

**Bora Bora Resources
Limited**
Level 8, 350 Collins Street
Melbourne VIC 3000

ACN: 150 173 032

www.boraboraresources.com.au



Bora Bora Resources Limited

(to be renamed AZoNetwork Group Limited)

Notice of 2019 Annual General Meeting

Explanatory Statement | Independent Expert Report | Proxy Form

16 December 2019

11.00 am AEDT

Address

Baker McKenzie
Level 19
181 William Street
Melbourne VIC 3000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Shareholders of the Company should carefully consider the Independent Expert's Report (**IER**) prepared by Hall Chadwick Corporate Finance (Vic) Pty Ltd (**Hall Chadwick**) before considering the Resolutions relevant to the Acquisition in this Notice of Meeting. The IER comments on the fairness and reasonableness of the Acquisition to the existing non-associated Shareholders of the Company. The IER has concluded that the Acquisition is fair and reasonable to the existing non-associated Shareholders of the Company.

Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Notice of Meeting.

Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11.00 am AEDT 16 December 2019 at Baker McKenzie Level 19, 181 William Street, Melbourne, VIC 3000.

Your vote is important

The business of the Annual General Meeting affects your shareholding and your vote is important.

Voting in person

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

Voting by proxy

To vote by proxy, please use one of the following methods:

1. Lodge the Proxy Form online at <https://investor.automic.com.au/#/loginsah> by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form.
2. Complete and sign the enclosed Proxy Form and return the form:
 - (a) by post to:
Automic, GPO Box 5193, Sydney NSW 2001; or
 - (b) by hand to:
Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
 - (c) by fax to: (02) 8583 3040

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of Bora Bora Resources Limited ACN 150 173 032 will be held at 11.00 am AEDT on 16 December 2019 at Baker McKenzie, Level 19, 181 William Street, Melbourne VIC 3000 (**Meeting**).

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7.00 pm AEDT on 11 December 2019. Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

Agenda

Ordinary business

Financial statements and reports

“To receive and to consider the Annual Financial Report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Directors’ Report, the Remuneration Report and the Auditor’s Report for that financial year.”

Note: This item of ordinary business is **for discussion only and is not a resolution**.

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

Resolutions

Part A: Remuneration Report

1. Resolution 1 – Adoption of Remuneration Report

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

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s Annual Financial Report for the financial year ended 30 June 2019.”

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting exclusion statement: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company’s key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (**KMP**), or any of that person’s Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as **Restricted Voter**). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the person chairing the Meeting to vote “against”, or to abstain from voting on, this Resolution.

Part B: Re-election of Director

2. Resolution 2 – Re-election of Nathan Young as Director

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

“That Nathan Young, a Director who retires by rotation in accordance with the Company’s Constitution and ASX Listing Rule 14.5, and being eligible offers himself for re-election as a Director (but on the basis that Mr Young together with Mr Wade Evans has agreed to resign with effect from completion of the purchase of AZoM.com Limited).”

Part C: Issue of Director and Secretary Fee Shares

3. Resolution 3 – Related Party Approval of Issue of Director Fee Shares to Piers Reynolds

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

“That, for the purposes of ASX Listing Rule 10.11, the Shareholders of the Company approve the issue and allotment of 2,500,000 Director Fee Shares to Piers Reynolds, a Director of the Company (or his nominee), as part consideration for acting in the role as director for the current financial period ending 31 December 2019, on the terms set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting”

Voting exclusion statement: The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- (a) Piers Reynolds (or his nominee); or
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

4. Resolution 4 – Related Party Approval of Issue of Director Fee Shares to Nathan Young

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

“That, for the purposes of ASX Listing Rule 10.11, the Shareholders of the Company approve the issue and allotment of 1,400,000 Director Fee Shares to Nathan Young, a Director of the Company (or his nominee), as part consideration for acting in the role of director for the current financial period ended 31 December 2019, on the terms set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting exclusion statement: The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) Nathan Young (or his nominee); or
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

5. **Resolution 5** – Related Party Approval of Issue of Director Fee Shares to Wade Evans

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

“That, for the purposes of ASX Listing Rule 10.11, the Shareholders of the Company approve the issue and allotment of 800,000 Director Fee Shares to Wade Evans, a Director of the Company (or his nominee), as part consideration for acting in the role of director for the current financial period ended 31 December 2019, on the terms set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting exclusion statement: The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) Wade Evans (or his nominee); or
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

6. **Resolution 6** – Issue of Secretary Fee Shares to Nick Boicos

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

“That for the purposes of ASX Listing Rule 7.1, approval is given for the issue of 300,000 shares in lieu of cash fees to Nick Boicos (or his nominee), as part consideration for acting in the role as secretary for the current financial period ending 31 December 2019, on the terms set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting exclusion statement: The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- (a) Nick Boicos (or his nominee); or
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

Part D: Resolutions relating to the Acquisition of AZoM.com

7. Resolution 7 – Change of Name

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

"That the name of the Company change to AZoNetwork Group Limited."

8. Resolution 8 – AZoM.com Purchase

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

"That with respect to the proposed purchase by the Company of AZoM.com Limited and for the purposes of Section 611 Item 7 of the Corporations Act, Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to proceed with the purchase and issue of the following securities as consideration with respect thereto:

- a) 571,707,495 ordinary shares;*
- b) 75,000,000 Performance Rights Tranche 1; and*
- c) 50,000,000 Performance Rights Tranche 2,*

as a consequence of which:

- d) Dr Ian Birkby will obtain a relevant interest in the Company's shares of up to 46.9% (on the assumption that all of the performance rights vest and assuming that the minimum of \$2,000,000 of shares at \$0.05 per share are issued under the capital raising); and*
- (e) the Company will obtain a relevant interest in its own shares of up to 41.8% (with respect to the proposed escrow of shares) with this percentage representing the maximum percentage of shares which will be the subject of restriction immediately following the capital raising or such higher percentage as may arise due to the application of the ASX Listing Rule escrow requirements, on the basis set out in the Explanatory Memorandum."*

Voting exclusion statement: The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

- (a) a shareholder of AZoM (or its nominees),
- (b) any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; or
- (c) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

9. **Resolution 9 – Appointment of Dr Neil Sanderson**

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

"That Dr Neil Sanderson be appointed as a director of the Company with effect from completion of the purchase of AZoM.com Limited on the basis set out in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast in favour of Resolution 9 by or on behalf of:

- (a) Dr Neil Sanderson (or his nominee); or
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

10. **Resolution 10 – Appointment of Bryce Reynolds**

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

"That Bryce Reynolds be appointed as a director of the Company with effect from completion of the purchase of AZoM.com Limited on the basis set out in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast in favour of Resolution 10 by or on behalf of:

- (a) Bryce Reynolds (or his nominee); or
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

11. **Resolution 11 – Capital Raising Shares and Options**

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to:

- (a) 60,000,000 shares at 5 cents each under a capital raising; and
- (b) 30,000,000 options on the basis of one option being issued for every two shares under the capital raising with the options exercisable at 7.5 cents expiring 31 October 2021, on the basis set out in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast in favour of Resolution 11 by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

12. **Resolution 12 – Capital Raising - Broker Shares**

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 5,000,000 shares to be issued for no cash payment to brokers associated with the capital raising on the basis set out in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast in favour of Resolution 12 by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

13. **Resolution 13 – Adviser Shares and Referrer Shares**

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 10,000,000 shares to be issued for no cash payment to the Company's advisor and to the Company's referrer, each described in the Explanatory Memorandum, for the capital raising and purchase of AZoM.com Limited on the basis set out in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast in favour of Resolution 13 by or on behalf of:

- (a) Panthea Capital Pty Ltd (or its nominees),
- (b) Veritas Securities Limited (Veritas),
- (c) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (d) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

BY ORDER OF THE BOARD

Nick Boicos
Company Secretary

12 November 2019

Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 11.00 am AEDT 16 December 2019 at Baker McKenzie Level 19, 181 William Street, Melbourne, VIC 3000.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting, including the Resolutions associated with the proposed acquisition of AZoM.com Limited (**AZoM**).

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Annual General Meeting are set out below.

Agenda

Ordinary business

Financial statements and reports

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at www.boraboraresources.com.au.

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

Written questions of the auditor

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five Business Days before the Meeting, which is by 6 December 2019.

Resolutions

Part A: Remuneration Report

Resolution 1 – Adoption of Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at www.boraboraresources.com.au.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Meeting (subject of this Notice of Meeting), and then again at the 2020 Annual General Meeting (**2020 AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the 2020 AGM to approve the calling of a further meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the 2020 AGM. All of the Directors who were in office when the 2020 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters must not vote on this Resolution and must not cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the Chair and you submit the Proxy Form, authorising the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP and that in doing so you will be taken to have directed him to vote in accordance with his stated intention to vote in favour of Resolution 1.

Shareholders are urged to read carefully the Proxy Form and to provide a direction to the proxy on how to vote on this Resolution.

Part B: Re-election of Directors

Resolution 2 – Re-election of Nathan Young as Director

The Company's Constitution requires that, if the Company has 3 or more Directors, a third (or the number of Directors nearest to one third, rounded down) of those Directors must retire at each annual general meeting, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years or until the third annual general meeting following his or her appointment, without submitting himself or herself for re-election. The Directors to retire at an annual general meeting are those who have been in longest in office since their last election. Where 2 or more Directors have served equally the longest, the retiring Director is determined either amongst the Directors by agreement, or by drawing lots.

ASX Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

Under this Resolution, Mr Young has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Nathan is an investment consultant and fund manager with prior experience as an investment banker. Nathan commenced his career in the securities industry in 1996 and gained extensive equity and derivatives experience during the following 12 years with firms including Lonsdale Securities and ABN AMRO Australia.

Directors' recommendation

The Directors (excluding Mr Young) recommend that Shareholders vote for this Resolution.

Part C: Issue of Director and Secretary Fee Shares

Resolutions 3 - 5 – Related Party Approval of Issue of Director Fee Shares

Background

These Resolutions seek Shareholder approval to issue and allot fully paid ordinary shares (**Director Fee Shares**) at a deemed issue price of 5 cents per Share to Messrs Piers Reynolds (Non-Executive Chairman), Nathan Young (Non-Executive Director) and Wade Evans (Non-Executive Director), in lieu of cash Directors' fees for the period from 1 November 2018 to 31 December 2019.

On 1 May 2018, in the interests of conserving the Company's cash reserves, each of the Directors agreed to receive their reduced Directors' fees in fully paid ordinary shares. During the above period each Director has individually undertaken further substantial time and effort in evaluation and negotiation of numerous potential transactions up to and including the Company's purchase of AZoM.

Accordingly, Shareholder approval is being sought under Resolutions 3 to 5 to issue a total of 4,700,000 Director Fee Shares (at a deemed issue price of 5 cents per Share) to each of Messrs Reynolds (2,500,000 shares), Young (1,400,000 shares) and Evans (800,000 shares) for Directors' fees that are owing to each Director, for the period from 1 November 2018 to 31 December 2019.

Related Party Approvals

ASX Listing Rule 10.11 provides that the Company, as a listed company, must not issue equity securities to a related party without Shareholder approval.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1.

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of the Director Fee Shares (which is a type of equity security, for the purposes of the ASX Listing Rules) constitutes the giving of a financial benefit.

A “related party” for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of “related party” also includes a person whom there is reasonable grounds to believe will become a “related party” of a public company.

As of the date of the Meeting, Messrs Reynolds, Young and Evans are current Directors of the Company. Accordingly, each of them are “related parties” of the Company. Therefore, the proposed issue of Director Fee Shares to each of them (or their nominees) requires Shareholder approval under Listing Rule 10.11.

For the purposes of Chapter 2E:

- (a) Messrs Young and Evans have considered the proposed issue of Director Fee Shares to Mr Reynolds as part of his remuneration package, and formed the view that the giving of the financial benefit (in the form of \$125,000 worth of Director Fee Shares) to Mr Reynolds was reasonable remuneration, given the circumstances of the Company, the quantum and value of the Director Fee Shares, and the responsibilities held by Mr Reynolds as Chairman and Director of the Company;
- (b) Messrs Reynolds and Evans have considered the proposed issue of Director Fee Shares to Mr Young as part of his remuneration package, and formed the view that the giving of the financial benefit (in the form of \$70,000 worth of Director Fee Shares) to Mr Young was reasonable remuneration, given the circumstances of the Company, the quantum and value of the Director Fee Shares, and the responsibilities held by Mr Young as Director of the Company; and
- (c) Messrs Reynolds and Young have considered the proposed issue of Director Fee Shares to Mr Evans as part of his remuneration package, and formed the view that the giving of the financial benefit (in the form of \$40,000 worth of Director Fee Shares) to Mr Evans was reasonable remuneration, given the circumstances of the Company, the quantum and value of the Director Fee Shares, and the responsibilities held by Mr Evans as a Director of the Company.

In reaching their respective views, each of the non-conflicted Directors (when considering the other’s remuneration) noted that the Director Fee Shares did not represent an incentive but was reflective of the actual Directors’ fees that were owed to each of the respective Directors by the Company for the period from 1 November 2018 to 31 December 2019. In addition, the deemed issue price of 5 cents per Share was above the last price at which the Company’s Shares traded on ASX (4.7 cents per Share) prior to its suspension from quotation.

Accordingly:

- (a) Messrs Young and Evans believe that the issue of 2,500,000 Director Fee Shares at a deemed issue price of 5 cents per Share to Mr Reynolds falls within the “reasonable remuneration” exception as set out in section 211 of the Corporations Act and relies on this except for the purposes of Resolution 3 of this Notice of Meeting;
- (b) Messrs Reynolds and Evans believe that the issue of 1,400,000 Director Fee Shares at a deemed issue price of 5 cents per Share to Mr Young falls within the “reasonable remuneration” exception as set out in section 211 of the Corporations Act and relies on this except for the purposes of Resolution 4 of this Notice of Meeting; and
- (c) Messrs Reynolds and Young believe that the issue of 800,000 Director Fee Shares at a deemed issue price of 5 cents per Share to Mr Evans falls within the “reasonable remuneration” exception as set out in section 211 of the Corporations Act and relies on this except for the purposes of Resolution 5 of this Notice of Meeting.

Information required by ASX Listing Rule 10.13

The following information in relation to the issue of the Director Fee Shares to Messrs Piers Reynolds, Nathan Young and Wade Evans (or their nominees) is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- (a) The related parties are Piers Reynolds, Chairman and Non-Executive Director of the Company, Nathan Young and Wade Evans Non-Executive Directors of the Company.
- (b) The maximum number of Director Fee Shares proposed to be issued to each Director is as follows:
 - (i) Piers Reynolds: 2,500,000
 - (ii) Nathan Young: 1,400,000
 - (iii) Wade Evans: 800,000
- (c) The Director Fee Shares will be issued within 1 month of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (d) Each of the Director Fee Shares will be issued for nil cash consideration, at a deemed issue price of 5 cents per Share.
- (e) The Director Fee Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (f) No funds will be raised by the issue of the Director Fee Shares. As detailed above, the purpose of the issue of Director Fee Shares is to preserve cash resources of the Company in lieu of cash payments for Director fees to each of the Directors.

Resolution 6 – Issue of Secretary Fee Shares

Background

This Resolution seeks Shareholder approval to issue and allot fully paid ordinary shares (**Secretary Fee Shares**) at a deemed issue price of 5 cents per Share to Mr Nick Boicos (Company Secretary), in lieu of foregone cash fees for the period from 14 December 2018 to 31 December 2019.

As a part of conserving the Company's cash reserves, Mr Boicos agreed to receive a reduced Company Secretary fee and receive part fees in fully paid ordinary shares. During the above period Mr Boicos has undertaken substantial time and effort up to and including the Company's purchase of AZoM.

Accordingly, Shareholder approval is being sought under Resolutions 6 to issue a total of 300,000 Secretary Fee Shares (at a deemed issue price of 5 cents per Share) to Mr Boicos for Company Secretary fees that are owing, for the period from 14 December 2018 to 31 December 2019.

Directors' recommendation

The Directors recommend that Shareholders vote for this Resolution.

Part D: Resolutions relating to the Acquisition of AZoM

Resolution 7 – Change of Name

It is proposed that the name of the Company change to AZoNetwork Group Limited.

It is also contemplated that the ASX code will change to AZO.

Resolution 8 – AZoM.com Purchase

8.1 Background

Acquisition

On 28 October 2019, the Company announced that it entered into a share purchase agreement (SPA) with AZoM.com Limited, trading as AZoNetwork (**AZoNetwork**) to acquire 100% of the issued capital of AZoNetwork (**Acquisition**). Completion under the SPA is subject to the satisfaction or waiver of a number of conditions precedent. Further details of the SPA are set out in Section 8.2 of this Explanatory Memorandum.

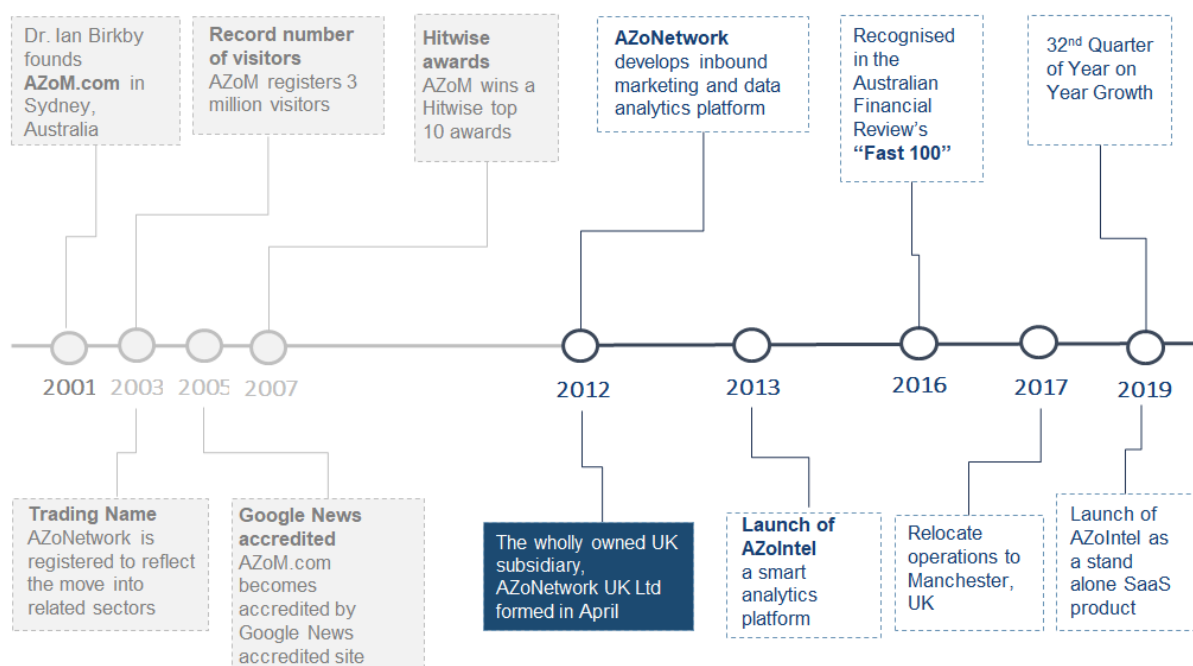
About AZoNetwork

History

AZoM.com Limited was established in November 2011 following a pivot out of an online publisher, AZoM.com Pty Ltd, which was established in 2000. The business was founded by the current CEO, Dr. Ian Birkby who drew on his experiences in both B2B industrial marketing and scientific publishing to develop the concept behind the initial site in the AZoNetwork, www.AZoM.com - The A to Z of Materials.

In April 2012 the wholly owned UK subsidiary, AZoNetwork UK Ltd. was formed, currently located in the NEO Building Manchester, UK. The majority of the company activities are now conducted out of the Manchester UK office where a majority of the company's employees are based.

Figure 1: AZoNetwork business timeline



The AZoNetwork opportunity

AZoNetwork is a unique “SciTech” Marketing Platform that brings together a large and rapidly growing audience and database of highly engaged science, technology, medical and life science professionals who access high quality content for free via AZoNetwork’s current suite of 10 websites.

Figure 2: AZoNetwork’s current suite of websites



AZoNetwork has built a proprietary platform to generate and distribute content whilst monitoring performance via its AZoIntel Analytics platform. The business has scaled rapidly in the last five years through the expansion of its global client base. The Company has over 5.5 million unique visitors per month from the 10 AZoNetwork’s websites, over 650,000 subscribers and over 400 customers.

During the 2019 financial year (June year-end audited accounts) AZoNetwork achieved record sales with a 29% increase in revenue to \$7.3m and a record EBITDA of \$0.7m, representing the sixth consecutive year of positive EBITDA.

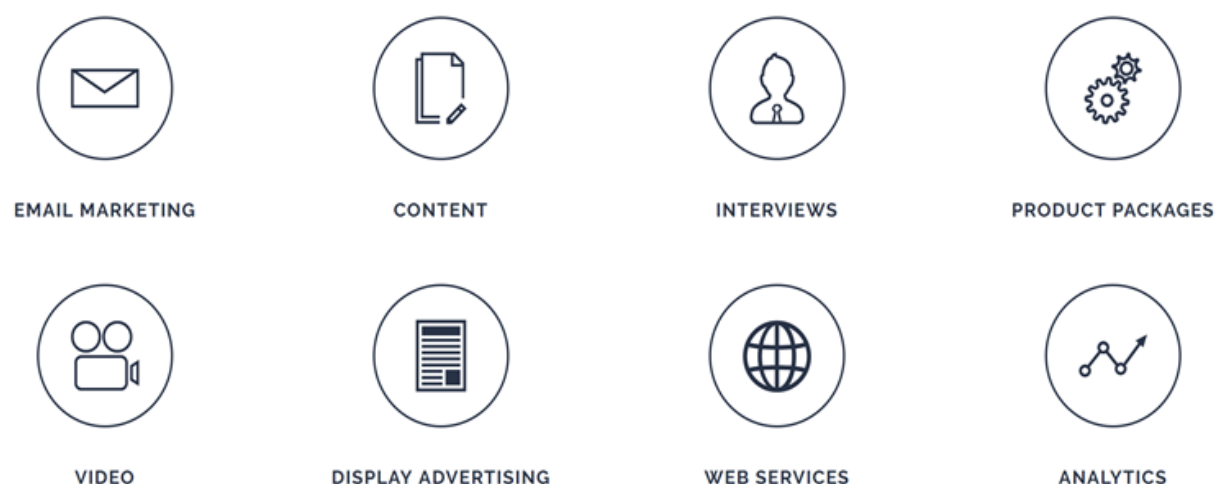
AZoNetwork is a scalable technology platform business operating in rapidly expanding market sectors.

AZoNetwork’s business activities

AZoNetwork provides highly automated, cloud based Inbound Marketing, Lead Generation and related services to a global client base operating in science, technology, medical and life sciences sectors.

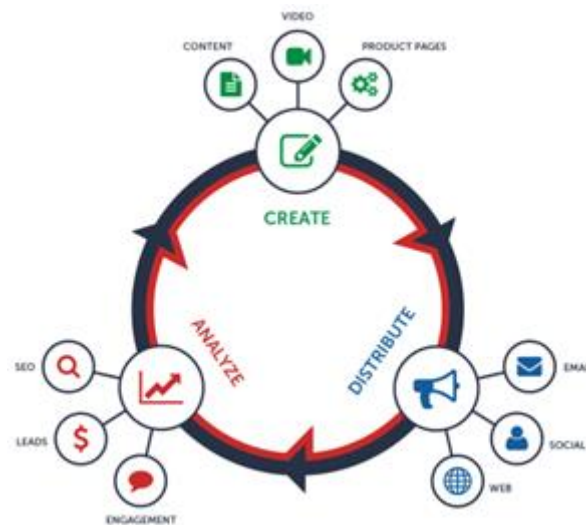
The Company’s product suite includes the following:

Figure 3: AZoNetwork product suite



The business focusses on 3 key components – (i) content curation or creation, (ii) content distribution and (iii) data analytics, described below and illustrated in Figure 4.

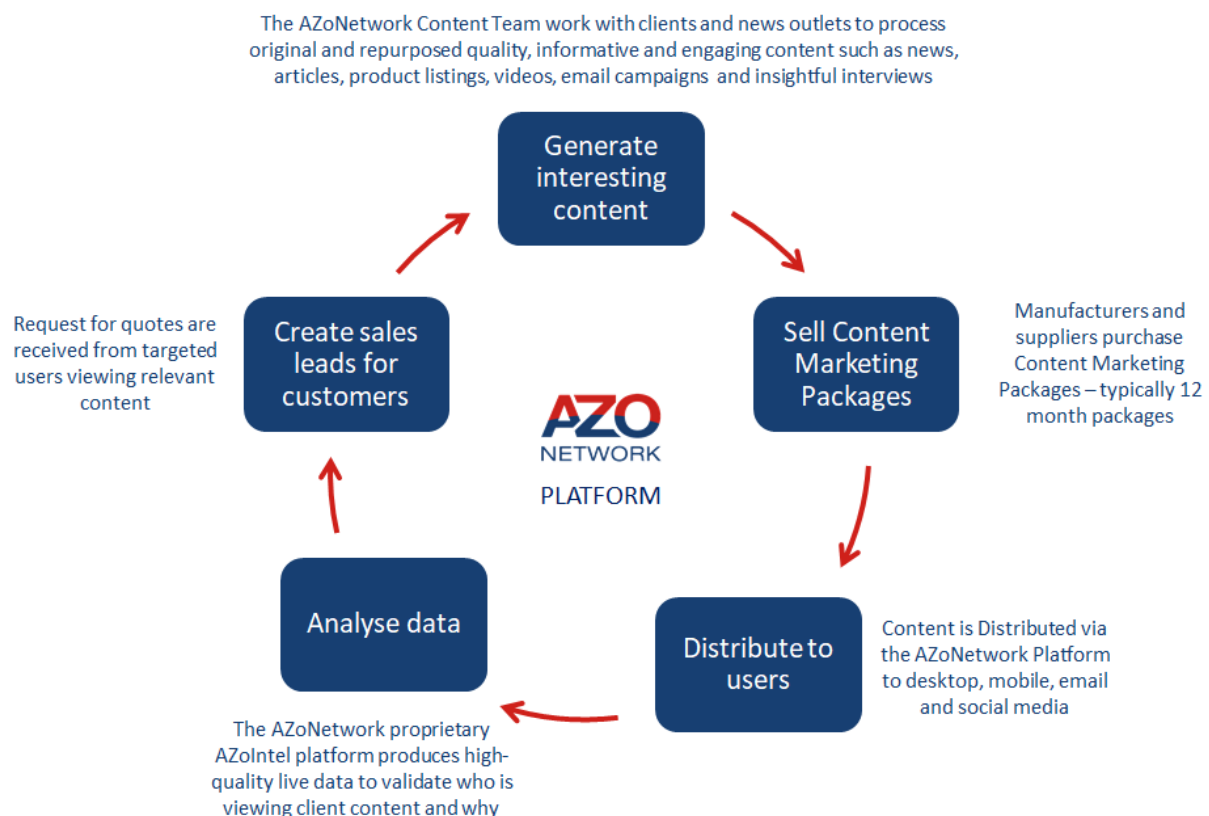
Figure 4: The AZoNetwork platform – create, distribute, analyse



Content Creation

Content Creation or Curation of client content is a key driver for the business, it generates visitors to the websites, new subscribers and ensures AZoNetwork has a significant search engine footprint.

