

CDI SALE FACILITY FOR HOLDINGS OF LESS THAN A MARKETABLE PARCEL

Etherstack Plc (**ESK** or the **Company**) is pleased to announce a CHESSE Depository Interest (**CDI**) Sale Facility for holders of less than a marketable parcel of CDIs in the Company (**Facility**).

The Company is providing the Facility so that holders of less than a marketable parcel can sell their CDIs without incurring any brokerage or handling costs that could otherwise make a sale of their CDIs uneconomic and/or difficult. The Company will endeavour to obtain the highest available price for the CDIs and will organise remittance of sale proceeds for those CDI holders who participate in the Facility.

By making this Facility available, the Company also expects to reduce the administrative costs associated with maintaining a large number of small holdings.

The ASX Listing Rules defines a 'Marketable Parcel' as those holdings of CDIs with a market value of \$500 or more. As at market close on 27 April 2022 (**Record Date**) a parcel of CDIs in the Company is less than a Marketable Parcel for any CDI holding of 1,333 CDIs or less, based on the closing price of \$0.375 per CDI on the Record Date (**Small Holding**).

As at the Record Date, the Company has approximately 1,650 CDI holders, of which approximately 760 hold a Small Holding (**Minority Investors**), comprising approximately 472,830 CDIs in aggregate or 0.36% of all issued CDIs.

Minority Investors can either:

1. retain their CDI holding by:
 - a) signing and returning the Notice of Retention of CDIs Form accompanying the letter to CDI holders by 16 June 2022 (**Closing Date**) either in respect of a single holding or multiple holdings (as the case may be); or
 - b) if they have multiple holdings, consolidating these under a single holding such that the combined CDI holding at the Closing Date is at least 1,334 CDIs; or
 - c) purchasing additional CDIs under the same holding such that their CDI holding at the Closing Date is at least 1,334 CDIs; or
2. sell their CDI holding(s): no further action is necessary.

A summary of key dates in relation to the Facility is as follows:

EVENT	DATE
Record Date for determining holdings of less than a marketable parcel	27 April 2022
Announcement to the ASX regarding the Facility	28 April 2022
Letters sent to CDI holders holding less than a marketable parcel	5 May 2022
Closing date for receipt of Notice of Retention of CDI Form	16 June 2022

English Registered Company No. 7951056 | ARBN 156 640 532

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info.eu@etherstack.com

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info.jp@etherstack.com

New York (GMT-5)
P: +1 917 661 4110
info.na@etherstack.com

The Company reserves the right to amend this timetable subject to the ASX Listing Rules and the terms of the Company's articles of association.

Attached is a copy of the letter that will be despatched, on 5 May 2022, to all CDI holders holding less than a Marketable Parcel of the Company's CDIs as at the Record Date.

Authorised for release by David Carter, Company Secretary.

Enquiries

Etherstack
David Carter, Chief Financial Officer
T: +61 2 8399 7500
investor.relations@etherstack.com


Investor Relations
Melanie Singh
T: +61 439 748 819
melanie@nwrcommunications.com.au

About Etherstack plc (ASX:ESK)

Etherstack is a wireless technology company specialising in developing, manufacturing and licensing mission critical radio technologies for wireless equipment manufacturers and network operators around the globe. With a particular focus in the public safety, defence, utilities, transportation and resource sectors, Etherstack's technology and solutions can be found in radio communications equipment used in the most demanding situations. The company has R&D facilities in London, Sydney, New York and Yokohama.

For more information

 Follow us on [LinkedIn](#)

 Visit our website: www.etherstack.com

 Subscribe to our [mailing list](#) to receive updates

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5 May 2022

Dear Investor,

IMPORTANT NOTICE – INTENTION TO SELL CDIs OF LESS THAN MARKETABLE PARCEL

I am writing to advise you that Etherstack Plc (**ESK**, or the **Company**) has established a CHESS

Depositary Interest (**CDI**) sale facility (**Facility**) for eligible small CDI holders to sell their CDI holding without incurring any brokerage or handling costs. This Facility is available to CDI holders who, on 27 April 2022 (**Record Date**), were holders of CDIs valued at less than \$500 (each being a **Small Holding**). Based on the closing price of \$0.375 per CDI on the Record Date, a Small Holding is any holding of 1,333 CDIs or less.

