

Our Ref: 491529.0001-9-2-c8

2 December 2022

CIRCULAR TO EMPLOYEES AND CREDITORS

ELLUME LIMITED (ADMINISTRATORS APPOINTED) ACN 141 767 660 ("THE COMPANY")

I refer to the appointment of John Park and I, Joanne Dunn, as Joint and Several Administrators of the Company on 31 August 2022.

As previously communicated, the Administrators have continued to trade the Company on a "business as usual" basis following their appointment with a view to achieving a sale or recapitalisation of the Company via a deed of company arrangement.

To enable the continuation of trade, the Administrators sought and obtained the support of Evangayle Pty Ltd, Glencairn Bay Investments Pty Ltd, MA & KA Investments Pty Ltd and Brand Brothers Holdings Pty Ltd (together the "Lenders"), to provide funding to meet the ongoing operational costs.

Orders made by the Court on 28 November 2022

I refer to my previous circular to creditors and employees dated 19 September 2022 which concerned Orders of the Court made on 13 September 2022 and is available via the FTI Consulting Creditor Portal (details of which are below).

Those Orders confirmed the Administrators of the Company were justified in entering into an AU\$3.5 million funding agreement with the Lenders in exchange for a first ranking general security interest over the Company. This initial funding allowed the Administrators to continue operating the business of the Company, however, the Administrators required further funding to continue operating beyond November 2022.

On 23 November 2022, the Administrators filed an application in the Federal Court of Australia in Queensland for directions relating to a proposed Deed of Variation with the Lenders, to increase the total amount of funding provided to the Administrators of the Company from AU\$3.5million to AU\$5.0million.

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The application was heard, and the Orders made on 28 November provided:

- The Administrators are justified to execute The Deed of Variation with the Lenders for a total of AU\$5.0 million with first ranking general security interest over the Company; and
- The Administrators are excluded from personal liability as a result of varying the funding agreement; and
- Any person or creditor of the Company who can demonstrate a sufficient interest to vary or discharge is able to apply to the Court on three (3) business days' written notice to the Company should they object to the Deed Variation agreement entered into by the Administrators.

A copy of the sealed Order of the Court dated 28 November 2022 is available online at:

FTI Consulting Creditor Portal:

<https://www.fticonsulting.com/creditors/ellume-limited>

Further updates to creditors

The Administrators have received final bids from interested parties, details of which will be provided to creditors in our Second Report Creditors.

As advised in our prior communications to creditors, issuance of the Second Report to Creditors and holding of the Second Meeting of Creditors will be:

Relevant Date – on or before	
Last date to issue second report to creditors	15 December 2022
End of convening period	16 December 2022
Last date to hold Second Meeting of Creditors	23 December 2022

Should you have any queries, please contact this office on (07) 3225 4900 or by email at Ellume@fticonsulting.com.

Yours faithfully



Joanne Dunn

Administrator