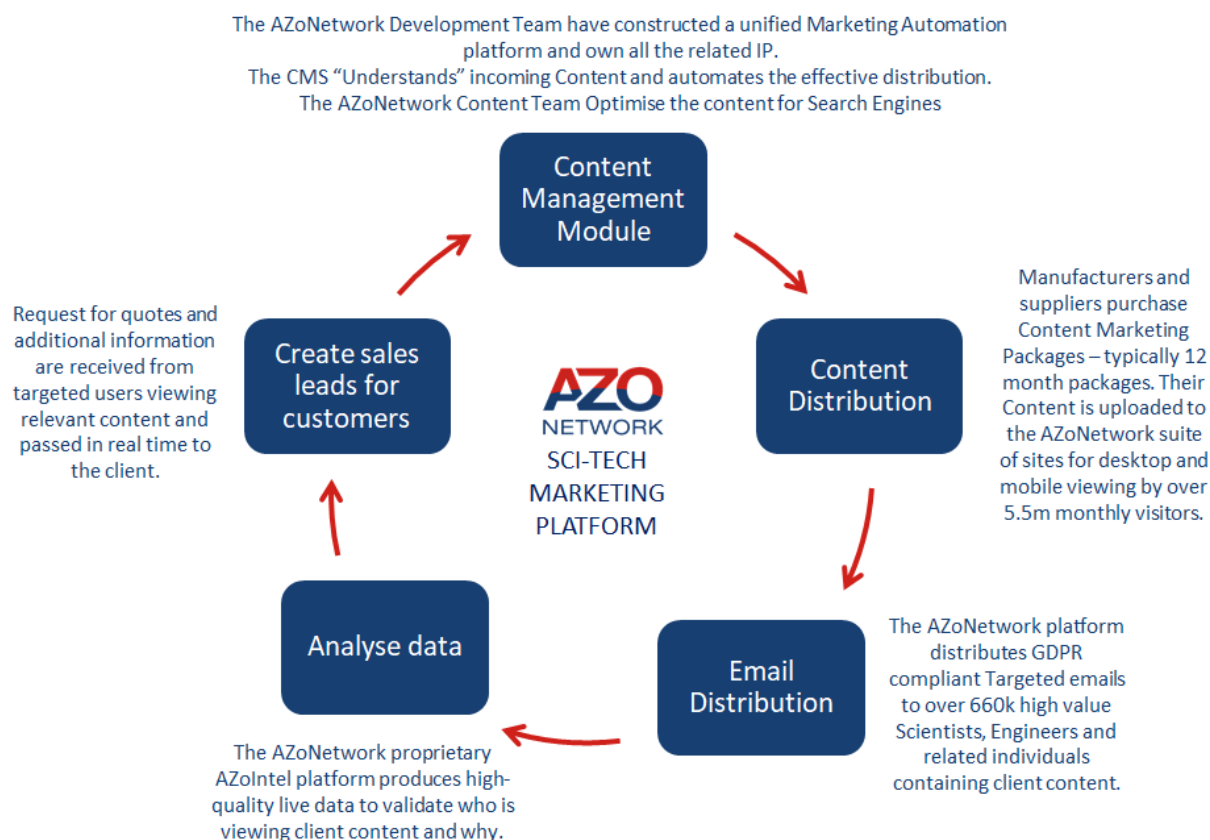
Figure 5: Key activities involved in Content Creation



Content Distribution

Following the generation of unique content, this content is distributed digitally through the AZoNetwork platform. Customers pay to be part of this outbound digital communication. The content items are distributed throughout the AZoNetwork web, mobile, email, apps and social platforms to a current audience of over 5.5 million unique visitors per month, composed primarily of high value B2B recipients.

Figure 6: Key activities involved in Content Distribution



Data Analytics

The third component of the business is the AZoIntel platform which has been developed in house to provide detailed analysis of how successful a marketing campaign has been. AZoIntel allows clients to monitor traffic and understand who is actually visiting, interacting and generating sales leads in real time.

Clients receive real time data including detailed information on the viewing organisation, location of the viewer, profile of the viewer and duration of engagement amongst other features.

The platform is used by AZoNetwork and is also packaged to clients. It is planned to also sell the platform as a standalone SaaS business intelligence platform.

Revenue model

AZoNetwork is targeting the digital marketing spend of manufacturing and supply companies in the sectors covered by the current websites. Revenue is generated by marketing a client's products and services via AZoNetwork's websites and directly to its database. The largest revenue streams are from articles, product reviews and emails that send out tailored content to the database. Service revenue (SEO & Video) is also gathering significant demand from customers. The success of the model is validated by AZoNetwork achieving, since 2012 financial year, a compound average growth rate of 26%.

Traditional display advertising is a reducing source of revenue and AZoNetwork management are actively reducing this so that users do not feel heavily sold to but enjoy a clean user experience.

Customer base

AZoNetwork currently has over 400 customers. Customers typically purchase Content Distribution Packages on an annual basis relating to their technology, products or services. Typical clients include global scientific product manufacturers such as Bruker, Thermo Scientific, Olympus and many others.

With the majority of activities being conducted out of AZoNetwork's Manchester office, customers are typically from Europe, UK and the United States. Around 60% of sales are currently generated in the United States.

Figure 7: Sample AZoNetwork customers

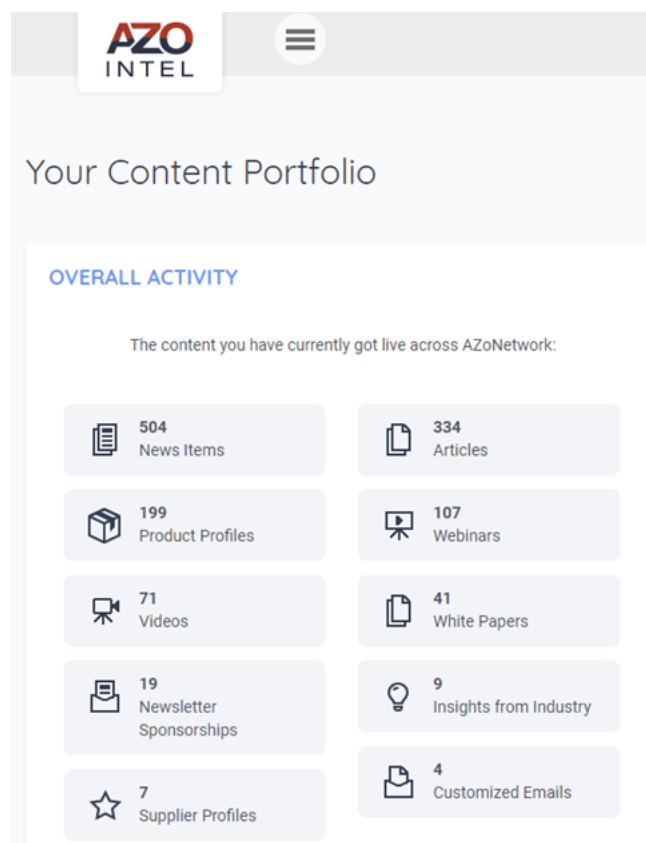


Client case study

The value proposition of AZoNetwork is underpinned by meeting the needs of clients which leads directly into retaining a client year on year. The results for an example client, in AZoIntel, from a 12 month campaign as shown in Figure 8, provides the client portfolio in real time. The information provided by AZoIntel is from all levels of the sales funnel, from initial interest through to “requests for quotation”. The performance of individual content items is also analysed to “close the loop” and guide future content production activities.

In this example the client contracted for a \$100,000 12 month content distribution package which returned over 3,600 leads during this period, resulting in an average equipment sales value of over \$20,000 for each sale.

Figure 8: AZoIntel real time client content portfolio



Growth strategy

Organic Growth

AZoNetwork has built up a stable business that is focused on developing 4000+ significant customers. There is a high degree of trust that is established with customers who are open to the “upselling” of new products and services in their product suite.

The business is a recurring revenue business where current recurrence is approximately 77% of AZoNetwork’s revenue, as customers repeatedly renew in year 2 as the “Content Performance” creates “Sticky” clients.

Figure 9: AZoNetwork pillars of growth



Growth by Acquisition

As at the date of the Notice, AZoNetwork are not in discussions in respect of, any proposed acquisition or strategic partnerships other than the Acquisition. The Company intends, however, to remain alert to any opportunities that represent value and further the strategic vision of the Company.

Currently around 60% of revenue originates in the United States. AZoNetwork is looking to purchase a US Based Marketing Agency, however a key consideration will be cultural fit and activities in sectors which are synergistic to the current AZoNetwork client base.

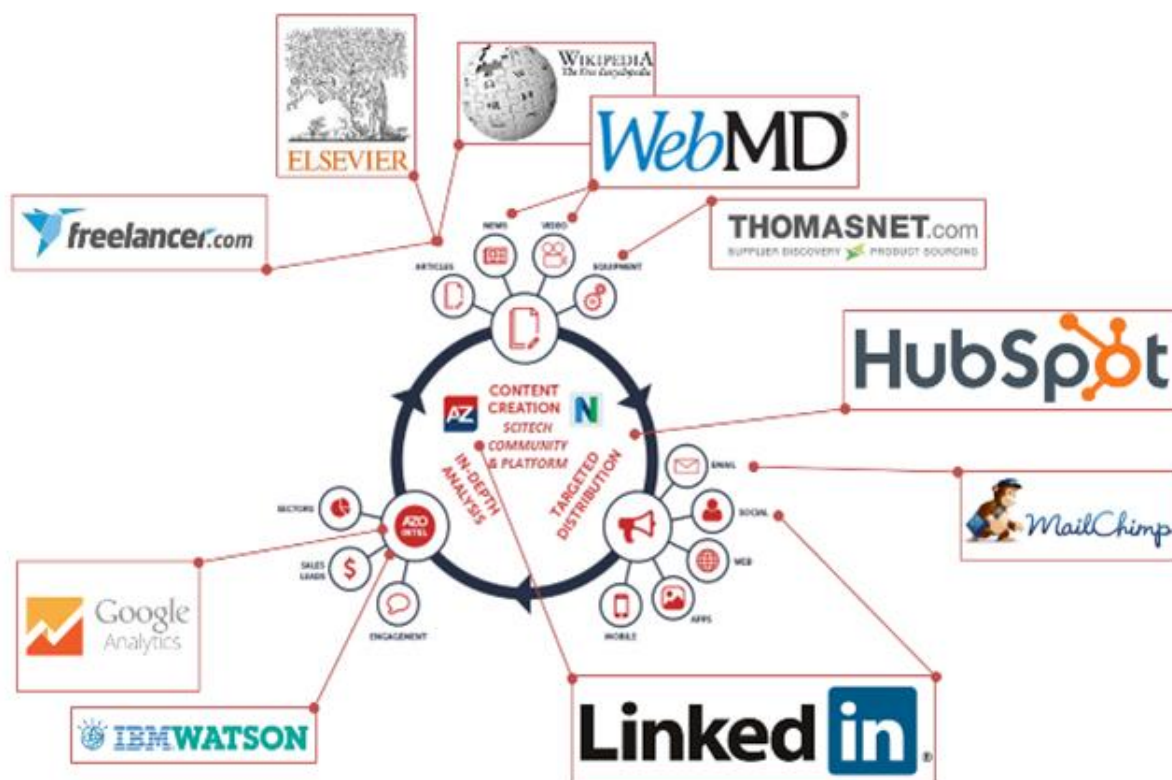
Competitive positioning

AZoNetwork has created a high competitive barrier by the production and ownership of over 500,000 content items and a related “Google Footprint” currently generating over 5.5 million Unique Visitor sessions per month as measured by Google Analytics (FY19). AZoNetwork does not, and has never paid to attract traffic. The current plus 5.5 million monthly Inbound visits are due to the breadth and depth of content it provides.

The Science, Technology, Life Sciences and Engineering space is typically more specialized and technically challenging than other online areas thereby protecting AZoNetwork from competition as it is not easily replicable. Most of the business is based on annual renewals as clients’ book marketing programmes on a rolling 12 month basis.

Figure 10 below provides an indication of the competitive space as it relates to the activities conducted by AZoNetwork. AZoNetwork draws on elements of the activities of these organisations to provide the optimum “Sci-Tech Marketing” platform.

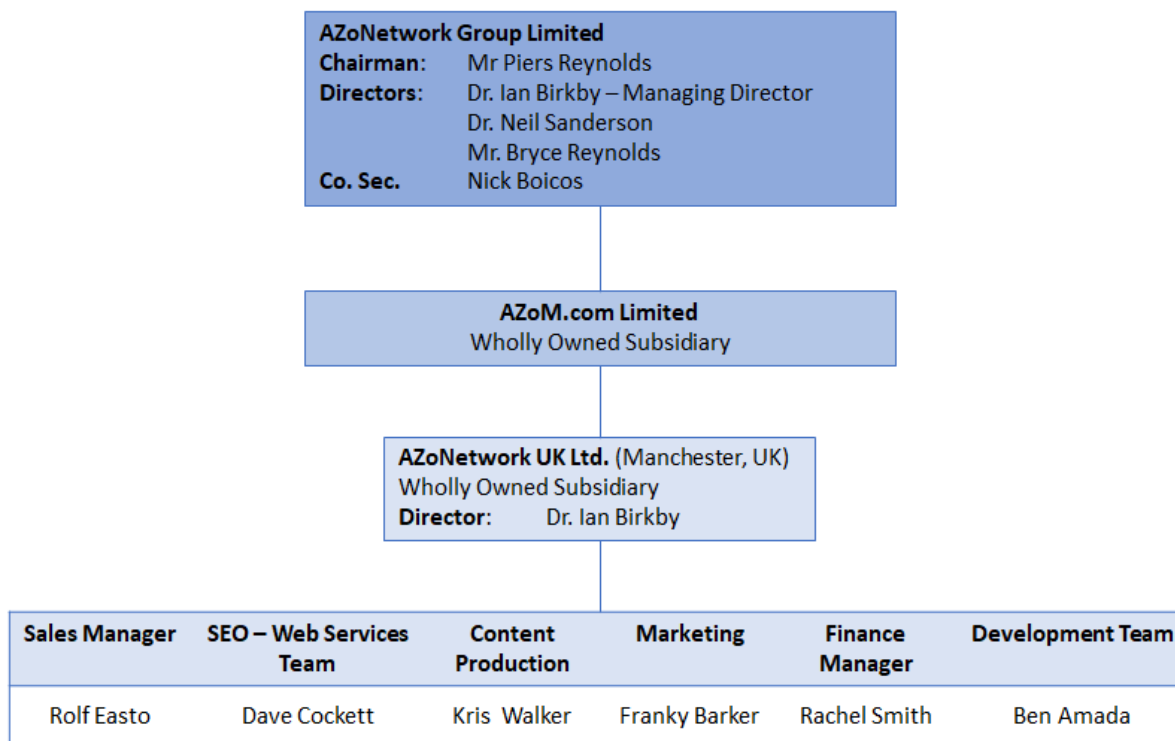
Figure 10: AZoNetwork’s competitive positioning



Management Structure

AZoNetwork will integrate into the current Company structure with the Board providing oversight, reporting and governance for the combined entity. For brief biographies of the incoming board members and senior management see section 8.6 AZoM Management below.

Figure 11: AZoNetwork post-acquisition organisation chart



8.2 Transaction Summary

Under the terms of the Share Purchase Agreement, the consideration for the purchase of AZoM will be entirely security based and no cash will be paid. The securities to be issued at completion are to comprise the following:

- Shares to be issued at completion of the purchase at a deemed issue price of \$0.05 per share, being an aggregate total of 571,707, 495 shares. The shares will be issued subject to a voluntary escrow on the basis of 50% of such shares being escrowed for a period of 12 months.
- Performance Rights Tranche 1 to be issued at completion of the purchase which vest and convert into shares on achieving a gross annualised revenue of at least \$10 million on actual gross revenue of any prior quarter commencing on 1 January 2020 and ending on 31 December 2021, being an aggregate total of 75 million Performance Rights Tranche 1. The terms of issue of the Performance Rights Tranche 1 shares are contained in **Annexure B**. ASX has advised that the terms are appropriate and equitable for the purposes of Listing Rule 6.22.
- Performance Rights Tranche 2 to be issued at completion of the purchase which vest and convert into shares on achieving a gross annualised revenue of at least \$15 million on actual gross revenue of any prior quarter commencing on 1 January 2020 and ending on 31 December 2023, being an aggregate total of 50 million Performance Rights Tranche 2. The terms of issue of the Performance Rights Tranche 2 shares are contained in **Annexure C**. ASX has advised that the terms are appropriate and equitable for the purposes of Listing Rule 6.22.

A summary of the allocation of securities issued in connection with the transaction is contained in **Annexure D**.

As a consequence of the purchase, Dr Ian Birkby will obtain a relevant interest in the Company's shares of up to 46.9% (on the assumption that all of the Performance Rights vest and assuming that the minimum of \$2 million of shares are issued under the capital raising described below).

As a consequence of the proposed escrow of shares, the Company will obtain a relevant interest in its own shares of up to 41.8%, with this percentage representing the maximum percentage of shares which will be the subject of restriction immediately following the capital raising or such high percentages that may arise due to the application of the ASX Listing Rules escrow requirements.

As contemplated by Resolutions 9 and 10 below, it is proposed that 2 (two) AZoM representatives being Dr Neil Sanderson and Bryce Reynolds will be appointed as directors of the Company with effect from the completion of the purchase of AZoM. Details of their background are set out in the Explanatory Memorandum to those resolutions.

In addition, it is proposed that Dr Ian Birkby, the current managing director of AZoM based in Sydney be appointed as managing director of the Company. Ian has over 20 years' experience in advanced materials through his involvement in start-up material companies and research activities. Previously Ian was the founder and managing director of Dynamic-Ceramic Limited (UK). Ian has a PHD in ceramic sciences and an honours degree in engineering metallurgy. Ian has been involved with research organisations as vice chairman of the ceramic science committee of the Institute of Materials (UK), a member of the Materials Strategy Commission at the Institute of Materials and a board member of the Australian Nano Business Forum. Ian is to enter into an employment contract with AZoM on the basis of his current annual salary of \$297,000 (exclusive of superannuation), with the ability of either AZoM or Ian to terminate on 6 months' notice.

Prior to entering into the SPA, the Company undertook appropriate enquiries into the assets and liabilities, financial position and performance, profits and losses, and prospects of AZoM for the Board of the Company to be satisfied that the Acquisition is in the interests of the entity and its securityholders. There will be a material effect on the Company's total assets and total equity interests, with both increasing significantly. As the Company has not previously generated revenue or profits, upon completion, the Company will become revenue generating with forecast positive cashflows and positive EBITDA. Based on AZoNetworks 30 June 2019 audited accounts, the Company's consolidated assets will increase to approximately \$7.0m, total equity will increase to approximately \$5m, total revenue to over \$7m and profit before tax to approximately \$0.7m.

There are a range of conditions precedent and requirements to completion of the proposed transaction atypical for a transaction of this nature. The Company cautions that there is a risk that the purchase will not be completed. Subject to this qualification, completion is scheduled immediately following satisfaction of the conditions precedent. Obtaining the shareholder approvals contemplated by the resolutions the subject of this meeting are conditions precedent. Completion is also conditional on the Company having raised no less than \$2 million of equity capital by way of an offering of shares in the Company under a prospectus at a price of \$0.05 per share (being the same issue price as the shares to be issued under the purchase of AZoM). For each 2 shares issued it is proposed to issue one unlisted option at an exercise price of 7.5 cents each expiring 31 October 2021. ASX has approved the terms of issue of the proposed options. The capital raising will not be underwritten.

The Company has applied to ASX for a waiver to permit the issue price of 5 cents per share to be less than 20 cents each. ASX has approved this waiver application.

Indicative Timetable*

The following is an indicative timetable for completion of the Acquisition and BBR's re-compliance with the ASX Listing Rules.

Event	Date
Announcement and distribution of BBR notice of shareholder meeting	12 November 2019
Annual general meeting of BBR shareholders	16 December 2019
Lodgement of prospectus with ASIC and ASX	early December 2019
Closing of offers under prospectus	mid January 2020
Completion of Acquisition and issue of shares under the prospectus	late January 2020
Re-compliance with Chapters 1 and 2 of the ASX Listing Rules	late January 2020
Re-instatement of trading of securities of BBR	early February 2020

*The timetable is indicative only, is subject to change and requires the approval of the ASX for an extension of BBR's trading suspension beyond 23 December 2019.

8.3 Details Of Securities To Be Issued

Assuming a \$2 million raising and that the other resolutions are passed, the Company's capital structure is expected to be as follows:

Table 1: Capital Structure upon completion at the minimum capital raising of \$2 million

	Number of Shares	Performance Rights Tranche 1	Performance Rights Tranche 2	Options ¹
Existing Securities	52,057,140			
Consideration for Acquisition	571,707,495	75,000,000	50,000,000	
Advisor and Referrer Shares	10,000,000			
Broker Shares	5,000,000			
BBR Board Shares in lieu of cash fees	5,000,000			
Prospectus – minimum raise \$2.0m @ \$0.05 per Share	40,000,000			20,000,000 ²
Total Securities at listing date	683,764,635	75,000,000	50,000,000	20,000,000

¹ There are 2,250,000 current BBR options that expire 1 December 2019, which will lapse prior to the close of the Acquisition

² 1 for 2 unlisted Options to be issued under the Prospectus raising are exercisable at \$0.075, expiring 31 October 2021

Using a \$0.05 per share price, the indicative market capitalisation of the Company (ascribing no value to the Tranche 1 Performance Rights and the Tranche 2 Performance Rights) is \$34.2 million. The deemed value of AZoM is \$28.6 million on the same assumption.

If a \$3 million capital raise results, the indicative market capitalisation using the same assumptions is \$1 million more.

Panthea Capital Pty Ltd, in consideration for agreeing to lead manage the capital raising, will receive a 6% broker fee on funds raised under the prospectus.

In addition to the above, the Company proposes to issue, subject to shareholder and regulatory approval:

- 5,000,000 Broker shares to brokers or their nominees for assisting in the proposed capital raising;
- 1,000,000 Advisor shares to Panthea Capital Pty Ltd for corporate advisory and related services in connection with the Acquisition; and
- 9,000,000 Referrer shares to Veritas Securities Limited for assisting in and facilitating the transaction.

8.4 Reason For Seeking Shareholder Approval

Shareholder approval is being sought in accordance with section 611 item 7 of the Corporations Act, Listing Rule 10.11, Listing Rule 11.1.2 and for all other purposes.

Section 611 item 7 of the Corporations Act provides that shareholder approval ought be obtained in circumstances such as this given that Dr Ian Birkby will obtain a relevant interest in the Company's shares of more than 20%, being up to 46.9% as described above. It also contemplates that shareholder approval shall be obtained given that the Company will obtain a relevant interest in its own shares of more than 20% being up to 41.8% on basis described above, with respect to the proposed escrow of shares.

Listing Rule 10.11 provides that shareholder approval should be obtained in circumstances where a director is to obtain securities. Piers Reynolds has a substantial, greater than 20%, interest in but does not control Veritas Consolidated Pty Ltd which currently has a 4.6% interest in AZoM shares. Bryce Reynolds, who is to become a director of the Company, has a substantial, greater than 20%, interest in, but does not control, Veritas Consolidated Pty Ltd.

Listing Rule 11.1.2 provides that shareholder approval should be obtained if the Company proposes to make a significant change to the nature or scale of its activities. The purchase by the Company of AZoM is such a change. If shareholder approval is not obtained, the Acquisition will not proceed.

The Company has commissioned an Independent Expert Report in relation to Dr Ian Birkby obtaining a relevant interest in the Company's shares of more than 20%. A copy of this report is set out in **Annexure F**. Shareholders should read and carefully consider the Independent Expert Report to assist them in determining how they wish to vote in respect of the Resolutions set out in the Notice. This report has concluded that the Acquisition is fair and reasonable to the existing non-associated Shareholders of the Company.

In addition, the Company is required to re-comply with the ASX's requirements for admission and quotation and the Acquisition may not proceed if the requirements imposed by ASX are not met. ASX has an absolute discretion in deciding whether or not to re-admit the Company to the official list and to quote its securities and therefore the Acquisition may not proceed if ASX exercises that discretion.

8.5 Additional Information

The following additional information is provided to Shareholders:

- The maximum number of securities which the Company will issue in relation to the AZoM purchase is 696,707,495; comprising 571,707,495 shares to be issued at completion of the Acquisition, 75,000,000 Performance Rights Tranche 1 and 50,000,000 Performance Rights Tranche 2.
- If shareholders provide their approval then the Company will proceed shortly thereafter to issue a prospectus to seek to raise capital through the issuance of shares and options and apply to ASX for relisting.

- Assuming that the capital raising is successful, the Company will then proceed to move to completion at the same time as the shares and options under the capital raising are issued.
- The Company is not issuing any shares for cash in order to fund the purchase and instead will be issuing the securities described above in order to purchase AZoM. The deemed issue price of the shares provided as part of the consideration is \$0.05 per share.
- A summary of the allocation of securities is contained in **Annexure D**.
- The Company will disregard any votes cast on a resolution by a shareholder in AZoM and the person who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary shares if the resolution is passed or their associates. However the Company need not disregard a vote if it is cast by a person as 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 meeting as proxy for a person who is entitled to vote in accordance with the direction on the proxy form to vote as the proxy decides.

8.6 AZoM Management

In addition to proposed directors Dr Neil Sanderson (see Resolution 9) and Bryce Reynolds (see Resolution 10) the proposed managing director Dr Ian Birkby and other senior management of AZoM comprises:

Dr. Ian Birkby, Managing Director
Ph.D., B.Sc.

Ian has over 20 years' experience in Advanced Materials through his involvement in start-up materials companies and research activities. Previously the Founder and Managing Director of Dynamic-Ceramic Limited (UK) he led the management buyout and subsequent sale in 1998.

Ian has a Ph.D. in ceramic science and a B.Sc. (First Class) in Engineering Metallurgy and has been extensively involved with research organisations as a Vice Chairman of the Ceramic Science Committee of the Institute of Materials (UK), a member of the Materials Strategy Commission at the Institute of Materials, member of the Refractories and Industrial Ceramics committee (Ceram Research Ltd. UK) and as a founding member of the Institute of Nanotechnology.

