

CXXU
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by 6.00 pm (AEDT) on Wednesday, 31 May 2023.

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Lodge your Proxy Form: **XX**

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

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☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left.
Securityholders sponsored by a broker (reference number

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commences with 'X') should advise your broker of any changes.

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I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of CAP-XX Limited hereby appoint

☐ the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of CAP-XX Limited to be held at Units 9 & 10, 12 Mars Road, Sydney, Australia, on Monday, 30 December 2019 at 6.00pm (AEDT) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Approval to issue shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Signature of Securityholder(s) *This section must be completed.*

Step 3

Individual or Securityholder 1	Securityholder 2	Securityholder 3	
<input type="text"/>	<input type="text"/>	<input type="text"/>	/ /
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

Update your communication details (Optional)

By providing your email address, you consent to receive future Notice

Mobile Number

Email Address of Meeting & Proxy communications electronically



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Computershare



THIS DOCUMENT AND THE ENCLOSED FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended), if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or transferred, or subsequently sell or transfer, all of your shares in CAP-XX Limited, please send this document and the accompanying Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was or is effected for onward transmission to the purchaser or transferee.

The Directors, whose names appear on page 3 of this document, and the Company accept responsibility, collectively and individually, in accordance with the AIM Rules, for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (each of whom have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is anticipated that First Admission will become effective, and that dealings in the First Placing Shares will commence, at 8:00 a.m. (BST) on 12 May 2023 and that Second Admission will become effective, and that dealings in the Second Placing Shares, Subscription Shares and Retail Offer Shares will commence at 8:00 a.m. (BST) on 6 June 2023.

CAP-XX Limited

(Incorporated and registered in Australia with Australian Company Number 050 845 291)

Fundraise of up to 230,769,221 New Ordinary Shares to raise up to approximately £3 million

and

Notice of General Meeting

Your attention is drawn to the letter from the Chairman of the Company which is set out on pages [10] to [16] of this document and which recommends Shareholders to vote in favour of the Resolution to be proposed at the General Meeting referred to below.

Allenby Capital Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and joint broker to the Company in connection with the matters described in this document. Persons receiving this document should note that Allenby Capital Limited will not be responsible to anyone other than the Company for providing the protections afforded to customers of Allenby Capital Limited or for advising any other person on the arrangements described in this document. Allenby Capital Limited has not authorised the contents of, or any part of, this document and makes no representation or warranty, express or implied, as to the contents of this document and Allenby Capital Limited does not accept any liability whatsoever for the accuracy of any information or opinions contained in this document or for the omission of any information. Allenby Capital Limited, as nominated adviser and joint broker to the Company, owes certain responsibilities to the London Stock Exchange which are not owed to the Company or the Directors or any other person.

Cenkos Securities plc, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as joint broker to the Company in connection with the matters described in this document. Persons receiving this document should note that Cenkos Securities plc will not be responsible to anyone other than the Company for providing the protections afforded to customers of Cenkos Securities plc or for advising any other person on the arrangements described in this document. Cenkos Securities plc has not authorised the contents of, or any part of, this document and makes no representation or warranty, express or implied, as to the contents of this document and Cenkos Securities plc does not accept any liability whatsoever for the accuracy of any information or opinions contained in this document or for the omission of any information. Cenkos Securities plc as joint broker to the Company, owes certain responsibilities to the London Stock Exchange which are not owed to the Company or the Directors or any other person.

Allenby Capital Limited and Cenkos Securities plc have given and not withdrawn their consent to the inclusion in this document of the references to their names in the form and context in which they appear.

Notice of a General Meeting of the Company, to be held at the offices of CAP-XX Limited, Unit 1/13A Stanton Road, Seven Hills, NSW 2147, Australia at 5 p.m. AEST on 2 June 2023, is set out at the end of this document. To be valid the accompanying Form of Proxy for use in connection with the General Meeting should be completed, signed and returned in accordance with the instructions printed on it as soon as possible and, in any event, so as to reach the Company's registrars, Computershare Investor Services Pty Ltd, by 5 p.m. AEST on 31 May 2023 or two working days before any adjourned meeting. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting at the General Meeting in person should they so wish.

