Subject to the Assumptions, upon conversion of the Unsecured \$1.4M Loan, the Company will have 540,731,917 Shares on issue. The maximum extent of the increase in Michael Gregg and his Associates' voting power in the Company is 14.51% as illustrated in the following table:

	Current Position	Position after conversion
Number of Shares on issue	440,731,917	540,731,917
Number of Shares owned by Michael Gregg	4,600,000	104,600,000
Number of options owned by Michael Gregg	0	0
Number of Shares owned by Michael Gregg's Associates	90,327,516	90,327,516
Number of options owned by Michael Gregg's Associates	0	0
Michael Gregg and his Associates' voting power	21.54%	36.05%

(iii) **Voting power Michael Gregg would have as a result of the acquisition**

Michael Gregg and his Associates will have a voting power in the Company of 36.05% as a result of the conversion. Please refer to the above table.

(iv) **Explanation of the reasons for the proposed acquisition**

The Company required working capital to fund its business operations and to grow and strengthen its business in accordance with its objectives and business plan. To obtain that working capital the Company entered into the Unsecured \$1.4M Loan with Michael Gregg, which included an obligation to obtain Shareholder approval to convert the principal under that Unsecured \$1.4M Loan into equity.

With reference to the key terms of the Unsecured \$1.4M Loan set out in section 4(a) of the Explanatory Memorandum, the Company believes that the conversion proposed will be beneficial to the Company because it permitted the Company to obtain the working capital it needed, will result in the Company's requirement to pay interest on outstanding amounts being waived and will preserve the Company's cash reserves (both by not having to repay the Unsecured \$1.4M Loan in cash and by not having to repay interest accrued in cash) for future deployment towards its business needs. The conversion of debt to equity also further aligns the Company's principal lender, Michael Gregg, with the Company's future growth objectives.

(v) **When the proposed acquisition is to occur**

The Conversion Shares will be issued as soon as practicable following the Meeting.

(vi) **The material terms of the proposed acquisition**

The material terms of the proposed acquisition of Conversion Shares by Michael Gregg are set out in section 4(a) of the Explanatory Memorandum.

(vii) **A statement of Michael Gregg's intentions regarding the future of the target entity if members approve the acquisition**

As at the date of this Notice of Meeting, none of Michael Gregg or the Directors intend to change the business operations of the Company, redeploy or require any assets be transferred to Michael Gregg or his Associates. While Michael Gregg, being the Company's principal lender, may inject further capital into the Company or provide financial accommodation in the future or otherwise extend in the Company's favour, terms of existing debt securities, there is no guarantee this will occur.

Relatedly, none of Michael Gregg or the Directors intend to terminate any current employees or engage any particular employees in the future. Furthermore, given their voting power, Michael Gregg and his Associates will not have the ability to unilaterally implement significant changes to the Company's structure or strategic direction.

(viii) **Any intention of Michael Gregg to significantly change the financial or dividend distribution policies of the Company**

As at the date of this Notice of Meeting, Michael Gregg and his Associates, have no specific intention to alter the financial or dividend distribution policies of the Company. Additionally, given their voting power, they would not have the capacity to make unilateral decisions regarding these matters.

(ix) **The interests that any director has in the acquisition or any relevant agreement**

Kathryn Gregg, in her position as Director was appointed to represent Michael Gregg and his Associates, has an interest in this Resolution.

(x) **Details of any person who is intended to become a Director if the proposed transaction is approved**

Michael Gregg and his Associates have already appointed Kathryn Gregg, a Director, to represent their interests. They do not intend to appoint any additional directors.

(xi) **Independent Expert Report**

In accordance with the requirements of RG 74, the Directors engaged the Independent Expert to prepare and provide the Independent Expert's Report which contains an analysis of whether the proposed acquisition by Michael Gregg pursuant to the conversion of the Secured Loan is fair and reasonable to the non-associated Shareholders.

The Independent Expert's Report compares the likely advantages and disadvantages for the non-associated Shareholders if the proposal is not agreed to, with the advantages and disadvantages to those Shareholders if it is not.

The Independent Expert has concluded that the proposed Acquisition is fair and reasonable.

For a summary of the Independent Expert's findings, please refer to the Independent Expert's Report.

(xii) **Recommendation of each Director as to whether Shareholders should approve the resolution**

The Steve Metter and Martin Green recommend each Shareholder approve the resolution. For the avoidance of doubt, Kathryn Gregg abstains and does not make a recommendation,

5. Resolution 4: Approval to extend term of security under the Secured Loan

(a) **Background**

As at the date of this Notice, the Company has borrowed under various secured and unsecured loan agreements and lines of credit with Gelba Pty Ltd ACN 008 432 693, Martin Green as trustee and Michael & Suzanne Gregg (together, the **Principal Lenders**) \$12.71 million (**Debt**) excluding the Unsecured \$1.4M Loan the subject of Resolution 3.

On 27 September 2024, the Company announced the Principal Lenders agreed to:

- (i) grant a 12-month interest moratorium on all \$4.91 million of unsecured Debt, with effect from 1 July 2024, which will in essence make an additional \$358,000 available to be applied for working capital purposes; and
- (ii) extend the term and repayment dates of the Debt for a further 12 months (**Extension**), which would also have the effect of extending the terms of the GSD (the security provided in favour of the Principal Lenders under the secured Debt), by a further 12 months.

(together, **Improved Terms**).

(b) **Debt and Improved Terms**

The material terms of the Debt arrangements are set out in the Annexure. The Company and Principal Lenders intend to effect the Improved Terms by executing a deed, in the form of a letter between the parties, pursuant to which the Principal Lenders agree to grant the Company the Improved Terms by extending the maturity dates of the Debt.

In the view of the Directors, the obtaining of the Improved Terms is more than adequate consideration for the granting of the extension of the security underlying the secured Debt.

(c) **GSD**

The GSD incorporates the following key components:

- (i) Security under the GSD is granted over all of the assets and property of the Company (**Security**). Unless preferred by law, the Security will take priority over all other securities granted by the Company.
- (ii) The security can be discharged when all secured money has been paid in full and the obligated under the GSD and secured Debt arrangements and all other transaction documents have been observed and performed.

(iii) The debts covered by the Security (**Secured Money**) will include all debts and monetary liabilities of the Company to the Principal Lenders under or in relation to any finance document on any account and in any capacity, irrespective of whether the debts or liabilities:

- are present or future;
- are actual, prospective, contingent or otherwise;
- are at any time ascertained or unascertained;
- are owed to or incurred by or on an account of the Company alone, or severally or jointly with any other person;
- are owed to or incurred for the account of the Principal Lenders alone, or severally or jointly with any other person;
- are owed to any other person as agent (whether disclosed or not) for or on behalf of the Principal Lenders;
- are owed or incurred as principal, interest, fees, charges, taxes, damages (whether for breach of contract or tort or incurred on any other ground), losses, costs or expenses, of on any other account;
- are owed to or incurred for the account of the Principal Lenders directly or as a result of:
 - the assignment or transfer to the Principal Lenders of any debt or liability of the Company (whether by way of assignment, transfer or otherwise); or
 - any other dealing with any such debt or liability;
- are owed to or incurred by the account of the Principal Lenders before the date of the GSD to the Principal Lenders by any other person or otherwise; or
- comprise any combination of the above.

(iv) The secured assets (**Security Assets**) are subject to, inter alia, the following restrictions:

- the Company may not create or allow to exist any security over the Security Assets;
- the Company may not sell, assign, part with, transfer or otherwise dispose of the Security Assets; and
- the Company may not give control of the Security Assets to another person.

(v) Where an event of default occurs, the Principal Lenders may do one or more of the following in addition to anything else the law allows the Principal Lenders to do as the secured party:

- enforce the Security;
- sue the Company for the Secured Money;
- appoint one or more receivers; and

- do anything that a receiver could under the GSD.

As the GSD secures all Secured Money and the maturity date of the Secured Money will be extended by a further 12 months, the operation of the GSD will in effect be extended for a further 12 months as well.

