



**Ennox Group Limited  
ACN 108 069 003**

## Notice of Extraordinary General Meeting and Explanatory Statement

**Time:** 10.00 AM  
**Date:** 11 November 2022  
**Location:** Level 18, Australia Square Building  
264 George Street  
Sydney, NSW 2000

***This Notice of Extraordinary General Meeting (Notice) is dated 18 October 2022.***

***This Notice and Explanatory Statement are important documents and should be read in its entirety.***

***If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.***

***Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company at +61 3 8600 6946.***

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## Time and place of meeting

An Extraordinary General Meeting (**EGM**) will be held at 10.00 am (AEST) on 11 November 2022 at:

Level 18, Australia Square Building  
264 George Street  
Sydney, NSW 2000

The Explanatory Statement provides additional information on matters to be considered at the EGM. The EGM and the Proxy Form are part of this Notice of Meeting (**Notice**).

Capitalised terms and abbreviations used in this Notice are defined in the glossary of the Explanatory Statement.

## Key Dates

Record Date for voting eligibility	7:00pm (AEST) on 8 November 2022
Due date for lodgement of proxy forms	10:00am (AEST) on 9 November 2022
EGM	10:00 am (AEST) on 11 November 2022
Announce results of EGM	11 November 2022
Closing Date of rights issue	5.00pm (AEST) on 28 November 2022
Issue date of New Securities and despatch of holding statements	16 December 2022

**NOTE:** The above timetable is indicative only. The Company may vary any of the above dates without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable law.

## Voting

### Your vote is important

The business of the Meeting affects your Shareholding and your vote is important.

## Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders as at 7:00 pm (AEST) on 8 November 2022 (**Record Date**).

## Voting exclusions

In accordance with the requirements of Item 7 of Section 611 of the Corporations Act, the Company will disregard any votes cast on the Resolution by Tig Asia Pty Ltd ACN 619 935 876 and any of its Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or, it is cast by the person chairing the EGM as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

## Voting in person

To vote in person, attend the Meeting on the date and at the place set out above. Please ensure that you arrive at least 20 minutes prior to the start of the Meeting to allow for registration.

## Voting by proxy

A Shareholder who is entitled to attend and vote at the EGM may appoint:

- one proxy if the Shareholder is only entitled to one vote; or
- one or two proxies if the Shareholder is entitled to more than one vote.

Where a Shareholder appoints 2 proxies, the appointment may specify the proportion or number of votes which each proxy may exercise. If the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, then each proxy may exercise half of those votes. A proxy need not be a Shareholder of the Company.

To be valid, a proxy form must be received by the Company by 10:00 am (AEST) on 9 November 2022 (**Proxy Deadline**). Proxies may be submitted:

IN PERSON	Ennox Group Ltd - C/O Boardroom Pty Limited, Level 12, 225 George Street Sydney NSW 2000
BY MAIL	Ennox Group Ltd - C/O Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001
BY FAX	+61 2 9290 9655
ONLINE	<a href="https://www.votingonline.com.au/exoegm2022">[https://www.votingonline.com.au/exoegm2022]</a>
BY MOBILE	Scan the QR Code on your Proxy form and follow the prompts

A written proxy appointment must be signed by the Shareholder or the Shareholder's attorney. Where the appointment is signed by the appointor's attorney, a certified copy of the authority, or the authority itself, must be lodged with the Company in one of the above ways by the Proxy Deadline. If facsimile transmission is used, the authority must be certified. Proxies given by a corporation must be executed in accordance with the Corporations Act and the constitution of that corporation.

## Body corporate representative

A Shareholder who is a body corporate and who is entitled to attend and vote at the Meeting, or a proxy who is a body corporate and who is appointed by a Shareholder entitled to attend and vote at the Meeting, may appoint a person to act as its representative at the Meeting by providing that person with:

- (a) a letter or certificate, executed in accordance with the body corporate's constitution, authorising the person as the representative; or

- (b) a copy of the resolution, certified by the secretary or a director of the body corporate, appointing the representative.

## Important Information

This Notice is dated 18 October 2022.

A copy of this Notice has been lodged with ASIC. ASIC does not take any responsibility for the contents of this Notice.

This Notice does not take into account the individual investment objectives, financial situation or particular needs of any person. Shareholders should seek professional advice from a licensed financial adviser, accountant, stockbroker, lawyer or other professional adviser before deciding whether or not to approve the Resolution set out in this Notice.

