

20 July 2021



Dear Shareholder

Non-Renounceable Entitlement Offer – Notification to Ineligible Shareholders

On 16 July 2021, Buddy Technologies Limited (ASX:BUD) (**Company**) announced a non-renounceable entitlement offer to eligible shareholders of one (1) new share (**New Share**) for every 7.5 shares held at the record date at an issue price of A\$0.025 per New Share, together with one (1) free attaching option (**New Option**) (together with New Shares, **New Securities**) for every two (2) New Shares subscribed for and issued, to raise up to A\$10 million (before costs) (**Offer**).

This letter is to inform you about the Offer and to explain why you will not be able to subscribe for New Securities under the Offer. This letter is not an offer to issue New Securities to you, nor an invitation for you to apply for New Securities. You are not required to do anything in response to this letter.

Eligibility Criteria

Shareholders who are eligible to participate in the Offer (**Eligible Shareholders**) are those persons who:

- (a) are registered as a holder of fully paid ordinary shares in the Company as at 5.00pm (EST) 26 July 2021 (**Record Date**); and
- (b) have a registered address on the Company share register in Australia or New Zealand, or are, in the opinion of the Company, otherwise eligible to receive an offer of New Securities under the Offer.

The Company has determined, pursuant to section 9A of the Corporations Act and ASX Listing Rule 7.7.1(a), that it would be unreasonable to make offers to shareholders in countries outside Australia or New Zealand in connection with the Offer (**Ineligible Shareholders**).

The Company has determined that it would be unreasonable on this occasion to extend participation in the Offer to Ineligible Shareholders having regard to:

- (a) the number of Ineligible Shareholders;
- (b) the number and value of securities to be offered to Ineligible Shareholders; and
- (c) the cost to comply with overseas legal and regulatory requirements.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Shareholder as stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Corporations Act, the Company wishes to advise you that it will not be extending the Offer to you and you will not be able to subscribe for New Securities under the Offer. This letter is not an offer to issue New Securities to you, nor an invitation to apply for New Securities.

Further Information

If you have any additional questions regarding the Offer, please contact the Company Secretary at cosec@buddy.com. Otherwise, on behalf of the Board and management of the Company, we thank you for your continued support.

Yours sincerely

David P. McLauchlan
Chief Executive Officer

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