Holders of Depositary Interests should complete a Form of Instruction or give an instruction via the CREST system. To be valid the accompanying Form of Instruction for use in connection with the General Meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach Computershare Investor Services PLC by 8.00 a.m. (BST) on 31 May 2023. To give an instruction via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 8.00 a.m. (BST) on 30 May 2023. This document does not constitute an offer of securities and is accordingly not an approved prospectus for the purposes of, and as defined in, section 85 of the Financial Services and Markets Act 2000 (as amended) and has not been prepared in accordance with the Prospectus Rules, nor has it been approved by, or filed with, the FCA or by any other authority which could be a competent authority for the purpose of the Prospectus Rules. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

FORWARD-LOOKING STATEMENTS

This document includes "forward-looking statements" which include all statements other than statements of historical facts, including, without

limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could" or "similar" expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. These forward-looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless it is required to do so by applicable law or the AIM Rules.

NOTICE TO OVERSEAS PERSONS

The distribution of this document and/or the Form of Proxy in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the New Ordinary Shares have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the "US Securities Act") and may not be offered, sold or delivered in, into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Subject to certain exemptions, this document does not constitute an offer of New Ordinary Shares to any person with a registered address, or who is resident in, the United States. There will be no public offer in the United States. The New Ordinary Shares will not qualify for distribution under the relevant securities laws of Australia, Russia, Canada, the Republic of Ireland, the Republic of South Africa or Japan, nor has any prospectus in relation to the New Ordinary Shares been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, the New Ordinary Shares may not be offered, sold, taken up, delivered or transferred in, into or from any Restricted Jurisdiction or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. This document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any New Ordinary Shares to any person in a Restricted Jurisdiction and is not for distribution in, into or from a Restricted Jurisdiction. The New Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Ordinary Shares nor have they approved this document or confirmed the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the US.

BASIS ON WHICH INFORMATION IS PRESENTED

Various figures and percentages in the tables in this document, including financial information, have been rounded and accordingly may not total. As a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data. In this document, references to "sterling", "£", "pence" and "p" are to the lawful currency of the United Kingdom

DIRECTORS AND ADVISERS

Directors	Patrick Elliott Bruce Grey Steen Feldskov Anthony Kongats	<i>(Non-Executive Chairman)</i> <i>(Non-Executive Director)</i> <i>(Non-Executive Director)</i> <i>(Chief Executive Officer)</i>
Company Secretary	Michael Taylor	
Registered Office	Suite 126 117 Old Pittwater Road Brookvale NSW 2100 Australia	
Nominated Adviser and Joint Broker	Allenby Capital Limited 5 St Helen's Place London EC3A 6AB UK	
Joint Broker	Cenkos Securities plc 6.7.8 Tokenhouse Yard London EC2R 7AS UK	
Solicitors to the Company as to Australian Law	Dentons Australia Limited Level 16 77 Castlereagh Street Sydney NSW 2000 Australia	
Solicitors to the Company as to English Law	DAC Beachcroft LLP The Walbrook Building 25 Walbrook London EC4N 8AF UK	
Solicitors to Allenby Capital Limited	Haynes and Boone CDG, LLP 1 New Fetter Lane London EC4A 1AN UK	
Registrar	Computershare Investor Services Pty Ltd Yarra Falls 452 Johnston Street Abbotsford Victoria 3067 Australia	
Depository	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE UK	

CONTENTS

	Page
Fundraise Statistics	5
Expected timetable of principal events	6
Definitions	7
Letter from the Chairman of CAP-XX Limited	10
Notice of General Meeting	17

STATISTICS

Issue Price	1.3p
Number of Existing Ordinary Shares	510,235,834
Number of Placing Shares	181,538,460
Number of Subscription Shares	10,769,231
Number of Retail Offer Shares	up to 38,461,530
Gross proceeds of the Placing and Subscription at the Issue Price	£2.5 million
Number of Ordinary Shares in issue following the Placing and Subscription	702,543,525
Placing and Subscription Shares as a percentage of the Enlarged Ordinary Share Capital	27.37%
ISIN of the Ordinary Shares	AU0000XINAS1

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2023

Announcement of the Placing	3 May 2023
Announcement of Retail Offer	3 May 2023
Announcement of results of the Placing	4 May 2023
Date of this document	5 May 2023
Announcement of results of the Retail Offer	4 May 2023
Admission and commencement of dealings in the First Placing Shares	12 May 2023
Expected date for CREST accounts to be credited with Depositary Interests in respect of First Placing Shares in uncertificated form	12 May 2023
Posting of share certificates for the First Placing Shares by the Company's registrar (where applicable)	by no later than 19 May 2023
Latest time and date for receipt of Forms of Instruction	8.00 a.m. (BST) on 31 May 2023
Latest time and date for receipt of Forms of Proxy	8.00 a.m. (BST) on 31 May 2023
General Meeting	8.00 a.m. (BST) on 2 June 2023
Admission and commencement of dealings in the Second Placing Shares, Subscription Shares and Retail Offer Shares	8.00 a.m. (BST) on 6 June 2023
Where applicable, expected date for CREST accounts to be credited with Depositary Interests in respect of Second Admission Shares in uncertificated form	6 June 2023
Posting of share certificates for the Second Placing Shares by the Company's registrar (where applicable)	by no later than 13 June 2023

