

26 March 2019

CORPORATE UPDATE – NUMBER 3

- **Board Determination that subject to business as usual and Shareholder Approval there will be a cash distribution of \$0.003 per share (\$521,000) to Shareholders in the form of a Return of Capital on or about 10 May 2019.**
- **Actions Required by Shareholders to Optimize Participation – See Forms Attached.**

Dear Shareholders

Carbon Conscious Investments Ltd (**CCIL** or **Company**) is pleased to advise shareholders of recent developments and determinations made by the Board.

1. Determining to Distribute Cash to Shareholders in May and November 2019

- Having considered: the Company minimum distribution policy; the Company's contractual obligations including repayment of a working capital loan and covenant to hold a minimum of \$500,000 cash at all times; and subject to 'business as usual' conditions, the Board has made a determination to pay a cash distribution to Shareholders of \$0.003 per share (about \$521,000) on or about **10 May 2019**.
- The May distribution would be a Return of Capital and the **Record Date will be 6 May 2019**.
- Based on the obligations outlined above the Directors have also made a determination to pay a cash distribution to Shareholders of \$0.003 per share (about \$521,000) in **November 2019**. Whether this will be a Return of Capital or Franked Dividend remains to be determined.

2. Issues and Actions For/By Shareholders

- The proposed Return of Capital requires prior Shareholder approval to proceed via an ordinary resolution. Further details of the proposed reductions of capital will be provided in a Notice of Meeting to be dispatched to shareholders shortly.
- The Directors have determined that the proposed distributions be made via electronic funds transfer and that the Company's share registry, Automic, will manage the distribution process.
- While the Notice of Meeting will include general commentary in relation to the taxation consequences of the proposed distributions, the Company notes the following:
 - a) Automic will send (via post or email) the appropriate Statement for Tax Purposes;
 - b) If Shareholders **have not registered their bank details** prior to the May distribution, their funds will be held on trust in accordance with the Company's constitution;
 - c) Shareholders should retain the Statement for Tax Purposes because the Return of Capital will result in a reduction in each Shareholders cost base and will likely have tax implications should Shareholders sell their shares in the Company;
 - d) Shareholders should seek independent advice in relation to the tax implications, but the Company has been advised that the Return of Capital will not represent 'taxable income' and will be applied as a reduction to the cost base of your shares in the Company per "c" above;
 - e) The above notwithstanding, Shareholders who have **NOT REGISTERED their Tax File Number** with Automic will have tax withheld and remitted to the ATO on their behalf.

SHAREHOLDER'S CAN REGISTER THEIR BANK DETAILS, EMAIL ADDRESS, AND TAX FILE NUMBER DIRECTLY at AUTOMIC.COM.AU or by COMPLETING AND RETURNING THE FORMS APPENDED

3. Administration for Shareholders

The Company will be providing further updates in due course. Please be aware that these will almost exclusively be via the 'Investors page' on its web site at www.carbonconscious.com.au, and few updates will be posted or emailed to Shareholders directly.

To assist with reducing costs and improving communication speed;

- Shareholders are encouraged to go to <https://automic.com.au/> and use their SRN or HIN to edit their profile to provide their **BANKING AND TFN DETAILS**, and include an email address and phone number.
- Please note that while we refer to the Company by the abbreviation CCIL that the **company-code on the Automic site is "CCIU"**.
- Alternatively, Shareholders can complete the 1-page form appended to this Update and return it to Automic.

The Company welcomes communication from Shareholders and if you have any queries please send an email to admin@carbonconscious.com.au and as well as your question include: the name of the entity shares are held in; and a return phone number.

Yours faithfully



Anthony Fitzgerald
Executive Director and Company Secretary

SHAREHOLDER TO COMPLETE

Name: _____

Address: _____

Holder Number:

ELECT TO BE AN E-SHAREHOLDER

As part of the Company's commitment to improving Securityholder value, we encourage you to elect to receive all Securityholder communications electronically. By choosing this option you will:

- Receive your investor communications faster and in a more secure way; and
- Reduce printing and postage costs of the Company you hold an interest in; and
- Help the environment through the need for less paper.

Thank you in anticipation.

Yours sincerely,

**Anthony Fitzgerald - Executive Director
& Company Secretary Carbon Conscious**

My email address is:

SHAREHOLDER CAN THEN

After entering email address above return this form to hello@automic.com.au or by fax to +61 2 8583 3040
OR can scan the QR code below with your tablet or mobile device
OR enter the link <https://investor.automic.com.au/#/home> into your browser.