The Company is providing the Facility so that investors with Small Holdings can sell their CDIs without incurring any brokerage or handling costs that could otherwise make a sale of their CDIs uneconomic and/or difficult. The Company will endeavour to obtain the highest available price for the CDIs, and will organise remittance of sale proceeds for those CDI holders who participate in the Facility.

By making this Facility available the Company also expects to reduce the administrative costs associated with maintaining a large number of small holdings.

As at the Record Date, the Company has approximately 1,650 CDI holders, of which approximately 760 hold a Small Holding (comprising 472,830 CDIs in aggregate or 0.36% of all issued CDIs).

Our records show that you were a holder of a Small Holding at the Record Date, and accordingly you are eligible to participate in the Facility. Unless you advise the Company by 5pm AEST on 16 June 2022 (**Closing Date**) that you do NOT wish to sell your CDIs, ESK intends to sell your CDIs through the Facility in accordance with article 10 of the Company's Articles of Association.

To retain your holding of CDIs

If you do not wish to participate in the Facility and thereby retain your Small Holding, you must either:

1. Purchase additional CDIs such that you are the registered holder of at least 1,334 CDIs at the Closing Date:

You will need to make your own arrangements outside this Facility to purchase additional CDIs so that you are the registered holder of at least 1,334 on the Closing Date. For a purchase to be an effective notification that you wish to retain your CDIs, any additional CDIs purchased must be registered by 5:00pm (AEST) on the Closing Date under the same name and address and with the same holder number (SRN or HIN) as set out in the accompanying Notice of Retention Form.

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2. If you have multiple holdings, consolidate these under a single holding:

If you hold CDIs in multiple holdings, some of which are Small Holdings, then the Company will purchase those Small Holdings unless a Notice of Retention Form is received for each holding or the multiple holdings are consolidated such that the combined CDI holding at 5.00pm (AEST) on the Closing Date is at least 1,334 CDIs

3. Sign and return the Notice of Retention of CDIs Form that was sent to you:

Correctly complete, sign and return the enclosed Notice of Retention of CDIs Form so that it is received by 5.00pm (AEST) on the Closing Date. Please read the instructions on your personalised Notice of Retention of CDIs Form carefully before completing it.

If you wish to sell your CDI holding in the Company, no further action is required.

The Company is authorised, under article 10 of its Articles of Association, to sell your CDIs following the Closing Date. Your CDIs will be pooled with other CDIs under this Facility and sold as soon as practicable after the Closing Date.

The sales price will be determined once all of the CDIs under the Facility are sold. Each CDI holder will receive their proportionate share of the total sale proceeds for all CDIs sold through the Facility.

Under the Facility, the Company:

1. is authorised to sell all of your CDIs without any transaction costs being incurred by you; and
2. will pay you the sale proceeds, following settlement of the sale of all CDIs through the Facility. You will receive your proceeds in Australian dollars by electronic transfer (if you have previously provided banking details to the Company's CDI registry) or alternatively, by cheque to your registered address, as soon as practicable following the sale of your CDIs.

Important information

Unless you take one of the steps outlined above, the Company will be entitled to sell your CDIs under this Facility.

The Company does not make any recommendation or provide any advice to you regarding whether to buy, sell or hold CDIs nor that this Facility is the best way to sell your CDIs in the Company. If you require advice as to whether to sell or retain your CDIs, please consult your legal, financial or taxation adviser.

Any tax consequences arising from the sale of your CDIs will be your responsibility.

The Company is not bound to sell any or all of the CDIs that may be available for it to sell under this Facility, and there is no guarantee that the Company will be able to sell your CDIs. Neither the Company nor any other person involved in the Facility shall be liable for failure to sell the CDIs or sell them at a particular price.