If any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service. All events listed in the above timetable following the General Meeting are conditional on the passing, at the General Meeting, of the Resolution contained in the Notice of General Meeting.

DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

"A\$"	the Australian dollar, the legal currency of Australia;
"Admission"	First Admission and/or Second Admission, as the context requires;
"AEST"	Australian Eastern Standard Time;
"AIM"	a market operated by the London Stock Exchange;
"AIM Rules"	the AIM Rules for Companies published by the London Stock Exchange from time to time;
"Allenby Capital"	Allenby Capital Limited;
"Board" or "Directors"	the directors of the Company whose names are set out on page 3 of this document;
"BST"	British Summer Time;
"Cenkos Securities"	Cenkos Securities plc;
"Company" or "CAP-XX"	CAP-XX Limited, registered in Australia with Australian Company Number 050 845 291;
"CREST"	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear UK & International Limited which facilitates the transfer of title to shares in uncertificated form;
"Computershare"	Computershare Investor Services PLC or Computershare Investor Services Pty Ltd, as appropriate;
"Depository Interests"	depository interests representing Ordinary Shares;
"Enlarged Ordinary Share Capital"	the entire issued ordinary share capital of the Company immediately following the issue and allotment of the Placing Shares and Subscription Shares;
"Existing Ordinary Shares"	the 510,235,834 Ordinary Shares in issue as at the date of this document;
"FCA"	the UK Financial Conduct Authority;
"First Admission"	admission of the First Placing Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules;
"First Placing"	the conditional placing of the First Placing Shares at the Issue Price pursuant to the Placing Agreement;
"First Placing Shares"	the 76,535,370 new Ordinary Shares to be issued pursuant to the Placing without being conditional on the passing of the

	Resolution;
"Form of Instruction"	the form of written instruction for use by Depositary Interest holders in connection with the General Meeting;
"Form of Proxy"	the form of proxy for use by Shareholders at the General Meeting, which accompanies this document;
"Fundraise"	together the Placing, Subscription and Retail Offer of a total of up to 230,769,221 New Ordinary Shares at 1.3p per share to raise up to £3 million before expenses;
"General Meeting"	the general meeting of the Company to be held at the offices of CAP-XX Limited at Unit 1/13A Stanton Road, Seven Hills, Australia at 5 p.m. AEST on 2 June 2023 or any adjournment thereof, notice of which is set out at the end of this document;
"ISIN"	International Securities Identification Number;
"Issue Price"	1.3 pence per New Ordinary Share
"Joint Brokers"	Allenby Capital and Cenkos Securities as bookrunners in respect of the Placing
"London Stock Exchange"	the London Stock Exchange Group plc
"MAR" or "UK MAR"	Market Abuse Regulation (EU) No 596/2014 of the European Parliament and the Council of 16 April 2014 which has effect in English law by virtue of the European Union (Withdrawal) Act 2018
"New Ordinary Shares"	together, the Placing Shares, the Subscription Shares and Retail Offer Shares, representing a total of up to 230,769,221 new Ordinary Shares;
"Notice of General Meeting"	the notice convening the General Meeting, which is set out at the end of this document;
"Ordinary Shares"	ordinary shares of no par value in the capital of the Company;
"Participating Directors"	the Directors of the Company participating in the Fundraise, being Anthony Kongats, Patrick Elliott and Bruce Grey;
"Placees"	subscribers for Placing Shares pursuant to the Placing;
"Placing"	the First Placing and Second Placing;
"Placing Agreement"	the conditional agreement entered into on 3 May 2023 between the Company, Allenby Capital and Cenkos Securities;
"Placing Shares"	the First Placing Shares and the Second Placing Shares;
"Prospectus Rules"	the Prospectus Rules issued by the FCA;
"Resolution"	the resolution to be proposed at the General Meeting set out in the Notice of General Meeting;
"Restricted Jurisdiction"	each and any of the United States of America, Australia,