(d) **Listing Rule 10.1 and 10.5**

Listing Rule 10.1 states that a listed entity must ensure that neither it, nor any of its child entities, acquires or agrees to acquire a substantial asset from, or disposes or agrees to dispose of a substantial asset to, any of the following persons without prior shareholder approval:

- (i) A related party;
- (ii) A child entity;
- (iii) A person who holds, or in the last 6 months held, 10% or more of the shares in the listed entity;
- (iv) An associate of a person referred to in (i) to (iii) above; or
- (v) A person whose relationship to the entity or a person referred to in (i) to (iv) above is such that, in ASX's opinion, the transaction should be approved by shareholders.

Gelba Pty Ltd is an entity controlled by persons including Martin Green, an existing director of the Company, and Michael and Suzanne Gregg are the parents of Kathryn Gregg, who is also an existing director of the Company. On this basis, the Principal Lenders fall within limbs (a)(iii), (a)(v) and (a)(vi) of the definition of 'related party' under the Corporations Act and are captured by Listing Rule 10.1.1 and Listing Rule 10.1.3.

Listing Rule 10.2 provides that an asset is a "substantial asset" if, in ASX's opinion, its value or the value of the consideration being paid or received by the entity is 5% or more of the equity interests of the entity in the most recent accounts provided to ASX. The equity interest of the Company according to its most recent financial accounts of 30 June 2024 were approximately negative \$17,633,561.

Furthermore, section 6.7 of guidance note 24 acquisitions and disposals of substantial assets involve persons in a position of influence states that ASX considers that granting security over the Company's assets amounts to a 'disposal' under the Listing Rules. As the amount secured by the GSD exceeds 5% of the Company's equity interests, Shareholder approval under Listing Rule 10.1 is required to extend the maturity and repayment dates of the Debt under the Improved Terms.

(e) **Approval Sought**

The parties propose to vary the terms of secured Debt (and, consequentially, the term of the GSD) by an additional 12 months to enable additional time for the Company to repay the Debt.

The Improved Terms will render the existing Shareholder approval of the GSD, obtained at the 2023 EGM and 2021 AGM, redundant. This is because extending the Debt also extends

the term of the GSD, a material change to the security interests previously approved, requiring fresh Shareholder approval.

If Resolution 4 is passed, the Company will be able to enter into the deed amending the secured Debt arrangements to effect the Improved Terms. This will have the effect of extending the term for which the Company remains indebted to the Principal Lenders and therefore the length of time in respect of which the Company's assets will be secured in favour of the Principal Lenders in relation to the secured Debt.

If Resolution 4 is not passed, the Company will not be able to effect the Improved Terms in respect of the secured Debt. Unless the Company can come to a separate arrangement with the Principal Lenders, which cannot be guaranteed, the Company would then be required to repay all amounts owing under the secured Debt as and when they are due and without the benefit of the Improved Terms.

(f) **Listing Rule 10.5**

In accordance with Listing Rule 10.5, the following information is provided in relation to the approval of extending the term of the GSD under Listing Rule 10.1:

- (i) the Security is being granted to the Principal Lenders;
- (ii) as summarized in section 5(c), the Principal Lenders are related parties to the Company and are substantial shareholders of the Company, therefore falling within the categories stipulated by Listing Rule 10.1.1 and 10.1.3;
- (iii) the details of the assets that may be acquired or disposed of upon in the event of default by the Company pursuant to the GSD are set out in section 5(c);
- (iv) there is no direct consideration being given by the Company to the Principal Lenders for extending the term of the GSD. The Company's initial grant of the security to the Principal Lenders was to secure the Company's obligations to repay the secured Debt;
- (v) there is no consideration being received by the Company as a result of extending the term of the GSD. The secured Debt, secured by the GSD has been applied towards advancing the Company's existing operations; business development; promotion and marketing services; repayment of debt and providing general working capital to fund the Company's operations;
- (vi) the Company has entered into the GSD with the Principal Lenders with Shareholder approval previously. The Extension of the term of the Debt and thereby the extension to the term for which the GSD will be in operation, is a material change to the security interests previously approved, requiring fresh Shareholder approval. It is intended that the Extension will be effected promptly after Shareholder approval is received. Any disposal of the assets arising from the Principal Lenders enforcing their security under the GSD will occur only if the Company defaults under the secured Debt arrangements;
- (vii) a summary of the material terms of the GSD is set out in section 5(c);
- (viii) a voting exclusion statement is included in the Notice; and
- (ix) the Company has engaged the Independent Expert to provide a report on the grant of the Security as an independent expert. The Independent Expert Report is attached to this Notice.

(g) **Independent expert's report**

Listing Rule 10.5.10 requires this Notice must attach a report from an independent expert stating the expert's opinion as to whether the transaction governed by the Revised Loan Agreement is fair and reasonable to the holders of the Company's ordinary securities whose votes in favor of the transaction are not to be disregarded.

The Company engaged the Independent Expert to provide the report required by Listing Rule 10.5.10 and their report is attached to this Notice. Shareholders are urged to consider the Independent Expert's Report in detail and if in doubt seek advice from their professional advisers prior to voting.

The Independent Expert has determined that extending the term of the security to the Principal Lenders is fair and reasonable to the non-associated Shareholders.

(h) **Board Recommendation**

The Independent Directors recommend each Shareholder approve the resolution.

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GLOSSARY

In this booklet, the following words and expressions have the following meanings:

\$ means Australian dollars.

15% Placement Capacity has the meaning given in section 4(d) of the Explanatory Memorandum.

2023 EGM means the extraordinary general meeting of the Company held on 8 February 2023.

2021 AGM means the annual general meeting of the Company held on 21 January 2022.

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

Annual General Meeting or **AGM** or **Meeting** means the meeting convened by the Notice, or a previous or future annual general meeting of the Company, as the context requires.

Annual Report means the annual report of the Company in respect of the financial year ended 30 June 2024.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to it under the Corporations Act.

Assumptions has the meaning given in section 4(f) of the Explanatory Memorandum.

ASX means ASX Limited ACN 008 624 691, or the market that it operates, as the context requires.

Auditor's Report means the Auditor's report of the Company and its controlled entities, for the financial year ended 30 June 2024.

Board means the current board of Directors of the Company.

Boardroom means Boardroom Limited (ACN 003 209 836), the share registry of the Company.

Chair or **Chairperson** or **Chairman** means the chair of the Meeting (or, where the context requires, a particular part of the Meeting).

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;

- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

Company or **Oliver's** means Oliver's Real Food Limited (ACN 166 495 441).

Constitution means the constitution of the Company as at the date of issue of this Notice.

Conversion Shares has the meaning given in section 4(a) of the Explanatory Statement.

Corporations Act means the *Corporations Act 2001* (Cth).

Debt has the meaning set out in section 5(a) of the Explanatory Memorandum, and for the avoidance of doubt excludes the Unsecured \$1.4M Loan.

Director means a director of the Company from time to time.

Director's Declaration means the declaration of the Directors set out in the Company's annual financial report for the year ended 30 June 2024.

Directors' Report means the directors' report of the Company and its controlled entities, for the financial year ended 30 June 2024.

Explanatory Memorandum means the explanatory statement accompanying the Notice contained in this booklet.

Extension has the meaning set out in section 5(a) of the Explanatory Memorandum.

Financial Report has the meaning given to that term in section 9 of the Corporations Act.

GSD means the general security agreement between the Company and each of the Principal Lenders as amended from time to time.

Independent Expert means Hall Chadwick Corporate (NSW) Limited ACN 080 462 488.

Independent Expert Report means the expert report prepared by the Independent Expert that is attached to this Notice of Meeting.

Key Management Personnel or **KMP** has the meaning given in the Corporations Act and the Listing Rules.

Lenders means Gelba Pty. Limited and Michael and Suzanne Gregg.

Listing Rules means the Listing Rules of the ASX.

Notice or **Notice of Meeting** means the notice of meeting convening the Annual General Meeting.

Principal Lenders has the meaning given in section 5(a) of the Explanatory Memorandum.

Proxy Form means a proxy form accompanying the Notice.

Related Body Corporate has its meaning given in section 9 of the Corporations Act.

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Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Reports means the Directors' Report and the Auditor's Report.

Resolutions means the resolutions set out in this Notice, or any one of them, as the context requires.

