

23 February 2017

Trading in Clime Private Limited Shares

Dear Shareholder

Clime Private Limited (Clime Private) is an unlisted public company and disclosing entity. Clime Private's shares are not listed on any licensed market or exchange, including the Australian Securities Exchange (ASX).

In order to provide shareholders with some liquidity for their shares, Clime Private is pleased to advise that the Company has now received approval from the Australian Securities and Investments Commission (ASIC) to operate a low volume financial market under an exemption provided by section 791C of the Corporations Act 2001 and in accordance with the Corporations (Low Value Financial Markets) Instruments 2016/888.

Shareholders now can buy or sell shares in Clime Private Limited by registering their interest on the Clime website www.climeprivate.com.au

General Rules

The process for trading Clime Private Limited shares is outlined below.

1. Review the Low Volume Market Introduction and Important Notices.
2. Review the current Register of Sellers and Buyers and Recent Transactions.
3. Register Your Interest to buy or sell Clime Private Limited shares.
4. If you are a Buyer or a Seller, you may request that Clime Private Limited provides you with any details of any Seller or of any Buyer. To request this information contact the Company Secretary.
5. Complete the transaction by completing a Standard Transfer Form and return it to the Registry.

Clime Private will maintain a Register of Interest (Buyers and Sellers) on the Low Volume Market. The matching, negotiation and execution of any transaction that occurs will take place between the Buyer and Seller without any involvement from Clime Private. Settled transactions will be processed by Clime Private's share registry, Boardroom Pty Limited (Registry). Once the transaction has been processed by the Registry, the Company Secretary will then update the register of sellers and buyers.

Clime Private will record the aggregate total volume and value of transactions conducted on the market to ensure that no more than 100 (one hundred) completed transactions with a total value (measured by sale price) of not more than \$1,500,000 (one million, five hundred thousand dollars), are entered into during any 12 month period. Therefore, if a transaction would cause either the total volume or value of all transactions entered into in any 12-month period to exceed either of those limits, Clime Private may not approve the transaction or suspend the market to the start of the subsequent 12 month period. In such a case interested Sellers and Buyers would have the option of either waiting for the next 12 month period to commence or find a counter party themselves (i.e. a party that is not on the Register).

Clime Private Limited

Level 7, 1 Market Street, Sydney NSW 2000 Australia | PO Box Q1286 Queen Victoria Building NSW 1230
ABN 89 614 090 309 P 02 8917 2100 F 02 8917 2155 W www.clime.com.au

It is important to note the following:

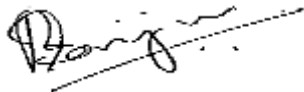
- The market is covered by an exemption under section 791C of the *Corporations Act 2001*;
- Clime Private is not licensed under Part 7.2 of the *Corporations Act 2001*; and
- Clime Private is not subject to the legal obligations that apply to the operator of a licensed market, including the requirement, to the extent that it is reasonably practicable to do so, to do all things necessary to ensure that the market is a fair, orderly and transparent market

Tax implications

Clime Private cannot give any price guidance for trading purposes; however shareholders should note the equity accounting as at the June 2016 Jasco implies an amount for each Clime Private Share of 15.58 cents (\$0.1558). The calculation being equity accounted interest of Jasco of \$7,832,928 owned as at 30th June 2016, divided by 50,275,000 ordinary shares in Clime Private.

The accompanying letter covers the tax cost base guidance from our tax advisors. Please note that this letter does not constitute tax advice nor does not take into account your individual investment objectives, financial situation or needs. It is not a complete analysis of all taxation laws which may apply to you in relation to the Demerger. You should consult with your own independent taxation adviser regarding the taxation implications of participating in the Demerger Dividend given the particular circumstances that apply to you.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Biju Vikraman', written over a horizontal dashed line.

Biju Vikraman
Company Secretary

23 February 2017

Dear Shareholder,

Australian taxation implications of the Demerger Dividend

Following the approval of the demerger of Clime Private Limited (Clime Private) by Clime Investment Management Limited (Clime Investment) on 3 November 2016, Clime Investment implemented the Demerger by way of an in-specie distribution of Clime Private shares to Clime Investment shareholders (Demerger Dividend). Clime Private shares have since begun trading independently from Clime Investment shares.

This letter provides information to assist Australian resident Shareholders of Clime Investment who hold their Clime Investment shares on capital account to calculate the tax cost base allocation which may be required.

Important information

This letter does not constitute tax advice. The information below does not take into account your individual investment objectives, financial situation or needs. It is not a complete analysis of all taxation laws which may apply to you in relation to the Demerger. You should consult with your own independent taxation adviser regarding the taxation implications of participating in the Demerger Dividend given the particular circumstances that apply to you.

Class ruling

As part of the Demerger, Clime Investment has sought a ruling from the Australian Taxation Office (ATO) on the taxation implications for Australian resident Shareholders of Clime Investment who hold their shares on capital account, which is currently underway.

The class ruling seeks to confirm that the Demerger Dividend will not be assessable income to Australian resident shareholders. A summary of the other key taxation implications for Shareholders that are covered by the class ruling is contained below.

Australian resident shareholders

For Australian resident shareholders, the capital gains tax consequences will be the same whether or not you choose demerger relief. These consequences are outlined below.

Clime Investment Management Limited

1 Market St Sydney NSW 2000 Australia | PO Box Q1286 Queen Victoria Building NSW 1230 | ABN 37 067 185 899
P 02 9252 8522 F 02 8917 2155 W www.clime.com.au



Clime Investment Management

You must apportion the existing cost base of your Clime Investment shares between your Clime Investment shares and your Clime Private shares that were distributed to you pursuant to the Demerger Dividend. Clime Investment has determined the relative market values of the Clime Investment shares and the Clime Private shares as follows:

Clime Investment Management Limited	A\$0.5231	77.1%	Based on the 5-day market value weighted average price (from 4 November 2016 to 10 November 2016)
Clime Private Limited	A\$0.1558	22.9%	Based on estimated market value as at 30 June 2016
Total	A\$0.6789	100%	

The cost base of an Australian resident Shareholder's post-CGT Clime Investment shares would therefore be allocated 77.1% to Clime Investment shares and 22.9% to Clime Private shares after the Demerger.

As an illustrative example, if an Australian resident Shareholder's post-CGT Clime Investment shares held immediately prior to the implementation of the Demerger had a cost base of A\$100.00 per Share, the cost base of each Clime Investment share after the implementation of the Demerger would be 77.1% of A\$100.00 or A\$77.10 per share and the cost base of each Clime Private share would be 22.9% per cent of A\$100.00 or A\$22.90 per share.

Your Clime Private shares received pursuant to the Demerger Dividend will be taken to have been acquired on the same date as your original Clime Investment shares for the purposes of applying the CGT discount on subsequent sale of the Clime Private shares.

Yours sincerely,

Biju Vikraman
Joint Company Secretary