	Canada, Japan, New Zealand, Russia, the Republic of Ireland and the Republic of South Africa and any other jurisdiction where any offer of New Ordinary Shares or the distribution of this document would breach any applicable law or regulations;
"Retail Offer"	proposed conditional retail offer to existing shareholders via the REX platform to raise up to £0.5 million (before expenses) at the Issue Price;
"Retail Offer Shares"	the Ordinary Shares to be issued and allotted pursuant to the Retail Offer;
"Second Admission"	admission of the Second Placing Shares, Subscription Shares and Retail Offers Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules;
"Second Placing"	the conditional placing of the Second Placing Shares at the Issue Price pursuant to the Placing Agreement;
"Second Placing Shares"	the 105,003,090 new Ordinary Shares to be issued pursuant to the Placing conditional, <i>inter alia</i> , upon the passing of the Resolution;
"Shareholders"	persons who are registered as holders of Ordinary Shares from time to time;
"Subscription"	the conditional subscription by certain investors, including the Directors, for the Subscription Shares at the Issue Price;
"Subscription Shares"	the 10,769,231 new Ordinary Shares to be issued to subscribers pursuant to the Subscription;
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland;
"UK Prospectus Regulation"	the EU Prospectus Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018;
"US" or "United States"	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction;
US\$	US dollars, the legal currency of the United States; and
"£" or "Sterling"	pounds sterling, the lawful currency of the United Kingdom.

PART 1
LETTER FROM THE CHAIRMAN OF CAP-XX LIMITED

(Registered and incorporated in Australia with Australia Company Number 050 845 291)

Directors:

Patrick Elliott (Non-Executive Chairman)
Bruce Grey (Non-Executive Director)
Steen Feldskov (Non-Executive Director)
Anthony Kongats (Chief Executive Officer)

Registered Office:

117 Old Pittwater Road
Brookvale NSW 2100
Australia

To Shareholders and, for information only, to the holders of options over Ordinary Shares

5 May 2023

Dear Shareholder

Fundraise of New Ordinary Shares at 1.3p each and Notice of General Meeting

Introduction

The Company announced on 4 May 2023 that it has conditionally raised gross proceeds of £2.5 million (before expenses) by the issue of 181,538,460 Placing Shares and 10,769,231 Subscription Shares at a price of 1.3p per Ordinary Share.

The Placing will be carried out in two tranches:

- 76,535,370 Placing Shares (being the First Placing Shares) will be allotted and issued utilising the Company's existing authority granted to the Directors in accordance with the Company's dilution policy; and
- 105,003,090 Placing Shares (being the Second Placing Shares) will be allotted and issued conditional, *inter alia*, upon the passing of the Resolution at the General Meeting to be held at 5 p.m. AEST on 2 June 2023.

The allotment and issue of the First Placing Shares will not be conditional upon the passing of the Resolution or the allotment and issue of the Second Placing Shares.

Anthony Kongats, Patrick Elliott and Bruce Grey (the "**Participating Directors**") have subscribed for a total of 10,769,231 Subscription Shares at the Issue Price (the "**Subscription**"). In aggregate, director participation totals £0.14 million.

In addition to the Placing and the Subscription, the Company has announced that there is a separate conditional retail offer via the REX Platform to raise up to £0.5 million (before expenses) at the Issue Price (the "**Retail Offer**", and together with the Placing and the Subscription, the "**Fundraise**"). This is to provide existing UK retail shareholders in the Company an opportunity to participate in the Fundraise. Those investors who subscribe for new Ordinary Shares pursuant to the Retail Offer (the "**Retail Offer Shares**") will do so pursuant to the terms and conditions of the Retail Offer contained in that announcement and the Retail Offer Shares will form part of the second tranche of the Fundraise. The Retail Offer is not subject to any minimum fundraising and will be open only to existing shareholders of the Company within the United Kingdom. The Retail Offer will be conditional on completion of the Placing and Subscription.

The purpose of this document is, amongst other things, to explain the background to and reasons for the Fundraise and to explain why the Directors believe that the Fundraise will promote the

growth and success of the Company for the benefit of the Shareholders as a whole, and seek Shareholders' approval to the passing of the Resolution at the General Meeting.

This document also contains the Directors' recommendation that Shareholders vote in favour of the Resolution. Notice of the General Meeting, at which the Resolution will be proposed, is set out at the end of this document.

