

18 December 2017

**Company Announcements Office
ASX Limited**

Dear Sir/Madam,

Retail Entitlement Offer – Notification to Ineligible Retail Shareholders

Please find attached a copy of the notification to Ineligible Shareholders.

Yours sincerely



Dan Last
Company Secretary

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CWY

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

18 December 2017

Dear Shareholder

Cleanaway Waste Management Limited Retail Entitlement Offer – Notification to Ineligible Retail Shareholders

On Monday 11 December 2017, Cleanaway Waste Management Limited (**Cleanaway** or **the Company**) announced a pro rata accelerated non-renounceable entitlement offer of new fully paid ordinary shares (**New Shares**) (**Entitlement Offer**) to raise approximately \$590 million.

This letter is to inform you about the Entitlement Offer, and to explain why you will not be able to subscribe for New Shares under the Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. **You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Entitlement Offer that you should be aware of.**

The Entitlement Offer

The Entitlement Offer is underwritten and comprises an institutional component (**Institutional Entitlement Offer**) and an offer to Eligible Retail Shareholders (as defined below) (**Retail Entitlement Offer**). The Institutional Entitlement Offer raised approximately \$500 million, and the Retail Entitlement Offer is expected to raise approximately \$90 million.

The Entitlement Offer is being made in accordance with section 708AA of the Australian Corporations Act 2001 (Cth) (**Corporations Act**) (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84), meaning that no prospectus needs to be prepared.

The Retail Entitlement Offer is being made to Eligible Retail Shareholders (as defined below) on the basis of 1 New Share for every 3.65 existing ordinary shares in the Company held at 7.00pm (Sydney time) on Wednesday, 13 December 2017 (**Record Date**), at an offer price of \$1.35 per New Share.

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Eligibility to participate in the Retail Entitlement Offer

An "Eligible Retail Shareholder" is a holder of ordinary shares who:

- (a) was a registered holder of Cleanaway ordinary shares as at 7.00pm (Sydney time) on the Record Date;
- (b) has a registered address in Cleanaway's share register in Australia or New Zealand;
- (c) is not in the United States or a person (including nominees or custodians) acting for the account or benefit of a person in the United States (to the extent such shareholder holds Shares for the account or benefit of a person in the United States);
- (d) is not an Eligible Institutional Shareholder (other than as nominee, in respect of other underlying holdings) nor an Ineligible Institutional Shareholder (each as defined in the Retail Entitlement Offer Booklet lodged with ASX on Wednesday 13 December 2017) ("**Retail Entitlement Booklet**"); and
- (e) is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Shareholders who are not Eligible Retail Shareholders and who were not invited to participate in the Institutional Entitlement Offer and were not treated as Ineligible Institutional Shareholders (as defined in the Retail Entitlement Booklet) under the Institutional Entitlement Offer are "**Ineligible Retail Shareholders**".

The restrictions upon eligibility under the Retail Entitlement Offer arise because of the legal and regulatory requirements in countries other than Australia or New Zealand, the potential costs to Cleanaway of complying with these legal and regulatory requirements compared with the relatively small number of shareholders in those countries, the relatively small number of existing Cleanaway ordinary shares they hold and the relatively low value of New Shares to which those shareholders would otherwise be entitled.

Cleanaway has determined, pursuant to section 9A(3)(a) of the Corporations Act and Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers to shareholders in countries outside Australia or New Zealand in connection with the Retail Entitlement Offer.

Unfortunately, according to our records you do not satisfy the criteria for an Eligible Retail Shareholder, accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3)(b) of the Corporations Act, Cleanaway wishes to advise you that it is unable to extend to you the opportunity to participate in the Retail Entitlement Offer. If our records are incorrect on this matter, please contact the Offer Information Line on the details below. You will not be sent the documents relating to the Retail Entitlement Offer or be able to subscribe for New Shares under the Retail Entitlement Offer.

Notwithstanding the above, Cleanaway may agree to extend the Retail Entitlement Offer to certain institutional shareholders who did not participate in the Institutional Entitlement Offer or to other retail shareholders, subject to compliance with applicable laws.

The Entitlement Offer is non-renounceable. The entitlements to New Shares that would have been offered under the Entitlement Offer to Ineligible Retail Shareholders had they been entitled to participate in the Entitlement Offer (**Ineligible Entitlements**) will be allocated to the Underwriter or to persons from whom the Underwriter has procured subscriptions for New Shares, pursuant to the underwriting arrangements between Cleanaway and the Underwriter. The price at which the

Ineligible Entitlements will be sold will be the Offer Price. Accordingly, Ineligible Retail Shareholders will not receive any value as a result of the issue of any New Shares which they would have been entitled to subscribe for had they been eligible to participate in the Entitlement Offer. As a result no amount will be payable to you.

You do not need to respond to this letter. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. If you have questions in relation to any of the matters described above, please contact the Offer Information Line on 1300 850 505 (from within Australia) or +61 3 9415 4000 (from outside Australia) from 8.30am to 5.00pm (Sydney time), Monday to Friday.

On behalf of the Board of Cleanaway, we thank you for your continued support.

Yours sincerely



Dan Last
Company Secretary

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Important Notices

This notice is issued by Cleanaway. This notice is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any securities in Cleanaway in any jurisdiction. This letter does not constitute financial product advice and does not and will not form part of any contract for the acquisition of Cleanaway ordinary shares.

This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be illegal. No action has been or will be taken to register, qualify or otherwise permit a public offering of the entitlements or New Shares in any jurisdiction outside Australia and New Zealand. In particular, neither the entitlements nor the New Shares to be offered and sold in the Entitlement Offer have been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "US Securities Act"), or the securities laws of any state or other jurisdiction of the United States. Accordingly, neither the entitlements nor the New Shares may be offered or sold to persons in the United States or acting for the account or benefit of persons in the United States except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

The distribution of this notice in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Cleanaway and/or the Underwriter. Each of Cleanaway and the Underwriter and each of their respective affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

The provision of this document is not, and should not be considered as, a securities recommendation or financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. Before acting on the information, you should consider the appropriateness of the information, having regard to your objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your stockbroker, accountant, taxation adviser, financial adviser or other professional adviser.

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