Ian is also a former Chairman of Medilink Northwest (UK) a community based organisation established to promote the interaction of medical device manufacturers with academic centres and healthcare providers and is a former director of the Australian Nano Business Foundation.

Rolf Easto, Global Sales Leader

Having spent ten years both selling and managing at Thompson Local, a leading directory publisher in the UK, working across numerous levels from telesales to field sales and then upwards to senior management, Rolf went on to run Fenchurch Environmental Group for six years, successfully taking the company into healthy profitability and year on year growth. Rolf has been responsible for the growth of AZoNetwork's sales since 2004.

Ben Amada, Chief Technology Officer
B.A., B.Sc.

Ben has a B.Sc in Computer Science and a B.A. in Japanese. Ben's career has focused on architecting, developing and maintaining I.T. systems. Integrating applications with 3rd party systems, improving application usability, troubleshooting and coming up with innovative solutions are Ben's strengths and areas of work he enjoys. Ben has been with AZoNetwork for over 9 years and has been the primary architect of the AZoNetwork platform.

Zoe Mildwater, Company Accountant
B. Bus. (Acc) CA JP

Zoe is a Chartered Accountant and Justice of the Peace with extensive experience in all aspects of Accounting including Corporate Secretarial and Finance Management. For over 20 years Zoe has formed an integral part of numerous boards including not for profit organizations both internationally and domestically providing high level governance and financial information, influencing company strategic direction and policy in the areas of investment strategy, risk management and growth through functional and technical analysis of management accounts. Zoe has worked with AZoNetwork as an external Auditor and internal AZoNetwork Accountant for over 7 years.

Profiles of all AZoNetwork Management Team Members are available via the AZoNetwork Meet the team page <https://www.azonetwork.com/team> - The Executive Team Members are detailed below.

- Ian Birkby - CEO - <https://www.linkedin.com/in/ianbirkby/>
- Rolf Easto – Sales Manager - <https://www.linkedin.com/in/rolfeasto/>
- Ben Amada – CTO – <https://www.linkedin.com/in/benamada/>
- Joel Scanlon – Digital Specialist and News-Medical.net Manager – <https://au.linkedin.com/in/joelscanlon>
- Rachel Fisher – Finance Manager – <https://www.linkedin.com/in/rachel-smith-85991656/>
- Frank Barker – Marketing Manager – <https://www.linkedin.com/in/frankybarker/>
- Dave Cockett – Web Services Manager – <https://www.linkedin.com/in/dave-cockett-a9a33624/>
- Kris Walker – Managing Editor/Head of Content - <https://www.linkedin.com/in/kriswwalker/>
- Kirsten Frances Birkby – Office Manager - <https://www.linkedin.com/in/kirsten-frances-37828065/>
- Stuart Milne – Digital Marketing Specialist - <https://www.linkedin.com/in/stuart-milne-97108958/>

8.7 Financial Aspects

Based on 30 June 2019 audited accounts, details of the respective and consolidated balance sheets of the Company and AZoM are set out in **Annexure E**.

Accordingly, the Company estimates that after allowing for transaction costs in the order of \$400,000, it will have cash resources of approximately \$0.5 million using an assumed 30 June 2019 balance sheet.

8.8 Advantages and Disadvantages

The Independent Expert Report set out in Annexure F analyses the merits of the proposed acquisition of AZoM, which shareholders should have regard to.

In addition, the Company considers that the advantages and disadvantages of the proposed purchase of AZoM are as follows:

a. Advantages

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a shareholder's decision on how to vote on the Resolutions.

Additional sources of financing

The injection of capital via the capital raising will significantly strengthen the Company's balance sheet. This will make the Company more attractive to investors which may improve the Company's ability to raise further funds as and when required via equity and debt markets.

Experienced Board and management

The appointment of the proposed directors as part of the Purchase of AZoM will add experience and skill to the Board relevant to the new direction and growth of the Company.

Greater market capitalisation and trading liquidity in the Company's shares

By virtue of the proposed issuance of capital associated with the Purchase of AZoM and the capital raising there will be substantially more Shares on issue in the Company and a larger market capitalisation for the Company. This provides the potential for increased trading in the Company's Shares alongside the potential for greater interest by the investment community, improved access to equity capital markets and increased liquidity in the Company's Shares.

b. Disadvantages

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a shareholder's decision on how to vote on the Resolutions.

Dilution of existing Shareholdings in the Company

In the event that the Purchase of AZoM completes, the issue of the Consideration Shares to the Vendors will have a significant dilutionary effect on existing shareholdings of the current Shareholders of the Company. Completion of the capital raising will further dilute current Shareholders of the Company.

Possibility of unrealised potential

Despite the potential of the Purchase of AZoM there is no guarantee that this potential will ever be realised by the Company and will result in an increase to the value of the Shares of the Company.

Transaction and capital raising costs

In connection with the Purchase of AZoM (which includes the capital raising), the Company has been required to engage a number of advisers, lawyers and experts to facilitate and report on the Purchase of AZoM. This work includes due diligence, this Notice of Meeting, Independent Experts' Report, and a prospectus to be lodged in connection with the capital raising. These are sunk costs that cannot be recovered if the Purchase of AZoM does not proceed for any reason.

8.9 Dr Ian Birkby Intentions

As noted above, Dr Ian Birkby is expected to obtain a relevant interest in the Company's shares of up to 46.9%, and hence will be in a position of deemed or actual control of the Company. In accordance with ASIC Regulatory Guide 74, Dr Birkby advises that his intentions are to proceed on the basis set out in this Explanatory Statement. Other than as stated in this Explanatory Statement, he has no present intention to change the business of the Company, inject further capital into the Company, change the employment of employees of the Company, transfer assets to or from the Company, redeploy the fixed assets of the Company, or change the financial or dividend distribution policies of the Company. Other than as stated in this Explanatory Statement, there are no other agreements between the Company and Dr Birkby that are conditional on the shareholder approval contemplated.

8.10 Risks

The business, assets and operations of the Company following completion of the Purchase of AZoM are subject to certain commercial, operational and financial risk factors that, alone or in combination with other factors, have the potential to influence the operating and financial performance of the Company in the future. In addition, there are other general investment risks, many of which are beyond the control of the Company and are largely difficult to predict or anticipate.

The Board aims to manage these risks by carefully planning the Company's activities and implementing risk control measures. However, as noted above, some of the risks identified below are highly unpredictable and the Company may be limited to the extent to which it can effectively manage them.

The following risk factors are not intended to be an exhaustive list of the risk factors to which the Company is exposed or will, following completion of the Purchase of AZoM and relisting, be exposed. In addition, shareholders should note that this section has been prepared without taking into account any shareholder's individual financial objectives, financial situation and particular needs.

a. Profitability and cash flow

Despite the positive operating profit growth by AZoM there is no guarantee that it will be able to achieve or maintain this growth in the future. Additional costs associated with the business from hiring additional employees to expand its operations may prove more costly than the Company budgeted and revenue may not increase sufficiently to increase operating profit and maintain positive cash flow in the future.

b. Contract Risk

AZoM has entered into contracts with parties, the performance of which is material to the future of the Company. The termination of any of these contracts could have a negative impact on the Company's operating profits and revenue.

c. Rapidly Evolving Marketplace

The nature of the existing and planned operations of the Company makes it difficult to effectively assess the future prospects of the business due to the risks and difficulties the Company may encounter by operating in a rapidly evolving market. These risks and difficulties include:

- (a) Increasing and retaining visitor numbers to the suite of current and future websites operated by AZoNetwork;
- (b) Developing a scalable, high-performance technology infrastructure that can efficiently and reliably handle increased usage globally, as well as the deployment of new features and products;
- (c) Increasing revenue from the services provided;
- (d) Process, store and use personal data in compliance with governmental regulation and other legal obligations related to privacy;
- (e) Successfully compete with other companies that are currently in, or may in the future enter, the online science, engineering and technology online information sector;
- (f) Successfully expand the business, especially internationally.
- (g) If the market for Inbound Marketing in the science, engineering and technology networks does not continue to expand and develop or the Company fails to address the needs of this market, the Company's business will be harmed.

The Company may not be able to successfully address these risks and difficulties or others, including those described elsewhere in these risk factors. Failure to adequately address these risks and difficulties could harm our business and cause operating results to suffer.

d. Network Infrastructure Scaling

The Company may not timely and effectively scale and adapt existing technology and network infrastructure to ensure that the Company's website is accessible within an acceptable load time. A key element to the growth of the Company is the ability of its users, members, enterprises and professional organisations in all geographies to access its website within acceptable load times.

e. Reliance on Key Personnel and Staff

The Company relies heavily on the core competencies and expertise of its key employees in management, technical development and sales and marketing. The responsibility of overseeing the day to day operations and the strategic management of the Company will depend substantially on its senior management and directors. As noted previously, certain key personnel will be joining the New Board of the Company. Whilst these key personnel will be entering into service agreements with the Company, there may be a detrimental impact on the Company if they cease their employment or involvement with the Company. The future success of the Company and AZoM.com also depends

upon its continuing ability to attract and retain highly qualified personnel. Generally, the failure to attract and retain the necessary personnel could have a material effect upon the Company's business, results of operations and financial condition.

f. Search Engine Rankings

If internet search engines' methodologies are modified or the Company's search result page rankings decline for other reasons, site visitor engagement could decline. The business depends in part on various Internet search engines, such as Google, Bing and Yahoo!, to direct a significant amount of traffic to the Company's website. The ability to maintain the number of visitors directed to the Company's website is not entirely within its control. The Company's competitors' search engine optimisation efforts may result in their websites receiving a higher search result page ranking than the Company, or Internet search engines could revise their methodologies in an attempt to improve their search results, which could adversely affect the placement of the Company's search result page ranking. The Company's website has experienced fluctuations in search result rankings in the past, and it anticipates similar fluctuations in the future. Any reduction in the number of users directed to the Company's website would harm the Company's business and operating results.

g. Geographic and Government Policy and Regulatory Risk

As a result of the Purchase of AZoM the Company will be conducting business and operations in multiple geographic markets and jurisdictions which may create new risks that may adversely affect the Company.

Changes in government, financial policy, taxation and other laws in any local and or international markets or regions cannot be predicted and may affect the Company's ability to carry on its proposed activities, restrict the Company in achieving its objectives or may result in increased compliance costs or complexities in managing the Company's proposed operations and activities.

The Company is also subject to various regulatory requirements, including technology and accounting requirements. Changes to standards, policies, guidelines, interpretations or principles may affect the Company's ability to carry out its activities and/or achieve its objectives. The Company cannot control or predict changes to regulatory requirements, which may adversely affect the Company.

h. Intellectual Property

The Company may not be able to successfully halt the operations of websites that aggregate Company data as well as data from other companies, including social networks, or copycat websites that have misappropriated Company data in the past or may misappropriate data in the future. Failure to protect or enforce the Company's intellectual property rights could harm the business and operating results.

i. Currency Risk

The Company expects to derive a majority of its revenue from the United Kingdom, Europe and the United States, in British Pounds, Euro and US dollars. Accordingly, changes in the exchange rate between these currencies and the Australian dollar would be expected to have a direct effect on the performance of the Company.

j. Share market conditions

The market price of securities can fall and may be subject to varied and unpredictable influences on the market for equities. Securities listed on the stock market have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the Securities regardless of the Company's performance. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

k. Non-completion of the Purchase of AZoM

There are a number of conditions precedent in the SPA, which include

- (a) the condition for the Company to successfully complete the capital raising of at least \$2m,
- (b) the Vendors having applied for the issuance of the shares and options under the prospectus,
- (c) ASX having approved the lifting of the suspension from trading on ASX of the shares of the Company (subject to such conditions as are reasonably acceptable to the Company and AZoM and capable of achievement by the Company),
- (d) the Company and AZoM having obtained all necessary shareholder and other approvals to the extent required,
- (e) Dr Ian Birkby and certain other key employees having entered into employment agreements with the Company,
- (f) each Vendor having entered into an escrow agreement on terms agreed with the Company and, if required, the vendor shareholders having complied with any additional requirements of ASX in relation to escrow,
- (g) there having been no breach of any Vendor warranty,
- (h) the resignation and appointment of directors,
- (i) the ASX having no objection to the proposed sell-down by Dr Ian Birkby of a portion of his securities;
- (j) the Company having obtained D&O insurance and
- (k) there having been no material adverse effect on either the Company or AZoM;

Resolution 9 – Appointment of Dr Neil Sanderson

It is proposed to appoint Dr Neil Sanderson as a director with effect from the completion of the purchase of AZoM. It is proposed that Dr Sanderson will act as a Non-Executive Independent Director. Dr Sanderson is based in Manchester, UK and has the qualifications Ph.D., B.Sc.

He is a well known figure in the materials world, having held several high profile roles within UK based Material Research Institutes. Neil's Ph.D. was in the field of Nuclear Science. In addition to his involvement with AZoNetwork, Neil is also the ex-CEO of Lucideon Ltd (UK), which provides Testing and Materials Development to sectors such as Aerospace, Ceramics and Healthcare. He is also former Chairman of AIRTO which represents the UK's large Innovation, Research and Technology sector.

Resolution 10 – Appointment of Bryce Reynolds

It is proposed to appoint Bryce Reynolds as a Non-Executive Independent director with effect from the completion of the purchase of AZoM. Bryce is based in Sydney and has the qualifications of Bachelor of Commerce – Accounting/Finance UNSW.

He has been involved in the finance industry since 1986. His experience includes funds management (Prudential Assurance Ltd), proprietary trading (Macquarie Bank Ltd) and stockbroking. Since 2000 he has also acquired experience in investment banking activities encompassing advisory, mergers and acquisitions and equity capital markets. He has worked with two mid tiered Australian securities firms before establishing Veritas Securities Limited as a founding director in 2006. He is a current Director of ASX listed, Aeeris Limited.

Resolution 11 – Capital Raising Shares and Options

It is proposed that Shareholders provide approval for the purposes of Listing Rule 7.1 to issue up to:

- (a) 60 million Shares at 5 cents each under a capital raising; and
- (b) 30 million free attaching options on the basis of one Option being issued for every 2 Shares under the capital raising with the Options exercisable at 7.5 cents expiring 31 October 2021.

The Shares will rank equally with all other Shares on issue. The terms of issue of the proposed Options are set out in **Annexure A**.

The securities will be issued on Completion of the acquisition of AZoM and the issue of securities under the prospectus will occur on the same date, which is currently expected to be in late January 2020 and in any event no later than 3 months after the date of the Meeting.

The identity of the recipients will be applicants under the prospectus.

The indicative use of funds will be applied to additional editorial and sales staff, marketing and development costs and for general working capital purposes following the purchase of AZoM.

Resolution 12 – Capital Raising - Broker Shares

It is proposed that shareholders provide approval for the purposes of Listing Rule 7.1 to issue 5,000,000 shares for no cash payment to certain brokers associated with the capital raising. Completion of the acquisition of AZoM and the issue of securities under the prospectus will occur on the same date, which is currently expected to be in late January 2020 and in any event no later than 3 months after the date of the Meeting.

Information required by ASX Listing Rule 7.1

The following information in relation to the issue of the Broker Shares is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The maximum number of shares to be issued is 5,000,000.
- (b) The shares will be issued on completion of the prospectus fundraising described above which is intended to occur on completion of the purchase of AZoM and in any event no later than 3 months after the date of the meeting.
- (c) The shares will be issued for nil cash consideration and will have a deemed issue price of 5 cents per share.
- (d) The shares will be issued to brokers associated with the capital raising, or their nominated entity/entities.
- (e) The Broker Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (f) No funds will be raised by the issue of Broker Shares. The purpose of the issue of the Broker Shares is to preserve cash resources of the Company in lieu of cash payments for fees payable to the brokers in relation to the broker related services each broker has provided in connection with the capital raising.

Resolution 13 – Adviser Shares and Referrer Shares

It is proposed that shareholders provide approval for the purposes of Listing Rule 7.1 to issue 1,000,000 shares for no cash payment to Panthea Capital Pty Ltd (Panthea) and 9,000,000 shares for no cash payment to Veritas Securities Limited (Veritas). Panthea has provided corporate advisory and related services to the Company in connection with the acquisition of AZoM and the capital raising and acted as Financial Adviser and Lead Manager to the capital raising. Panthea has agreed that 9,000,000 shares shall be issued to Veritas in consideration for Veritas introducing and facilitating the Transaction.

Information required by ASX Listing Rule 7.1

The following information in relation to the issue of the Adviser Shares and Referrer Shares is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The number of Shares to be issued to Panthea is 1,000,000 Advisor Shares and the number of Shares to be issued to Veritas is 9,000,000 Referrer Shares. The maximum number of Shares to be issued as part of this Resolution is therefore 10,000,000.
- (b) The shares will be issued on completion of the prospectus fundraising described above which is intended to occur on completion of the purchase of AZoM and in any event no later than 3 months after the date of the Meeting.
- (c) The shares will be issued for nil cash consideration and will have a deemed issue price of 5 cents per share.
- (d) The shares will be issued to Panthea and Veritas, or their nominated entity/entities.
- (e) The Adviser Shares and Referrer Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (f) No funds will be raised by the issue of Adviser and Referrer Shares. The purpose of the issue of the Adviser and Referrer Shares is to preserve cash resources of the Company in lieu of cash payments for fees payable to:
 - (i) Panthea Capital Pty Ltd in relation to the services it provided to the Company in connection with the capital raising; and
 - (ii) Veritas for assisting in and facilitating the transaction.

Enquiries

Shareholders are asked to contact the Company's Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) if they have any queries in respect of the matters set out in these documents.

Glossary

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

Annual Financial Report means the 2019 Annual Report to Shareholders for the period ended 30 June 2019 as lodged by the Company with ASX on 27 September 2019.

Annual General Meeting or **AGM** or **Meeting** means an Annual General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

Associate has the meaning given to it by the ASX Listing Rules.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

ASX Listing Rules or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Auditor's Report means the auditor's report of A D Danieli Audit Pty Ltd dated 27 September 2019 as included in the Annual Financial Report.

AZoM means AZoM.com Limited ACN 092 434 529.

Board means the current board of Directors of the Company.

Business Day means a day on which trading takes place on the stock market of ASX.

Chair means the person chairing the Meeting.

Closely Related Party of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth).

Company means Bora Bora Resources Limited ACN 150 173 032.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

Director means a current director of the Company.

Director Fee Shares means the Shares that are proposed to be issued to each of the current Directors of the Company in lieu of cash Directors' fee for the period from 1 November 2018 to 31 December 2019, as considered under Resolutions 3-5 of this Notice of Meeting.

Directors' Report means the report of Directors as included in the Annual Financial Report.

Dollar or "**\$**" means Australian dollars.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

KMP means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

Notice of Meeting or **Notice of Annual General Meeting** or **Notice** means this notice of annual general meeting dated 12 November 2019 including the Explanatory Statement.

Option means an option to acquire a Share.

Ordinary Resolution means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Proxy Form means the proxy form attached to this Notice of Meeting.

Remuneration Report means the remuneration report as set out in the Annual Financial Report.

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

Restricted Voter means a member of the Company's KMP and any Closely Related Parties of those members.

Securities mean Shares and/or Options (as the context requires).

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

Shareholder means a holder of a Share.

Share Registry means Automatic Registry Services.

SPA means the Share Purchase Agreement entered into by the Company and AZoM.com Limited on 28 October 2019.

Special Resolution means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Spill Meeting means the meeting that will be convened within 90 days of the 2020 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2020 AGM.

Spill Resolution means the resolution required to be put to Shareholders at the 2020 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2020 AGM.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.

Vendors means the persons listed in Schedule 1 and Vendor means any one of them.

VWAP means the volume weighted average market (closing) price, with respects to the price of Shares.

Annexure A - Options Terms

The terms and conditions of the options over unissued ordinary shares in AZoNetwork Group Limited (previously known as Bora Bora Resources Limited) (**Company**) are as follows:

1. Each option entitles the holder to subscribe for 1 ordinary share in the Company at an issue price of A\$0.075 up to the time of their expiry being 31 October 2021, and any options not exercised during that period shall lapse.
2. Notwithstanding paragraph 1 if:
 - (a) a takeover bid within the meaning of the Corporations Act is made for the shares in the Company and the bidder becomes entitled to compulsorily acquire all of the shares, any options not exercised during the bid period shall lapse; or
 - (b) a court orders a meeting to be held in relation to a proposed scheme of arrangement in relation to the Company the effect of which may be that a person will have a relevant interest in at least 90% of the ordinary shares in the Company and shareholders approve the resolution put to the meeting convened by the court, all options not exercised during the period up to 5 days after the date of shareholder approval shall lapse.
3. The holder may exercise any part of the options only without prejudice to the holder's ability to subsequently exercise any remaining options.
4. All shares issued upon exercise of the options will rank equally in all respects with the then issued shares, and if the Company is listed at that time the Company will, within 10 days, apply for official quotation by the ASX of all shares issued upon the exercise of the options.
5. There are no participating entitlements conferred on the options and the holder will not be entitled to participate with respect to the options in new issues offered to shareholders during their currency without exercising the options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the relevant record date will be at least 7 business days after the relevant issue is announced and the holder is notified at that time. This will give the holder the opportunity to exercise the options prior to the date for determining entitlements and to participate in any such issue as a shareholder. The Options do not carry a right to a change in the exercise price or a change to the number of underlying shares over which the Option can be exercised as a consequence of a pro-rata issue.
6. In the event of any reorganisation of capital of the Company prior to the expiry date for exercise of the options, the number of options which the holder is entitled to or the exercise price of the options or both shall be changed to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of reorganisation (regardless of whether the Company is listed on ASX at that time or not).
7. The number of options held will appear on an option holder statement which will be accompanied by a Notice of Exercise of Options that is to be completed when exercising options.
8. The options are exercised by completing the Notice of Exercise of Options form or other written exercise notification and forwarding it to the Company with the exercise monies payable to the Company. The Company shall within 7 days after the receipt of such Notice, allot shares in respect of the options exercised and dispatch a shareholder statement to the holder.
9. The Company will advise holders at least 20 business days before the impending expiry of their options and will advise the due date for payment, the amount of money payable on exercise, the consequences of non-payment and such other details as the ASX Listing Rules then prescribe (regardless of whether the Company is listed on ASX at that time or not), so as to enable holders to determine whether or not to exercise their options.
10. The options are not listed but they are otherwise transferable.

Annexure B - Performance Rights Tranche 1 Terms

Terms not otherwise defined below have the same meaning as used in relation to the Share Purchase Agreement relating to the acquisition by AZoNetwork Group Limited (previously known as Bora Bora Resources Limited)(**Company**).

The terms and conditions of the Performance Milestone Rights Tranche 1 ("**Rights**") in the Company are as follows:

1. Subject to the vesting conditions, each Right entitles the holder to subscribe for 1 ordinary share in the Company at a nil issue price.
2. Each Right will vest and convert into 1 ordinary share in the Company if the Revenue Target is obtained.
3. The Revenue Target means:
 - (a) the gross annualised revenue (excluding taxes) of AZoM.com Limited of at least AUD\$10,000,000 on actual gross revenue of any prior quarter commencing on 1 January 2020 and ending on 31 December 2021; and
 - (b) subtracting from such revenues the effect of any acquisition by AZoM.com Limited with respect to the period the subject of the revenue calculation as determined by AZoM.com Limited; and
 - (c) for the purposes of determining this calculation, the Company will announce to ASX no later than the end of the month following the end of the relevant quarter if the Revenue Target has been reached, with such calculations having been determined in accordance with the Accounting Standards.
4. To avoid any doubt, but subject to paragraph 10 of these terms, if the Revenue Target is not obtained by 1 January 2022, then each Right will thereupon lapse.
5. All shares issued upon vesting and conversion of the Rights will rank equally in all respects with the then issued shares, and if the Company is listed at that time the Company will, within 10 days, apply for official quotation by the ASX of all shares issued upon exercise of the Rights.
6. There are no participating entitlements conferred on the Rights and the holder will not be entitled to participate with respect to the Rights in new issues offered to shareholders during their currency.
7. In the event of any reorganisation of capital of the Company prior to the vesting of the Rights, the number of Rights to which the holder is entitled shall be changed to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of reorganisation (regardless of whether the Company is listed on ASX at that time or not).
8. The Rights do not entitle the holder an entitlement to receive notices or other documents circulated to holders of ordinary shares, do not entitle the holder to vote on any shareholder resolutions, do not provide an entitlement to dividends, do not provide a right to participate in any surplus profits or assets of the Company in the event of its winding up and do not provide an entitlement to participate in new issues of capital offered to shareholders such as entitlement issues and bonus shares.
9. The Rights are not listed and are not transferable and, to avoid any doubt:
 - (a) do not confer any right to vote except as otherwise required by law;
 - (b) do not confer an entitlement to a dividend, whether fixed or at the discretion of the directors of the Company;

- (c) do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise;
- (d) do not confer any right to participate in the surplus profits or assets of the Company upon a winding up; and
- (e) do not confer any right to participate in new issues of securities such as bonus issues or entitlement issues,

unless and until the Rights vest and convert into ordinary shares.

10. Notwithstanding paragraph 1 if:

- (a) a takeover bid within the meaning of the Corporations Act is made for the shares in the Company and the bidder becomes entitled to compulsorily acquire all of the shares, each Right will vest and convert into one ordinary share in the Company; or
- (b) a court orders a meeting to be held in relation to a proposed scheme of arrangement in relation to the Company the effect of which may be that a person will have a relevant interest in at least 90% of the ordinary shares in the Company and shareholders approve the resolution put to the meeting convened by the court, each Right will vest and convert into one ordinary share in the Company,

provided that the total number of shares into which the Rights (plus any other performance rights which the Company has on issue) convert is no more than 10% of the issued capital of the Company as at the date of conversion.

11. In these terms, **Accounting Standards** means:

- (a) the accounting standards applicable to AZoM.com Limited on a consolidated basis;
- (b) the requirements of law for the preparation and content of financial statements, directors' reports and auditor's reports; and
- (c) generally accepted and consistently applied accounting principles and practices except those inconsistent with the standards or requirements referred to in paragraphs (a) or (b),

in each case complying with the requirements, principles and practices applicable under international financial reporting standards.

Annexure C - Performance Rights Tranche 2 Terms

Terms not otherwise defined below have the same meaning as used in relation to the Share Purchase Agreement relating to the acquisition by AZoNetwork Group Limited (previously known as Bora Bora Resources Limited)("Company").