The Directors intend to vote in favour of the Resolution in respect of their own beneficial holdings in the Company which, together with the beneficial holdings of their spouses, amount in aggregate to 26,928,105 Ordinary Shares and represent approximately 5.3 per cent. of the Company's Existing Ordinary Shares.

Background to and reasons for the Fundraise

In CAP-XX's interim results announced on 28 February 2023, the Board expressed its confidence in the potential for longer-term growth of sales for Internet of Things (IoT) devices. Against this backdrop, it is intended that the proceeds from the Fundraise will be primarily used to continue to expand the Company's product portfolio via a new product roadmap. In conjunction with the new product roadmap, CAP-XX is also introducing a new distribution strategy which will have a significantly greater focus on Tier 1 and Tier 2 distributors.

CAP-XX also announces that after 23 years, the Company's founder and CEO, Anthony Kongats is stepping down from this role.

Further information regarding these developments is set out below.

Product roadmap

CAP-XX's range of supercapacitors includes ultra-thin prismatic, cylindrical, lithium-ion hybrid, coin cell, and large and Truck Start modules. To the best of the Board's knowledge, none of the Company's main competitors provide the same range of supercapacitors.

CAP-XX intends to continue to expand its product portfolio via a new product roadmap. Under this product roadmap, its more recently released and to be released models of supercapacitors target lower energy and power applications at a relatively low unit selling prices, relative to the Company's earlier models. CAP-XX released a Stacked Coin electric double layer capacitor in December 2022 and its DMV Prismatic supercapacitor in February 2023. Future product releases are expected to include the DMH Prismatic (manufacturing anticipated for late 2023) the SMD Cylindrical (samples anticipated in Q3 2023) and the very thin prismatic model (anticipated for 2025).

New distribution strategy

To date, CAP-XX's distribution has predominantly been via over 20 smaller, 'Tier 4' regional, niche specialist distributors. The performance of these existing distributors has been very uniform across the EMEA North America and Asia/Pacific territories. These smaller distributors have tended to have limited sales and engineering resources to prospect for new business. The Board is of the view that, until recently the larger 'Tier 1' and 'Tier 2' global distributors have felt that CAP-XX's product range was too narrow for them to add CAP-XX to their line cards.

Access to global distribution and a large number of skilled salespeople and field application engineers is key to future success with design wins and then sales.

The Board considers that, with an expanded product range, its new distribution strategy will be to move from Tier 4 to, in order of preference:

- Tier 1 Global Broadline Distributors, who are considered to be the global leaders;

- Tier 2 Global Broadline Distributors, which are smaller than Tier 1 distributors; and
- Tier 3 Regional Broadline Distributors and Catalogue Houses –being smaller than Tier 2.

To date, the Company has added three new distributors - Digikey, CapComp and Lipers – and early responses from other distributors have been positive and the Company is in active discussions.

Update on sales pipeline

CAP-XX's total sales pipeline* currently stands at approximately US\$71.6 million, which are at varying stages of progress.

Of this total sales pipeline figure, approximately 80% is at the stage between an inquiry being received and samples being shipped, with the majority of this potential demand being from asset tracking, smart meter, wearables and other types of customers.

Approximately 10% of the total sales pipeline figure is at the customer qualification stage, with the majority of this potential demand being from smart meter, medical device, wireless sensor and automotive customers.

Approximately 10 % of the total sales pipeline figure is at the design win to production stages, with the majority of this potential demand being from medical device, point of sale, pda scanners, eLocks and other types of customers.

The Company estimates that progress from a sales inquiry through to the ultimate production stage takes approximately 1.3 to 6 years, with an average of approximately 3.1 years. Where a CAP-XX product is to be substituted for a competitor, then the estimated time to progress from a sales inquiry through to the ultimate production stage is shorter, at approximately 0.8 to 4.2 years, with an average of approximately 1.8 years.

** Sales pipeline is estimated as the total annual sales revenue of all known projects which are currently under evaluation by CAP-XX. This total is not risk weighted.*

Management change

Anthony Kongats, the Company's founder and CEO, has decided to step down from full time employment and as a Director of the Company effective from the date of First Admission. The Company and Mr Kongats expect to enter into an appropriate consultancy arrangement to ensure that CAP-XX continues to benefit from his extensive knowledge of CAP-XX's technologies, applications and customers.

The Company is in detailed discussions with a proposed new CEO for CAP-XX, with this individual being based in Western Europe. A further announcement in this regard will be made in due course.