This Notice is governed by the law in force in Victoria.

## Corporate Directory

### **Current Directors**

Mark Leong (Chair and Executive Director)

Damion Ryan (Non-Executive Director)

Yit Yang Yee (Non-Executive Director)

### **Company Secretary**

Damion Ryan

### **Registered Office**

Level 7

33 Elkhorn Avenue

Surfers Paradise QLD 4217

Contact: [info@ennoxgroup.com.au](mailto:info@ennoxgroup.com.au)

### **Share Registry**

Boardroom Pty Ltd ACN 003 209 836

Level 12

225 George Street

Sydney NSW 2000

Tel: 1300 737 760

### **Auditors**

William Buck

Level 20

181 William Street

Melbourne VIC 3000

### **Solicitors**

HWL Ebsworth Lawyers

Level 26

530 Collins Street

Melbourne VIC 3000

18 October 2022

Dear Shareholder

On behalf of the Directors of Ennox Group Limited (**Company**) I am pleased to invite you to an Extraordinary General Meeting (**EGM**) of Shareholders to be held on 11 November 2022.

As you are aware, the Directors of the Company are currently proposing an acquisition, non-renounceable rights issue (and rights issue shortfall to New Investors) and change of company name.

The proposed all scrip acquisition of the Rigs Recovery group of companies will result in the issue of 161,613,100 Consideration Shares at \$0.05 per Consideration Share.

Eligible Shareholders are being invited to participate in a 10 for 1 non-renounceable rights issue at an offer price of \$0.05 per New Share. If fully subscribed, up to 176,858,010 New Shares will be issued at \$0.05 per New Share, raising up to \$8,842,900.

The proposed 10 for 1 non-renounceable rights issue is not underwritten. Any shortfall caused by Eligible Shareholders not taking up their rights will be offered to New Investors at the same offer price of \$0.05 per New Share.

Should the Eligible Shareholders of the Company vote in favour of the above, it is proposed that the Company change its name to Rigs H2O Limited.

In accordance with the information memorandum dated 14 October 2022, Shareholder approval is being sought under item 7 of section 611 of the Corporations Act in relation to the shareholders of Rigs Recovery obtaining a voting power in the Company of more than 20% as a result of the proposed acquisition by the Company.

As reflected in the Resolutions proposed, the Board considers that the Acquisition and Offer on the basis provided in the Resolutions is in the Company's best interests and will be for the benefit of all Shareholders. The Board's reasons are set out more fully in the enclosed Explanatory Statement.

In summary, the proposed acquisition and rights issue will enable the Company to raise the necessary funds to acquire an existing business in a high growth sector and to fund the necessary expansion program.

Further information regarding the Resolutions to be considered at this EGM is set out in the enclosed Explanatory Statement.

I look forward to your attendance at the EGM. If you are unable to attend the EGM in person, please complete, sign and return the enclosed proxy form by 10:00am (AEST) on 9 November 2022.

Yours sincerely

Mark Leong, Chairman of the Board

**Ennox Group Limited  
ACN 108 069 003**

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS GIVEN** that an Extraordinary General Meeting (**EGM**) of the Shareholders of Ennox Group Limited (**Company**) will be held at Level 18, Australia Square Building, 264 George Street, Sydney, NSW on 11 November 2022 at 10:00am (AEST).

### **AGENDA**

#### **Special business**

The Explanatory Statement that accompanies and forms part of this Notice describes the matters to be considered as special business.

Capitalised terms and abbreviations used in this Notice are defined in the glossary of the Explanatory Statement.

#### **Resolution 1 - Approval for allotment of Consideration Shares to the shareholders of Rigs Recovery**

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

"That for the purposes of Item 7 of Section 611 of the Corporations Act and for all other purposes, Shareholder approval is given:

for the Company to issue and allot to the shareholders of Rigs Recovery, 161,613,100 Consideration Shares which are to be offered at an issue price of \$0.05, being the consideration for the acquisition of the Rigs Recovery business. As a consequence of which the shareholders of Rigs Recovery will acquire a relevant interest of 90.14% of the issued voting Shares of the Company immediately after the Acquisition."