If you have any queries in relation to your shareholding, please contact Automic by telephone on 1300 288 664 (within Australia) or +61 2 9698 5414 (international) or by email at hello@automic.com.au.

**A SIMPLE EXPERIENCE FOR
MANAGING YOUR HOLDINGS
VISIT:**

[HTTPS://INVESTOR.AUTOMIC.COM.AU](https://investor.automic.com.au)



[DOWNLOAD THE QR READER APP ON YOUR SMARTPHONE OR
TABLET, TO SIMPLY SCAN THE BARCODE ABOVE]

- ✓ **Fast and Simple**
Update details in real-time, including address, Tax File Number/Australian Business Number, banking details and communication preferences
- ✓ **Consolidated Holdings**
View and manage all holdings in the one place
- ✓ **Secure and Convenient**
View and print all available shareholder communications and statements
- ✓ **Vote Online**
Vote online for upcoming Meetings
- ✓ **View your Activity**
View holding balances, transactions and payment history

Please complete and sign this form or go to www.automic.com.au
Use a **black pen**. Print in **CAPITAL** letters inside the boxes



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E hello@automic.com.au | ABN 27152260814

Company or Trust in which investment is held

Carbon Conscious Investments Limited

Full name[s]
and address
of Registered
Holding

Post Code

Securityholder Reference Number
or Holder Identification Number

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You are required to insert this number

Tax File Number (TFN), Australian Business Number (ABN) or Exemption Notification

This form must be forwarded to Automic Registry Services

A TAX FILE NUMBER (TFN), AUSTRALIAN BUSINESS NUMBER (ABN) OR EXEMPTION NOTIFICATION

Use this form to provide your TFN and/or to claim the appropriate exemption by quoting the Exemption Code. A Company, Partnership, Trust, Super Fund or an individual can provide either their TFN, or, where the securities are held for a business purpose, their ABN.

Individuals/Joint Holders

Securityholder 1

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TFN or Exemption of Individual
(Securityholder 1)

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Securityholder 2

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TFN or Exemption of Individual
(Securityholder 2)

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Securityholder 3

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TFN or Exemption of Individual
(Securityholder 3)

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Other Entities

Please insert name of Company, Partnership, Trust, Super Fund, etc and indicate "P" for Partnership, "C" for Company, "T" for Trust and "S" for Super Fund within the Type box.

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<input type="checkbox"/>

TFN or ABN of Company, Partnership,
Trust, Super Fund, etc

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Privacy Clause: Automic Pty Ltd (ACN 152 260 814) trading as Automic Registry Services (Automic) advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Primarily, your personal information is used in order to provide a service to you. We may also disclose the information that is related to the primary purpose and it is reasonable for you to expect the information to be disclosed. You have a right to access your personal information, subject to certain exceptions allowed by law and we ask that you provide your request for access in writing (for security reasons). Our privacy policy is available on our website – www.automic.com.au

HOW TO COMPLETE THIS FORM

A TAX FILE NUMBER (TFN), AUSTRALIAN BUSINESS NUMBER (ABN) OR EXEMPTIONS

Please record your TFN, ABN or the appropriate exemption information. If you are exempt, but have a TFN, it is safer to provide your TFN in case your circumstances change.

For investments held jointly, details of only two holders are required. If possible, you should give details of those holders with a TFN rather than those who are exempt.

For investments held on behalf of another person, such as a child or an aged or invalid person, enter the Trust TFN. If there is no Trust TFN, enter the Trustee's TFN or exemption. Where the investment is held by an adult for a child, the adult is the Trustee.

Exemptions

For details about who is exempt, please contact the Australian Taxation Office. To claim your exemption, please enter the number of the pension or benefit you receive from the following list:

Description	Exemption Code	Description	Exemption Code
Aged Pension	444444441	Carer's Pension	444444442
Invalid Pension	444444441	Non Profit Organisation	555555555
Rehabilitation Allowance	444444442	Service/Veteran's Pension	444444441
Sole Parent's Pension	444444442	Special Benefit	444444442
Widow's Pension	444444442	Wife's Pension	444444442

It is not an offence to withhold your TFN or, where the securities are held for a business purpose, your ABN. However, if you do not provide your TFN or ABN, tax may be deducted from payments of interest and the unfranked portion of dividends and distributions at the highest marginal rate.

This instruction only applies to the specific holding identified by the SRN/HIN and the name appearing on the front of this form.

FOR MORE INFORMATION ABOUT TAX FILE NUMBERS, AUSTRALIAN BUSINESS NUMBERS AND EXEMPTIONS PLEASE CONTACT THE AUSTRALIAN TAXATION OFFICE.