The Board of CAP-XX wishes to acknowledge Mr Kongats' strenuous efforts on the Company's behalf for the past 23 years to develop CAP-XX as a global market leader in prismatic, high-power supercapacitors.

Use of proceeds

It is estimated that the net proceeds of the Placing and Subscription, which will be approximately £2.3 million, will be applied by CAP-XX towards:

- new product development; £1.0m
- increased sales and marketing; £0.2m
- litigation expenses**;; £0.4m
- capital expenditure; and £0.3m
- general working capital. £0.4m

** CAP-XX's court case against Maxwell for patent infringement is currently scheduled for trial in July 2023.

It is proposed that the net proceeds of the Retail Offer, which will represent a maximum of up to approximately £0.47 million will generally be used for the same purposes as indicated above in an approximately *pro rata* manner.

Current trading and prospects

The Company has experienced improved trading in the second half of FY2023 when compared to the first half. Currently, FY2023 revenue is broadly in line with market consensus, based on the expectation of trading during the second half of FY2023 being materially higher than the first half. First half revenues were impacted by a combination of factors, mainly, some customers deferring delivery dates on orders and Covid restrictions affecting supply of product from China. The Directors believe the impact of these factors is now diminishing and sales are recovering. This momentum is also improved by more ex-Murata customers placing orders as their stocks have diminished.

An updated version of CAP-XX's corporate presentation will be available for download from the Company's website www.cap-xx.com.

Details of the Fundraise

The Company has conditionally raised gross proceeds of £2.5 million (approximately £2.3 million net of estimated expenses) through the issue of the Placing Shares and Subscription Shares at a price of 1.3p per Ordinary Share. The Issue Price represents a discount to the 1-month, 2-month, and 3-month volume weighted average price of an Ordinary Share of approximately 43 per cent., 38 per cent. and 43 per cent., and a discount of approximately 42 per cent. to the closing mid-market price of 2.23p on 3 May 2023, being the latest practicable date prior to the publication of the Announcement. The Placing Shares and Subscription Shares will represent approximately 27.37 per cent. of the Enlarged Ordinary Share Capital.

The New Ordinary Shares will be issued credited as fully paid and will rank in full for all dividends and other distributions declared, made or paid in respect of the Ordinary Shares after the date of Admission and will otherwise rank *pari passu* in all respects with the Existing Ordinary Shares. The Placing Agreement contains provisions entitling Allenby Capital and/or Cenkos Securities to terminate the Placing Agreement at any time prior to Admission in certain circumstances. If this right is exercised the Fundraise will lapse.

The Placing is being conducted in two tranches.

The first tranche of the Placing, to raise a total of £994,960 by the issue of the First Placing Shares, has been carried out within the Company's existing Dilution Policy (further details of which are set out below).

The allotment of the First Placing Shares is conditional, *inter alia*, upon First Admission and the Placing Agreement becoming unconditional in respect of the First Placing Shares and not being terminated in accordance with its terms prior to First Admission. The First Placing is not conditional on the second

tranche of the Placing and will proceed whether or not the Second Placing occurs. Application has been made for the First Placing Shares to be admitted to trading on AIM and it is expected that First Admission will take place on 12 May 2023.

The second tranche of the Placing, to raise a total of approximately £1.365 million by the issue of the Second Placing Shares, is conditional upon, *inter alia*, the passing of the Resolution to be put to Shareholders at the General Meeting. In addition, the allotment of the Second Placing Shares is conditional, *inter alia*, on the Placing Agreement becoming unconditional in respect of the Second Placing Shares and not being terminated in accordance with its terms prior to Second Admission. It is expected that Second Admission will take place on 6 June 2023.

The Placing is conditional, so far as concerns the Second Placing Shares upon, *inter alia*, Second Admission occurring by no later than 8.00 a.m. on 6 June 2023 (or such later time and/or date as the Company, Allenby Capital and Cenkos may agree, not being later than 8.00 a.m. on 27 June 2023). If such condition is not satisfied or, if applicable, waived, the issue of the Second Placing Shares will not proceed.

The first tranche of the Placing is not conditional on issue of the Second Placing Shares, the Subscription Shares or the Retail Offer Shares. Should the Resolution not be passed at the General Meeting, the second tranche of the Placing, the Subscription and the Retail Offer will not proceed. The first tranche of the Placing will not be affected by any or all of the Second Placing, the Subscription and Retail Offer failing to complete for any reason.