Voting Exclusion: In accordance with Item 7 of Section 611 of the Corporations Act, the Company will disregard any votes cast on this resolution by Tig Asia Pty Ltd ACN 619 935 876. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or, it is cast by the person chairing the EGM as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

#### **Resolution 2 – Rights Issue and Shortfall Allotment of New Shares**

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

For the Company to issue up to 176,858,010 new ordinary shares via a non-renounceable rights issue to Eligible Shareholders on a ten (10) rights for every one(1) share held (10:1 basis) with an exercise price of \$0.05 to raise \$8,942,900. Furthermore, the Company is seeking approval to place any shortfall of rights to New Shareholders. The proposed rights issue and the shortfall placement of the same are mutually dependent on each other.

The proceeds to fund the expansion plans of the Rigs Recovery business.

### **Resolution 3 – Change of Company Name**

To consider and, if thought fit, to pass the following resolution as a special resolution:

“That, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to Rigs H2O Limited.”

By order of the Board

Mark Leong  
Chairman of the Board  
Date: 18 October 2022



## **EXPLANATORY STATEMENT**

### **1. General Information**

This Explanatory Statement has been prepared for the Shareholders of Ennox Group Limited ACN 108 069 003 (**Company**) in connection with the business to be conducted at the Meeting of the Company to be held at Level 18, Australia Square Building, 264 George Street, Sydney, NSW on 11 November 2022 at 10.00 am.

### **2. Background**

The Company is proposing the acquisition of the Rigs Recovery business. The acquisition will be funded by the issue of 161,613,100 Consideration Shares at an issue price of \$0.05 per Consideration Share to the shareholders of Rigs Recovery.

The Company is conducting a 10 for 1 non-renounceable rights issue to Eligible Shareholders at an issue price of \$0.05 per New Share. The proceeds of the rights issue will fund the Rigs Recovery expansion program.

Should any Eligible Shareholders not take up their rights issue entitlement, the Company is seeking to allocate any rights issue shortfall to new investors.

On 13 September 2022, the Company and the shareholders of Rigs Recovery entered into an Exclusivity Agreement, pursuant to which Rigs Recovery agreed to the acquisition by the Company with the consideration for the transaction being satisfied by the issue of 161,613,100 Consideration Shares.

Shareholder approval is being conducted under item 7 of section 611 of the Corporations Act in relation to the shareholders of Rigs Recovery obtaining a voting power in the Company of more than 20% under the proposed acquisition by the Company.

The directors of the Company are also proposing a change in company name to Rigs H2O Limited should the proposed transaction be approved by the shareholders of the Company.

### **3. Information about Rigs Recovery**

Rigs Recovery operates health and wellness centres.

These centres provide industry-leading recovery and wellness services for everyone from professional athletes, to people recovering from injury, to those simply looking to boost their overall vitality.

Rigs Recovery has two operating centres on the Gold Coast.

Two new centres are currently under construction at Pimpama and Brookvale.

#### **Rigs Recovery Bundall**

Bundall is the reference centre for Rigs.

Bundall was the first recovery centre developed by the sponsors of Rigs and is the key to Rigs position and credibility in the recovery and wellness sector.

In AFL season 2020 Bundall was the recovery facility for the Geelong Cats, Western Bulldogs and GWS Giants.

Bundall is located on the Gold Coast, Qld

Bundall has been delivering best in class services to sporting clubs and individuals since its establishment in April 2019.

It is a purpose built stand alone facility that services the central suburbs of the Gold Coast.

### **Rigs Recovery Palm Beach**

Palm Beach is the second centre established by the sponsors of Rigs and has leveraged off all of the intellectual property developed in centre delivery and operation.

Palm Beach is located on the Gold Coast, Qld.

It is a purpose built stand alone facility that services the southern areas of the Gold Coast.

Further information on Rigs Recovery is available in the Information Memorandum.

### **What is Being Purchased?**

The issued capital of Rigs Recovery Pty Ltd ACN 619 939 356. This company holds the assets, liabilities and operating business of Rigs Bundall and Rigs Palm Beach

The issued capital of Rigs No 3 Pty Ltd ACN 659 719 687. This company holds the assets, liabilities of the Rigs Recovery Pimpama Centre.

50% of the issued capital of Rigs Brookvale Pty Ltd ACN 657 147 227. This company holds the assets and liabilities of the Rigs Recovery Brookvale Joint Venture.

## **4. Change of Company Name**

It is proposed that The Company change its name to Rigs H2O Limited should the proposed transactions be approved by shareholders.