The terms and conditions of the Performance Milestone Rights Tranche 2 ("**Rights**") in the Company are as follows:

1. Subject to the vesting conditions, each Right entitles the holder to subscribe for 1 ordinary share in the Company at a nil issue price.
2. Each Right will vest and convert into 1 ordinary share in the Company if the Revenue Target is obtained.
3. The Revenue Target means:
 - (a) the gross annualised revenue (excluding taxes) of AZoM.com Limited of at least AUD\$15,000,000 on actual gross revenue of any prior quarter commencing on 1 January 2020 and ending on 31 December 2023; and
 - (b) subtracting from such revenues the effect of any acquisition by AZoM.com Limited with respect to the period the subject of the revenue calculation as determined AZoM.com Limited; and
 - (c) for the purposes of determining this calculation, the Company will announce to ASX no later than the end of the month following the end of the relevant quarter if the Revenue Target has been reached, with such calculations having been determined in accordance with the Accounting Standards.
4. To avoid any doubt, but subject to paragraph 10 of these terms, if the Revenue Target is not obtained by 1 January 2024, then each Right will thereupon lapse.
5. All shares issued upon vesting and conversion of the Rights will rank equally in all respects with the then issued shares, and if the Company is listed at that time the Company will, within 10 days, apply for official quotation by the ASX of all shares issued upon exercise of the Rights.
6. There are no participating entitlements conferred on the Rights and the holder will not be entitled to participate with respect to the Rights in new issues offered to shareholders during their currency.
7. In the event of any reorganisation of capital of the Company prior to the vesting of the Rights, the number of Rights to which the holder is entitled shall be changed to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of reorganisation (regardless of whether the Company is listed on ASX at that time or not).
8. The Rights do not entitle the holder an entitlement to receive notices or other documents circulated to holders of ordinary shares, do not entitle the holder to vote on any shareholder resolutions, do not provide an entitlement to dividends, do not provide a right to participate in any surplus profits or assets of the Company in the event of its winding up and do not provide an entitlement to participate in new issues of capital offered to shareholders such as entitlement issues and bonus shares.
9. The Rights are not listed and are not transferable and, to avoid any doubt:
 - (a) do not confer any right to vote except as otherwise required by law;
 - (b) do not confer an entitlement to a dividend, whether fixed or at the discretion of the directors of the Company;
 - (c) do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise;

- (d) do not confer any right to participate in the surplus profits or assets of the Company upon a winding up; and
- (e) do not confer any right to participate in new issues of securities such as bonus issues or entitlement issues,

unless and until the Rights vest and convert into ordinary shares.

10. Notwithstanding paragraph 1 if:

- (a) a takeover bid within the meaning of the Corporations Act is made for the shares in the Company and the bidder becomes entitled to compulsorily acquire all of the shares, each Right will vest and convert into one ordinary share in the Company; or
- (b) a court orders a meeting to be held in relation to a proposed scheme of arrangement in relation to the Company the effect of which may be that a person will have a relevant interest in at least 90% of the ordinary shares in the Company and shareholders approve the resolution put to the meeting convened by the court, each Right will vest and convert into one ordinary share in the Company,

provided that the total number of shares into which the Rights (plus any other performance rights which the Company has on issue) convert is no more than 10% of the issued capital of the Company as at the date of conversion.

11. In these terms, **Accounting Standards** means:

- (a) the accounting standards applicable to AZoM.com Limited on a consolidated basis;
- (b) the requirements of law for the preparation and content of financial statements, directors' reports and auditor's reports; and
- (c) generally accepted and consistently applied accounting principles and practices except those inconsistent with the standards or requirements referred to in paragraphs (a) or (b),

in each case complying with the requirements, principles and practices applicable under international financial reporting standards.

Annexure D - Allocation of Securities

Registration Name	Number of shares held in AZoM.com Limited	AZoNetwork Group Limited			
		Completion Shares	Performance Rights Tranche 1	Performance Rights Tranche 2	Total Completion Securities
Ian Birkby	5,190,000	311,400,000	40,851,335	27,234,235	379,485,570
Jetosea Pty Ltd	1,166,989	70,019,340	9,185,554	6,123,703	85,328,597
Lucideon	600,000	36,000,000	4,722,694	3,148,463	43,871,157
Veritas Consolidated Pty Ltd	437,750	26,265,000	3,445,599	2,297,066	32,007,665
Michael Pryce	200,000	12,000,000	1,574,231	1,049,487	14,623,718
Merlor Holdings Pty Ltd	150,000	9,000,000	1,180,673	787,115	10,967,788
Alison Isobel Harrison	150,000	9,000,000	1,180,673	787,115	10,967,788
Bluestar Management Pty Ltd	110,093	6,605,580	866,559	577,706	8,049,845
MW Sipp Trustees Ltd	107,000	6,420,000	842,213	561,475	7,823,688
Charmaine James	75,897	4,553,820	597,397	398,264	5,549,481
David Smith	69,634	4,178,040	548,100	365,400	5,091,540
Henry Stephen Hodgson	66,056	3,963,360	519,937	346,624	4,829,921
Lyn Stevens	60,000	3,600,000	472,269	314,846	4,387,115
Mambat Pty Ltd	55,047	3,302,820	433,283	288,855	4,024,958
Christine Pack	55,000	3,300,000	432,913	288,609	4,021,522
Phantom Management Pty Ltd	54,000	3,240,000	425,042	283,361	3,948,403
Alistair Burns	53,000	3,180,000	417,171	278,114	3,875,285
Diskdew Pty Ltd	50,000	3,000,000	393,557	262,371	3,655,928
Felturn Pty Ltd	50,000	3,000,000	393,557	262,371	3,655,928
Red Dirt Adventure Pty Ltd	27,523	1,651,380	216,637	144,425	2,012,442
Peter & Rosemary Reynolds	27,523	1,651,380	216,637	144,425	2,012,442
Adriana Scappatura	27,523	1,651,380	216,637	144,425	2,012,442
Argento Pty Ltd	25,000	1,500,000	196,778	131,185	1,827,963
Pritdown Pty Ltd	25,000	1,500,000	196,778	131,185	1,827,963
Spreadbury Pty. Ltd	24,312	1,458,720	191,363	127,575	1,777,658
S.S.Hudson Pty. Ltd.	15,000	900,000	118,067	78,711	1,096,778
Dylco Pty Ltd	10,000	600,000	78,711	52,474	731,185
James Robert Rabeau	7,707	462,420	60,663	40,442	563,525
April Dawn Cashin-Garbutt	4,404	264,240	34,664	23,109	322,013
Neil Sanderson*	-	2,000,001	262,372	174,914	2,437,287
Bluestar Management Pty Ltd*	-	2,000,001	262,372	174,914	2,437,287
AZoM Nominees Pty Ltd**	-	34,040,013	4,465,564	2,977,036	41,482,613
	8,894,458	571,707,495	75,000,000	50,000,000	696,707,495

Note

* Director Shares in lieu of AZoM.com Options

** AZoM Nominees Pty Ltd to be the holding company for Employee Shares in lieu of AZoM.com Options

Annexure E – Pro-forma Balance Sheet

Impact on consolidated financial position

A consolidated pro-forma balance sheet (**Balance Sheet**) is set out below to demonstrate the financial position of the Company assuming completion of the proposed Acquisition.

The Balance Sheet is presented in abbreviated form as a guide and does not contain all of the disclosures that are usually provided in an annual report prepared in accordance with Australian Accounting Standards and the Corporations Act. The Balance Sheet does not constitute a representation of the future financial position or prospects of the Company.

It is intended that AZoM will pay a capital return of up to \$0.75m from cash reserves to its shareholders upon completion of the Acquisition. The proposed capital return is subject to AZoM shareholder approval prior to completion and as such is not accounted for in the pro-forma Balance Sheet below.

	Company Audited 30 June 2019 \$	AZoM Audited 30 June 2019 \$	Pro-forma Consolidated Minimum subscription \$	Pro-forma Consolidated Maximum subscription \$
Current Assets				
Cash and cash equivalents	942,974	1,882,102	4,305,076	5,245,076
Trade and other receivable	1,441	1,601,273	1,602,714	1,602,714
Other Current Assets	-	151,077	151,077	151,077
Total Current Assets	944,415	3,634,452	6,058,867	6,998,867
Non Current Assets			-	-
Property, plant and equipment	-	233,223	233,223	233,223
Intangible Assets	-	2,404,853	2,404,853	2,404,853
Deferred tax assets	-	146,647	146,647	146,647
Total Non Current Assets	-	2,784,723	2,784,723	2,784,723
Total Assets	944,415	6,419,175	8,843,590	9,783,590
Current Liabilities			-	-
Trade and other Payables	46,373	886,014	932,387	932,387
Provisions	-	139,839	139,839	139,839
Borrowings	-	48,561	48,561	48,561
Total Current Liabilities	46,373	1,074,414	1,120,787	1,120,787
Non Current Liabilities			-	-
Deferred Tax Liability	-	430,102	430,102	430,102
Borrowings	-	38,502	38,502	38,502
Total Non Current Liabilities	-	468,604	468,604	468,604
Total Liabilities	46,373	1,543,018	1,589,391	1,589,391
Net Assets	898,042	4,876,157	7,254,199	8,194,199
Equity			-	-
Issued Capital	10,068,205	3,435,434	8,918,291	9,858,291
Reserves	201,250	(70,486)	(70,486)	(70,486)
Retained earnings	(9,371,413)	1,511,209	(1,593,606)	(1,593,606)
Total Equity	898,042	4,876,157	7,254,199	8,194,199

Annexure F - Independent Expert Report

The Company requested Hall Chadwick Corporate Finance (Vic) Pty Ltd to prepare an Independent Expert's Report to advise the shareholders of the Company other than those associated with the proposed issue of BBR shares to the AZoM Vendors, whether the proposed Transaction is fair and reasonable when considered in the context of the interests of Non-Associated Shareholders and to set out the reasons for their conclusions.

The opinion provided by Hall Chadwick is that the Transaction is **fair and reasonable** to the shareholders of the Company whose votes are not to be disregarded, being Non-Associated Shareholders.

Independent Expert's Report

Acquisition of AZoM.com Limited

Date: 31 October 2019

31 October 2019

The Board of Directors
Bora Bora Resources (Australia) Limited
Level 8, 350 Collins Street
Melbourne Victoria 3000

Dear Sir(s)/Madam(s)

Independent Expert's Report
Proposed Acquisition of AZoM.com Limited t/as AZoNetwork ("AZoM")

Background

Bora Bora Resources Limited (Australia) ("**BBR**" or "**the Company**") is an Australian public company, currently temporarily delisted from the Australian Stock Exchange ("**ASX**"), seeking new investment opportunities capable of bringing value to shareholders.

BBR announced to the market on 28 October 2019 that it has entered into a share purchase agreement ("**SPA**") to acquire 100% of the issued capital in AZoM ("**Acquisition**").

AZoM provides highly automated, cloud based inbound marketing and lead generation platforms and related services to a global client base operating in science, technology, medical and life sciences sectors.

The consideration for the purchase of AZoM will be entirely security based and no cash will be paid. The securities proposed to be issued to AZoM's shareholders at completion comprise:

- 571,707,495 ordinary shares at a deemed issue price of \$0.05 cents. These shares will be issued subject to a voluntary escrow on the basis of 50% of such shares being escrowed for a period of 12 months.
- 75,000,000 performance rights ("**Performance Rights Tranche 1**") which vest and convert into shares on AZoM achieving a gross annualised revenue of at least \$10 million on actual gross revenue of any prior quarter commencing on 1 January 2020 and ending on 31 December 2021.
- 50,000,000 performance rights ("**Performance Rights Tranche 2**") which vest and convert into shares on AZoM achieving a gross annualised revenue of at least \$15 million on actual gross revenue of any prior quarter commencing on 1 January 2020 and ending on 31 December 2023.

As a consequence of the Acquisition, Dr Ian Birkby, the majority shareholder and managing director of AZoM, will obtain a relevant interest in BBR shares of up to 46.9%

The acquisition of AZoM by BBR as detailed in Section 1 is referred to in this report as the "**Transaction**".

Purpose of Report

You have requested Hall Chadwick Corporate Finance (Vic) Pty Ltd ("**HCC**") to prepare an Independent Expert's Report to advise the shareholders of BBR other than those associated with the proposed issue of BBR shares to the AZoM Vendors ("**Non-Associated Shareholders**"), whether the proposed Transaction is fair and reasonable when considered in the context of the interests of Non-Associated Shareholders and to set out the reasons for our conclusions.

HCC understands and has agreed that this report will accompany the notice to convene a meeting of BBR shareholders, to assist the Non-Associated Shareholders in their consideration of the Transaction.

Opinion

In our opinion, the Transaction is **fair and reasonable** to the shareholders of BBR whose votes are not to be disregarded, being the Non-Associated Shareholders.

However, the ultimate decision on whether to accept the Transaction should be based on shareholders' own assessment of their circumstances.

Yours sincerely

Hall Chadwick Corporate (Vic) Pty Ltd



Mark Bailey
Authorised Representative (No. 001278596)

Encl.

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1. Outline of the Proposed Transaction

Under the terms of the Share Purchase Agreement, the consideration for the acquisition of AZoM will be entirely security based and no cash will be paid. The securities to be issued at completion are to comprise the following:

- Shares to be issued at completion of the purchase at a deemed issue price of 0.05 cents each being an aggregate total of 571,707,495 shares. The shares will be issued subject to a voluntary escrow on the basis of 50% of such shares being escrowed for a period of 12 months.
- Performance Rights Tranche 1 to be issued at completion of the purchase which vest and convert into shares on achieving a gross annualised revenue of at least \$10 million on actual gross revenue of any prior quarter commencing on 1 January 2020 and ending on 31 December 2021, being an aggregate total of 75 million Performance Rights Tranche 1.
- Performance Rights Tranche 2 to be issued at completion of the purchase which vest and convert into shares on achieving a gross annualised revenue of at least \$15 million on actual gross revenue of any prior quarter commencing on 1 January 2020 and ending on 31 December 2023, being an aggregate total of 50 million Performance Rights Tranche 2.

The proposed Transaction also involves the following:

- Dr Ian Birkby, the managing director of AZoM, will obtain a relevant interest in BBR shares of up to 46.9%, assuming that all the Performance Rights vest and that the minimum 2,000,000 shares are issued under the capital raising.
- issue of a minimum of 40,000,000 and a maximum of 60,000,000 fully paid ordinary shares at \$0.05 ("**Capital Raising Shares**") under a prospectus ("**Prospectus**").
- issue of a maximum of 30,000,000 unquoted options exercisable at \$0.075 and expiring on 31 October 2021 ("**Options**").
- issue of 15,000,000 fully paid ordinary shares at \$0.05 to the financial advisors to the public offer under the Prospectus.
- issue of 5,000,000 fully paid ordinary shares to the directors and secretary of BBR in lieu of cash fees.
- the appointment of two of AZoM's directors to the BBR Board.
- a change in the nature and scale of activities to those of BBR.
- a change in BBR's name to AZoNetwork Group Limited.
- a change of BBR's ASX Code to AZO.

Completion of the Transaction is conditional on BBR shareholders approving the resolutions set out in the Notice of Meeting to which this report is annexed.

The following tables show the effect on the share capital of BBR after the Transaction and Capital Raising:

Effect on Ordinary Shares	Shares	AZOM Shareholders' Interest	Mr Birkby's interest	BBR Associated Shareholders' interest	BBR Non-Associated Shareholders' Interest
Ordinary Shares currently on issue	52,057,140			19.1%	80.9%
BBR Offer	571,707,495	100.0%			
Directors & Secretary's shares in lieu of cash fees	5,000,000				
Financial Advisors' Offer	15,000,000				
Shares on issue immediately following Transaction Completion	643,764,635	88.8%	48.4%	1.5%	6.5%
Capital Raising – Minimum	40,000,000				
Ordinary shares on issue upon relisting	683,764,635	83.6%	45.5%	1.5%	6.2%
Performance Offer	125,000,000				
Fully diluted shares on issue	808,764,365	86.1%	46.9%	1.2%	5.2%

When the Transaction (including the minimum Capital Raising) is approved and completed, the AZoM shareholders (“**AZoM Vendors**”) will be entitled to a total relevant interest in BBR of 83.6% or 86.1% on a fully diluted basis. Dr Birkby will hold a total relevant interest in BBR of 45.5%, or 46.9% on a fully diluted basis.

Including all shares on issue following the minimum Capital Raising, BBR existing Non-Associated Shareholders interest will decrease from 80.9% to 6.5% prior to any existing shareholders participating in the Capital Raising, or 5.2% on a fully diluted basis.

2. Purpose of Report

The purpose of this report is to advise the Non-Associated Shareholders of BBR of the fairness and reasonableness of the Transaction.

This report provides an opinion on whether or not the terms and conditions in relation to the transaction are fair and reasonable to the BBR shareholders whose votes are not to be disregarded in respect of the transaction (that is, the Non-Associated Shareholders).

The ultimate decision whether to accept the terms of the Transaction should be based on each shareholders' assessment of their own circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt about the Transaction or matters dealt with in this report, shareholders should seek independent professional advice.

For the Transaction to be fair, the value of the shares being acquired in AZoM must be equal to or greater than the value of the consideration, being BBR shares. To be reasonable the shareholders must obtain an overall benefit if the Transaction proceeds. In forming an opinion as to whether the Transaction is fair and reasonable, the following factors have been considered:

- the underlying value of BBR shares to be issued as consideration to AZoM Vendors
- the underlying value of AZoM shares to be acquired by BBR
- the likely market price and liquidity of BBR shares if the Transaction is not implemented
- the likelihood of an emergence of an alternative proposal that would realise better value for BBR Shareholders.

This report has been prepared to satisfy the requirements of the Corporations Act 2001 (Cth) ("**Corporations Act**") and the ASX ("**ASX**") Listing Rules.

When the Transaction (including the minimum Capital Raising Shares) is approved and completed, the AZoM Vendors will be entitled to a total relevant interest in BBR of 83.6% or 86.1% on a fully diluted basis. Dr Birkby will hold a total relevant interest in BBR of 45.5%, or 46.9% on a fully diluted basis.

2.1 Corporations Act Requirements

On completion of the Transaction, AZoM's shareholders will have a relative voting interest in BBR of up to 83.6%, following completion of the minimum Capital Raising, inclusive of up to 5,000,000 shares to the Directors and Secretary of BBR in lieu of cash fees, and 15,000,000 shares to the financial advisors to the offer.

Section 606(1) of the Corporations Act states that a person must not acquire an interest in issued voting shares in a listed company if that person's or any other person's voting power increases to above 20%. Section 606(1) prohibits Dr Birkby from acquiring the issued ordinary shares in BBR under the Transaction, unless one of the exemptions set out in Section 611 of the Corporations Act applies.

Item 7 of Section 611 of the Corporations Act exempts an acquisition that is approved by a resolution of shareholders of BBR passed at a general meeting as per Section 611. This is the exception which is being

relied upon by the BBR shareholders. At the general meeting of BBR, no votes will be allowed to be cast by those persons (or their associates) acquiring shares under the Transaction (that is, the AZoM Vendors).

Australian Securities and Investments Commission (“ASIC”) Regulatory Guide 111 “Content of Experts Reports” requires, amongst other things, that directors of a company need to provide shareholders with an analysis of whether a proposed transaction is fair and reasonable, when considered in the context of the interests of the non-associated shareholders. Regulatory Guide 111 recommends that this analysis should include an independent expert’s report. The independent expert is required to state whether, in their opinion, the proposal is fair and reasonable having regard to the interests of non-associated shareholders and state the reasons for forming that opinion. This report provides such an opinion.

2.2 ASX Listing Rules

ASX Listing Rule 7.1 states that without the approval of holders of ordinary shares, an entity must not issue or agree to issue more equity securities than the number calculated according to the following formula:

$$(A \times B) - C$$

Where:

A = The number of fully paid ordinary securities on issue 12 months before the issue date or date of agreement to issue;

- *Plus the number of fully paid ordinary securities issued in the 12 months under an exception in ASX Listing Rule 7.2,*
- *Plus the number of partly paid ordinary securities that became fully paid in the 12 months,*
- *Plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under ASX Listing Rule 7.1 or 7.4,*
- *Less the number of fully paid ordinary securities cancelled in the 12 months.*

B = 15%

C = The number of equity securities issued or agreed to be issued in the 12 months before the date of the issue or agreement to issue that are not issued under an exception in ASX Listing Rule 7.2, under rule 7.1A.2 or with approval under ASX Listing Rule 7.1 or 7.4.

The issue of ordinary securities under the Transaction will result in an issue of BBR ordinary securities greater than allowed under the above formula. However, Exception 16 of the ASX Listing Rule 7.2 provides an exception to shareholder approval under ASX Listing Rule 7.1, in relation to the issue of securities approved for the purposes of item 7 of Section 611 of the Corporations Act. BBR will also rely on this exception.

The Transaction constitutes a significant change in the nature and scale of the Company’s activities. ASX Listing Rule 11.1 sets out the requirements an entity must adhere to when undergoing a change to the nature or scale of their activities. The entity must provide the ASX with information regarding the change and its effect on future potential earnings and must ensure approval is obtained from the shareholders to effect the change of activities. The Transaction is such a proposed change. ASX Listing Rule 11 does not specifically require the notice to include or be accompanied by a copy of an independent expert’s report.

3. Our Opinion

In our opinion, the proposed Transaction to acquire 100% of AZoM through the issue of BBR Consideration Shares is fair and reasonable to the Non-Associated Shareholders of BBR.

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

The principal factors that we have considered in forming our opinion are summarised below.

3.1 Fair

According to RG 111, for the Transaction to be fair, the value of the AZoM shares being acquired must be equal to or greater than the value of the consideration, being BBR shares.

Based on the analysis contained in Section 10. of this report, the indicative value of AZoM shares is in the range of \$33.4 million to \$36.1 million with a midpoint of \$34.8 million.

Based on the analysis contained in Section 10. of this report, the indicative value of the shares being issued by BBR as consideration for the shares in AZoM is between \$0.025 and \$0.029 per share, with a midpoint value of \$0.027 per share.

Our valuation of BBR shares prior to the Transaction is on a control basis. In order to assess whether the Transaction is fair, we need to compare the pre-transaction value per share of BBR on a control basis with the post-transaction value per share of BBR on a minority basis. This is shown in the table below:

BBR Value and Opinion (A\$)	Low	High	Midpoint
Control value per share pre Transaction	0.025	0.029	0.027
Shares currently on issue	52,057,140	52,057,140	52,057,140
Control valuation, pre-Transaction	1,298,042	1,498,042	1,398,042
Valuation of AZoM	33,405,334	36,139,084	34,772,209
Minimum Proceeds from Capital Raising	2,000,000	2,000,000	2,000,000
less Transaction costs	(400,000)	(400,000)	(400,000)
Post Transaction Value	36,303,376	39,237,126	37,770,251
Post Transaction shares on issue at relisting	683,764,635	683,764,635	683,764,635
Value per share control basis	0.053	0.057	0.055
Minority discount	20%	20%	20%
Post-Transaction Valuation per share	0.042	0.046	0.044

Based on our assessment, the value of the BBR shares after the proposed Transaction would be in the range of \$0.042 to \$0.046 with a midpoint of \$0.044.

The above analysis does not include the issue of any shares on vesting of any Performance Rights detailed at Section 1. The Performance Rights are an interdependent resolution to the Transaction. In the event that the maximum 125,000,000 Performance Rights are issued and included in the post-Transaction shares on issue, the post-Transaction value per BBR share still increases from the pre-Transaction control value per share at the midpoint of the valuation range. We have not shown the above table on a fully diluted basis as the Performance Rights have a number of performance conditions which must be satisfied for them to vest:

- Performance Rights Tranche 1 to be issued at completion of the purchase which vest and convert into shares on achieving a gross annualised revenue of at least \$10 million on actual gross revenue of any prior quarter commencing on 1 January 2020 and ending on 31 December 2021, being an aggregate total of 75 million Performance Rights.
- Performance Rights Tranche 2 to be issued at completion of the purchase which vest and convert into shares on achieving a gross annualised revenue of at least \$15 million on actual gross revenue of any prior quarter commencing on 1 January 2020 and ending on 31 December 2023, being an aggregate total of 50 million Performance Rights.

We have not included the impact of the conversion of options being issued as part of the Transaction, with an exercise price of \$0.075 cents as we consider that the options proposed to be issued to be out of the money based on our assessment of the valuation of BBR shares post Transaction.

We also note that AZoM is considering a capital return in the range of \$0.1 million to \$0.75 million prior to the Transaction. This is subject to various approvals and has not been allowed for in our assessment. We note that it may have an impact of up to \$0.001 per share and therefore would not impact our assessment of whether the Transaction is fair.

In our opinion the Transaction is **fair** as the value of the BBR shares held by Non-Associated Shareholders increases as a result of the Transaction.

3.2 Reasonable

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

- the Transaction is fair; or
- despite not being fair the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid before the close of the offer.

We have concluded that the Transaction is reasonable. In forming our opinion we have considered the following advantages:

- As at the date of this report, BBR's assets are principally cash only. It does not own an operating business. BBR is currently delisted. The Transaction, if approved, will change the nature and scale of BBR's activities. It will also be required to re-comply with the ASX listing requirements and raise additional capital. Shareholders will then own shares in an operating company which will have a greater potential to generate returns for shareholders.
- The Transaction if approved involves the acquisition of a business that has consistently generated revenue growth and generated profits in 2019. Growth is expected by management to continue and the proceeds of the proposed capital raising are to be applied in part to recruit additional sales people.
- The Transaction, if approved, includes the provision of performance shares and options. Furthermore the purchase consideration is a share based transaction. In our view, although the vesting of the performance shares and options will result in further dilution for

Shareholders, the vesting conditions ensure that this will only occur once milestones that are likely to be value accretive to Shareholders have been met. On this basis, we consider that the interest of the AZoM Vendors and the Shareholders are aligned.

- The injection of capital via the capital raising will significantly strengthen the Company's balance sheet. This will make the Company more attractive to investors which may improve BBR's ability to raise further funds as and when required via equity and debt markets.
- The appointment of the proposed directors as part of the Acquisition will add experience and skills to the Board of BBR relevant to the new direction and growth of the Company.
- By virtue of the proposed issuance of capital associated with the purchase of AZoM and the capital raising there will be substantially more shares on issue in BBR and a larger market capitalisation for BBR. This provides the potential for increased trading in shares of BBR alongside the potential for greater interest by the investment community, improved access to equity capital markets and increased liquidity in BBR Shares.
- The Board of BBR is of the opinion that the Transaction is in the best interests of the Company's Shareholders and in the absence of a superior alternative proposal is a strategic opportunity for the Company.
- We are unaware of any alternative proposal at the date of this report that would realise better value for BBR shareholders.