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The price that you receive for your CDIs under the Facility will be determined by when and how the CDIs are sold. The price of the Company's CDIs is subject to change and an up-to-date price can be obtained from the ASX website. The Company may sell your CDIs on market or may negotiate an off market transaction. If the CDIs are sold on market the Company will endeavour to obtain the highest available price for the CDIs, however no guarantee as to the price can be given by the Company as the price will depend on several factors, including market conditions at the time. You will not have control over the time at which your CDIs are sold. The price you receive may be different from the price quoted by ASX on any day, may not be the best price on the days that your CDIs are sold and will be an average price per CDI based on the price obtained for all the CDIs sold under the Facility. If the Company sells your CDIs other than on market, the price will be the price that the Company has been able to negotiate with the acquirer or acquirers.

If your CDIs are held in a CHES holding, the Company may, after the Closing Date, initiate a holding adjustment to remove your CDIs for the purpose of this Facility.

The Company reserves the right to vary, delay or terminate this Facility or change any of the dates referred to in this letter by notice to the ASX.

For further information in relation to lodging your Notice of Retention of CDIs Form or the practical operation of the Facility, please contact the Company via investor.relations@etherstack.com or on +61 2 8399 7500 during office hours of 9.00am to 5.00pm Australian Eastern Standard Time.

Yours faithfully



David Deacon
Chief Executive Officer

Return your Form to the Company's share registry:

✉ **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

For all enquiries:

☎ **Phone:**
Etherstack Plc +61 2 8399 7500

💻 **Web:**
investor.relations@etherstack.com

ESK

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Notice of Retention Form

🔔 **If you wish to retain your CDIs, your form must be received by 5:00pm (AEST) on Thursday, 16 June 2022**

This is an important document that requires your immediate attention. It can only be used in relation to the holding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Holding Details

Use this form if you wish to retain your CDIs in Etherstack Plc. If you have recently bought or sold CDIs your holding may differ from that shown. If you have already sold all your CDIs in Etherstack Plc, do not complete or return this form. If you have more than one holding on Etherstack Plc's register and you do not wish to sell your CDIs under the Less Than a Marketable Parcel Sale Facility, you should consider consolidating them. For further advice on how to do this, contact Computershare Investor Services Pty Limited (CIS) on 1300 850 505 or +61 3 9415 4000.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESSE sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Signing Instructions

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

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

Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

Companies: Where the holding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Secretary.

Overseas Companies: Where the holding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: Where the holding is in the name of a deceased estate, all executors must sign; and a certified copy or original, of the required documentation must accompany this form. Details of the documentation required can be found by searching "deceased estates" on our website www.computershare.com or by calling Computershare Investor Services Pty Limited on 1300 850 505 or +61 3 9415 4000. If the holding is in more than one name the surviving holder may sign the form and return it together with a certified copy of the death certificate of the other joint holder.

Step 3: Contact Details

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form ➔



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Notice of Retention Form

For your security keep your SRN/
HIN confidential.

STEP 1 Holding Details

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001



Change of address. If incorrect, mark this box and make the correction in the space to the left. Holders sponsored by a broker (reference number commences with 'X') should advise their broker of any changes.

CDIs held as at 7:00pm (AEST)
Wednesday, 27 April 2022:

2000

STEP 2 Signature of Holder(s)

This section must be completed.

By signing and returning this form, in accordance with the requirements set out in 'Step 2: Signing Instructions' overleaf, I/we confirm that I/we understand that my/our **CDIS WILL NOT BE SOLD** under the Less Than a Marketable Parcel Sale Facility.

Individual or Holder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Holder 2

Director

Holder 3

Director/Company Secretary
(cross out titles as applicable)

STEP 3 Contact Details

Contact Name _____ Contact Daytime Telephone _____ Date ____/____/____

Email Address _____

Please ensure you return your completed form to the address overleaf, or alternatively, email a copy of your completed form to corpactprocessing@computershare.com.au. Please ensure only one form is attached per e-mail and please do not use this e-mail address for any other purpose.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.