Section 606 Prohibition has the meaning set out in section 4(b) of the Explanatory Memorandum.

Secured Loan Agreement means the secured loan agreements entered into between the Company and each of the Lenders.

Security has the meaning set out in section 5 of the Explanatory Memorandum.

Secured Money has the meaning set out in 5 of the Explanatory Memorandum.

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

Shareholder means the holder of a Share.

Spill Resolution has the meaning given to that term in section 2 of the Explanatory Memorandum.

Unsecured \$1.4M Loan has the meaning set out in section 4(a) of the Explanatory Memorandum.

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Annexure: Details of Debt owed to Principal Lender, the maturity date of which is being extended(excluding the Unsecured \$1.4M Loan)

Name of Debt	Principal Lender	Principal	Interest Rate	Current Maturity Date*	Amount Drawn down	Security
Loan	Martin Green as trustee of the Green Superannuation Fund	\$300,160	6%	Repayable when the Company has recorded positive net profit after tax for two calendar quarters	\$300,160	Fixed and floating charge over the Company's assets
Loan	Gelba Pty. Limited	\$1,500,000	7.3%	30 September 2029	\$5,000,000	First ranking security over the assets of the Company
	Michael Gregg and Suzanne Gregg	\$3,500,000				
Revolving Line of Credit	Gelba Pty. Limited, Michael Gregg and Suzanne Gregg	\$4,500,000	7.3%	30 September 2029	\$2,500,000	Secured
				30 September 2025	\$2,000,000	Unsecured
New Site Line of Credit	Gelba Pty. Limited, Michael Gregg and Susan Gregg	\$2,910,000	7.3%	30 September 2025	\$2,910,000	Unsecured
	TOTAL	\$12,710,160			\$12,710,160	

* Where resolution 4 is passed, these maturity dates will be extended by a further 12 months / 1 calendar year

22 October 2024

The Directors
Oliver's Real Food Ltd
PO Box 3678
TUGGERAH NSW

Dear Sirs,

**Independent Expert's Report relating to Facility Amendments
with a Related Party**

1. INTRODUCTION

Background

- 1.1 Oliver's Real Food Ltd ("OLI" or "the Company") is an Australian Company listed on the Australian Securities Exchange ("ASX") that offers fresh and natural food products in Australia.
- 1.2 As announced to the market on 27 September 2024:
- a) OLI has agreed with its principal lender, Michael Gregg (the "Lender"), to provide an additional \$1.4 million unsecured debt facility (the "New Facility"). The New Facility is repayable on or before 31 December 2025 with interest payable at 7.3% per annum. The Lender has agreed, subject to shareholder approval, to convert the \$1.4m New Facility into ordinary shares in the Company ("Conversion Shares") at a price of \$0.014 per share ("Conversion Price"). This is referred to in this report as "**Transaction A**"; and
 - b) OLI has agreed with its principal lenders, Michael and Suzanne Gregg and Gelba Pty. Limited ("Principal Lenders"), to extend the term of a secured loan ("secured Debt") and thereby extend the term of the security provided under that secured loan ("Security"), over the Company's assets and undertaking in favour of the lenders. This is referred to in this report as "**Transaction B**".
- 1.3 As Michael Gregg is a related party with an existing equity interest in the Company above 20%, shareholder approval is required for both Transaction A and Transaction B (collectively "the Transactions") for the purposes of Section 611(7) of the Corporations Act and Chapter 10 of the ASX Listing Rules.

HALL CHADWICK
CORPORATE (NSW) LIMITED

ACN 080 462 488

SYDNEY

Level 40, 2 Park Street
Sydney NSW 2000 Australia

GPO Box 3555 Sydney NSW
2001

Ph: (612) 9263 2600

Fx: (612) 9263 2800

E: [hcsydlinfo@hallchadwick.](mailto:hcsydlinfo@hallchadwick.com.au)

com.au

www.hallchadwick.com.au

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Opinion

- 1.4 In our opinion:
- a) Transaction A is fair and reasonable to the Non-Associated Shareholders of OLI; and
 - b) Transaction B is fair and reasonable to the Non-Associated Shareholders of OLI.
- 1.5 The ultimate decision however on whether to accept the Transactions should be based on shareholders own assessment of their circumstances.

Purpose of Report

- 1.6 You have requested Hall Chadwick Corporate (NSW) Limited (“HCC”) to prepare an Independent Expert’s Report to advise the shareholders of OLI other than those associated with the Lender (“Non-Associated Shareholders”), whether the proposed Transactions are fair and reasonable when considered in the context of the interests of Non-Associated Shareholders and to set out the reasons for our conclusions.
- 1.7 HCC understands and has agreed that this report will be included in or accompany the notice to convene a meeting of OLI shareholders, to assist the Non-Associated Shareholders in their consideration of the Transactions.

2. OUTLINE OF THE TRANSACTION

- 2.1 As announced on 27 September 2024, the Company and Michael Gregg entered into a \$1,400,000 New Facility. The New Facility has been drawn to \$1.05m at the date of this report, with the remaining \$350,000 to be drawn as necessary. We are advised the New Facility will be fully drawn prior to the General Meeting of OLI shareholders in November 2024 to consider the Transactions. The Lender has agreed, subject to shareholder approval, to convert the \$1.4m New Facility into Conversion Shares at the Conversion Price of \$0.014 per share immediately following shareholder approval.
- 2.2 The result of Transaction A is a decrease in total debt by \$1.4m and an increase in the equity interest held by Michael Gregg and related parties from 21.54% to 36.05% as shown in the following capital structure of the Company:

	Current shares on issue	New shares issued under Transaction	Post transaction shares on issue
Total Shares on Issue	440,731,917	100,000,000	540,731,917
Michael Gregg and related parties	94,927,516 21.54%	100,000,000	194,927,516 36.05%
Gelba Pty Ltd *	91,735,346 20.81%		91,735,346 16.96%
All other shareholders	254,069,055 57.65%		254,069,055 46.99%

* Gelba Pty Ltd is not considered a related party of Michael Gregg.

- 2.3 As at the date of this report, the Company has borrowed under various secured and unsecured loan agreements and lines of credit with the Principal Lenders, as summarized at Appendix IV (the “Debt”). On 27 September 2024, the Company announced the Principal Lenders agreed to:
- (i) grant a 12-month interest moratorium on all unsecured debt, with effect from 1 July 2024, which will allow an additional \$358,000 to be available for working capital purposes; and
 - (ii) extend the term and repayment dates of the Debt for a further 12 months (“Extension”), which would also require the extension of the Security provided in favour of the Principal Lenders under the secured Debt by a further 12 months.
- (together, “Improved Terms”).
- 2.4 The Transactions are designed to assist the Company with the liquidity needed to enable management to focus on growing the business. If Shareholders do not vote in favour of the Transactions, then the Debt will continue on current terms and the \$1.4 New Facility will continue to be treated as debt, repayable on or before 31 December 2025 and accruing interest at 7.3% per annum.
- 2.5 If Shareholder approvals are received and the Company converts the debt to equity, Michael Gregg will waive his right to receive all interest accruing on the New Facility.

STRUCTURE OF REPORT

Our report is set out under the following headings:

- 3 PURPOSE OF REPORT
- 4 BASIS OF EVALUATION
- 5 OVERVIEW OF OLI
- 6 VALUATION METHODOLOGIES
- 7 VALUATION OF OLI SHARES
- 8 ADVANTAGES AND DISADVANTAGES OF THE TRANSACTIONS
- 9 CONCLUSION AS TO FAIRNESS AND REASONABLENESS

APPENDICES

- I SOURCES OF INFORMATION
- II STATEMENT OF DECLARATION & QUALIFICATIONS
- III FINANCIAL SERVICES GUIDE
- IV DEBT OWED TO PRINCIPAL LENDERS

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3 PURPOSE OF REPORT

- 3.1 The purpose of this report is to advise the Non-Associated Shareholders of OLI of the fairness and reasonableness of the Transactions.
- 3.2 This report provides an opinion on whether or not the terms and conditions in relation to the Transactions are fair and reasonable to the OLI shareholders whose votes are not to be disregarded in respect of the Transactions (that is, the Non-Associated Shareholders).
- 3.3 The ultimate decision whether to accept the terms of the Transactions should be based on each shareholders' assessment of their own circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt about the Transactions or matters dealt with in this report, shareholders should seek independent professional advice.