We have also considered the following disadvantages:

- In the event that the purchase of AZoM completes, the issue of the Consideration Shares to AZoM Vendors will have a significant dilutionary effect on existing shareholdings of BBR. Completion of the capital raising will further dilute current shareholders of BBR.
- Shareholders invested in BBR as a company in the metals and mining sector. The Transaction, if approved, will expose BBR shareholders to risks associated with AZoM and its international digital marketing and advertising business. Some of the risks associated with AZoM include:
 - reliance on the key personal of AZoM and the impact on the business from the loss of key persons
 - future demand for advertising and marketing in AZoM's market niches
 - risk of new entrants into its industry or market niches
 - risk of technology change adversely impacting its business model
 - risk of 'hacking' of AZoNetwork platforms
 - regulatory risk in particular changes to privacy laws impacting its cost structure and limiting its services

- foreign currency risk, the business competes in international markets and its main operation is in the United Kingdom.
- Despite the potential of the acquisition of AZoM there is no guarantee that this potential will ever be realised by BBR and will result in an increase to the value of the shares in BBR.
- In connection with the acquisition of AZoM (which includes the capital raising), BBR has been required to engage a number of advisers, lawyers and experts to facilitate and report on the Transaction. This work includes due diligence, this Notice of Meeting, Independent Experts' Report, and a prospectus to be lodged in connection with the capital raising. These are sunk costs that cannot be recovered if the Transaction does not proceed for any reason.
- If the proposed Transaction proceeds, Dr Birkby on a fully diluted basis will hold a controlling interest at 46.9%. This may undermine the opportunities for future takeover offers.
- AZoM's operations are based in the United Kingdom which is also a key market for the business. As such it is exposed to BREXIT uncertainties.

Accordingly, in our opinion, the Transaction is **fair and reasonable** to the Non-Associated Shareholders of BBR.

4. Basis of Evaluation

In our assessment of whether the Transaction is fair and reasonable to BBR Non-Associated Shareholders, we have given due consideration to the Regulatory Guides issued by the ASIC, in particular, Regulatory Guide 74 “Transactions Agreed to by Shareholders”, Regulatory Guide 111 “Content of Experts Reports” and Regulatory Guide 112 “Independence of Experts Reports”.

ASIC Regulatory Guide 74 requires, amongst other things, that shareholders are provided with sufficient information to make an effective, informed decision on whether the proposed Transaction is fair and reasonable. Under Regulatory Guide 111, a transaction is “fair” if the value of the asset being acquired (in this case the equity in AZoM) is equal to or greater than the value of the consideration being offered (in this case, BBR shares). Additionally, under Regulatory Guide 111 an offer is “reasonable” if it is fair. It is possible for an offer to be reasonable despite being unfair. This would be after the expert considers that, based on non-financial factors, the shareholders should still approve the Transaction in the absence of any alternative proposals.

Our report has compared the likely advantages and disadvantages to Non-Associated Shareholders if the Transaction is agreed to, with the advantages and disadvantages to those shareholders if it is not. Comparing the value of the shares to be acquired under the Transaction and the value of the consideration to be paid is only one element of this assessment.

We have considered whether any shareholder will obtain a level of control in BBR as a result of the proposed Transaction. In the event that a change in control arises from the proposed Transaction, proportionately greater benefits to Non-Associated Shareholders must be demonstrated. In this case the AZoM Vendors will obtain control of BBR and Dr Birkby will hold 45.5% of BBR at the completion of the minimum capital raising or 46.9% on a fully diluted basis. This issue needs to be considered in comparing the value received by Non-Associated Shareholders in comparison to the value being paid.

Normal valuation practice is to determine the fair market value of an asset assuming a counter party transaction between a willing and not anxious buyer and a willing but not anxious seller, clearly at arm’s length. We have adopted this approach in determining the fair market value of the equity of BBR and AZoM.

In evaluating the Transaction, we have considered the value of AZoM being acquired and compared this to the amount of consideration to be paid through the issue of BBR shares. We consider that the Transaction will be reasonable if, on balance, the Non-Associated Shareholders in BBR will be better off if the Transaction is approved. We have also considered the Non-Associated Shareholders’ interests should the Transaction not proceed.

In our assessment of the Transaction we have considered:

- the operational and financial position of AZoM and BBR
- the value of AZoM shares, under various methodologies
- the value of BBR shares, under various methodologies
- any control premium associated with the Transaction
- the advantages and disadvantages associated with approving the Transaction
- the share trading history of BBR shares
- the likely value and liquidity of BBR shares in the absence of the acquisition
- Other qualitative and strategic issues associated with the Transaction.

The documents and information relied on for the purposes of these valuations are set out in Appendix A. We have considered and relied upon this information and believe that the information provided is reliable, complete and not misleading and we have no reason to believe that material facts have been withheld. The information provided was evaluated through analysis, enquiry and review for the purpose of forming an opinion as to whether the Transaction is fair and reasonable. However, in assignments such as this, time is limited and we do not warrant that our enquiries have identified or verified all of the matters which an audit or more extensive examination might disclose. None of these additional tasks have been undertaken.

We understand the accounting and other financial information that was provided to us has been prepared in accordance with international financial reporting standards.

An important part of the information used in forming an opinion of the kind expressed in this report is the opinions and judgement of management. This type of information has also been evaluated through analysis, enquiry and review to the extent practical. However, it must be recognised that such information is not always capable of external verification or validation.

HCC are not the auditors of BBR or AZoM. We have analysed and reviewed information provided by the Directors and management of BBR and AZoM and made further enquiries where appropriate.

This report has been prepared after taking into consideration the current economic and market climate. We take no responsibility for events occurring after the date of this report which may impact upon this report or which may impact upon the assumptions referred to in this report. To the extent we become aware of a material change in circumstances since the date of our report, we will issue a supplementary report at the request of BBR if so required.

5. Business Overview

AZoM's business, the AZoNetwork ("AZoNetwork") is a cloud based, business to business, digital marketing platform specialising in technical devices for sectors including science, technology, medical and life science sectors. It operates a number of market specific websites for which it generates content for its client base being manufacturers, wholesalers and distributors of medical and scientific instruments.

The content rich platforms attract market specific traffic particularly in the North American and European markets.

Revenue is generated by charging fees for content including video production, articles, interviews, email marketing programmes and other marketing initiatives. As the host of the marketing initiatives, AZoNetwork has visibility of the effectiveness of marketing initiatives and is able to measure and analyse data from first time browsers through to repeat customer orders. It has developed proprietary marketing effectiveness, monitoring and analytical software, the AZoIntel Analytics platform.¹

In FY19 AZoNetwork reported \$7.3 million in revenue² and CAGR of 26% for the FY2012 to FY2019 period. AZoNetwork has more than 680,000 subscribers on its database and hosts over 5.7 million Unique Visitors³ to its platforms per month.⁴ AZoNetwork operates a scalable technology platform business operating in rapidly expanding market sectors (science and medical).⁵

AZoM's operations are based in the United Kingdom with its head office in Sydney Australia. Its major markets are the United States (58%), Europe (22% excluding UK) and the UK (18%).

¹ Sourced from AZoM's management

² Ibid

³ The number of unduplicated visitors to a website over the course of a specified time period (*Google Analytics*).

⁴ Sourced from AZoM's management

⁵ Ibid

6. Industry Overview

AZoM competes in specific niches within the international digital advertising and marketing industry. In particular it competes in the North American and European geographic regions. The international digital advertising market, in particular in respect of the key market in the USA together with an overview of the key medical and science device industry as well as the global nano technology, photonics and sensor markets are analysed below.

6.1 International Digital marketing and Advertising

6.1.1 Industry Size and Outlook

The international market for digital advertising ('ad') spending is forecast to grow 17.6% in 2019, on the back of 21.4% growth in 2018, to US\$333 billion.⁶ For the first time, digital ad spending will account for approximately half of the global ad market.⁷

In some countries, including the UK, China, Norway and Canada, digital ad has already become the dominant ad medium.⁸ Digital ad spending is also expected to reach at least 50% of all media spending in AZoM's key market of the US in 2019.⁹

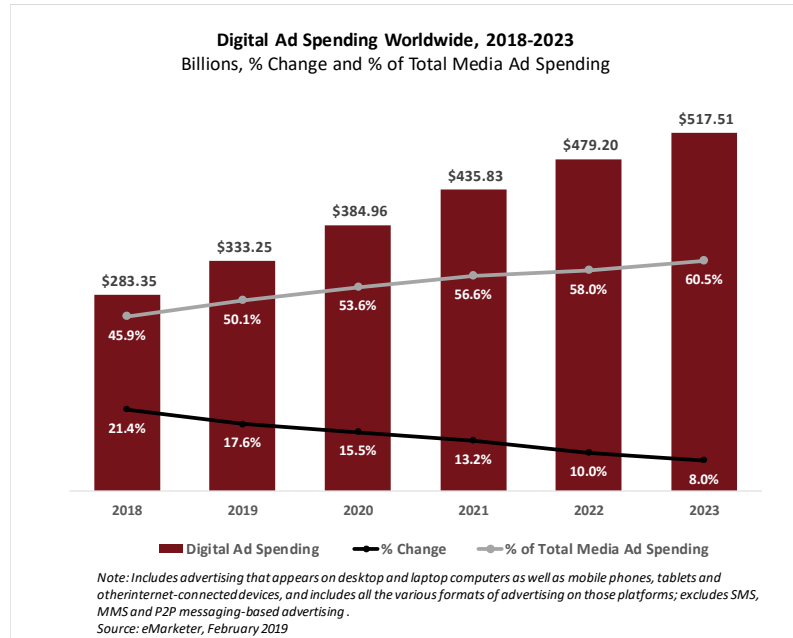
⁶ Jasmine Enberg, 'Digital Ad Spending 2019 Global' <https://www.emarketer.com/content/global-digital-ad-spending-2019>

⁷ Ibid.

⁸ Ibid.

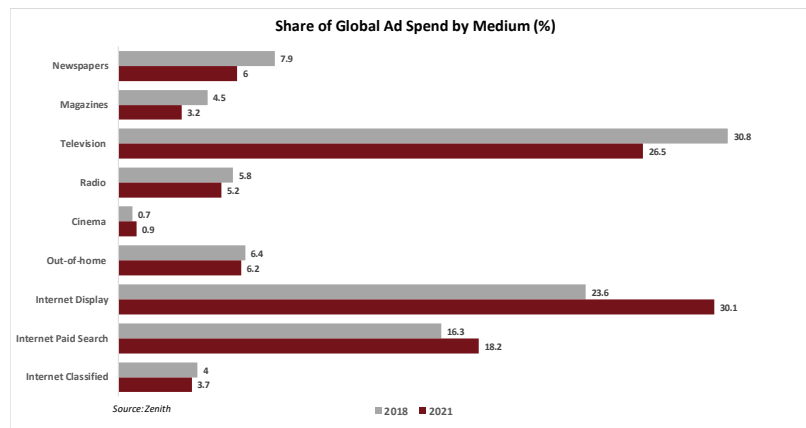
⁹ Ibid.

Notwithstanding concerns of a global economic slowdown, spending on digital ad is forecast to continue to rise at least through to 2023 when it is forecast to pass US\$500 billion.¹⁰ The expected growth of digital ad spending from 2018 to 2023 and its expected percentage share of total ad spending is depicted graphically as follows:



Source: Enberg, J. *Global Digital Ad Spending 2019*, eMarketer.com

The breakdown of Global Ad Spend by medium for 2018 and its forecast for 2021 is presented as follows:



Source: Zenith

Internet display ad spend is forecast to increase from 23.6% to 30.1% whilst television ad spend is forecast to decrease from 30.8% to 26.5%. Internet paid searches are also forecast to increase from 16.3% to 18.2% whilst internet classified spending is forecast to decrease from 4% to 3.7% of the total global ad spend.¹¹

¹⁰ Ibid.

¹¹ Joseph Brookes, 'Advertising Spend Forecast: Social Media to Overtake Print For First Time As Overall Growth Slows', Which-50, 8 October 2019.

6.1.2 Major Market Participants

The industry is characterised by a high and increasing level of market share concentration. In 2019, it is expected that the four largest companies combined (Facebook Inc., Alphabet Inc. (YouTube and Google Network) Apple Inc. and Netflix Inc.) will control 53.4% of total industry revenue. Google is expected to remain the largest digital ad seller in the world in 2019, accounting for 31% of worldwide ad spending (or \$103.73 billion), followed by Facebook with \$67.37 billion in net advertising revenues.

Amazon's ad revenues are expected to reach \$40 billion by 2023, an increase of 470% from its advertising revenues of 2018.¹²

The market share concentration has increased due to the rising popularity of streaming websites, social networks and other media platforms. In addition, major players have acquired smaller companies for their patents, skill sets, features or to protect brands from a rising company that could erode revenue or user bases. User bases being critical to success, the larger the user base the more compelling the pitch to paying ad customers.

Although the industry is expected to continue to be dominated by large, horizontally integrated players, small and independent publishers are expected to continue to enter the industry over the next five years. The number of enterprises in the industry is forecast to increase at an annualised rate of 8.9% over the five years to 2024 in the US market, in part reflective of the industry's low barriers to entry and also growth prospects.

A key factor for success of small industry participants will be developing a clear niche and content quality that develops loyalty of their platform users and increases their ability to keep customers interested in the site.

6.1.3 Key Trends

In addition to growth in market size and market share relative to traditional ad spending, key trends in the digital ad and digital marketing industry include:

- Faster internet connections globally (12 percent of global mobile traffic is forecast to be on 5G cellular networks by 2022 (CISCO) and continued increase in users.
- Increased internet speeds will provide for increased video traffic volume (forecast to increase fourfold from 2017 to 2022 a CAGR of 33% source CISCO), augmented and virtual reality (forecast to increase 12 fold between 2017 and 2022 globally, a CAGR of 65%),¹³ deeper analytics of data and users, increased personalisation and connection with users.
- Increased data analytics from the historical basic data collection to an increasing focus on making meaningful connections from that data. Advertisers "are asking themselves how they can use it to improve customer experience or tailor an online message."¹⁴ Having a deeper, more

¹² 'Digital Ad Spend to Reach \$520 Billion by 2023, As Amazon Disrupts Google & Facebook Duopoly', Juniper Research.

¹³ CISCO Visual Networking Index: Forecast and Trends, 2017-2022 White Paper <https://www.cisco.com>

¹⁴ Jasmine Enberg, 'Digital Ad Spending 2019 Global' <https://www.emarketer.com/content/global-digital-ad-spending-2019>

sophisticated understanding of a targeted market and being able to target that market more precisely is a rising trend in more effective marketing.

- Increased use of AI will not only enable deeper analytics but also enable predictive analytics and advanced audience targeting and speech recognition. 75% of ads are forecast to be delivered through AI by 2023.¹⁵
- Increased convergence of digital ad and traditional channels with an increased focus on the co-ordination of cross-channel engagement.
- Digital advertising fraud is expected to reach approximately \$1 for every \$5 spent by 2023 as fraudsters gravitate to increasingly complex tactics of falsifying ad clicks and filling unused inventory with fraudulent ads.¹⁶
- Increased legislative action with respect to privacy and increased consumer awareness of data collection will create further complexity and compliance risks for digital marketing businesses.

6.1.4 Key Industry Drivers

Key external drivers affecting the industry include:

- Internet traffic volume – as overall internet traffic volume increases, so does the popularity and overall time spent on the internet, which makes internet-based advertising more appealing. Internet traffic volume is expected to increase in 2019, representing a potential opportunity for the industry to increase revenues.
- Number of mobile internet connections – the number of people accessing the internet via mobile connections, such as smartphones and tablets has increased rapidly; accordingly mobile platforms have presented another way for content publishers and broadcasters to sell advertising space and subscription-based content. While the number of mobile internet connections is expected to increase in 2019, according to IBISWorld it is nearing saturation point and could represent a threat to the industry.
- Internet speed – has a cumulative effect of attracting more usage and enabling more and higher quality content that in turn attracts more usage.
- Return on Investment & Data Analytics – notwithstanding the high risk of digital ad fraud, digital ad spending can provide greater transparency for paying customers that can enable measurement of return on investment.

¹⁵ 'Digital Ad Spend to Reach \$520 Billion by 2023, As Amazon Disrupts Google & Facebook Duopoly', Juniper Research.

¹⁶ 'The Impact of AI For Digital Advertisers', Juniper Research, May 2019.

6.2 Medical and Scientific Device Industry

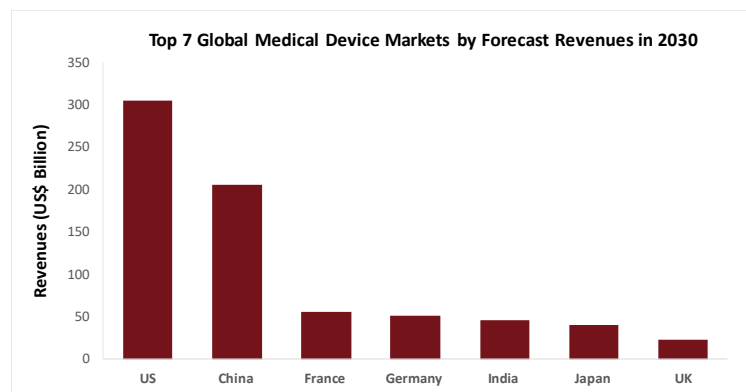
A key industry for AZoM is the scientific and medical instruments industry particularly in the North American and European markets.

The medical devices industry is expected to reach US\$595 billion by 2024 with Neurology devices the fastest growth segment at a CAGR of 9.1% between 2017 and 2024 and diagnostic imaging and orthopaedics the slowest at 3.7%.¹⁷

Global medtech R&D spend is expected to grow at a CAGR of 4.5% to \$39 billion by 2024.

The top 10 companies accounted for 39% of the market in 2017 and the top 30 companies 64% of the global market compared to 62% in 2015.

The industry is dominated by manufacturing firms from North America and Europe, particularly Germany, Switzerland, Netherlands and France that distribute globally. The US is forecast to continue to be the largest market in the medical device industry through to 2030, surpassing US\$300 billion in sales.¹⁸ China and India are forecast to grow at twice the pace of the overall market and China is expected to reach over \$200 billion in sales by 2030, establishing it as the second biggest market.¹⁹



The industry is characterised by relatively low volatility and high barriers to entry however it is likely to face an increased threat of new entrants from disruptive technology developments.

An aging global population and technology innovation underpin revenue growth. Increased price pressure is expected as products are of high value. Globally, health sectors must manage the servicing of an aging population.

¹⁷ 'World Preview 2018, Outlook to 2024', EvaluateMedTech, 7th edition, September 2018.

¹⁸ USA - Overview of medical device industry and healthcare statistics, Emergo website, accessed on 15 November 2017 <https://www.emergogroup.com/resources/market-united-states> in KPMG International, *Medical Devices 2030*

¹⁹ 'Medical Devices 2030: Making a Power Play to avoid the commodity trap', KPMG.

6.3 Other Key Markets

Additional key markets include the:

- **global nano technology market**, which is expected to increase to \$125 billion by 2024 with a CAGR of 17%²⁰. over the next five years with an expected increase in demand for the miniaturisation of devices and development of applications beyond the medical uses into aerospace, automotive, electronics, military defence, agriculture and engineering.
- **global photonics market**, valued at \$600 billion in 2015 and expected to reach \$979 billion by 2024²¹. The market has undergone radical technology change in recent years, particularly in the field of fibre optics and its use by industries including defence, security, biotech, life sciences, traffic management, construction and communication networks.
- **global sensors market**, valued at \$152 billion in 2018 and forecast to grow to \$287 billion by 2025 (CAGR of 9.5% from 2018 to 2025)²². Sensors are devices that detect events and changes in the environment such as light, heat, motion, moisture, pressure etc. Sensors are used in industries such as consumer electronics, automotive, IT and telecommunications.
- **global mining equipment sector**, which was valued at US\$107 billion in 2017 and is expected to reach \$189 billion by 2025 growing at a CAGR of 7.2% over the period. Global nanotechnology market, which is expected to exceed \$125 billion by 2024, growing at a CAGR of 17% over the next 5 years.

²⁰ Nanotechnology devices measure and analyse “Move Marketing – AZoNetwork Marketing Report June 2019” .

²¹ Ibid.

²² Ibid.

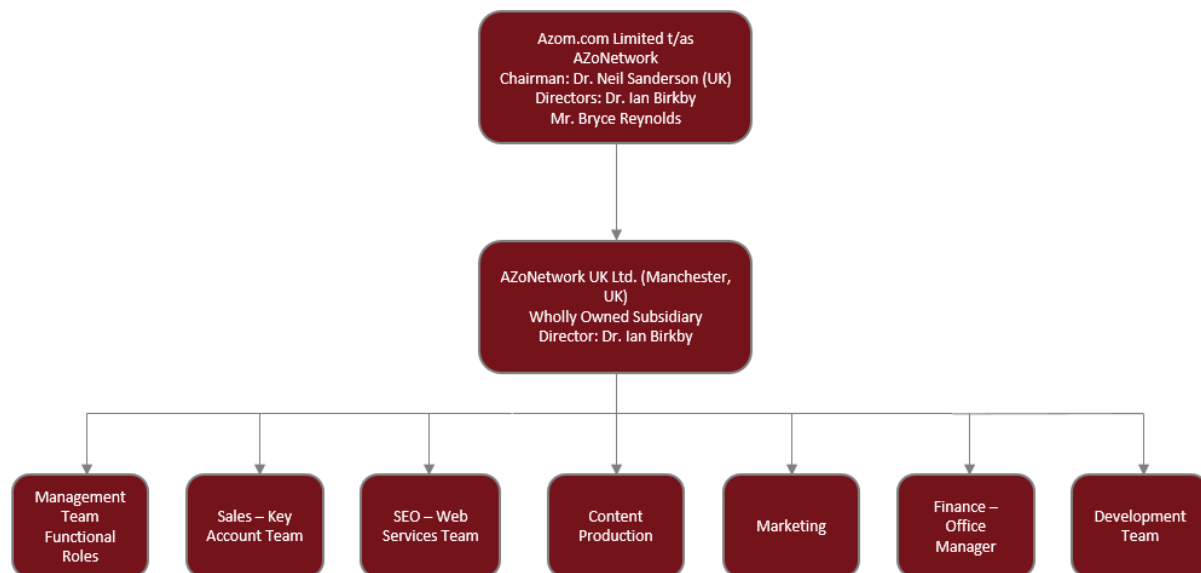
7. Profile of AZoM

7.1 Corporate Background and Organisational Structure

AZoM was established by Dr. Ian Birkby in 2000. The underlying concept of the initial website was developed by Dr Birkby drawing from his experiences in both business to business industrial marketing and scientific publishing. Within 2 years of inception, AZoM.com registered 3 million visitors.

The online publishing business, trading as AZoNetwork was formerly operated through AZoM.com Pty Ltd. In 2012, the proprietary limited company was converted to a public company as part of a capital raising process, in which AZoM raised AUD\$2.6 million to fund the development of its marketing and data analytics platforms.

The wholly owned subsidiary, AZoNetwork UK Limited was incorporated in April 2012 (“**AZoM UK**”). AZoM’s current structure is depicted as follows:



Source: AZoM

AZoM’s current Board of Directors comprises:

- Dr Ian Birkby (Chief Executive Officer, Founder & Company Secretary)
- Dr Neil Sanderson (Non-Executive Chairman)
- Bryce Reynolds (Non-Executive Chairman)

There are 35 staff members across the different areas of the business as of 30 June 2019.

7.2 Overview of AZoNetwork

AZoNetwork is a digital marketing platform developed to generate and distribute content relating to technical devices with application in various industries including medical, science, mining, materials and robotics. The business model and software platform focuses on three key activities:

- Content Generation
- Content Distribution
- Data Analytics

An illustration of AZoM's operational activities is shown as follows:



Source: AZoM

7.3 Content Generation

Content generation is the revenue source and primary driver for the business. It is the depth and quality of content that generates visitors to the websites and new database records as well as the 'stickiness' and loyalty of visitors to the websites. Content generation is the key to AZoM's significant search engine footprint in its niche markets. Content generation includes:

- sourcing, curation and production of content such as news articles, interviews, white papers and videos produced by AZoM's in-house editorial team, videographers and a network of freelancers
- automated organisation of content for subsequent distribution

- automated generation of database entries based on users' registrations to access the content created. These database entries in turn provide AZoM's clients a platform to market their products and services.

7.4 Content Distribution

New content is published on the AZoNetwork websites (refer further details below) and also distributed digitally through automated mobile, email, apps and social platforms to subscribers, which primarily comprised of high value Business to Business ("B2B") recipients. These clients pay to be part of the outbound communication.

7.5 Data Analytics

AZoIntel is a smart analytics platform developed by AZoM that provides detailed analysis of how successful a marketing campaign has been.

AZoIntel allows clients to monitor traffic and understand who is actually visiting, interacting and generating sales leads in real time. Clients receive real time data including detailed information on the viewing organisation, location of the viewer, profile of the viewer and duration of engagement are some of the platform. AZoIntel is used internally to measure and manage its solutions. It is also packaged to clients for their own marketing analytics.

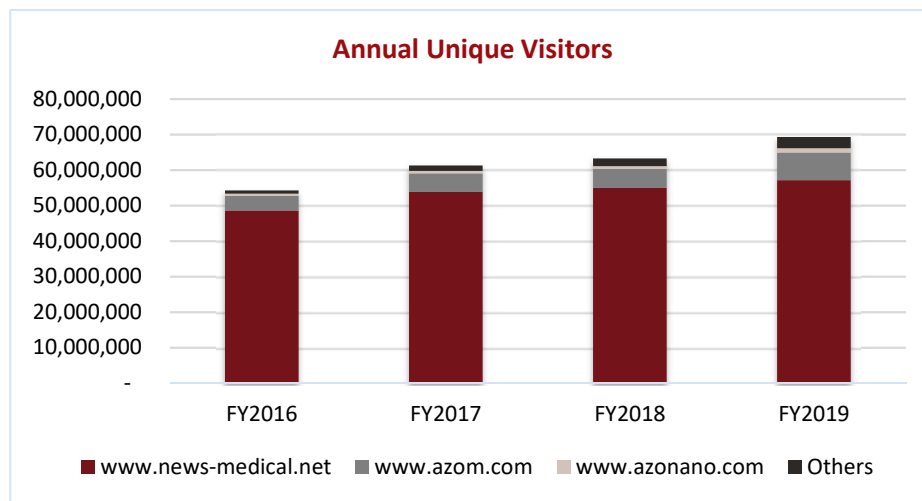
7.6 AZoM's Active Websites

There are 13 websites in operation, listed as follows:

- www.azonetwork.com - Company Site
- www.AZoM.com - The A to Z of Materials
- www.azonano.com - The A to Z of Nanotechnology
- www.azooptics.com - The A to Z of Optics and Photonics
- www.azocleantech.com - The A to Z of Clean Technology
- www.azobuild.com - The A to Z of Building Information and Technology
- www.azosensors.com - The A to Z of Sensors
- www.AZoMining.com - The A to Z of Mining
- www.azorobotics.com - The A to Z of Robotics
- www.azoquantum.com - The A to Z of Quantum Science and Technology
- www.news-medical.net - The A to Z of Medical News
- www.AZoMedical.com - The A to Z of Medical Apps
- www.azo.tv - YouTube channel for video activities

AZoM reported 69.2 million Unique Visitors to its websites in FY2019. Unique subscribers as at end of July 2019 were 670,654, increased by 22% based on a year on year comparison.