The Placing Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive dividends and other distributions declared on or after the date on which they are issued.

It is expected that CREST accounts will be credited on the relevant day of Admission and that share certificates (where applicable) will be despatched within five working days of Admission.

The Directors believe that the Placing is the most appropriate way to raise additional funds for the Company. The Directors consider that the Placing provides greater certainty than other available means of raising additional funds in a timely fashion and minimises transactional costs.

Details of the Retail Offer

The Company has announced that there is a separate conditional retail offer via the REX Platform to raise up to £0.5 million (before expenses) at the Issue Price. This is to provide existing UK retail shareholders in the Company an opportunity to participate in the Fundraise. Those investors who subscribe for new Ordinary Shares pursuant to the Retail Offer will do so pursuant to the terms and conditions of the Retail Offer contained in that announcement and the Retail Offer Shares will form part of the second tranche of the Fundraise.

The Retail Offer is not subject to any minimum fundraising and will be open only to existing shareholders of the Company within the United Kingdom. The Retail Offer will be conditional on completion of the Placing and Subscription.

Directors' participation in the Fundraise

Certain of the Directors have entered into subscription agreements with the Company, in aggregate, for 10,769,231 Subscription Shares under the Subscription as follows:

<i>Director</i>	<i>Current beneficial shareholdings</i>	<i>Number of Subscription Shares</i>	<i>Number of Ordinary Shares held following Second Admission</i>
Patrick Elliott	9,127,144	3,846,154	12,973,298

Bruce Grey	7,382,295	2,307,692	9,689,987
Anthony Kongats	9,993,666	4,615,385	14,609,051

Related Party Transactions

Canaccord Genuity Asset Management Limited ("Canaccord Genuity"), a substantial shareholder in the Company and therefore deemed a related party under the AIM Rules, has agreed to participate in the Placing for 53,846,160 new Ordinary Shares at the Issue Price.

The placing of these new Ordinary Shares with Canaccord Genuity constitutes a related party transaction for the purposes of Rule 13 of the AIM Rules. Patrick Elliott, Anthony Kongats and Bruce Grey have participated in the Subscription and are therefore not deemed independent of the transaction referred to above. Steen Feldskov, a non-executive Director of the Company, is deemed independent and considers, having consulted with Allenby Capital Limited, the Company's nominated adviser for the purposes of the AIM Rules, that the terms of Canaccord Genuity's participation in the Placing are fair and reasonable in so far as the Shareholders are concerned.

Reason for the Resolution

CAP-XX is a company whose shares are admitted to trading on AIM but is not incorporated in the UK, and therefore the rights of shareholders are different from the rights of shareholders of a UK incorporated company.

The Companies Act 2006 (UK legislation) provides that the directors of a company incorporated in the UK may not allot shares unless authorised to do so by shareholders of such company.

While CAP-XX is not incorporated in the UK, the Directors are mindful of the requirements of UK law and of the expectations that UK institutional and other investors may have when they invest in CAP-XX. Accordingly, the Directors of CAP-XX have adopted a **Dilution Policy** as follows:

“the Company will not, without the approval of shareholders, issue further securities for cash unless :

- (i) such issues do not result in the aggregate number of securities issued for cash in the 12 months before the issue date exceeding 15 per cent. of the entire issued capital of CAP-XX; or*
- (ii) such issues are done by way of a rights issue or offering in favour of all holders of securities”.*

Under its dilution policy CAP-XX may currently issue, within the 15 per cent. limit, approximately 76,535,375 shares without shareholder approval. The intention of the proposed resolution set out in the Notice of General Meeting is to seek Shareholders' approval for authority to issue up to 154,233,851 new Ordinary Shares at 1.3p per share which will raise up to approximately £2.0 million (before the deduction of expenses), via the issue of the Second Placing Shares, Subscription Shares and Retail Offer Shares.

General Meeting

Set out at the end of this document is a notice convening the General Meeting to be held at the offices of CAP-XX Limited at Unit 1/13A Stanton Road, Seven Hills, Australia at 5.00 p.m. AEST on 2 June 2023 for the purposes of considering and, if thought fit, passing the Resolution. The General Meeting will also be held via the Investor Meet Company platform (www.investormeetcompany.com)

The Resolution will be proposed as an ordinary resolution. It is to authorise the Directors (conditionally upon Admission) to allot the New Ordinary Shares.

The attention of Shareholders is also drawn to the voting intentions of the Directors as set out in the paragraph entitled “Recommendation” below.