Transaction A

- 3.4 For Transaction A to be fair, the value of the consideration being paid must be equal to or greater than the value of the shares being issued by the Company. To be reasonable the shareholders must obtain an overall benefit if the transaction proceeds. In forming an opinion as to whether Transaction A is fair and reasonable, the following factors have been considered:
- the underlying value of OLI Conversion Shares to be issued as consideration on conversion of the New Facility;
 - the impact on the financial position of the Company if the Transaction is not approved;
 - the likelihood of an emergence of an alternative proposal that could realise better value for OLI Shareholders.
- 3.5 When the Transaction is approved and completed, Michael Gregg and related entities will be entitled to a relevant interest in OLI of 36.05%, up from 21.54%. Section 606(1) of the Corporations Act states that a person must not acquire an interest in issued voting shares in a listed company if that person's or any other person's voting power increases to above 20%, or increases from a starting point that is above 20% and below 90%. Section 606(1) prohibits Michael Gregg from acquiring the Conversion Shares unless one of the exemptions set out in Section 611 of the Corporations Act applies.
- 3.6 Item 7 of Section 611 of the Corporations Act exempts an acquisition that is approved by a resolution of shareholders of OLI passed at a general meeting as per Section 611. This is the exception which is being relied upon by the OLI shareholders. At the general meeting of OLI no votes will be allowed to be cast by those persons (or their associates) acquiring shares under the Transaction.
- 3.7 Australian Securities and Investments Commission ("ASIC") Regulatory Guide 111 "Content of Experts Reports" requires, amongst other things, that directors of a company need to provide shareholders with an analysis of whether a proposed transaction is fair and reasonable, when considered in the context of the interests of the non-associated shareholders. Regulatory Guide 111 recommends that this analysis should include an independent expert's report. The independent expert is required to state whether, in their opinion, the proposal is fair and reasonable having regard to the interests of non-associated

shareholders and state the reasons for forming that opinion. This report provides such an opinion.

Transaction B

- 3.8 Transaction B includes the amendment of terms of the secured Debt to extend the maturity and repayment dates of the secured Debt under the Improved Terms. Transaction B is considered fair if the terms of the transaction are on an arms-length market basis. To be reasonable the shareholders must obtain an overall benefit if the Transaction proceeds and there is not a better alternative for Non-Associated Shareholders.
- 3.9 ASX Listing Rule 10.1 requires that a listed company must obtain shareholder approval before it acquires or disposes of a substantial asset to a related party, a substantial holder or an associate of a related party. An asset is a substantial asset if the value of the assets, in this case the Security, is equal to or greater than 5% of the equity interest of that company at the date of the last audited accounts.
- 3.10 Listing Rule 19.2 defines “dispose” to include the using of an asset as collateral or security. Therefore for the purpose of ASX Listing Rule 10.1, the amendment of terms over the Security is considered to be the disposal of the assets provided as a surety for the Security, which exceeds 5% of the total equity disclosed in the most recent accounts of the Company.
- 3.11 Gelba Pty Ltd is an entity controlled by persons including Martin Green, an existing director of the Company, and Michael and Suzanne Gregg are the parents of Kathryn Gregg, who is also an existing director of the Company. On this basis, the Principal Lenders fall within limbs (a)(i) and (a)(iii) of the definition of 'related party' under the Corporations Act and are captured by Listing Rule 10.1.1.
- 3.12 Shareholder approval under Listing Rule 10.1 is therefore required to extend the maturity and repayment dates of the secured Debt and the consequential Security over the assets of the Company under the Improved Terms.
- 3.13 ASX Listing Rule 10.5.10 therefore requires a report on the Transaction from an independent expert stating whether the transaction is fair and reasonable to Non-Associated Shareholders of the listed company. This report provides such an opinion.

4. BASIS OF EVALUATION

- 4.1 In our assessment of whether the Transactions are fair and reasonable to OLI Non-Associated Shareholders, we have given due consideration to the Regulatory Guides issued by the ASIC, in particular, Regulatory Guide 74 “Acquisitions Agreed to by Shareholders”, Regulatory Guide 111 “Content of Experts Reports” and Regulatory Guide 112 “Independence of Experts Reports”.
- 4.2 ASIC Regulatory Guide 74 requires, amongst other things, that shareholders are provided with sufficient information to make an effective, informed decision on whether the proposed Transactions are fair and reasonable.
- 4.3 Under Regulatory Guide 111, Transaction A is “fair” if the value of the Conversion Price is equal to or greater than the value of the Conversion Shares. Additionally, under Regulatory Guide 111, an offer is “reasonable” if it is fair. It is possible for an offer to be reasonable despite being unfair. This would be after the expert considers that, based on non-financial factors, the shareholders should still approve the Transaction in the absence of any alternative proposals.
- 4.4 In the case of granting or amending the Security, we consider whether the terms of Transaction B are on an arms-length market basis. To be reasonable the shareholders must obtain an overall benefit if the transaction proceeds and a better alternative does not exist of which we are aware.
- 4.5 Our report has compared the likely advantages and disadvantages to Non-Associated Shareholders if the Transactions are agreed to, with the advantages and disadvantages to those shareholders if they are not.
- 4.6 We consider that the Transactions will be reasonable if, on balance, the Non-Associated Shareholders in OLI will be better off if the Transactions are approved. We will also consider the Non-Associated Shareholder’s interests should the Transactions not proceed.
- 4.7 In our assessment of the Transactions, we have considered, in particular the following:
- amendments proposed to the secured Debt, in particular those relating to the Security;
 - the terms of the New Facility, in particular those associated with the conversion of the New Facility amount provided to OLI shares;
 - The advantages and disadvantages associated with approving the Transaction;
 - the likely effect on OLI if the Transaction is not approved;
 - Other qualitative and strategic issues associated with the Transaction.
- 4.8 The documents and information relied on for the purpose of this report are set out in Appendix I. We have considered and relied upon this information and believe that the information provided is reliable, complete and not misleading and we have no reason to believe that material facts have been withheld.
- 4.9 This report has been prepared after taking into consideration the current economic and market climate. We take no responsibility for events occurring after the date of this report which may impact upon this report or which may impact upon the assumptions referred to in the report.

5. OVERVIEW OF OLI

5.1 Company Overview

- 5.1.1 The OLI business commenced trading in 2005 and was listed on the ASX in June 2017. OLI provides premium quality "real food" that is fresh, natural, and free from additives and preservatives.
- 5.1.2 OLI was the world's first certified organic fast food chain, now operating out of 18 locations along Australia's eastern seaboard.
- 5.1.3 OLI's business is to provide its customers with premium quality "real food" that is fresh and natural, free from additives and preservatives, prepared and delivered daily to major highway locations and Famous Rest stops like The Dog on Tuckerbox in Gundagai NSW, The Big Merino at Goulburn NSW, The Big Bass at Bulahdelah in NSW and Ferry Park on the river at McLean in NSW.
- 5.1.4 OLI provides a fresh and natural alternative to fast food on the go. Its food is organic where possible and the menu includes vegetarian and vegan options, and those looking for gluten or dairy free choices.
- 5.1.5 In addition, OLI owns and operates the Red Dragon Organics brand. Red Dragon Organics produces and distributes specialised certified organic beverage products through Oliver's stores to wholesalers, retailers and cafes in metropolitan centres.

5.2 Financial Information

- 5.2.1 Set out below is the Audited Consolidated Statements of Comprehensive Income of OLI for the financial years ended 30 June 2023 ("FY 2023") and 30 June 2024 ("FY 2024").