The annual Unique Visitors of AZoM's websites over the past four financial years are depicted graphically:

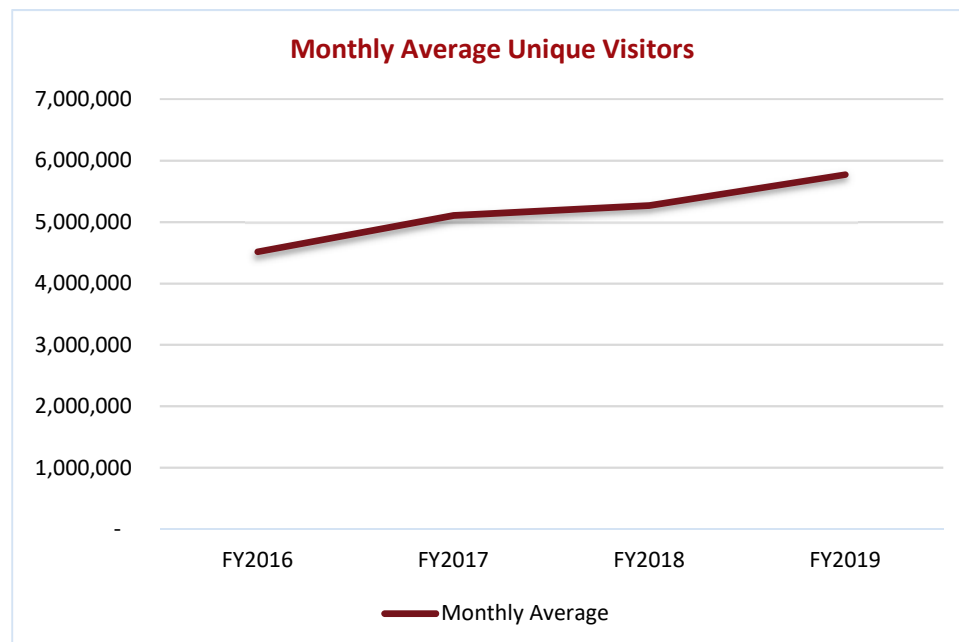


Source: Audited Annual Report of AZoM FY2019

The monthly average Unique Visitors increased by 28% since FY2016. The growth was driven by:

- the production of quality content
- appropriate search engine optimisation (“SEO”) principles
- increased in contribution from the network of freelancers.

The graph below illustrates the monthly average Unique Visitors of all websites from FY2016 to FY2019:



Source: Audited Annual Report of AZoM FY2019

In FY2019, AZoM received TRUSTe Enterprise Privacy Certification. In addition, the News-Medical.net website was certified with HONcode for transparent and reliable information online. These certifications

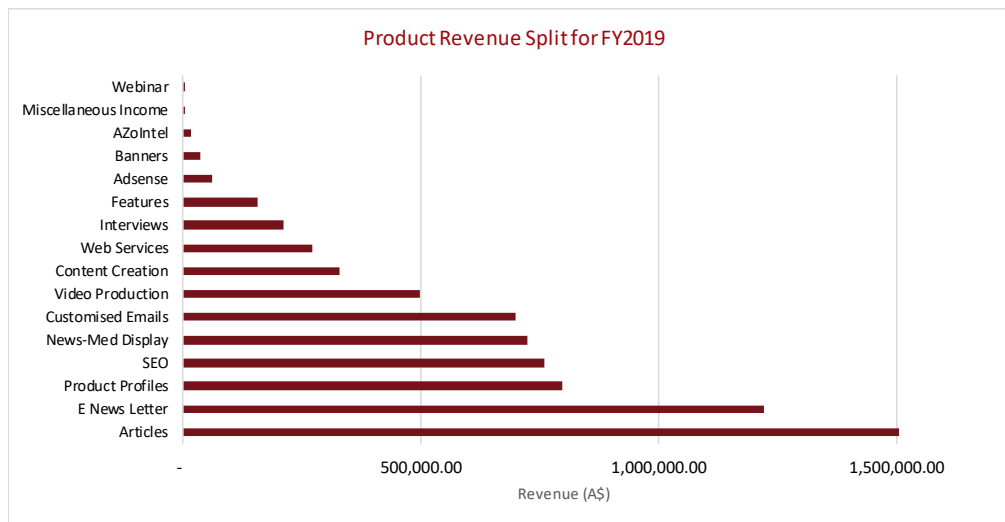
provide support to AZoM's regulatory data protection compliance. AZoM became an accredited Google News site in 2005.

7.7 Revenue by Product and Services

Revenue is generated by marketing clients products and services via the AZoNetwork's websites and directly to its database. Clients are generally contracted for 12 month packages that include a range of content marketing options generated by AZoM which includes articles, interviews, videos and SEO services.

The largest revenue streams in FY2019 derived from articles and newsletters, product reviews and tailored emails to subscribers.

The graph below depicts revenue by products and services in FY2019:

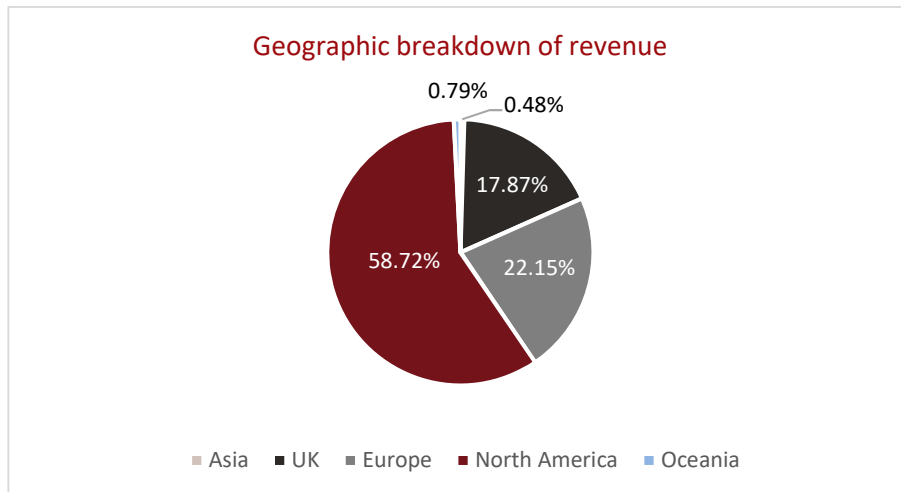


Source: AZoM and HCC's analysis

7.8 Revenue by Geography

The primary target markets of AZoM are the Western developed countries. In FY2019, the majority of AZoM's revenue was generated from the US (59%) followed by Europe (22%) and the UK (18%). Sales generated from Asia and Oceania account for approximately 1.27% in FY2019.

Set out below is an illustration of AZoM's revenue in FY2019 by geography:



Source: AZoM and HCC's analysis

7.9 Clients

AZoM's client base is made up of large and mid-tier international scientific, medtech and other new technological device manufacturers and wholesalers. Total revenue has grown from \$4.8 million in FY2017 to \$7.2 million in FY2019. AZoM currently has over 400 clients. In FY2019, revenue from the top 20 client increased to \$2.76 million, accounting for 38% of total revenue.



Source: AZoM and HCC's analysis

AZoM's client base has expanded over the last three financial years. Revenue of the top 20 customers has grown as well as revenue of the non-top 20 customers, overall increasing its client base.

The Key Performance Indicators for AZoM in the past three financial years is summarised as follows:

AZoM's Key Performance Indicators FY2017 to FY2019

KPI (A\$)	FY2017	FY2018	FY2019
Average Revenue Top 20 Clients	106,806	116,046	138,329
Annual Churn Rate	24%	23%	23%
Average Spend Per Client	13,540	16,196	18,257

Source: AZoM

We note the following:

- Average revenue of the top 20 clients increased by 29.51%.
- The annual churn rate²³ remained relatively stable at 23% in FY2019.
- Average spend per client per annum increased by 34.84% to \$0.018 million in FY2019.

7.10 AZoM Historical Consolidated Statements of Financial Performance

The audited consolidated financial performance of AZoM for FY2016, FY2017, FY2018 & FY2019 is summarised as follows:

AZoM's Consolidated Statements of Financial Performance (A\$)

	FY2016	FY2017	FY2018	FY2019
Revenue	4,492,104	4,866,871	5,652,746	7,291,367
<i>Growth</i>		8.3%	16.1%	29.0%
Cost of Sales	(935,104)	(1,040,579)	(1,575,790)	(1,702,496)
Gross Profit	3,557,000	3,826,291	4,076,956	5,588,872
<i>Gross Profit Margin</i>	79.2%	78.6%	72.1%	76.7%
Other Income	8,319	8,319	8,556	7,212
Operating Expenses				
Advertising and Marketing	1,321	14,971	22,100	27,234
Employee Benefit Expense	1,720,464	1,783,690	2,386,953	2,819,326
Website Maintenance	102,999	101,610	104,789	113,886
Occupancy Expenses	112,045	132,075	142,843	200,851
Other Expenses	1,002,569	1,138,597	1,294,153	1,648,996
Total Operating Expenses	2,939,398	3,170,943	3,950,839	4,810,293
EBITDA	625,921	663,667	134,674	785,790
<i>EBITDA Margin</i>	13.9%	13.6%	2.4%	10.8%
Depreciation & Amortisation	(54,164)	(67,575)	(110,791)	(114,341)
EBIT	571,757	596,092	23,883	671,449
<i>EBIT Margin</i>	12.7%	12.2%	0.4%	9.2%
Net Finance Costs	(3,541)	(1,384)	(5)	(1,871)
Net Profit before Tax	568,216	594,708	23,878	669,579
<i>Net Profit before Tax Margin</i>	12.6%	12.2%	0.4%	9.2%

Source: Audited Annual Reports of AZoM

²³ the annual percentage rate at which clients stop subscribing to AZoM's products and services

We note the following in respect of AZoM's historical financial performance:

- AZoM reported \$7.29 million in revenue in FY2019, which represents a growth of 29% from FY2018.
- The growth in revenue over FY2016 to FY2019 was primarily driven by:
 - an increase in the number of unique visitors each year
 - the commercialisation of AZoM's automated distribution engine
 - repeat customer subscriptions and purchases
 - an increase in the sale of content marketing and eNewsletter products
 - revenue from SEO and Webservices.
- The growth in gross margin from 72.1% in FY2018 to 76.2% in FY2019 was a result of increased automation and productivity improvement initiatives.
- In 2018 AZoM undertook a capital raising to increase its sales force and customer service staff to provide for the growth generated in 2019. Pre-tax earnings in FY2018 was impacted by the increase in staff numbers across all areas of the business. Employee benefit expenses increased from \$1.783 million in FY2017 to \$2.386 million in FY2018 as a result of the business employing an addition of 8 new staff members to provide for future growth.
- Pre-tax profits in FY2019 were reported at \$0.669 million with a margin of 9.2%.
- Profit at the EBIT level was \$0.671 million at a margin of 9.2% and EBITDA of \$0.785 million at a margin of 10.8%.

7.11 AZoM Historical Consolidated Statements of Financial Position

Summarised below is the audited consolidated statements of financial position of AZoM as at 30 June 2018 and 30 June 2019:

AZoM's Consolidated Statements of Financial Position (A\$)		
	FY2018	FY2019
Cash and cash equivalents	1,420,938	1,882,102
Trade and other receivables	1,315,467	1,601,273
Other assets	88,485	151,077
Total Current Assets	2,824,890	3,634,452
Property, Plant & Equipment	272,120	233,223
Deferred tax assets	136,102	146,647
Intangible Assets	2,142,681	2,404,853
Total Non-Current Assets	2,550,903	2,784,723
Total Assets	5,375,793	6,419,175
Trade and other payables	609,372	886,014
Borrowings	26,257	48,561
Provisions	118,122	139,839
Total Current Liabilities	753,751	1,074,414
Borrowings	-	38,502
Deferred tax liabilities	370,414	430,102
Total Non-Current Liabilities	370,414	468,604
Total Liabilities	1,124,165	1,543,018
Net Assets	4,251,628	4,876,157
Equity		
Issued Capital	3,435,434	3,435,434
Reserves	(74,540)	(70,486)
Retained Earnings	890,734	1,511,209
Total Equity	4,251,628	4,876,157

Source: Audited Annual Reports of AZoM

The following is noted in respect of AZoM's consolidated financial position as at 30 June 2019:

- Reported net assets of the consolidated group have increased by \$0.6 million to \$4.9 million.
- Cash increased from \$1.4 million in FY2018 to \$1.8 million in FY2019, driven by the net cash inflow generated from operating activities.
- Trade and other receivables as at 30 June 2019 include trade receivables of \$1.4million and other receivables of \$0.2 million.

- Intangible Assets comprised of capitalised development costs in respect of AZoM's operating websites, which are tested for impairment annually. The websites developed by AZoM UK have been amortised based on a useful life of 10 years. The written down values for FY2018 and FY2019 are detailed as follows:

Intangible Assets (A\$)		
	FY2018	FY2019
Website at cost	2,200,657	2,498,446
Accumulated Amortisation	(57,976)	(93,593)
Total Intangible Assets	2,142,681	2,404,853

Source: Audited Annual Reports of AZoM

- The increase in intangible assets in FY2019 was primarily related to the upgrades and improvements made to AZoM's websites during the year.
- Trade and other payables at 30 June 2019 comprised of unsecured liabilities of \$0.199 million, trade payables of \$0.686 million and liability to related parties of \$0.002 million.
- Current and non-current borrowings comprised of credit card liabilities of \$0.04 million and a chattel mortgage of \$0.04 million.
- Deferred tax liabilities as at 30 June 2019 were \$0.4 million.

7.12 AZoM Consolidated Statements of Cash Flows

Set out below is the consolidated statements of cash flows for FY2016 to FY2019:

AZoM - Consolidated Statements of Cash Flows (A\$)

	FY2016	FY2017	FY2018	FY2019
Cash Flows from Operating Activities				
Receipts from customers	4,493,804	4,438,587	5,469,398	7,011,664
Interest received	217	38	55	-
Payments to suppliers and employees	(3,875,814)	(4,230,342)	(5,328,653)	(6,265,078)
Income tax paid	-	-	29,490	-
Net cash generated by operating activities	618,207	208,283	170,290	746,586
Cash Flows from Investing Activities				
Proceeds from disposal of property, plant and equipment	724	5,067	-	20,271
Purchase of property, plant and equipment	(14,951)	(207,317)	(66,451)	(66,451)
Purchase of other non-current assets	(227,308)	(244,488)	(190,492)	(294,972)
Net cash provided by (used in) investing activities	(241,535)	(446,488)	(256,943)	(341,249)
Cash Flows from Financing Activities				
Proceeds from issue of shares	-	467,613	174,563	-
Proceeds from borrowing - other	-	-	-	46,401
Repayment of borrowings - other	(34,636)	(37,118)	-	(4,448)
Loans from related parties				
- payments made	(8,319)	(8,319)	(8,319)	(7,762)
- proceeds from borrowings	8,340	8,340	8,340	12,077
Net cash provided by (used in) financing activities	(34,615)	430,516	174,584	46,268
Net increase in cash held	342,057	192,061	87,931	451,604
Cash and cash equivalents at beginning of financial year	797,152	1,181,831	1,354,904	1,420,938
Effect of exchange rates on cash holdings in foreign currencies	42,622	(18,988)	(21,897)	9,560
Cash and cash equivalents at end of financial year	1,181,831	1,354,904	1,420,938	1,882,102

Source: Audited Annual Reports of AZoM

In relation to the above, we note the following:

- FY2019 shows stronger operating cash flow generation of \$0.75 million compared to \$0.17 million in FY2018, reflecting operating margins and growth in revenue streams.
- The increase in AZoM's investing activities in FY2019 was driven by improvements and upgrades to:
 - the AZoNetwork Marketing Platform Content Management System
 - the AZoIntel analytics platform.
- Capital raised in FY2017 and FY2018 was used in the following areas:
 - continued development of the marketing platforms and AZoIntel Data Analytics
 - new recruitments in the UK
 - sales staff training and development.
- Cash held at the end of financial year increased to \$1.88 million as at 30 June 2019.

8. Overview of BBR

8.1 Corporate Overview

Bora Bora Resources Limited is currently a shell company with no operations.

The principal activity of BBR during the course of FY2019 was focused on identifying new opportunities as well as pursuing the re-commencement of exploration at its remaining tenements at the St Arnaud Gold Project in the central Victoria goldfields.

The St Arnaud Gold Project was relinquished during the period with BBR unable to renew EL4363 after its 12th year anniversary. During the period, BBR secured an exploration project, however after reviewing updated advice from the ASX Listing Rules, BBR did not proceed with the agreement.

8.2 Financial Information

Set out below is the Audited Consolidated Profit and Loss Statements of BBR for FY2018 & FY2019:

BBR - Statements of Profit or Loss and Other Comprehensive Income (A\$)		
	FY2018	FY2019
Revenue	6,517	9,398
Impairment	(500,000)	-
Employee Benefit Expense	(65,007)	(60,833)
Administration Expenses	(165,131)	(133,285)
Loss Before Income Tax	(723,621)	(184,720)
Income tax (expense)/benefit	-	-
Net Loss for the year	(723,621)	(184,720)
Other comprehensive income		
Exchange differences on translation	21,480	10,817
Other comprehensive income for the year, net of tax	21,480	10,817
Total comprehensive loss for the year	(702,141)	(173,903)

Source: Audited Annual Reports of BBR

We note the following in respect of BBR's historical financial performance:

- Revenue was generated from interest only.
- An impairment expense of \$0.5 million was incurred in 2018 in respect of a loan to Trident Subsea Cable Pty Ltd as part of a 2016 heads of agreement between the two parties which was terminated in August 2017.
- Employment expenses of \$0.23 million and \$0.19 million were incurred in 2018 and 2019 respectively.
- Exchange differences expenses reduced from \$0.02 million in 2018 to \$0.01 in 2019.

No dividends were paid in FY2018 and FY2019.

Detailed below is the statement of financial position of BBR as at 30 June 2018 and 30 June 2019:

BBR – Statements of Financial Position (A\$)

	FY2018	FY2019
Cash and cash equivalents	1,050,789	942,974
GST Receivables	1,607	1,441
Total Current Assets	1,052,396	944,415
Total Assets	1,052,396	944,415
Trade and other payables	10,451	46,373
Total Current Liabilities	10,451	46,373
Total Liabilities	10,451	46,373
Net Assets	1,041,945	898,042
Equity		
Issued Capital	10,038,205	10,068,205
Reserves	201,250	201,250
Retained Earnings	(9,197,510)	(9,371,413)
Total Equity	1,041,945	898,042

Source: Audited Annual Reports of BBR

We note the following in relation to the above:

- Cash held at bank decreased to \$0.9 million as at 30 June 2019.
- Trade and other payables as at 30 June 2019 comprised of trade payables and fees payable to directors of \$0.05 million.
- Total equity decreased to \$0.9 million as at 30 June 2019, down from \$1 million in 2018.

8.3 Public Announcements

Set out below are the public announcements made by BBR in the last twelve months:

BBR - Schedule of Public Announcements

Date	Announcements
27/9/2019	Annual Report
27/9/2019	Appendix 4G and Corporate Governance Statement
8/01/2019	Expiry of Unlisted Options
31/7/2019	Quarterly Activities and Cash Flow Report
30/4/2019	Quarterly Activities and Cash Flow Report
14/3/2019	Half Year Accounts
31/1/2019	Quarterly Activities and Cash Flow Report
14/12/2018	Change of Company Secretary and Registered Office Address
14/12/2018	Change of Company Secretary and Registered Office Address
13/12/2018	Change of Director's Interest Notice -Reynolds
13/12/2018	Change of Director's Interest Notice -Young
13/12/2018	Appendix 3B
12/03/2018	New Constitution
28/11/2018	Results of 2018 Annual General Meeting
31/10/2018	Final Director's Interest Notice - Ford
31/10/2018	Quarterly Activities Report
31/10/2018	Quarterly Cash flow Report
29/10/2018	Notice of Annual General Meeting/Proxy Form
25/10/2018	Resignation of Chairman
19/10/2018	Initial Director's Interest Notice
16/10/2018	Appointment of Director -Evans

Source: BBR

9. Valuation Approach

9.1 Definition of Market Value

In forming our opinion as to whether the proposed Transaction is fair and reasonable to the Non Associated Shareholders of BBR we have assessed the value of a share in BBR (on a control basis) prior to the proposed Transaction compared to the estimated value of a share in BBR (on a minority basis) assuming that the proposed Transaction is approved and implemented.

We have assessed the value of BBR and AZoM using the concept of fair market value. Fair market value is commonly defined as:

“The amount that could be negotiated for an asset in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller acting at arm’s length.”

Fair market value excludes any special value. Special value is the value that may accrue to a particular purchaser. In a competitive bidding situation, potential purchaser may be prepared to pay part, or all, of the special value that they expect to realise from the acquisition to the seller.

9.2 Selection of Methodology

In order to assess the fairness of the Transaction a value needs to be attributed to AZoM and BBR.

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

- Market Value of shares: the quoted price for listed securities in a liquid and active market.
- Realisation of Assets: the amount that would be available for distribution to security holders on an orderly realisation of assets.
- Capitalisation of Future Maintainable Earnings: the value of trading operations based on the capitalisation of future maintainable earnings.
- Discounted Cash Flow: the net present value of future cash flows.
- Comparable Market Transactions: the identification of comparable sale transactions.

We consider each of these valuation methodologies below:

9.2.1 Market Value of Shares

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

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

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

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

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

BBR Considerations

BBR shares have not traded on the ASX since 23 December 2016 and no known sales have occurred since then.

AZoM Considerations

AZoM share activities since January 2012 when it undertook its seed capital raising are as follows:

Date	Transaction Description	Shares	Total (AU\$)	per Share (AU\$)	Shares on Issue	Implied Equity Value minority basis (AU\$)
Jan-12	Capital Raising	2,465,250	2,465,250	1.00	8,615,250	8,615,250
Dec-15	Transfer/Sale	240,000	300,000	1.25	8,615,250	10,769,063
Feb-17	Rights Issue	279,208	642,178	2.30	8,894,458	20,457,253
Mar-18	Transfer/Sale	15,000	39,000	2.60	8,894,458	23,125,591

The December 2015 and March 2018 share sales involved small parcel of shares only. We do not have details of the transactions to understand if they may be considered market transactions.

It is noted that when comparing the AZoM share transactions since 2015 to the AZOM revenue and EBITDA of the prior year, on a minority basis, the transactions implied historical revenue multiples ranging from 3.1 to 4.8 times and that the implied EBITDA multiples ranging from 26.3 to 34.8 times, summarised as follows:

Date	Transaction Description	Implied Historical Revenue Multiple - minority basis	Implied Historical EBITDA Multiple - minority basis
Dec-15	Transfer/Sale	3.1	26.3
Feb-17	Rights Issue	4.6	32.7
Mar-18	Transfer/Sale	4.8	34.8

It is noted that the transactions occurred between December and March of each year. On a minority basis, the implied forward revenue multiples ranging from 2.4 to 4.1 times and the implied forward EBITDA multiples ranging from 17.2 to 29.4 times, summarised as follows:

Date	Transaction Description	Implied Forward Revenue Multiple - minority basis	Implied Forward EBITDA Multiple - minority basis
Dec-15	Transfer/Sale	2.4	17.2
Feb-17	Rights Issue	4.2	30.8
Mar-18	Transfer/Sale	4.1	29.4

The February 2017 rights issue provides some guidance of value. We note however the issue was marketed to a restricted market and occurred over two years ago and that the business has grown over the ensuing period.

9.2.2 Asset Based Method

Asset based methods may be based on the realisable value of assets and liabilities on the basis of:

- an orderly realisation of assets method
- a liquidation of assets method
- a going concern based method.

The asset approach to value a company is based on the assumption that the value of all assets (tangible and intangible) less the value of all liabilities should equal the value of the entity.

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

BBR Considerations

As BBR has no income producing assets, the notional realisation of assets would normally be adopted as a valuation approach, inclusive of a control premium for the value of its public listing. As at 30 June 2019, BBR has net assets totalling \$0.9 million. As it is not proposed that BBR assets be realised and a liquidation is not contemplated, it is considered that an asset based approach, the going concern method is the most appropriate method to value BBR.

AZoM Considerations

AZoM is a revenue and profit generating business and therefore the realisation of assets approach may not represent the value of AZoM as a going concern.

9.2.3 Income Based Methods

Income based methods estimate value by calculating the present value of a company's estimated future stream of earnings or cash flows. Income based methods include:

- discounted cash flow methods
- capitalisation of future maintainable earnings methods.

Discounted Cash Flow – Net Present Value involves calculating the value of a business on the basis of the net cash flows that will be earned from the business over its life. The cash flows are discounted to reflect the risk involved with achieving the forecast cash flows.

Capitalisation of Future Maintainable Earnings involves valuing assets based on capitalising the estimated future maintainable earnings of the asset at an appropriate capitalisation rate or multiplier of earnings. The multiple is a coefficient, representing the risk that the asset may not achieve projected earnings.

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

The earnings multiple used to value an asset reflects the risk of investing in the asset and the investor's required return on the investment. Many assets or businesses are valued or compared on reported price earnings ratios, which examines the value based upon a multiple of net profit after tax. Revenue, EBITDA (earnings before interest, tax, depreciation and amortisation), or some other earnings substitute can also be used in determining a valuation for a company.

Application of this methodology requires the estimate of four key factors:

- A level of earnings expected to be able to be maintainable in perpetuity into the future.
- An appropriate range of capitalisation multiples.
- The level of existing net debt or cash.
- The value of surplus assets and liabilities.

A capitalised earnings approach can be applied to a number of different earnings or cash flow measures, including but not limited to revenue, EBITDA, EBIT, and NPAT.

BBR Considerations

Income based methods are not considered appropriate for the valuation of BBR as it does not have any current business activity.

AZoM Considerations

The use of the discounted cash flow method has not been used for AZoM. At this time, AZoM does not prepare any forecast financial information in relation to its businesses given the uncertainty in being able to predict the level of future revenues or earnings with a high level of confidence.

The capitalisation of earnings method is assessed as the most appropriate methodology to value AZoM based on:

- its business has commenced earning revenue and profits on which a valuation can be based, and it operates in an active and growing market for digital marketing and advertising businesses
- its target markets are expected to grow
- the quantity and quality of its revenues and earnings together with its revenue and earnings outlook, a value greater than its net tangible assets is warranted
- it has a product that has been proven in the market with international application and scalability

- the comparability of AZoM to listed companies and identifiable comparable transactions.

9.2.2 Market Trading Multiples

When applying the capitalisation of earnings method, consideration is generally given to market evidence derived from market trading multiples of comparable listed companies and evidence from comparable market transactions. Adjustments may be required to reflect specific characteristics of the enterprise being valued.