Action to be taken

A Form of Proxy for use at the General Meeting accompanies this document. The Form of Proxy should be completed and signed in accordance with the instructions printed on it and returned to the Company's registrars, Computershare Investor Services Pty Ltd, as soon as possible and, in any event, so as to be received by no later than 5.00 p.m. AEST on 31 May 2023. The completion and return of a Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

In respect of Depositary Interests, a Form of Instruction is also attached. If required it should be completed, signed and returned to Computershare Investor Services PLC in accordance with the instructions on that form. This form must be received by 5.00 p.m. AEST on 31 May 2023.

Please note that it is important that you complete the Form of Instruction if you hold Depositary Interests and the Form of Proxy if you hold Ordinary Shares in certificated form.

To give an instruction via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 8.00 a.m. BST on 30 May 2023. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid an appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Recommendation

In order for Second Admission to proceed, among other things, Shareholders will need to approve the Resolution to be put to Shareholders at a General Meeting. If the Resolution is not approved by Shareholders, the Second Placing Shares, the Retail Offer Shares and the Subscription Shares will not be able to be issued. If that were to occur, the Company would receive significantly less funding than anticipated from the Fundraise and, in the absence of alternative funding, the Board believes that the Company may not have sufficient working capital for the next 12 months and would need to adapt its business plans, strategy and cost base accordingly, which would have a consequent effect on the Company's performance, financial position and prospects.

The Directors consider that the Fundraise is in the best interests of the Company and the Shareholders as a whole. The Directors unanimously recommend Shareholders to vote in favour of the Resolution to be proposed at the General Meeting as they intend to do so in respect of their own beneficial holdings amounting, in aggregate, to 26,928,105 Existing Ordinary Shares representing approximately 5.3 per cent of the Existing Ordinary Shares.

Yours faithfully,

Patrick Elliott

Non-Executive Chairman

CAP-XX LIMITED
ACN 050 845 291
NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of shareholders of CAP-XX Limited will be held at CAP-XX's offices, Unit 1/13A Stanton Road, Seven Hills , Australia, at 5.00 p.m. AEST on 2 June 2023. The General Meeting can also be accessed via the Investor Meet Company platform (www.investormeetcompany.com).

AGENDA

BUSINESS

Resolution

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

That the directors of the Company be and are generally and unconditionally authorised to exercise all the powers of the Company to allot the Second Placing Shares, the Subscription Shares and the Retail Offer Shares, provided that this authority shall be conditional upon Admission becoming effective on or before 8:00 a.m. BST on 6 June 2023 (or such later time and/or date as the Company, Allenby Capital Limited and Cenkos Securities may agree, but in no event no later than 8:00 a.m. BST on 27 June 2023) and shall be limited to the allotment of the Second Placing Shares, the Subscription Shares and the Retail Offer Shares up to a maximum number of 154,233,851 new Ordinary Shares.

NOTES

- Shareholders may either attend the General Meeting in person at the Company's address or may register to view and/or participate at the General Meeting by registering in advance for the event via the following link :
- <https://www.investormeetcompany.com/cap-xx-limited/register-investor>
- An opportunity will be given also to those shareholders to ask questions. The time for the Meeting equates with 5.00 p.m. AEST or 8.00 a.m. BST on 2 June 2023.
- The Letter from the Chairman which accompanies and forms part of this Notice, describes the business to be considered at the General Meeting.
- A shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.
- The proposed Chairman of the meeting intends to vote undirected proxies in favour of the resolution.
- For the determination of voting entitlements, the directors have set a time to determine the identity of those entitled to attend and vote at the meeting. The time is 5.00 p.m. AEST on 31 May 2023 (48 business hours prior to commencement of the meeting) which equates with 8.00 a.m. BST on 31 May 2023.
- A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office or Computershare Clearing Pty Ltd in accordance with the proxy instructions on that form. This form must be received by 5.00 p.m. on 31 May 2023 which equates with 8.00 a.m. BST on 31 May 2023.
- In respect of Depositary Interests a Form of Instruction must be lodged at the office of the Depositary at: Computershare Investor Services PLC, The Pavilions, Bridgwater Rd, Bristol BS99 6ZY by 30 May 2023 at 8.00 a.m. BST.

- Unless the context requires otherwise, any capitalised term used but not defined in this notice shall have the meaning given to such term in the document of which this notice forms part.

By order of the Board

Michael Taylor
Company Secretary
Date: 5 May 2023