OLIVER'S REAL FOOD LTD		
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		
	FY 2023	FY 2024
Revenue	24,904,830	26,666,335
Other income	223,231	70,800
Interest revenue	3,052	6,775
Raw materials and consumables used	(9,245,769)	(9,824,180)
Employee benefits expense	(8,925,823)	(10,427,024)
Depreciation and amortisation	(2,140,850)	(2,043,097)
Impairment of assets	-	(520,359)
(Loss)/profit on disposal of assets	25,363	-
Administration expenses	(2,319,122)	(2,281,156)
Writeback of lease liability on lease termination ^{s5.2.3}	6,416,115	-
Store-facility occupancy expenses	(1,867,376)	(2,485,709)
Fair value gain on derivatives	19,550	-
Finance costs	(1,201,964)	(1,475,392)
(Loss)/profit before income tax expense	5,891,237	(2,313,007)
Income tax expense	-	-
Net (loss)/profit for the year	5,891,237	(2,313,007)

5.2.2 Set out below is the Audited Consolidated Statement of Financial Position of OLI as at 30 June 2024.

OLIVER'S REAL FOOD LTD	
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	
As at 30 June 2024	
Current Assets	\$
Cash and cash equivalents	459,601
Trade and other receivables	88,072
Inventories	314,767
Other	123,190
	985,630
Non-Current Assets	
Term deposits	446,365
Property, plant and equipment	4,057,775
Right-of-use assets ^{s5.2.3}	8,814,818
Intangibles	350,531
Other	102,812
	13,772,301
Total Assets	14,757,931
Current Liabilities	
Trade and other payables	4,139,604
Borrowings	1,499,238
Lease liabilities ^{s5.2.3}	2,394,509
Employee benefits	367,149
	8,400,500
Non-Current Liabilities	
Borrowings	10,985,000
Lease liabilities ^{s5.2.3}	12,626,511
Employee benefits	109,004
Provisions	270,477
	23,990,992
Total Liabilities	32,391,492
Net Assets	(17,633,561)
Equity	
Issued Capital	36,061,382
Accumulated losses	(53,694,943)
Total Equity	(17,633,561)

5.2.3 OLI leases land and buildings for its offices, warehouses and retail outlets under agreements of between 1 to 20 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated. In addition, OLI leases office equipment under agreements of less than 12 months. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets. Right-of-use assets are reviewed annually. Due to

COVID and the significant impact on OLI store revenues, a very conservative view was taken of the company's future cash flows. OLI closed eight unprofitable stores from March to June 2022, leading to significant impairment. OLI wrote back \$6.385m of lease liabilities after exiting certain leases with a Victorian landlord which is reflected in the balance sheet and results for FY2023.

6 VALUATION METHODOLOGIES

6.1 Selection of Methodology

6.1.1 In order to assess the fairness of Transaction A, a value needs to be attributed to OLI shares.

6.1.2 In assessing the value of OLI we have considered a range of valuation methods. ASIC Regulatory Guide 111 *Content of Expert Reports* states that in valuing a company the expert should consider the following commonly used valuation methodologies:

- Market value of shares: as publicly traded
- Capitalisation of Future Maintainable Earnings: the value of trading operations based on the capitalisation of future maintainable earnings;
- Discounted Cash Flow: the net present value of future cash flows;
- Realisation of Assets: the amount that would be available for distribution to security holders on an orderly realisation of assets.

We consider each of these valuation methodologies below.

6.1.3 *Market Value of Shares*

This method involves the valuation of an entity based on its actively traded equities, which represents the market capitalisation of the share capital of the entity, in a liquid and knowledgeable market.

Any assessment of the market value of the quoted equities needs to consider the following:

- The liquidity of the quoted equity based on the volume and frequency of trading;
- The number of ‘unusual’ and/or ‘abnormal’ trades that occur; and
- The timing and level of dissemination of information to the market.

If quoted ordinary equity is traded in an active, liquid and knowledgeable market, then the market price of the quoted ordinary equity should represent the ‘fair’ market value of the quoted ordinary equity.

A premium may also need to be applied to the value of the quoted ordinary equity to determine the value of the equity holding in the circumstances where a party is acquiring or increasing a controlling equity position.

We consider that adopting a market value of shares methodology to determine an indicative value of OLI is appropriate given its shares are publicly traded.

6.1.4 *Capitalisation of Future Maintainable Earnings*

Under the earnings-based valuation method, the value of the business is determined by capitalising the estimated future maintainable earnings of the business at an appropriate capitalisation rate or multiplier of earnings. The multiple is a coefficient, representing the risk that the business may not achieve projected earnings.

This method is appropriate in valuing a business when there is a history of earnings, the business is established and it is assumed the earnings are sufficiently stable to be indicative of ongoing earnings potential.

OLI has incurred a net loss in the most recent financial year and therefore we do not believe an earnings-based method is the most appropriate for the valuation of OLI.

6.1.5 *Discounted Cash Flow – Net Present Value*

Discounted cash flow valuations involve calculating the value of a business on the basis of the net cash flows that will be generated from the business over its life. The cash flows are discounted to reflect the time value of money and the risk involved with achieving the forecast cash flows. A terminal value at the end of the explicit forecast period is then determined and that value is also discounted back to the valuation date to give an overall value of the business.

Although the discounted cash flow approach relies on the availability of long-term earnings and cash flow forecasts, it is particularly suited to situations where cash flows are not stable or where significant cash outflows will be incurred prior to cash inflows being earned. The forecast period should be of such a length to enable the business to achieve a stabilised level of earnings, or to be reflective of an entire operational cycle for more cyclical industries.

OLI has not prepared long term forecast cash flows on which a valuation can be based. Therefore the use of the discounted cash flow method has not been selected for OLI.

6.1.6 *Realisation of Assets*

The net assets or cost based approach to value is based on the assumption that the value of all assets (tangible and intangible) less the value of all liabilities should equal the value of the entity. The net asset value is determined by marking every asset and liability on and off the company's Statement of Financial Position to current market values.

This approach is generally not appropriate where assets are employed productively and are earning more than the cost of capital. It is often used as a cross check to assess the relative riskiness of the business.

OLI is predominantly a revenue-based business. The book value of its assets, which is currently represented by a negative value, may not be representative of the inherent value of the business.

6.2 **Premium for Control**

- 6.2.1 When considering transactions involving a substantial equity holding of a company, it is appropriate to address whether a premium for control should attach to the transaction. A premium for control is the difference between the price for each share that a buyer would be prepared to pay to obtain a controlling interest in a company and the price per share that would be required to purchase a share that does not carry with it a controlling interest. In most cases, the value of a controlling interest in the shares in a company significantly exceeds the market value of the shares. This reflects the fact that:

- a) the owner of a controlling interest in the shares in a company obtains access to all free cash flows of the company being acquired, which it would otherwise be unable to do as a minority shareholder;
 - b) the controlling shareholder can direct the disposal of surplus assets and the redeployment of the proceeds;
 - c) a controlling shareholder can control the appointment of directors, management policy and the strategic direction of the company;
 - d) the entity taking over the company is often able to increase the value of the entity being acquired through synergies and/or rationalisation savings.
- 6.2.2 Our experience suggests that the premium for control (over and above the market price of the Company's shares) ranges, on average, between 20% and 35%. However, the appropriate premium for control depends on the specific circumstances and, in particular, the level of synergy benefits able to be extracted by potential acquirers and the degree of confidence about the level and achievability of potential synergies and their timing.
- 6.2.3 The premium for control paid in takeovers is observable but caution must be exercised in assessing the value of a company or business based on the market rating of comparable companies or businesses. The control premium is an outcome of the valuation process, not a determinant of value. Premiums are paid for reasons that vary from case to case and may be substantial due to synergy or other benefits available to the acquirer. In other situations premiums may be minimal or even zero. It is inappropriate to apply an average premium of 20-35% without having regard to the circumstances of each case. In some situations there is no premium. There are transactions where no corporate buyer is prepared to pay a price in excess of the prices paid by institutional investors.
- 6.2.4 A shareholder or group of associated shareholders are deemed to influence a company when they have control of more than 20% of the issued shares in a company. At this time a premium for control should normally be considered.
- 6.2.5 As a result of the Transaction, Michael Gregg's equity interest in OLI will increase from 21.54% to 36.05%. We have assessed that a premium for control of 20% is appropriate for the purpose of this report considering the following:
- a) Market studies which suggest that overall, median takeover premia in Australia have broadly been in the range of 20-35% over the four-week pre-bid share prices;
 - b) The Transaction does not result in any change to board representation or its control over management policy, control of free cash flows of OLI, decision making regarding the acquisition and disposal of assets and the redeployment of the proceeds; and
 - c) OLI has incurred a net loss in the most recent financial year and is currently in a negative tangible net asset position. This is likely to impact on what the market would be prepared to pay as a premium for obtaining control of the Company.