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name. Resolution 3 seeks the approval of Shareholders for the Company to change its name to "Rigs H2O Limited". The Board proposes this change of name on the basis that it believes the proposed name more accurately reflects the future operations of the Company. The proposed name has been reserved by the Company with ASIC and if Resolution 3 is passed, the Company will lodge a copy of the special resolution with ASIC following the Meeting in order to effect the change. If this Resolution is passed the change of name will take effect when ASIC alters the details of the Company's registration.

## **5. Approval under the Corporations Act**

### **(a) Section 606 prohibition**

Pursuant to section 606(1) of the Corporations Act, a person must not acquire a relevant interest in issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person's or someone else's voting power in the company increases:

- (i) from 20% or below to more than 20%; or
- (ii) from a starting point that is above 20% and below 90%.

A person's voting power in a company is determined in accordance with section 610 of the Corporations Act. A person's voting power is calculated by determining the percentage of the total number of votes attached to all voting shares in the company that a person and its associates have a relevant interest in.

A person has a relevant interest in securities if they:

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

(b) Exception to the section 606 prohibition

Item 7 of section 611 of the Corporations Act provides an exception to the prohibition under section 606 of the Corporations Act. This exception provides that a person may acquire a relevant interest in a company's voting shares with shareholder approval.

In order for the exemption of item 7 of section 611 of the Corporations Act to apply, shareholders must be given all information known to the person making the acquisition or their Associates, or known to the company, that was material to the decision on how to vote in the resolution, including:

- (i) the identity of the person proposing to make the acquisition and their Associates;
- (ii) the maximum extent of the increase in that person's voting power in the company that would result from the acquisition;
- (iii) the voting power that person would have as a result of the acquisition;
- (iv) the maximum extent of the increase in the voting power of each of that person's Associates that would result from the acquisition; and
- (v) the voting power that each of that person's Associates would have as a result of the acquisition.

For responses on these matters, see section 6.

(c) Why Shareholder approval is required

As at the date of this Notice, the shareholders of Rigs Recovery have a relevant interest of 208,638 Shares in Ennox Group Limited. These shares are held by Tig Asia Pty Ltd ACN 619 935 876. Mark Leong is a shareholder and director of Tig Asia Pty Ltd. Under the proposed transaction, the shareholders of Rigs Recovery will be issued 161,613,100 New Shares.

Assuming that if no Eligible Shareholder takes up any of its Entitlements and the shortfall is allotted to new investors and is allotted in full, the table below sets out the percentage of Shares and the voting power of existing and new shareholders of the Company following the issue of the New Securities:

Shareholders	Number of Shares after the Offer	% Shares	Number of Options	Number of Shares after Options exercised	% Shares after Options exercised
Existing Shareholders (if no rights are taken up)	17,685,801	4.97%	-	-	4.97%
Rigs Recovery	161,613,100	45.38%	-	-	45.38%

New Investors	176,858,010	49.66%	-	-	49.66%
<b>Total</b>	<b>356,156,911</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>	<b>100.00%</b>

This increase in the shareholders of Rigs Recovery relevant interest from less than 20% to more than 20% is prohibited under section 606 of the Corporations Act. However, such an issue would be permitted if prior Shareholder approval is granted for the issue of the New Securities to the shareholders of Rigs Recovery in accordance with the terms of the Resolution.

## 6. Information for Shareholders under item 7 of section 611 of the Corporations Act

The following information is provided to Shareholders for the purposes of the requirements under the Corporations Act in respect of obtaining Shareholder approval pursuant to item 7 of section 611 of the Corporations Act:

<b>The identity of the person proposing to make the acquisition and their Associates</b>	The person proposing to make the acquisition (that, is the persons who will be issued the Consideration Securities) are the shareholders of Rigs Recovery.  None of the shareholders of Rigs Recovery Associates will be issued with any Shares or Options.
<b>The maximum extent of the increase in that person's voting power in the company that would result from the acquisition</b>	As at the date of this Notice of Meeting, the shareholders of Rigs Recovery voting power in the Company is 208,638. If no Eligible Shareholders take up any of their Entitlement and the proposed transaction is approved:  (a) The shareholders of Rigs Recovery voting power will increase from 1.18% to 45.44%.
<b>The voting power that a person would have as a result of the acquisition</b>	If no Eligible Shareholder takes up any of its Entitlement:  (a) Rigs Recovery's voting power will be 45.44%.
<b>The maximum extent of the increase in the voting power of each of that person's associates that would result from the acquisition</b>	None of the shareholders of Rigs Recovery Associates will be issued any New Securities or acquire any voting power in the Company. As such, the maximum extent of the increase in the voting power of the shareholders of Rigs Recovery Associates as a result of the issue of the New Securities will be nil.
<b>The voting power that each of that person's associates would have as a result of the acquisition</b>	None of the shareholders of Rigs Recovery Associates currently have nor will be issued any New Securities or acquire any voting power in the Company. As such, the voting power of the shareholders of Rigs Recovery Associates on completion of the issue of the New Securities will be nil.