The current historical trading multiples of companies comparable to AZoM in developed European countries, United States and Australia, with positive earnings multiples are included in the table below:

Company Name	Country	Market Cap (A\$m)	Implied Rev Multiple	Implied EBITDA Multiple
REA Group Limited (ASX:REA)	AU	12,650	13.6x	27.4x
Domain Holdings Australia Limited (ASX:DHG)	AU	1,854	5.9x	25.7x
Carsales.com.au Ltd (ASX:CAR)	AU	3,306	8.9x	19.2x
SEEK Limited (ASX:SEK)	AU	7,440	5.8x	22.9x
RMA Global (ASX:RMY)	AU	63	8.1x	-
Real Estate Investor Group Limited (ASX: REV)	AU	2	1.9x	-
TrueCar, Inc. (NasdaqGS:TRUE)	USA	820	1.1x	-
Rightmove plc. (LSE:RMV)	UK	8,593	17.7x	23.5x
IZON Network, Inc. (OTCPK:IZNN)	USA	7	5.1x	-
Auto Trader Group plc (LSE:AUTO)	UK	9,220	15.1x	21.5x
New Work SE (XTRA:NOW)	GER	3,425	8.9x	32.6x
Zillow Group, Inc. (NasdaqGS:ZG)	USA	13,516	6.6x	437.5x
DHI Group. (NYSE: DHX)	USA	254	1.2x	8.7x
Mean average			7.6x	23.5x
High			17.7x	437.5x
Low			1.1x	19.2x

(1) Source: S&P Capital IQ and HCC's analysis

(2) Data accessed S&P Capital IQ and publicly available information on the respective companies as at 22 October 2019.

(3) Market Capitalisation as at 30 June 2019

The following is noted in respect of the reasonably comparable listed companies:

- the companies operate within the international digital advertising and marketing industry, specifically in the marketing technology landscape. In the main, these companies host digital platforms which provide marketing initiatives services to their clients.
- although most of these companies are significantly larger and engaged in broader scale of operations than AZoM, in our view many of the products and services offered, operational functions, and capital activities are comparable to AZoM.
- RMA Global, Real Estate Investor Group Limited, TrueCar Inc and IZON Network incurred losses in the last fiscal year.
- revenue multiples ranged from 1.1 times to 17.7 times.
- EBITDA multiples ranged from 8.7 times to 32.6 times (excluding the outlier Zillow Group).

- the earnings multiples have been derived from share market prices based on minority or portfolio interests and therefore do not incorporate a premium for control.

Comparable Market Transactions

An alternative source of information to assist in determining an appropriate multiple is to consider the multiple implied by publicly available information on closed merger and acquisition transactions. We have searched for appropriate transactions and narrowed down the results based on:

- target companies operating within the digital marketing and advertising industry; and
- operational activities and risk profile that are comparable to AZoM.

Included in the table below are comparable transactions identified in the last three years where deal results are publicly available and earnings multiples are positive.

Transaction Close Date	Target/Issuer	Buyers/Investors	Transaction Value (A\$m)	Implied Rev Multiple	Implied EBITDA multiple
21/12/2018	XO Group Inc.	WeddingWire, Inc.	1,279	5.0x	21.4x
30/04/2018	Verivox GmbH	NCG - NuCom Group SE	86	4.3x	-
29/09/2017	Angie's List, Inc.	ANGI Homeservices Inc. (NasdaqGS:ANGI)	835	1.9x	20.3x
31/01/2017	Hotcourses Ltd	IDP Education Limited (ASX:IEL)	56	2.8x	-
10/01/2017	ShareASale.com, Inc.	Digital Window Ltd.	61	3.2x	-
2/12/2016	Everyday Health, Inc.	Ziff Davis, LLC	642	1.8x	8.8x
15/02/2016	iProperty Group Limited	REA Group Limited (ASX:REA)	589	21.9x	168.7x
Mean average				5.8x	54.8x
High				21.9x	168.7x
Low				1.8x	8.8x

Source: S&P Capital IQ and HCC's Analysis

The following is noted in relation to the transactions we have identified:

- The acquirers are well established in their respective industries. The acquisitions may be strategic acquisitions that 'bolt on' to the existing business.
- The consideration paid was predominantly cash.
- Revenue multiples ranged between 1.83 times to 21.90 times with an average of 5.84 times.
- EBITDA multiples ranged between 8.84 times to 21.43 times (excluding the outlier).
- Three of the acquired entities were not generating profits.
- The multiples are assumed to include a premium for control and/or a premium for unique synergistic value to the acquirer.

9.3 Premium for Control

When considering transactions involving a substantial equity holding of a company, it is appropriate to address whether a premium for control should attach to the Transaction. A premium for control is the

difference between the price for each share that a buyer would be prepared to pay to obtain a controlling interest in a company and the price per share that would be required to purchase a share that does not carry with it a controlling interest. In most cases, the value of a controlling interest in the shares in a company significantly exceeds the listed market value of the shares. This reflects the fact that:

- the owner of a controlling interest in the shares in a company obtains access to all free cash flows of the company being acquired, which it would otherwise be unable to do as a minority shareholder.
- the controlling shareholder can direct the disposal of surplus assets and the redeployment of the proceeds.
- the controlling shareholder can control the appointment of directors, management policy and the strategic direction of the company.
- the entity taking over the company is often able to increase the value of the entity being acquired through synergies and/or rationalisation savings.

We have reviewed premiums on completed transactions paid by acquirers of all ASX-listed companies under \$100 million over the period 1 January 2015 to 30 September 2019 (calendar year).

In assessing the appropriate sample of transactions from which to determine an appropriate control premium, we have excluded transactions where an acquirer obtained a controlling interest (20% and above) at a discount (i.e. less than a 0% premium). A summary of our analysis is tabled below:

Year	No. Transactions (< A\$100m)	Average Deal Value (A\$m)	Average Premium ¹
2019	2	30.6	27%
2018	14	19.8	17%
2017	18	24.4	24%
2016	11	18.6	56%
2015	17	7.2	45%
Median		7.8	21%
Average		17.8	34%

Source: S&P Capital IQ & HCC's analysis

[1] Premiums based on 1 month pre announcement

We note the following in relation to the observed transactions:

- the variability of the observed premiums may differ subject to a number of factors including:
 - nature and size of non-operating assets
 - nature and magnitude of discretionary expenses
 - perceived quality of management
 - nature and magnitude of commercial opportunities not currently being exploited;
 - ability of the acquiree to integrate into the acquirer's business
 - level of pre-announcement speculation of the transaction
 - level of liquidity in the trade of the acquiree's securities.

- premiums paid by the acquirers may include strategic and synergistic benefits.
- the average premium paid by acquirers over the period in review was 34%.
- the median premium paid by acquirers over the period in review was 21%.

A study completed by RSM Bird Cameron in 2017 indicates that the average implied control premiums for companies with market capitalisation less than \$100 million range from 27.2% to 46.8% based on premiums paid at 2, 5 and 20 days pre announcement. RSM Bird Cameron's analysis was based on data obtained between 1 July 2005 and 30 June 2016.

We note that our analysis of the average and median premiums above is not inconsistent with RSM Bird Cameron's study in 2017. However, the appropriate premium for control depends on the specific circumstances.

Caution must be exercised in assessing the value of a company or business based on the market rating of comparable companies or businesses. The premium for control is an outcome of the valuation process, not a determinant of value. Premiums are paid for reasons that vary from case to case and may be substantial due to synergy or other benefits available to the acquirer. In other situations premiums may be minimal or even zero. It is inappropriate to apply a premium of 20-35% without having regard to the circumstances of each case. In some situations there is no premium. There are transactions where no corporate buyer is prepared to pay a price in excess of the prices paid by institutional investors through a capital raising.

A shareholder or group of associated shareholders are deemed to influence a company when they have control of more than 20% of the issued shares in a company. At this time a premium for control should normally be considered.

BBR Consideration

A premium for control is relevant to the Transaction, as it will result in AZoM Vendors holding a relevant voting interest in BBR of up to 86.1% as well as the following:

- Dr Birkby alone will hold a relevant voting interest in BBR of up to 46.9%.
- AZoM Vendors will obtain control of BBR and BBR Shareholders may have no future opportunity to obtain a premium from the sale of their shares.
- AZoM Vendors will obtain control over decision making regarding the acquisition and disposal of assets and the redeployment of the proceeds, control over the appointment of directors, management policy and the strategic direction of BBR.

In assessing the premium for control we have allowed for the current status of BBR. That is it is currently a delisted corporate shell with cash assets only and no recent trading history. Such a company can attract value as a vehicle by which another business can be vended into as an alternate to an initial public offering. In our experience, allowing for the costs associated with conducting a compliance listing and having regard to BBR's existing shareholder spread, we consider that the value of BBR as a shell to be in the range of \$0.4 million to \$0.6 million in addition to the market value of its assets.

AZoM Consideration

The valuation of AZoM is on a 100% basis and a control premium is applicable.

In assessing the premium for control for AZoM we have considered the current status of AZoM, its management and the opportunities that may be present for an acquirer to enhance the value attributable to AZoM. We have assessed a premium for control at the lower end of the observations of 25%.

9.4 Minority Interest Discount

The value of a minority shareholding is subject to a discount factor as the minority shareholder is not in a position to direct, and often not in a position to influence, the distribution of dividends, the investment of retained profits or the strategy and tactics of the company's operations.

BBR's existing Non-Associated Shareholders' interest will decrease to 5.2% on a fully diluted basis, assuming no existing shareholders participate in the Capital Raising. We have discounted the post-Transaction value per share on a control basis by 20% (the inverse of the control premium applied to AZoM) to arrive at a post-Transaction value on a minority basis.

10. Valuation of AZoM

10.1 Selected Methodology

We have selected the Capitalisation of Earnings methodology to apply a value to AZoM as detailed in Section 9.

In forming an opinion on the valuation of AZoM, and the selected methodology, HCC has considered the following:

- The operations of the business.
- The industry in which the business operates.
- The period of time for which the business has been operating.
- Information provided by management regarding future operations of the business.

Financial information relied upon in applying selected valuation method

We have reviewed the financial information of AZoM. Ultimately, the management of AZoM are responsible for the preparation and presentation of the financial information provided. The purpose of our review is to establish that the financial information used is not materially misstated. This review does not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

10.2 Capitalisation of Future Maintainable Earnings

Future Maintainable Revenue

We consider that revenue is an appropriate earnings metric to value AZoM. We have selected revenue as an appropriate measure of the FMR of AZoM having regard to:

- the comparable listed companies
- the comparable transactions
- the current AZoM business strategy that has a heavy emphasis on investing in its sales capabilities today to provide for future growth
- the outlook for its industry and market niches.

The future maintainable revenues ("FMR") should represent the level of revenue that the existing operations could reasonably be expected to generate, in the absence of unforeseen and exceptional circumstances. We consider an appropriate FMR to value AZoM to be **\$7.29 million**, being the 2019 revenue given:

- its historical consistent revenue growth profile
- its investment in increasing its sale force
- the growth of the AZoNetwork footprint.

Revenue Multiple

Earnings multiples are typically a function of the nature, size, life cycle stage and structure of the business being valued and the industry in which the business operates. Businesses achieving higher multiples on sale are usually well established, with a mature trading history and high barriers to entry or have higher growth prospects than alternate businesses.

Having regard to the size, the stage of its business strategy, its current profitability and the available data in regard to the comparable listed companies, the comparable transactions and the historical transactions in relation to shares issued in AZoM we consider that an appropriate earnings multiple to apply to the future maintainable revenue of AZoM is in the range of 3.5 to 3.8. We have assessed this as reasonable based on the following:

- It is lower than the average of observed comparable listed company multiples. The comparable companies are substantially larger and size is a key part of the value proposition of businesses selling marketing platforms and presents a relative increased risk.
- AZoM does not generally have the diversity of revenues of the comparable listed companies and may be more susceptible to earnings fluctuations.

The main risks that the future maintainable revenues used in the valuation will not be achieved are:

- Loss or non-renewal of main customers
- Inability to attract new customers
- IT issues that may impact on the amount and timing of revenues
- Failure to or delays in collecting revenues
- Cost overruns for unforeseen events
- Technological issues affecting the operation of the business's platform

- Reputation risk relating to issues with their services
- The continuing employment of key management
- Competitors entering the market in which AZoM operates
- Unexpected costs to comply with laws and regulations
- Changes in laws and regulations concerning privacy
- Changes in the general economic climate in which AZoM operates.

10.3 Enterprise Valuation

The following table sets out our assessed enterprise value of AZoM based on the FMR of \$7.29 million and the selected multiple range of 3.5 to 3.8 times:

Capitalisation of FMR methodology (AU\$)	Low	High	Mid
FMR	7,290,000	7,290,000	7,290,000
Assessed FMR multiple minority basis	3.5	3.8	3.7
Enterprise Value (minority basis)	25,515,000	27,702,000	26,608,500

The enterprise value on a minority basis is valued on a control basis by applying a premium for control which we assessed at 25%, refer to Section 9. The following table sets out our assessed enterprise value of AZoM on a control basis:

Enterprise Value - 100% interest (AU\$)	Low	High	Mid
Enterprise Value (minority basis)	25,515,000	27,702,000	26,608,500
Control premium	25%	25%	25%
Enterprise Value (100% interest)	31,893,750	34,627,500	33,260,625

10.4 Equity Valuation

A valuation undertaken by capitalising revenue gives the aggregate fair market value of the company's business on an ungeared basis or 'Enterprise Value'. In order to obtain a value for the equity of AZoM, an adjustment must be made to incorporate the value of surplus assets and deduct the value of net interest bearing debt.

Assessment of Surplus Cash

We have considered AZoM's cash balance of \$1.9 million and the surplus of trade debtors over trade creditors of \$0.7 million as at 30 June 2019. We consider that the current working capital is sufficient for the likely ongoing working capital requirements of AZoM and that all of the cash balance of \$1.9 million as a surplus asset.

Debt and Net Tax

We note that the debt as at 30 June 2019 was \$0.09 million and that the net deferred tax position was a liability of \$0.28 million.

Our assessment of the Equity Value of AZoM after adjusting for debt, surplus assets and net deferred tax is shown in the following table:

Equity Value - 100% interest (AU\$)	Low	High	Mid
Enterprise Value (100% interest)	31,893,750	34,627,500	33,260,625
less debt	(87,063)	(87,063)	(87,063)
add surplus assets	1,882,102	1,882,102	1,882,102
less net deferred tax	(283,455)	(283,455)	(283,455)
Equity Value (100% interest)	\$ 33,405,334	\$ 36,139,084	\$ 34,772,209

10.5 Secondary Valuation Cross Check

To cross check the reasonableness of our assessment of the enterprise value of AZoM we have considered the implied future maintainable EBITDA multiple.

To calculate the implied EBITDA multiple, in our opinion, a future maintainable EBITDA of \$0.79 is appropriate to assess the value of AZoM given its:

- history of profits
- consistent revenue growth
- the growth outlook for its industry.

Based on the assessed enterprise value range of \$31.9 million to \$34.6 million and an FME of \$0.79 million, the implied EBITDA multiples are as follows:

EBITDA Value Cross Check (AU\$)	Low	High	Mid
Enterprise Value	31,893,750	34,627,500	33,260,625
Historical EBITDA - 2019	785,790	785,790	785,790
Implied EBITDA multiple	40.6	44.1	42.3

The implied EBITDA multiple range of 40.6 to 44.1 times is higher than the range of EBITDA multiples observed in our analysis of the comparable listed companies and comparable transactions (excluding outliers and companies not generating profits) of:

- 8.8 to 21.4 times in respect of comparable transactions
- 8.7 to 32.6 times for those companies generating profits.

As previously noted, AZoM is in an earlier stage of its business strategy than the comparable entities. Whilst we assessed a lower FMR multiple for this reason we assess a higher EBITDA multiple for the same reason, that is AZoM is investing in its sales capabilities to generate future profits.

In our opinion, the implied future maintainable EBITDA multiples based on our assessment of Enterprise Value, whilst above the range of multiples observed in our analysis of comparable companies and transactions, is justifiable given the current AZoM business strategy.

11. Valuation of BBR

11.1 Selected Methodologies

This section sets out our assessment of the underlying value of shares in BBR.

We have valued BBR shares using the net assets on a going concern basis based on the net audited assets of BBR as at 30 June 2019 for the reasons discussed in Section 9. In considering the value of BBR on a control basis we have allowed for the value of an ASX listed company with no operations or trading business as discussed in Section 9.

11.2 Net Asset Valuation of BBR

The current net asset position of BBR consists primarily of cash assets and liabilities with net assets as at 30 June 2019 of \$0.9 million.

Our assessment of the value of BBR shares on a going concern net asset basis, prior to the Transaction, (on a controlling basis) is summarised as follows:

BBR Value and Opinion (AU\$)	Low	High	Midpoint
Net Assets	898,042	898,042	898,042
Premium - Value of Listing Status	400,000	600,000	500,000
Equity Value (100% Interest)	1,298,042	1,498,042	1,398,042
Shares pre Transaction	52,057,140	52,057,140	52,057,140
Assessed value per share (controlling basis)	0.025	0.029	0.027

11.3 Conclusion on the Value of BBR Shares

We conclude that the value of BBR shares is between \$0.025 and \$0.029, with a midpoint of **\$0.027 per share**, on a controlling interest basis.

12. Advantages & Disadvantages of the Transaction

12.1 Approach to assessing Fairness and Reasonableness

HCC has followed the guidelines of ASIC Regulatory Guide 111 in assessing the fairness and reasonableness of the Transaction. In forming our conclusions in this report, we have compared the advantages and disadvantages for Non-Associated Shareholders if the Transaction proceeds.

12.2 Advantages of the Transaction

- ***Increased ability for BBR to generate returns to shareholders***

As at the date of this report, BBR's assets are principally cash only. It does not own an operating business. BBR is currently delisted. The Transaction, if approved, will change the nature and scale of BBR's activities. It will also be required to re-comply with the ASX listing requirements and raise additional capital. Shareholders will then own shares in an operating company which will have a greater potential to generate returns for shareholders.

- ***Involves the acquisition of a profitable growth business***

The Transaction, if approved, involves the acquisition of a business that has consistently generated revenue growth and generated profits in 2019.

Growth is expected by management to continue and the proceeds of the proposed capital raising are to be applied in part to recruit additional sales people.

- ***Performance shares, options and share consideration align the Vendors objectives with BBR***

The Transaction, if approved, includes the provision of performance shares and options. Furthermore the purchase consideration is a share based transaction.

In our view, although the vesting of the performance shares and options will result in further dilution for Shareholders, the vesting conditions ensure that this will only occur once milestones that are likely to be value accretive to Shareholders have been met. On this basis, we consider that the interest of the AZoM Vendors and the Shareholders are aligned.

- ***Additional sources of financing***

The injection of capital via the capital raising will significantly strengthen the Company's balance sheet. This will make the Company more attractive to investors which may improve BBR's ability to raise further funds as and when required via equity and debt markets.

- ***Experienced Board and management***

The appointment of the proposed directors as part of the purchase of AZoM will add experience and skill to the Board relevant to the new direction and growth of the Company.

- ***Greater market capitalisation and trading liquidity in the Company's shares***

By virtue of the proposed issuance of capital associated with the purchase of AZoM and the capital raising there will be substantially more shares on issue in BBR and a larger market capitalisation for BBR. This provides the potential for increased trading in BBR shares alongside the potential for greater interest by the investment community, improved access to equity capital markets and increased liquidity in BBR shares.

12.3 Disadvantages of the Transaction

- ***Dilution of existing shareholdings in BBR***

In the event that the acquisition of AZoM completes, the issue of BBR shares to the AZoM Vendors will have a significant dilutionary effect on existing shareholdings of BBR. Completion of the capital raising will further dilute current shareholders of BBR.

- ***Risk of change in nature of business***

Shareholders invested in BBR as a company in the metals and mining sector. The Transaction, if approved, will expose BBR shareholders to risks associated with AZoM and its business in the international digital marketing and advertising business. Some of the risks associated with AZoM include:

- reliance on the key personal of AZoM and the impact on the business from the loss of key persons
- future demand for advertising and marketing in AZoM's market niches
- risk of new entrants into its industry or market niches
- risk of technology change adversely impacting its business model
- risk of 'hacking' of AZoNetwork platforms
- regulatory risk in particular changes to privacy laws impacting its cost structure and limiting its services
- foreign currency risk, the business competes in international markets and its main operation is in the United Kingdom.

- ***Possibility of unrealised potential***

Despite the potential of the acquisition of AZoM there is no guarantee that this potential will ever be realised by BBR and will result in an increase to the value of the shares of BBR.

- ***Transaction and capital raising costs***

In connection with the acquisition of AZoM (which includes the capital raising), BBR has been required to engage a number of advisers, lawyers and experts to facilitate and report on the Transaction. This work includes due diligence, preparation of a notice of meeting and an independent expert's report, and a prospectus to be lodged in connection with the capital raising. These are sunk costs that cannot be recovered if the Transaction does not proceed for any reason.

- ***Controlling shareholder***

If the proposed Transaction proceeds, Dr Birkby on a fully diluted basis will hold a controlling interest at 46.9%. This may undermine the opportunities for future takeover offers.

- ***BREXIT uncertainty***

AZoM's operations are based in the United Kingdom which is also a key market for the business. As such it is exposed to BREXIT uncertainties.

13. Conclusion as to Fairness and Reasonableness

13.1 Fairness

According to RG 111, for the Transaction to be fair, the value of AZoM shares being acquired must be equal to or greater than the value of the consideration, being BBR shares.

Based on the analysis contained in Section 10 of this report, the indicative value of AZoM shares is \$33.4 million to \$36.1 million with a midpoint of \$34.8 million.

Based on the analysis contained in Section 11 of this report, the indicative value of the shares being issued by BBR as consideration for the shares in AZoM is between \$0.025 and \$0.029 per share, with a midpoint value of \$0.027 per share.

Our valuation of BBR shares prior to the Transaction is on a control basis. In order to assess whether the Transaction is fair, we need to compare the pre-transaction value per share of BBR on a control basis with the post-transaction value per share of BBR on a minority basis. This is shown below:

BBR Value and Opinion (A\$)	Low	High	Midpoint
Control value per share pre Transaction	0.025	0.029	0.027
Shares currently on issue	52,057,140	52,057,140	52,057,140
Control valuation, pre-Transaction	1,298,042	1,498,042	1,398,042
Valuation of AZoM	33,405,334	36,139,084	34,772,209
Minimum Proceeds from Capital Raising	2,000,000	2,000,000	2,000,000
less Transaction costs	(400,000)	(400,000)	(400,000)
Post Transaction Value	36,303,376	39,237,126	37,770,251
Post Transaction shares on issue at relisting	683,764,635	683,764,635	683,764,635
Value per share control basis	0.053	0.057	0.055
Minority discount	20%	20%	20%
Post-Transaction Valuation per share	0.042	0.046	0.044

Our assessment does not include the issue of any shares on vesting of any Performance Rights detailed at Section 1. The Performance Rights are an interdependent resolution to the Transaction. In the event that the maximum 125,000,000 Performance Rights are issued and included in the post-Transaction shares on issue, the post-Transaction value per BBR share still increases from the pre-Transaction control value per share at the midpoint of the valuation range. We have not shown the above table on a fully diluted basis as the Performance Rights have a number of performance conditions that must be satisfied for them to vest:

- Performance Rights Tranche 1 to be issued at completion of the purchase which vest and convert into shares on achieving a gross annualised revenue of at least \$10 million on actual gross revenue of any prior quarter commencing on 1 January 2020 and ending on 31 December 2021, being an aggregate total of 75 million Performance Rights.
- Performance Rights Tranche 2 to be issued at completion of the purchase which vest and convert into shares on achieving a gross annualised revenue of at least \$15 million on actual gross revenue of any prior quarter commencing on 1 January 2020 and ending on 31 December 2023, being an aggregate total of 50 million Performance Rights.

We have not included the impact of the conversion of options being issued as part of the Transaction, with an exercise price of \$0.075 cents as we consider that the options proposed to be issued to be out of the money based on our valuation of BBR post Transaction.

We also note that it AZoM is considering a capital return in the range of \$0.1 million to \$0.75 million prior to the Transaction. This is subject to various approvals and has not been allowed for in our assessment. We note that it may have an impact of up to \$0.001 per share and therefore would not impact our assessment of whether the Transaction is fair.

In our opinion the Transaction is **fair** as the value of the BBR shares held by Non-Associated Shareholders increases as a result of the Transaction.

13.2 Reasonableness

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

- the Transaction is fair; or
- despite not being fair the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid before the close of the offer.

We have concluded that the Transaction is fair and therefore also reasonable. In forming our opinion we have also considered the advantages and disadvantages as detailed in Section 12. In our opinion the advantages outweigh the disadvantages.

In particular, in addition to our assessment that the Transaction is fair, having considered the potential of the AZoM business and the alternatives of not proceeding with the Transaction, in our opinion the Non-Associated Shareholders of BBR should benefit if the Transaction proceeds and therefore, in our opinion the Transaction is **reasonable**.