7 VALUATION OF OLI SHARES

7.1 General

7.1.1 This section sets out our assessment of the underlying value of OLI shareholdings.

7.1.2 We have selected the market value of shares as the valuation methodology for OLI as detailed in section 6. Due to the losses historically incurred by OLI and its negative tangible net asset position no secondary valuation approach is appropriate for OLI.

7.2 Value of OLI

7.2.1 The market value of shares method involves the valuation of an entity based on its actively traded equities, which represent the market capitalisation of the share capital of the entity, in a liquid and knowledgeable market.

7.2.2 We consider that adopting a market value of shares methodology to determine an indicative value of OLI Shares is appropriate as the shares in OLI are traded in an active, liquid and knowledgeable market and therefore the market price of the quoted OLI Shares would represent the 'fair' value of those shares.

7.2.3 The table below summarises the share trading activity of OLI over the last 12 months to 26 September 2024, being the day prior to the announcement of the Transaction.

	Low \$	High \$	VWAP \$	Volume
5-days	0.010	0.010	0.010	34,934
1 month	0.010	0.015	0.012	339,608
2 months	0.010	0.017	0.013	841,308
3 months	0.010	0.017	0.013	2,260,814
6 months	0.010	0.023	0.014	12,303,140
12 months	0.010	0.027	0.019	27,993,241

¹ Volume Weighted Average Price

7.2.4 OLI shares closed on 26 September 2024 at \$0.010.

7.2.5 For the purpose of this report we conclude that the value of the OLI shares under the market value approach is the four-week VWAP of \$0.012, within the range of \$0.010 and \$0.014. The high of \$0.015 has not been considered a true reflection of market value for the range determined given the nominal amount of shares traded at that price in the four weeks of trading to the date of the announcement of the Transactions.

7.2.6 Inclusive of a 20% premium for control, the value of the OLI shares under the market value approach on a controlling interest basis is within the range of \$0.012 and \$0.0165, with a midpoint value of \$0.014 per share, as shown in the table below:

	Low	High	Midpoint
Share value – minority interest	0.010	0.014	0.012
Control premium	20%	20%	20%
Share value – controlling interest	0.012	0.017	0.014

8 ADVANTAGES & DISADVANTAGES OF THE TRANSACTIONS

8.1 Approach to assessing Fairness and Reasonableness

HCC has followed the guidelines of ASIC Regulatory Guide 111 in assessing the fairness and reasonableness of the Transactions. In forming its conclusions in this report, HCC compared the advantages and disadvantages for Non-Associated Shareholders if the Transactions proceed.

8.2 Advantages of Transaction A

- 8.2.1 Approval of Transaction A will reduce OLI's debt and increase working capital and net assets by \$1.4m, putting the Company in a better financial position with lower borrowings.
- 8.2.2 The reduction in debt may enhance liquidity to support the Company's operations and future growth.
- 8.2.3 Transaction A provides the business with additional working capital and reduces the interest expense incurred by the Company. If Shareholder approval is received for Transaction A and the Company converts the New Facility to equity, Michael Gregg will waive his right to receive all interest accruing on the principal.
- 8.2.4 If Transaction A is not approved, the Company would be required to repay the unsecured \$1.4m loan plus all interest accrued in cash by the maturity date (31 December 2025). This would deplete the Company's cash reserves and as all drawn amounts were applied towards working capital, it would also inhibit the Company's capacity to generate future revenue to pay off its other debts and expenses.
- 8.2.5 The conversion of debt to equity further aligns the Company's principal lender, Michael Gregg, with the Company's future growth objectives.

8.3 Disadvantages of Transaction A

- 8.3.1 Transaction A will result in the dilution of Non-Associated Shareholders ownership interest from 78.46% to 63.95% following approval of the transaction and the issue of the Conversion Shares.

8.4 Advantages of Transaction B

- 8.4.1 The terms of the secured Debt (outlined in Appendix IV) are still within the range of observable market terms and interest rates for similar types of borrowings as originally negotiated with independent directors of OLI.
- 8.4.2 The Improved Terms are designed to provide the Company with the liquidity needed to enable management to focus on growing the business and provide a further 12 months to repay the Debt.
- 8.4.3 There is no direct consideration being given by the Company to the Principal Lenders for extending the term of the Security. The Company's initial grant of the Security to the Principal Lenders was to secure the Company's obligations to repay the secured Debt.

- 8.4.4 There is no consideration being received by the Company as a result of extending the term of the Security. The secured Debt has been applied towards advancing the Company's existing operations; business development; promotion and marketing services; repayment of debt and providing general working capital to fund the Company's operations.
- 8.4.5 If Transaction B is not approved, the Company will not be able to effect the Improved Terms in respect of the secured Debt. Unless the Company can come to a separate arrangement with the Principal Lenders, which cannot be guaranteed, the Company would then be required to repay all amounts owing under the secured Debt as and when they are due and without the benefit of the Improved Terms. Based on the current financial position of the Company, this may be difficult for the Company to achieve and would put a strain on the working capital requirements of the OLI business.

8.5 Disadvantages of the Transaction

- 8.5.1 OLI has provided assets as collateral to the Lenders. The Improved Terms have the effect of extending the term for which the Company remains indebted to the Principal Lenders and therefore the length of time in respect of which the Company's assets will be secured in favour of the Principal Lenders. In the event that OLI defaults on repayments, some of the Company's assets may be sold or assigned to the Lenders (to the extent required to enable the Lenders to recover the relevant debt).
- 8.5.2 There may be other financing opportunities OLI will not be able to pursue if the Improved Terms are approved due to the extended term for which the Company remains indebted to the Principal Lenders.

9 CONCLUSION AS TO FAIRNESS AND REASONABLENESS

9.1 Transaction A

9.1.1 In our opinion, Transaction A is fair and reasonable to the Non-Associated Shareholders of OLI.

9.1.2 Our opinion is based solely on information available as at the date of this report.

Fairness

9.1.3 For Transaction A to be fair, the value of the consideration being paid must be equal to or greater than the value of the shares being issued by the Company.

9.1.4 The Conversion Price is \$0.014 per share.

9.1.5 Based on the analysis contained in Section 7 of this report, the value of the OLI shares under the market value approach is as shown in the table below:

	Low	High	Midpoint
Share value – minority interest	0.010	0.014	0.012
Control premium	20%	20%	20%
Share value – controlling interest	0.012	0.017	0.014

9.1.6 In our opinion *Transaction A is fair* as the Conversion Price is within the valuation range of the Conversion Shares, inclusive of a premium for control. Therefore the value of the shares held by Non-Associated Shareholders will not decrease as a result of the Transaction.

Reasonableness

9.1.7 ASIC Regulatory Guide 111 states that a transaction is reasonable if:

- The Transaction is fair; or
- Despite not being fair the expert believes that there are sufficient reasons for shareholders to accept the Transaction in the absence of an alternative proposal that could realise better value for OLI Shareholders.

9.1.8 We have concluded that Transaction A is fair and therefore also reasonable. In forming our opinion we have also considered the following relevant factors.

- a) Approval of Transaction A will reduce OLI's debt and increase working capital and net assets by \$1.4m, putting the Company in a better financial position with lower borrowings.
- b) The reduction in debt may enhance liquidity to support the Company's operations and future growth.
- c) Transaction A provides the business with additional working capital and reduces the interest expense incurred by the Company. If Shareholder approval is received for Transaction A and the Company converts the New Facility to equity, Michael Gregg will waive his right to receive all interest accruing on the principal.

- d) If Transaction A is not approved, the Company would be required to repay the unsecured \$1.4M loan plus all interest accrued in cash by the maturity date (31 December 2025). This would deplete the Company's cash reserves and as all drawn amounts were applied towards working capital, it would also inhibit the Company's capacity to generate future revenue to pay off its other debts and expenses.
- e) The conversion of debt to equity further aligns the Company's principal lender, Michael Gregg, with the Company's future growth objectives.