## 7. Information for Shareholders required by RG 74

Further information required by ASIC Regulatory Guide 74 (**RG 74**) is set out below:

<b>An explanation of the reasons for the proposed acquisition</b>	The Company and the shareholders of Rigs Recovery are parties to the Acquisition Agreement. Under the Agreement the shareholders of Rigs Recovery will be issued 161,613,100 New Shares.
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<b>When the proposed acquisition is to occur</b>	The Rigs Recovery Consideration Securities will be issued to the shareholders of Rigs Recovery on completion of the Acquisition Agreement.
<b>The material terms of the proposed acquisition</b>	The Rigs Recovery Consideration Securities will have the same rights and liabilities attached as all other Shares on issue.
<b>Details of the terms of any other relevant agreement between the acquirer and the target entity or vendor (or any of their associates) that is conditional on (or directly or indirectly depends on) members' approval of the proposed acquisition</b>	None.
<b>A statement of the acquirer's intentions regarding the future of the target entity if members approve the acquisition and, in particular:</b>	
<ul style="list-style-type: none"> <li>• <b>any intention to change the business of the entity;</b></li> </ul>	The acquisition of Rigs Recovery will change the business of the Company. Post the proposed acquisition the Company will operate health and wellness centres
<ul style="list-style-type: none"> <li>• <b>any intention to inject further capital into the entity;</b></li> </ul>	<p>Rigs Recovery does not have any present intention to inject any further capital into the Company.</p> <p>The directors of Rigs Recovery may, through its director's existing network introduce new investors that participate in the rights issue shortfall.</p>
<ul style="list-style-type: none"> <li>• <b>the future employment of present employees of the entity;</b></li> </ul>	Rigs Recovery intends to continue the employment of the current employees of the Company.
<ul style="list-style-type: none"> <li>• <b>any proposal where assets will be transferred between the entity and the acquirer or vendor or their associates; and</b></li> </ul>	Rigs Recovery, under the Acquisition Agreement, will transfer all assets of Rigs Recovery to the Company.
<ul style="list-style-type: none"> <li>• <b>any intention to otherwise redeploy the fixed assets of the entity</b></li> </ul>	Rigs Recovery does not have any present intention to redeploy the fixed assets of the Company.
<b>Any intention of the acquirer to significantly change the financial</b>	Rigs Recovery does not have any present intention to significantly change the financial dividend distribution policies of the Company.

<b>dividend distribution policies of the entity</b>	
<b>The interests that any director has in the acquisition or any relevant agreement disclosed in respect of any other relevant agreement disclosed above</b>	Mark Leong as a director of the Company is also a director and shareholder of Rigs Recovery and therefore has an interest in the proposed issue of the Rigs Recovery Consideration Shares.
<b>The following details about any person who is intended to become a director if members approve the acquisition:</b>	As a consequence of the Acquisition Agreement, if the transaction is approved Rigs Recovery will be entitled to appoint one additional person as a director of the Company.
<ul style="list-style-type: none"> <li><b>name;</b></li> </ul>	Rigs Recovery has nominated Peter Douglas Hill to be appointed director of the Company.
<ul style="list-style-type: none"> <li><b>qualifications and relevant professional or commercial experience;</b></li> </ul>	Peter Douglas Hill is a director of Rigs Recovery. Mr Hill holds a Bachelor of Human Movement and Health Education (University of Sydney).
<ul style="list-style-type: none"> <li><b>any associations that the proposed director has with the acquirer, vendor or any of their associates; and</b></li> </ul>	Peter Douglas Hill is a director and shareholder of Rigs Recovery.
<ul style="list-style-type: none"> <li><b>any interest that the proposed director has in the acquisition or any relevant agreement disclosed above</b></li> </ul>	As a shareholder of Rigs Recovery, Peter Douglas Hill will be entitled to vend is shareholding in Rigs Recovery in exchange for Consideration Shares in the Company