Glossary of Defined Terms

Abbreviations	Definition
Acquisition, the	Acquisition of AZoM
Ad	Advertising
ASIC	Australian Securities and Investments Commissions
ASX	Australian Securities Exchange, as operated by ASX Limited ACN 008 624 691
A\$, AU\$ or AUD	Australian Dollar
AUS	Australian Auditing Standards (AUS)
AZoM	AZoM.com Limited t/as AZoNetwork
AZoM UK	The wholly owned subsidiary of AZoM.com Limited
AZoNetwork	AZoM's trading name and business
BBR or the Company	Bora Bora Resources Limited
B2B	Business to Business
B2C	Business to Consumers
CAANZ	Chartered Accountants in Australia and New Zealand
CAGR	Capital Annual Growth Rate - the annualised average rate of revenue growth between two given years, assuming growth takes place at an exponentially compounded rate.
Capital Raising Shares	issue of a maximum of 60,000,000 fully paid ordinary shares at a \$0.05 under a prospectus
Churn Rate	the annual percentage rate at which clients stop subscribing to AZoM's products and services
Corporation Act	Corporations Act 2001 (Cth)
CY	Calendar year
DCF	Discounted Cash Flow
Earnings Multiple	Reflects required rates of return, risks inherent in the subject business, future growth expectations and alternative investment opportunities
EBIT	Operating Earnings Before Interest and Tax
EBITDA	Operating Earnings Before Interest, Tax, Depreciation and Amortisation

Abbreviations	Definition
Enterprise Value	The sum of the market capitalisation and interest bearing debt less cash and cash equivalents. Also refers to the value attributable to the operating business activities
Equity Value	The value attributable to equity holders in the subject entity.
Fiscal Year	Accounting Year
Fair Market Value or Market Value	The amount that could be negotiated for an asset in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller acting at arm's length
FME	Future Maintainable Earnings, which reflects the assessed representative earnings that may be achieved by the business in the future on an ongoing basis
FMR	Future Maintainable Revenue
FSG	Financial Services Guide
FY	Financial Year ended or ending 30 June
GST	Goods and Services Tax
HCC	Hall Chadwick Corporate Finance (Vic) Pty Ltd
IBISWorld	Industry market researchers < www.ibisworld.com >
M or \$m	Million
medtec	Medical Technology
Non-Associated Shareholders	shareholders of BBR other than those associated with the proposed issue of BBR shares to the AZoM Vendors
NPAT or Net Profit	Net Profit After Tax
Options	issue of a maximum of 30,000,000 unquoted options in BBR exercisable at \$0.075 and expiring on 31 October 2021
R&D	Research and development
Rev	Revenue
RG	Regulatory Guide

Abbreviations	Definition
S&P Capital IQ	S&P Capital IQ is a market intelligence platform designed by Standard and Poor's Global
SEO	Search Engine Optimisation - A process of increasing the quality and quantity of website traffic by increasing the visibility of a website or a web page to users of a web search engine.
Share Purchase Agreement or SPA	Share Purchase Agreement dated 28 October 2019 to acquire 100% of the issued capital in AZoM.
Shareholders	Ordinary equity holders of company
Surplus Assets/ Liabilities	Assets and or liabilities not essential or required to produce the estimated future earnings of the subject business. Common examples include surplus cash, redundant plant and equipment, investments, property assets, related party loans, income tax related liabilities/assets
Performance Rights Tranche 1	75,000,000 performance rights which vest and convert into shares on AZoM achieving a gross annualised revenue of at least \$10 million on actual gross revenue of any prior quarter commencing on 1 January 2020 and ending on 31 December 2021
Performance Rights Tranche 2	50,000,000 performance rights which vest and convert into shares on AZoM achieving a gross annualised revenue of at least \$15 million on actual gross revenue of any prior quarter commencing on 1 January 2020 and ending on 31 December 2023
Transaction or Proposed Transaction	The acquisition of AZoM by BBR
Unique Visitor	Visitor of AZoM's websites at least once within the reporting period
US or USA	United States of America
US\$ or USD	US Dollar
UK	United Kingdom
WDV	Written Down Value or carrying/ reported book value

APPENDIX A - SOURCES OF INFORMATION

- BBR Audited Financial Reports for the financial years ended 30 June 2018 and 30 June 2019
- AZoM Audited Consolidated Financial Statements for the financial years ended 30 June 2017, 30 June 2018 and 30 June 2019
- Discussions with management of BBR
- Discussions with management of AZoM
- Share purchase agreement between BBR and AZoM Vendors to acquire 100% of the shares in AZoM
- BBR Notice of General Meeting and Explanatory Memorandum
- BBR Company registry details
- Other publicly available information on BBR, AZoM and the market in which AZoM operates
- S&P Capital IQ
- Regulatory Guide 111 'Content of Expert Reports'
- Regulatory Guide 112 'Independence of Expert's Reports'
- APES 225 'Valuation Services'

APPENDIX B – COMPARABLE COMPANIES ANALYSIS

The following information has been extracted from S & P Capital IQ database. S&P Capital IQ is a market intelligence platform designed by S & P Global.

Company Name	Country	Market Cap (AU\$mm)	Implied Rev Multiple	Implied EBITDA Multiple
REA Group Limited (ASX:REA)	Australia	12,650	13.6x	27.4x
Domain Holdings Australia Limited (ASX:DHG)	Australia	1,854	5.9x	25.7x
Carsales.com.au Ltd (ASX:CAR)	Australia	3,306	8.9x	19.2x
SEEK Limited (ASX:SEK)	Australia	7,440	5.8x	22.9x
RMA Global (ASX:RMY)	Australia	63	8.1x	-
Real Estate Investar Group Limited (ASX: REV)	Australia	2	1.9x	-
TrueCar, Inc. (NasdaqGS:TRUE)	USA	820	1.1x	-
Rightmove plc. (LSE:RMV)	UK	8,593	17.7x	23.5x
IZON Network, Inc. (OTCPK:IZNN)	USA	7	5.1x	-
Auto Trader Group plc (LSE:AUTO)	UK	9,220	15.1x	21.5x
New Work SE (XTRA:NOW)	Germany	3,425	8.9x	32.6x
Zillow Group, Inc. (NasdaqGS:ZG)	USA	13,516	6.6x	437.5x
DHI Group. (NYSE: DHX)	USA	254	1.2x	8.7x
Mean average			7.6x	23.5x
High			17.7x	437.5x
Low			1.1x	19.2x

- (1) Source: S&P Capital IQ and HCC's analysis
- (2) Data accessed S&P Capital IQ and publicly available information on the respective companies as at 22 October 2019.
- (3) Market Capitalisation as at 30 June 2019

REA Group Limited (ASX: REA)

REA Group Limited engages in online property advertising business in Australia, Asia, and North America. The company advertises property and property-related services on Websites and mobile apps. It operates residential, commercial, share, and co-working property sites, such as realestate.com.au, realcommercial.com.au, Flatmates.com.au, spacely.com.au, iproperty.com.my, rumah123.com, squarefoot.com.hk, ThinkOfLiving.com, iproperty.com.sg, myfun.com, realtor.com, housing.com, makaan.com, PropTiger.com, move.com, and realtor.com, as well as hometrack.com.au, 1form.com, and smartexpos.com. The company was formerly known as realestate.com.au Ltd. and changed its name to REA Group Limited in December 2008. REA Group Limited was founded in 1995 and is headquartered in Richmond, Australia. REA Group Limited is a subsidiary of News Corp.

Domain Holdings Australia Limited (ASX:DHG)

Domain Holdings Australia Limited operates as a real estate media and technology services company that focuses on the property market in Australia. It operates through three segments: Core Digital, Consumer Solutions and Other, and Print segments. The company offers residential, commercial, and rural property marketing services through its listings portals on desktop and mobile, as well as through social media and print magazines. It also provides media and lead-generation solutions for advertisers looking to promote their products and services to consumers; and creates property market content to engage consumers

and support audience growth. In addition, the company offers data and technology services to real estate agencies through customer relationship management software, property data subscriptions and research, and property inspection management tools. Further, it publishes real estate newspapers and magazines; and provides other services in the property lifecycle, including home loan brokerage, insurance, residential utilities product comparison, residential and commercial utilities connection, and trade services, as well as information services for buyers, investors, sellers, renters, and agents. Domain Holdings Australia Limited serves residential and commercial real estate agencies and professionals, property developers, financial services companies, retailers, utilities companies, media, government, and consumers. The company is based in Pyrmont, Australia. Domain Holdings Australia Limited is a subsidiary of Nine Entertainment Co. Holdings Limited.

carsales.com.au Ltd (ASX:CAR)

carsales.com Ltd engages in online automotive, motorcycle, and marine classifieds business primarily in Australia. It operates in Online Advertising Services; Data, Research and Services; Latin America; and Asia segments. The Online Advertising Services segment offers classified advertising that allows dealers and consumers to advertise automotive and non-automotive goods and services for sale across the carsales network; and services, including subscriptions, lead fees, and priority placement services on automotive and non-automotive Websites. It also provides display advertising services, such as placing advertisements on carsales network Websites for corporate customers comprising automotive manufacturers/importers, and finance and insurance companies. In addition, this segment holds investments in tyresales.com.au, an online tire retailer that allows consumers to transact and purchase tires; and RedBook Inspect, which provides inspection services published online as part of classified advertisements. The Data, Research and Services segment offers software, analysis, research and reporting, valuation, and Website development and hosting services, as well as photography services to manufacturers/importers, dealers, industry bodies, and finance and insurance companies. The Latin America segment is involved in the online automotive classifieds activities. The Asia segment provides online automotive classifieds and automotive data services. carsales.com Ltd was founded in 1997 and is headquartered in Melbourne, Australia.

SEEK Limited (ASX:SEK)

SEEK Limited, together with its subsidiaries, provides online employment marketplace services in Australia and internationally. It operates through SEEK Asia Pacific & Americas, and SEEK Investments segments. The company matches hirers and candidates with career opportunities and related services; and distributes and provides higher education courses. It also provides advice in relation to career related education. The company was founded in 1997 and is headquartered in Melbourne, Australia.

Real Estate Investar Group Limited (ASX: REV)

Real Estate Investar Group Limited provides investment property analysis, tracking, and transaction services to property investors in Australia and New Zealand. The company operates through Subscriptions, Transaction Services, and Property segments. The Subscriptions segment offers tools, resources, and news services to property investors to assist in the identification, analysis, acquisition, tracking, and accounting of residential investment property. The Transaction Services segment provides casual non-subscription services to members via a paid marketing referral model with accredited

partners, including real estate transaction services, finance and mortgage brokerage, insurance brokerage, accounting and SMSF services, financial and estate planning, depreciation reports, and courses and education. The Property segment facilitates sales of newly built and off-the-plan properties from developers or project marketers to investors. The company was founded in 2006 and is based in Ashmore, Australia.

TrueCar, Inc (NasdaqGS:TRUE)

TrueCar, Inc., together with its subsidiaries, operates as an Internet-based information, technology, and communication services company in the United States. It operates its platform on the TrueCar Website and mobile applications. The company also customizes and operates its platform for its affinity group marketing partners, including financial institutions, membership-based organizations, and employee buying programs for large enterprises. Its platform enables users to obtain market-based pricing data on new and used cars, and to connect with its network of TrueCar certified dealers. In addition, the company offers forecast, consulting, and other services regarding determination of the residual value of an automobile at given future points in time, which are used to underwrite automotive loans and leases, and by financial institutions to measure exposure and risk across loan, lease, and fleet portfolios. Further, it provides geographically specific and real-time pricing information for consumers and dealers; TrueCar Trade, which gives consumers information on the value of their trade-in vehicles and enables them to obtain a guaranteed trade-in price before setting foot in the dealership; DealerSync, a dealer Website creation and management service and a software platform that assists dealers in managing, marketing, and growing their business; and DealerScience that provides dealers with advanced digital retailing software tools. The company was formerly known as Zag.com Inc. TrueCar, Inc. was founded in 2005 and is headquartered in Santa Monica, California.

Rightmove plc (LSE:RMV)

Rightmove plc operates property portal in the United Kingdom. The company operates through Agency, New Homes, and Other segments. The Agency segment offers resale and lettings property advertising services on its platforms. The New Homes segment provides property advertising services to new home developers and housing associations on its platforms. The Other segment offers overseas and commercial property advertising services; and non-property advertising services, which include third party and consumer services, as well as data services. The company serves estate agents, lettings agents, and new homes developers. Rightmove plc was founded in 2000 and is based in Milton Keynes, the United Kingdom.

IZON Network, Inc. (OTCPK:IZNN)

IZON Network, Inc., a golf-centric technology and information-dissemination company, creates digital content and global positioning system (GPS) platform for golf in Canada. The company connects golfers to advertisers by installing multifunctional Web-enabled interactive tablets in golf cars that operate on and are owned by golf courses across the United States. Its Internet-connected interactive tablets provides a host of services to golfers, such as GPS-based hole/course information, aerial views of fairways and green, accurate yardage information to hazards and greens, messaging, online scoring, and beverage cart ordering. The company also offers a portfolio of course management tools designed to enable course managers to improve player pace of play through GPS-based cart tracking and communications, increased merchandise, and concession sales through real-time on-tablet promotions. In addition, it provides online marketing services. The company was formerly known as Digital Caddies, Inc. and changed its name to IZON Network, Inc. in September 2017. IZON Network, Inc. was incorporated in 2011 and is headquartered in Scottsdale, Arizona.

Auto Trader Group plc (LSE:AUTO)

Auto Trader Group plc operates in the digital automotive marketplace in the United Kingdom and Ireland. It offers its products to retailers and home traders, and logistics firms; vehicle advertisement on its Websites for private sellers, as well as insurance and loan financing products to consumers; and display advertising on its Websites for manufacturers and their advertising agencies. The company was founded in 1977 and is headquartered in Manchester, the United Kingdom.

New Work SE (XTRA:NOW)

New Work SE operates professional networking Websites primarily in Germany, Austria, Switzerland, and internationally. It operates through four segments: B2C, B2B E-Recruiting, B2B Advertising & Events, and Kununu International. The B2C segment serves XING members who use XING.com, XING Jobs, and kununu.com to network with other professionals for finding a suitable job, obtaining information about employers, or reading about career-related topics. The B2B E-Recruiting segment offers passive recruiting products and services that allow recruiters to post various kinds of jobs ads on the XING platform; and active recruiting products and services, which provides active candidate search and management product, as well as employer branding profiles. It also offers Xing referral manager to recruit talent with the help of existing employees. The B2B Advertising & Events segment engages in selling advertising space on XING.com., as well as provides Xing sponsored posts, mailings, video posts, articles, and business pages. The segment also processes events through its XING platform that offers registration, ticketing, and billing services for event organizers, as well as provides an online tool, which offers event organizers to select target groups for events they post on XING and then advertise them on the platform. The Kununu International segment engages in the provision of technical infrastructure services. The company was formerly known as Xing SE and changed its name to New Work SE in August 2019. The company was founded in 2003 and is based in Hamburg, Germany. New Work SE is a subsidiary of Burda Digital GmbH.

Zillow Group Inc (NasdaqGS:ZG)

Zillow Group, Inc. operates real estate and home-related brands on mobile and the Web in the United States. The company offers a portfolio of brands and products to empowering consumers with unparalleled data, inspiration, and knowledge around homes and connecting them with real estate professionals. Its brands focus on various stages of the home lifecycle, including renting, buying, selling, and financing. The company's portfolio of consumer brands comprises real estate and rental marketplaces, such as Zillow, Trulia, Mortgage Lenders of America, StreetEasy, HotPads, Naked Apartments, RealEstate.com, and Out East. It also provides a suite of marketing software and technology solutions; and owns and operates various business brands for real estate, rental, and mortgage professionals comprising Mortech, dotloop, Bridge Interactive, and New Home Feed. In addition, the company offers advertising services. Zillow Group, Inc. was incorporated in 2004 and is headquartered in Seattle, Washington.

DHI Group, Inc. (NYSE: DHX)

DHI Group, Inc. provides data, insights, and employment connections through specialized services for technology professionals in the United States and internationally. The company operates Dice that offers job postings of technology and non-technology companies for industries, such as positions for software engineers, big data professionals, systems administrators, database specialists, project managers, and other technology and engineering professionals; and ClearanceJobs, an Internet-based career network, which matches security-cleared professionals with hiring companies searching for employees. It also provides eFinancialCareers, a financial services careers Website for financial services industry professionals from various sectors, including asset management, risk management, investment banking, and information technology; Rigzone, a Website that delivers online content, data, and career services in the oil and gas industry; and BioSpace, a resource for biotechnology careers, news, and resources in the area of life sciences. Further, it operates Targeted Job Fairs for technology, energy, and security-cleared professionals. The company serves small, mid-sized, and large direct employers; staffing companies; recruiting agencies; consulting firms; and marketing departments of companies. The company was formerly known as Dice Holdings, Inc. and changed its name to DHI Group, Inc. in April 2015. DHI Group, Inc. was founded in 1991 and is headquartered in New York, New York.

APPENDIX C – MARKET TRANSACTIONS

Transaction Close Date	Target/Issuer	Buyers/Investors	Transaction Value (AUDmm)	Implied Rev Multiple	Implied EBITDA multiple
21/12/2018	XO Group Inc.	WeddingWire, Inc.	1,279	5.0x	21.4x
30/04/2018	Verivox GmbH	NCG - NuCom Group SE	86	4.3x	-
29/09/2017	Angie's List, Inc.	ANGI Homeservices Inc. (NasdaqGS:ANGI)	835	1.9x	20.3x
31/01/2017	Hotcourses Ltd	IDP Education Limited (ASX:IEL)	56	2.8x	-
10/01/2017	ShareASale.com, Inc.	Digital Window Ltd.	61	3.2x	-
2/12/2016	Everyday Health, Inc.	Ziff Davis, LLC	642	1.8x	8.8x
15/02/2016	iProperty Group Limited	REA Group Limited (ASX:REA)	589	21.9x	168.7x
Mean average				5.8x	54.8x
High				21.9x	168.7x
Low				1.8x	8.8x

Source: S&P Capital IQ & HCC's analysis

Transaction details

Wedding Wire (acquirer) operates an online marketplace for the management of wedding in the United States. The target company XO Group Inc. operates a network of websites which provide digital marketing and advertising services to wedding, pregnancy and parenting, and entertainment markets in the United States.

NCG – NuCom Group SE (acquirer) is a majority owned subsidiary of ProSiebenSat.1 Media SE, one of Europe's leading media companies and Germany's biggest TV network. The target company, Verivox GmbH, operates a consumer portal for energy products and services in Germany which offers online price comparison solutions for telecommunication, insurance, financial products, and a search engine for commission free properties to rent and buy.

ANGI Homeservices Inc. (acquirer) operates a digital marketplace for home services which connects consumers with service professionals for home repair, maintenance and improvement projects in the United States. The target company Angie's List, Inc operates a local services consumer review service and e-commerce marketplace in the United States. Consumers are able to research, shop for, and purchase local services for home, health, and automotive service needs as well as rate service providers in the local markets.

IDP Education Limited (acquirer) engages in the placement of students into education institutions in Asia, Australasia, and internationally. Its services include counselling, application processing, pre-departure guidance, examinations, English language teaching, client relations, digital marketing, online students recruitment, and shared services. The target company Hotcourses Ltd operates a program search Website. The company publishes guides and Websites to help people find the courses or colleges in the United States, Australia, New Zealand, Malaysia, Singapore, the United Kingdom, and Europe.

Digital Window Ltd. (the acquirer), a subsidiary of WIN AG, operates an platform which enables advertisers to market their goods and services through online publishers. The company was founded in 2000 and is based in London, United Kingdom. The target company ShareASale.com, Inc. is a performance marketing network serving online merchants. It enables merchants to connect to a network

of affiliates, as well as recruit new ones. ShareASale.com, Inc. was founded in 2000 and is based in Chicago, Illinois.

Ziff Davis (acquirer), LLC is a digital media company that engages in the digital publishing of content in gaming, technology, and men's lifestyle categories. It operates a number of online platforms which host and advertise contents related to technology, gaming, entertainment and men's lifestyle. The target company Everyday Health, Inc operates digital marketing and communications platform for healthcare marketers primarily in the United States

REA Group Limited (acquirer) engages in online property advertising business in Australia, Asia and North America. The company advertises property and property related services on Websites and mobile apps. The target company, iProperty Group Limited, develops and operates Internet-based real estate property portals under the iProperty.com brand.

APPENDIX D - DECLARATIONS & QUALIFICATIONS

Confirmation of Independence

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

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

Mr Mark Bailey, Authorised Representative 001278596, an Associate Director of Hall Chadwick Corporate (Vic) Pty Limited, has prepared this report. Neither he nor any related entities of Hall Chadwick Corporate (Vic) Pty Limited have any interest in the promotion of the Transaction nor will Hall Chadwick Corporate (Vic) Pty Limited receive any benefits, other than normal professional fees, directly or indirectly, for or in connection with the preparation of this report. Our fee is not contingent upon the success or failure of the proposed transaction, and has been calculated with reference to time spent on the engagement at normal professional fee rates for work of this type. Accordingly, HCC does not have any pecuniary interests that could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion under this engagement.

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

Reliance on Information

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

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

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

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

Qualifications

Hall Chadwick Corporate (Vic) Pty Limited (“HCC”) carries on business at Level 14, 440 Collins Street, Melbourne VIC 3000. HCC holds a Proper Authority numbered 1268759, authorised by Hall Chadwick Corporate Finance (NSW) Limited, Australian Financial Services Licence No. 227902 authorising it to provide financial product advice on securities to retail clients. HCC is therefore qualified to provide this report.

Consent and Disclaimers

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

HCC consent to the issue of this report in the form and context in which it is included in the Notice of General Meeting to be sent to BBR shareholders. Shareholders should read all documents issued by BBR that consider the proposed Transaction in its entirety, prior to proceeding with a decision. HCC had no involvement in the preparation of these additional documents.

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

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

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

We have made all enquiries that we believe is desirable and appropriate. Our report has not omitted any matter that we regard as material to the shareholders of BBR.

APPENDIX E - FINANCIAL SERVICES GUIDE

This Financial Services Guide (“FSG”) provides important information to assist you in deciding whether to use our service. This FSG includes details of how we are remunerated and deal with complaints.

The Corporations Act 2001 requires HCC to provide this Financial Services Guide (“FSG”) in connection with its provision of an independent expert’s report (“Report”) which is included in a Notice of Meeting (“Notice”) provided to members by the company or other entity for which HCC prepares the Report.

What Financial Services can we offer?

Hall Chadwick Corporate (Vic) Pty Limited (“HCC”) carries on business at Level 14, 440 Collins Street, Melbourne VIC 3000. HCC holds a Proper Authority numbered 1268759, authorised by Hall Chadwick Corporate Finance (NSW) Limited, Australian Financial Services Licence No. 227902 authorising it to provide financial product advice on securities to retail clients.

The person who provides the advice is an Authorised Representative of HCC. HCC has authorised Mark Bailey, Authorised Representative 001278596 to distribute the Financial Services Guide (“FSG”) HCC is qualified to provide this report.

HCC does not accept instructions from retail clients. HCC provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. HCC does not provide any personal retail financial product advice to retail investors nor does it provide market-related advice to retail investors.

HCC is authorised to provide general financial product advice to retail clients for interests in managed investment schemes including investor direct portfolio services and securities.

How are we remunerated?

When providing Reports, HCC’s client is the Entity to which it provides the Report. HCC receives its remuneration from the Entity. In respect of the Report for Bora Bora Resources Limited (“BBR”) in relation to the proposed acquisition of all the issued shares in AZoM.com Limited (“AZoM”), HCC will receive a fee for its services estimated to be \$40,000, excluding GST.

No related body corporate of HCC, or any of the directors or employees of HCC or of any of those related bodies or any associate receives any remuneration or other benefit attributable to the preparation and provision of this report.

Independence

HCC is required to be independent of the Entity in order to provide a Report. The guidelines for independence in the preparation of Reports are set out in Regulatory Guide 112 issued by the Australian Securities & Investments Commission. The following information in relation to the independence of HCC is stated in Appendix D of this report:

Prior to accepting this engagement HCC determined its independence with respect to BBR and AZoM with reference to ASIC Regulatory Guide 112 (RG 112) titled “Independence of

Expert's Reports". HCC considers that it meets the requirements of RG 112 and that it is independent of BBR and AZoM.

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

Mr Mark Bailey, Authorised Representative 001278596, an associate director of Hall Chadwick Corporate (Vic) Pty Limited, has prepared this report. Neither he nor any related entities of Hall Chadwick Corporate (Vic) Pty Limited have any interest in the promotion of the Transaction nor will Hall Chadwick Corporate (Vic) Pty Limited receive any benefits, other than normal professional fees, directly or indirectly, for or in connection with the preparation of this report. Our fee is not contingent upon the success or failure of the proposed transaction, and has been calculated with reference to time spent on the engagement at normal professional fee rates for work of this type. Accordingly, HCC does not have any pecuniary interests that could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion under this engagement.

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

Our General Financial Product Advice

HCC will not respond in any way that might involve any provision of financial product advice to any retail investor. The advice contained in this report contains only general advice. It does not take into account your personal objectives, financial situation or needs. You should consider whether our advice is appropriate for you, having regard to your own personal objectives, financial situation or needs.

If our advice is provided to you in respect of the acquisition of a financial product you should read the relevant offer document carefully before making any decision about whether to acquire that product.

What should you do if you have a complaint?

HCC has internal complaints-handling mechanisms and is a member of the Financial Ombudsman Service, membership number 11442.

If you have a complaint, in the first instance you should contact Hall Chadwick Corporate (NSW) Limited's Compliance Manager on (02) 9263 2600.

If the complaint is not resolved to your satisfaction within 45 days, you have the right to refer the matter to the Financial Ombudsman (“FOS”), an independent external dispute resolution scheme of which Hall Chadwick Corporate (NSW) Limited is a member. FOS’s services are available to you free of charge.

Financial Ombudsman Service
GPO Box 3
Melbourne Vic 3001
Phone: 1800 931 678
info@fos.org.au

HCC is only responsible for the Report and this FSG. Complaints or questions about the Notice of Meeting should not be directed to HCC who is not responsible for that document.



**Bora Bora
Resources Ltd**

Bora Bora Resources Limited | ACN 150 173 032

AGM Registration Card

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

[HolderNumber]

Holder Number:
[HolderNumber]

Vote by Proxy: BBR

Your proxy voting instruction must be received by **11.00 am (AEDT) on Saturday, 14 December 2019**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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

Joint holding: Where the holding is in more than one name, all of the Shareholders 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 Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.



Contact	Return your completed form		All enquiries to Automic	
	BY MAIL Automic GPO Box 5193 Sydney NSW 2001	IN PERSON Automic Level 5, 126 Phillip Street Sydney NSW 2000	BY EMAIL meetings@automicgroup.com.au	WEBCHAT https://automic.com.au/

STEP 1: Appoint Your Proxy	Complete and return this form as instructed only if you do not vote online I/we being a Shareholder entitled to attend and vote at the Annual General Meeting of Bora Bora Resources Limited, to be held at 11.00 am (AEDT) on Monday, 16 December 2019 at Baker McKenzie, Level 19, 181 William Street, Melbourne VIC 3000 hereby: Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof. <div style="border: 1px solid black; height: 20px; width: 100%;"></div>
	The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote. Unless indicated otherwise by ticking the "for"," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.
	AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 3, 4 & 5 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 3, 4 & 5 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2: Your Voting Direction	Resolutions	For	Against	Abstain	Resolutions	For	Against	Abstain	
	1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8. AZoM.com Purchase	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	2. Re-election of Nathan Young as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9. Appointment of Dr Neil Sanderson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	3. Related Party Approval of Issue of Director Fee Shares to Piers Reynolds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10. Appointment of Bryce Reynolds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	4. Related Party Approval of Issue of Director Fee Shares to Nathan Young	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11. Capital Raising Shares and Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	5. Related Party Approval of Issue of Director Fee Shares to Wade Evans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12. Capital Raising - Broker Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	6. Issue of Secretary Fee Shares to Nick Boicos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13. Adviser Shares and Referrer Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	7. Change of Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
	<i>Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.</i>								

STEP 3: Sign Here + Contact Details	SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED		
	Individual or Securityholder 1	Securityholder 2	Securityholder 3
	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>
	Sole Director and Sole Company Secretary	Director	Director / Company Secretary
	Contact Name:		
	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>		
Email Address:			
<div style="border: 1px solid black; height: 20px; width: 100%;"></div>			
Contact Daytime Telephone			
<div style="border: 1px solid black; height: 20px; width: 100%;"></div>			
Date (DD/MM/YY)			
<div style="border: 1px solid black; height: 20px; width: 100%;"></div>			
By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).			



[HolderNumber] BBR

[HolderNumber]