9.1.9 Having considered that Transaction A is fair and the alternatives of not proceeding with the transaction, in our opinion the Non-Associated Shareholders of OLI should benefit if Transaction A proceeds and therefore, in our opinion ***Transaction A is reasonable***.

9.2 Transaction B

9.2.1 In our opinion, Transaction B is fair and reasonable to the Non-Associated Shareholders of OLI.

9.2.2 Our opinion is based solely on information available as at the date of this report.

Fairness

9.2.3 The principal factors that we have considered in forming our opinion on the fairness of Transaction B are summarised below.

- a) The Improved Terms associated with Transaction B grant a 12-month interest moratorium on all unsecured debt, with effect from 1 July 2024, which will make an additional \$358,000 available to be applied for working capital purposes. There are no changes to the effective interest rates on the Debt as a result of the Improved Terms, which are still considered reasonable based on observable market rates for similar types of borrowings negotiated at the time the Debt was initially advanced, as summarised at Appendix IV.
- b) The Improved Terms do not change the level of Security held by the Principal Lenders over the assets of the Company. There are no new assets becoming secured. The Improved Terms only extend the term and repayment dates of the Security provided in favour of the Principal Lenders under the secured Debt by a further 12 months.

9.2.4 In our opinion ***Transaction B is fair***. Based on our analysis of the Improved Terms and above points, in our opinion Transaction B is on an arms-length market basis and is therefore fair to the Non-Associated Shareholders of OLI.

Reasonableness

9.2.5 ASIC Regulatory Guide 111 states that a transaction is reasonable if:

- The Transaction is fair; or
- Despite not being fair the expert believes that there are sufficient reasons for security holders to accept the Transaction in the absence of an alternative proposal that could realise better value for OLI Shareholders.

9.2.6 We have concluded that the Transaction is fair and therefore also reasonable. In forming our opinion we have also considered the following relevant factors.

- a) The terms of the secured Debt are still within the range of observable market terms and interest rates for similar types of borrowings as originally negotiated with independent directors of OLI.
- b) The Improved Terms are designed to provide the Company with the liquidity needed to enable management to focus on growing the business and provide a further 12 months to repay the Debt.
- c) There is no direct consideration being given by the Company to the Principal Lenders for extending the term of the Security. The Company's initial grant of the Security to the Principal Lenders was to secure the Company's obligations to repay the secured Debt.
- d) There is no consideration being received by the Company as a result of extending the term of the Security. The secured Debt has been applied towards advancing the Company's existing operations; business development; promotion and marketing services; repayment of debt and providing general working capital to fund the Company's operations.
- e) If Transaction B is not approved, the Company will not be able to effect the Improved Terms in respect of the secured Debt. Unless the Company can come to a separate arrangement with the Principal Lenders, which cannot be guaranteed, the Company would then be required to repay all amounts owing under the secured Debt as and when they are due and without the benefit of the Improved Terms. Based on the current financial position of the Company, this may be difficult for the Company to achieve and would put a strain on the working capital requirements of the OLI business.
- f) Directors have confirmed that the provision of the Security does not negatively impact the Company's ongoing operations, except for the fact that it limits the ability of the Company to offer its assets as security for other financial accommodation. We note the Debt is already secured and unless repaid, which the Company cannot presently do, the Security would not be released.
- g) We are unaware of any alternative proposal at the date of this report that could realise better value for OLI shareholders. OLI Board is free to engage with commercial banks from time to time and seek improved commercial terms that may facilitate repayment of the Debt, however we believe this is unlikely after considering current operating performance.

Having considered that Transaction B is fair and the alternatives of not proceeding with the transaction, in our opinion the Non-Associated Shareholders of OLI should benefit if Transaction B proceeds and therefore, in our opinion ***Transaction B is reasonable.***

Yours faithfully
Hall Chadwick Corporate (NSW) Limited



DREW TOWNSEND

APPENDIX I - SOURCES OF INFORMATION

- Oliver's Real Food Ltd Audited Financial Reports for the financial years ended 30 June 2023 and 30 June 2024;
- Oliver's Real Food Ltd Notice of General Meeting and Explanatory Memorandum;
- Publicly available information on OLI, including media releases, ASX announcements and websites;
- ASIC Regulatory Guide 74 'Acquisitions Agreed to by Shareholders';
- ASIC Regulatory Guide 111 'Content of Expert Reports';
- ASIC Regulatory Guide 112 'Independence of Expert's Reports';

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APPENDIX II - STATEMENT OF DECLARATION & QUALIFICATIONS

Confirmation of Independence

Prior to accepting this engagement HCC determined its independence with respect to OLI with reference to ASIC Regulatory Guide 112 (RG 112) titled “Independence of Expert’s Reports”. HCC considers that it meets the requirements of RG 112 and that it is independent of OLI.

Also, in accordance with s648 (2) of the Corporations Act we confirm we are not aware of any business relationship or financial interest of a material nature with OLI, its related parties or associates that would compromise our impartiality.

Mr Drew Townsend, director of Hall Chadwick Corporate (NSW) Limited, has prepared this report. Neither he nor any related entities of Hall Chadwick Corporate (NSW) Limited have any interest in the promotion of the Transaction nor will Hall Chadwick Corporate (NSW) Limited receive any benefits, other than normal professional fees, directly or indirectly, for or in connection with the preparation of this report. Our fee is not contingent upon the success or failure of the proposed transaction, and has been calculated with reference to time spent on the engagement at normal professional fee rates for work of this type. Accordingly, HCC does not have any pecuniary interests that could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion under this engagement.

HCC provided a draft copy of this report to the Directors and management of OLI for their comment as to factual accuracy, as opposed to opinions, which are the responsibility of HCC alone. Changes made to this report, as a result of the review by the Directors and management of OLI have not changed the methodology or conclusions reached by HCC.

Reliance on Information

The statements and opinions given in this report are given in good faith and in the belief that such statements and opinions are not false or misleading. In the preparation of this report HCC has relied upon information provided on the basis it was reliable and accurate. HCC has no reason to believe that any information supplied to it was false or that any material information (that a reasonable person would expect to be disclosed) has been withheld from it. HCC evaluated the information provided to it by OLI as well as other parties, through enquiry, analysis and review, and nothing has come to its attention to indicate the information provided was materially mis-stated or would not afford reasonable grounds upon which to base its report. Accordingly, we have taken no further steps to verify the accuracy, completeness or fairness of the data provided.

Our procedures and enquiries do not include verification work, nor constitute an audit or review in accordance with Australian Auditing Standards (AUS). HCC does not imply and it should not be construed that it has audited or in anyway verified any of the information provided to it, or that its enquiries could have verified any matter which a more extensive examination might disclose.

The sources of information that we relied upon are outlined in Appendix I of this report.

OLI has provided an indemnity to HCC for any claims arising out of any mis-statement or omission in any material or information provided by OLI to HCC in preparation of this report.

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Qualifications

Hall Chadwick Corporate (NSW) Limited (“HCC”) carries on business at Level 40, 2 Park Street, Sydney NSW 2000. HCC holds Australian Financial Services Licence No. 227902 authorising it to provide financial product advice on securities to retail clients. HCC’s representatives are therefore qualified to provide this report.

Consent and Disclaimers

The preparation of this report has been undertaken at the request of the Directors of OLI. It also has regard to relevant ASIC Regulatory Guides. It is not intended that the report should be used for any other purpose than to accompany the Notice of General Meeting to be sent to OLI shareholders. In particular, it is not intended that this report should be used for any purpose other than as an expression of HCC’s opinion as to whether or not the proposed Transaction is fair and reasonable.

HCC consent to the issue of this report in the form and context in which it is included in the Notice of General Meeting to be sent to OLI shareholders.

Shareholders should read all documents issued by OLI that consider the proposed Transaction in its entirety, prior to proceeding with a decision. HCC had no involvement in the preparation of these documents, with the exception of our report.