## 8. Current and proposed interests in the Company

The table below shows the percentage of the Shares that the shareholders of Rigs Recovery hold, and the voting power of the shareholders of Rigs Recovery as at the date of this Notice, being prior to the issue of the New Securities under the Acquisition Agreement:

	<b>Number of Shares held</b>	<b>Percentage of Shares held</b>	<b>Percentage of voting power held</b>
Existing Shareholders (other than Rigs Recovery)	17,477,163	98.82%	98.82%
Mark Leong	208,638	1.18%	1.18%
<b>Total</b>	<b>17,685,801</b>	<b>100%</b>	<b>100%</b>

If the Company issues the New Shares to the shareholders of Rigs Recovery and no Eligible Shareholder takes up their Entitlements:

	Number of Shares held	Percentage of Shares held	Percentage of voting power held
Existing Shareholders	17,477,163	4.91%	4.91%
Rigs Recovery	161,821,738	45.44%	45.44%
New Investors	176,858,010	49.66%	49.66%
<b>Total</b>	<b>356,156,911</b>	<b>100%</b>	<b>100%</b>

It should be noted that the above interests in Shares and voting power of the Company held by the shareholders of Rigs Recovery only represents the situation if no other Eligible Shareholders take up their Entitlements under the Offer. Should Eligible Shareholders take up their entitlements and the proposed transaction is approved the shareholding and voting power of the Company would be as follows:

Shareholders	Number of Shares after the Offer	% Shares	Number of Options	Number of Shares after Options exercised	% Shares after Options exercised
Existing Shareholders	192,248,793	54.30%	-	-	54.30%
Rigs Recovery	161,821,738	45.70%	-	-	45.70%
<b>Total</b>	<b>354,070,531</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>	<b>100.00%</b>

## 9. Advantages and disadvantages

The Board is of the opinion that the benefits of the Acquisition and the Offer may include that:

- (a) The Acquisition enables the Company to be an operator in a high growth sector of the economy;
- (b) the issue of New Securities will enable the Rigs Recovery expansion program to be implemented in a timely manner thus maintaining Rigs Recovery's leadership position; and
- (c) The change of direction for the Company dramatically increases the ability of the Company to re-list on the ASX; and
- (d) without the proposed transactions occurring, the future prospects of the Company are very limited.

Potential disadvantages of the Acquisition and Offer of New Securities include that:

- (a) Shareholders' interests in the Company will be diluted. However, the Directors consider that any dilution of Shareholders' interests will be offset by the immediate benefits of the Company being provided with the necessary funds to diversify into a high growth sector and create a sustainable future;
- (b) following the issue of the Rigs Recovery Consideration Shares, the shareholders of Rigs Recovery will hold a relevant interest in the Company of 45.44%. Rigs Recovery will also be able to appoint an

additional director to the Board, which currently consists of 3 directors. This will place Rigs Recovery in a position of influence over the decisions and operations of the Company; and

- (c) you may not agree with the recommendation by the Directors. Notwithstanding the unanimous recommendation of the Directors to approve the issue of the New Shares, you may believe the issue of the New Shares is not in your best interest or in the best interests of Shareholders.

#### **10. If the Resolutions are not passed**

If the Resolutions are not passed:

- (a) then the shareholders of Rigs Recovery will not have a voting power in the Company of more than 20%; and
- (b) the Company may not be able to raise the necessary funds to continue its current operations and it will be necessary for the Board to consider the options for the Company, which may include:
  - (i) consideration of other fundraising options. These alternative fundraising options will take further time and result in further costs to the Company. It is noted that there are currently no alternative proposals that are superior to the proposed transactions described in this Notice as debt finance is not a viable option as the Company does not have sufficient cash flow or assets; or
  - (ii) liquidation of the Company.

#### **11. Interests of the Directors**

Mark Leong is a related party of Rigs Recovery, therefore has an interest in the Resolutions.

As at the date of this Notice, Mark Leong holds controls 208,638 votes and is ineligible to vote on the Resolutions. None of the other Directors have any voting power and this is not expected to change between the date of this Notice and the EGM.

No Director's voting power is expected to materially change between the date of this Notice of Meeting and the General Meeting.