This report has been prepared specifically for the Non-Associated Shareholders of OLI. Neither HCC, nor any member or employee thereof undertakes responsibility to any person, other than a Non-Associated Shareholder of OLI, in respect of this report, including any errors or omissions howsoever caused. This report is "General Advice" and does not take into account any person's particular investment objectives, financial situation and particular needs. Before making an investment decision based on this advice, you should consider, with or without the assistance of a securities advisor, whether it is appropriate to your particular investment needs, objectives and financial circumstances.

Our procedures and enquiries do not include verification work, nor constitute an audit or review in accordance with Australian Auditing Standards.

Our opinions are based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time. Furthermore, financial markets have been particularly volatile in recent times. Accordingly, if circumstances change significantly, subsequent to the issue of the report, our conclusions and opinions may differ from those stated herein. There is no requirement for HCC to update this report for information that may become available subsequent to its date.

APPENDIX III - FINANCIAL SERVICES GUIDE

Dated 22 October 2024

What is a Financial Services Guide (FSG)?

This FSG is designed to help you to decide whether to use any of the general financial product advice provided by Hall Chadwick Corporate (NSW) Limited ABN 28 080 462 488, Australian Financial Services Licence Number 227902 (HCC).

This FSG includes information about:

- HCC and how they can be contacted
- the services HCC is authorised to provide
- how HCC are paid
- any relevant associations or relationships of HCC
- how complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and
- the compensation arrangements that HCC has in place.

This FSG forms part of an Independent Expert's Report (Report) which has been prepared for inclusion in a disclosure document. The purpose of the disclosure document is to help you make an informed decision in relation to a financial product.

Financial services that HCC is authorised to provide

HCC holds an Australian Financial Services Licence, which authorises it to provide, amongst other services, financial product advice for securities and interests in managed investment schemes, including investor directed portfolio services, to retail clients.

We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of finance products.

HCC's responsibility to you

HCC has been engaged by the independent directors of Oliver's Real Food Ltd ("OLI" or the "Client") to provide general financial product advice in the form of a Report to be included in the Notice of Meeting (Document) prepared by OLI in relation to the proposed Transaction.

You have not engaged HCC directly but have received a copy of the Report because you have been provided with a copy of the Document. HCC nor the employees of HCC are acting for any person other than the Client.

HCC is responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

General Advice

As HCC has been engaged by the Client, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

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You should also consider the other parts of the Document before making any decision in relation to the Transaction.

Fees HCC may receive

HCC charges fees for preparing reports. These fees will usually be agreed with, and paid by, the Client. Fees are agreed on either a fixed fee or a time cost basis. In this instance, the Client has agreed to pay HCC \$12,000 (excluding GST and out of pocket expenses) for preparing the Report. HCC and its officers, representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of this Report.

HCC officers and representatives receive a salary, a partnership distribution from Hall Chadwick Sydney professional advisory and accounting practice (the Hall Chadwick Sydney Partnership) or a dividend from a related company. Remuneration and benefits are not provided directly in connection with any engagement for the provision of general financial product advice in the Report.

Further details may be provided on request.

Referrals

HCC does not pay commissions or provide any other benefits to any person for referring customers to them in connection with a Report.

Associations and relationships

Through a variety of corporate and trust structures HCC is controlled by and operates as part of the Hall Chadwick Sydney Partnership. HCC's directors may be partners in the Hall Chadwick Sydney Partnership. Mr Drew Townsend, director of HCC and partner in the Hall Chadwick Sydney Partnership, has prepared this report. The financial product advice in the Report is provided by HCC and not by the Hall Chadwick Sydney Partnership.

From time to time HCC, the Hall Chadwick Sydney Partnership and related entities (HC entities) may provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses. HCC has not previously provided services to the Client.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of, the Client or has other material financial interests in the Transaction.

Complaints resolution

If you have a complaint, please let HCC know. Formal complaints should be sent in writing to:
The Complaints Officer
Hall Chadwick Corporate (NSW) Limited
GPO Box 3555
Sydney NSW 2001

If you have difficulty in putting your complaint in writing, please telephone the Complaints Officer on 02 9263 2600 and they will assist you in documenting your complaint.

Written complaints are recorded, acknowledged within 5 days and investigated. As soon as practical, and not more than 45 days after receiving the written complaint, the response to your complaint will be advised in writing.

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External complaints resolution process

If HCC cannot resolve your complaint to your satisfaction within 45 days, you can refer the matter to the Australian Financial Complaints Authority (AFCA). AFCA is an independent authority that has been established to provide advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at the AFCA website www.afca.org.au or by contacting them directly at:

Australian Financial Complaints Authority
717 Bourke Street, Docklands, Victoria 3008
Telephone: 1800 931 678
Website: www.afca.org.au
Email: info@afca.org.au

The Australian Securities and Investments Commission also has a free call infoline on 1300 300 630 which you may use to obtain information about your rights.

Compensation arrangements

HCC has professional indemnity insurance cover as required by the Corporations Act 2001(Cth).

Contact Details

You may contact HCC at:
Hall Chadwick Corporate (NSW) Limited
GPO Box 3555
Sydney NSW 2001
Telephone: 02 9263 2600
Facsimile: 02 9263 2800

APPENDIX IV - DEBT OWED TO PRINCIPAL LENDERS AND INTEREST RATE ANALYSIS (excluding the Unsecured \$1.4M Loan)

Name of Debt	Principal Lender	Principal	Interest Rate	Maturity Date	Amount Drawdown	Security
Loan	Martin Green as trustee of the Green Superannuation Fund	\$300,160	6%	Repayable when the Company has recorded positive net profit after tax for two calendar quarters	\$300,160	Fixed and floating charge over the Company's assets
Loan	Gelba Pty. Limited	\$1,500,000	7.3%	30 September 2029	\$5,000,000	First ranking security over the assets of the Company
	Michael Gregg and Suzanne Gregg	\$3,500,000				
Revolving Line of Credit	Gelba Pty. Limited, Michael Gregg and Suzanne Gregg	\$2,500,000	7.3%	30 September 2029	\$2,500,000	Secured
		\$2,000,000		30 September 2025	\$1,700,000	Unsecured
New Site Line of Credit	Gelba Pty. Limited, Michael Gregg and Susan Gregg	\$2,910,000	7.3%	30 September 2025	\$2,910,000	Unsecured
	TOTAL	\$12,710,160			\$12,410,160	

The Company's weak balance sheet means alternative funding arrangements are not easily available. At the time of entering into the above Debt arrangements, the rates were determined to be within observable market rates for similar types of borrowings. We provide the following analysis which supports the conclusion that this is still the case.

Fixed interest rate statistics published by Canstar as at October 2024 for secured loans are shown in the table below:

	2 Year	5 Year
Min	5.39%	5.39%
Max	7.89%	7.85%

Given the Company's financial position and lack of alternative funding arrangements for the level of financing required, the interest rates applicable to the Debt have been considered reasonable based on observable market rates for similar types of borrowings.



All Correspondence to:

- By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- By Fax:** +61 2 9290 9655
- Online:** www.boardroomlimited.com.au
- By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (AEDT) on Wednesday, 27 November 2024.**

TO APPOINT A PROXY ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/oliagm2024>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting therefore by **10:00am (AEDT) on Wednesday, 27 November 2024.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- Online** <https://www.votingonline.com.au/oliagm2024>
- By Fax** + 61 2 9290 9655
- By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- In Person** Boardroom Pty Limited
Level 8, 210 George Street
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

For personal use only

Your Address
 This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.
Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Oliver's Real Food Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Thomson Greer, 60 Martin Place, Sydney NSW 2000 on Friday, 29 November, 2024 at 10:00am (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting is authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of **Resolution 1**, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though **Resolution 1** is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (**including Resolution 1**). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS
 * If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Kathryn Gregg	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of acquisition of relevant interest in the Company's Shares arising from the issue of the Conversion Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to extend term of security under the Secured Loan Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS
 This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
<input style="width: 100%; height: 30px;" type="text"/>	<input style="width: 100%; height: 30px;" type="text"/>	<input style="width: 100%; height: 30px;" type="text"/>
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name..... Contact Daytime Telephone..... Date / / 2024

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