#### **12. Directors' Recommendation**

The Directors unanimously approve the proposal to put the Resolutions to Shareholders for their approval.

The Board has carefully considered the advantages and disadvantages and evaluated their relative weight in the circumstances of the Company. The Board unanimously believes that the sum of the advantages outweighs the sum of the disadvantages and that the issue of the New Shares is in the best interests of existing Shareholders as a whole for the reasons set out in this Explanatory Statement.

The Directors unanimously recommend that Shareholders vote in favour of the Resolution.

#### **13. Further information**

If you have any questions or need more information about Resolution, please contact the Company at [info@ennoxgroup.com.au](mailto:info@ennoxgroup.com.au).



# GLOSSARY

<b>AEST</b>	means Australian Eastern Standard Time.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	means ASX Limited and, as the context required, the Australian Securities Exchange operated by ASX Limited.
<b>Associate</b>	has the meaning given to that term in Part 1.2, Division 2 of the Corporations Act.
<b>Board</b>	means the board of Directors
<b>Business Day</b>	has the same meaning as in the Listing Rules.
<b>Company</b>	means Ennox Group Limited ACN 108 069 003.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	means a director of the Company.
<b>EGM or Meeting</b>	means the extraordinary general meeting of the Company to held at the time and place specified in the Notice.
<b>Eligible Shareholder</b>	a Shareholder whose details appear on the Company's share register as at 8 November 2022 and who is not an Excluded Shareholder.
<b>Entitlement</b>	the entitlement of an Eligible Shareholder to apply for Shares pursuant to the Offer.
<b>Excluded Shareholder</b>	<p>a Shareholder who, as at 8 November 2022:</p> <ul style="list-style-type: none"><li>• has a registered address outside Australia or New Zealand as shown on the Company's share register;</li><li>• who is a resident of the United States or is acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of such person in the United States); or</li></ul> <p>who is not eligible under all relevant securities laws to receive an Offer.</p>

<b>Rigs Recovery</b>	means Rigs Recovery Pty Limited ACN 619 939 356, Rigs No 3 Pty Limited ACN 659 719 687 and Rigs Brookvale Pty Limited ACN 657 147 227.
<b>Listing Rules</b>	means the Listing Rules from time to time of ASX.
<b>Consideration Shares</b>	means the new shares issued pursuant to the Offer Document.
<b>New Shares</b>	means the Shares the subject of the Offer.
<b>Notice of Meeting or Notice</b>	This document, comprising the Chairman's letter, notice of meeting and explanatory statement.
<b>Offer</b>	means a pro-rata renounceable offer to the Eligible Shareholders to subscribe for the New Shares at the Price on the basis of ten New Shares for every one Share of which the Eligible Shareholder is the registered holder as at 7:00pm (AEST) on 8 November 2022.
<b>Offer Document</b>	means the Information Memorandum dated 18 October 2022
<b>Price</b>	means \$0.05 per New Share.
<b>Registry</b>	means the Company's share registry being Boardroom Pty Ltd ACN 003 209 836.
<b>Resolutions</b>	The resolutions to be considered by Shareholders at the EGM, as set out in this Notice of Meeting.
<b>Shares</b>	means fully paid ordinary shares in the capital of the Company.
<b>Shareholders</b>	means all persons registered as holders of Shares as at 7.00 pm on 8 November 2022 after adjusting the share register of the Company in respect of transfer and transmissions of Shares in the Company made or lodged prior to that date and time.
<b>\$</b>	means Australian dollars.



#### 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](http://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 10:00 am (AEDT) on Wednesday 9 November 2022.**

### 🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/exoegm2022>
- 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:

- 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.
- 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

#### 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 **10:00 am (AEDT) on Wednesday 9 November 2022.** 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/exoegm2022>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia

Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

### Attending the Meeting

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

## Ennox Group Ltd

ACN 108 069 003

### 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 **Ennox Group Ltd** (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 Extraordinary General Meeting of the Company to be held at **Level 18, Australia Square Building, 264 George Street, Sydney. NSW on Friday 11 November 2022 at 10:00 pm (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.

Chair of the Meeting 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.

Resolution 1 Approval for allotment of Consideration Shares to the shareholders of Rigs Recovery

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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Resolution 2 Rights Issue and Shortfall Allotment of New Shares

Resolution 3 Change of Company Name

**STEP 3 SIGNATURE OF SECURITYHOLDERS**

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2022