

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Clover Corporation Limited

ABN

85 003 622 866

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Performance rights (FY17 performance rights) for the year ended 31 July 2017.

Performance rights (FY18 performance rights) for the year ended 31 July 2018. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | A total of 716,684 FY17 performance rights were granted. These performance rights are divided into 3 tranches: <ul style="list-style-type: none">The 1st tranche of 238,894 rights was subject to performance conditions measured in respect of the year ended 31 July 2017 (FY17).The 2nd tranche of 238,895 rights is subject to performance conditions measured in respect of the year ended 31 July 2018 (FY18).The 3rd tranche of 238,895 rights is subject to performance conditions measured in respect of the year ending 31 July 2019 (FY19). The performance conditions of the 1 st tranche of the FY17 performance rights were not satisfied and, therefore, this tranche of performance rights has ceased to exist. In consequence, there |

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are now only 477,789 outstanding FY17 performance rights.

A total of 650,619 FY18 performance rights were granted. These performance rights are also divided into 3 tranches:

- The 1st tranche of 216,873 rights is subject to performance conditions measured in respect of FY18.
- The 2nd tranche of 216,873 rights is subject to performance conditions measured in respect of FY19.
- The 3rd tranche of 216,873 rights is subject to performance conditions measured in respect of the year ending 31 July 2020 (FY20).

All FY18 performance rights are currently outstanding.

3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

Each performance right entitles the holder to acquire 1 fully paid ordinary share in the company for no cash consideration, subject to the satisfaction of certain performance conditions (and subject to adjustment for bonus issues, rights offers and other share capital reconstructions).

The outstanding FY17 performance rights are subject to satisfaction of the following performance conditions:

2nd tranche

For 50% of the performance rights, the performance condition is that the company's return on equity¹ for FY18 is at least a specified percentage - 14.7% for half these performance rights and 18.8% for all of them.

For the other 50%, the performance condition is that the company's earnings per share² for FY18 is at least a specified amount - 2.9 cents for half these performance rights and 3.7 cents for all of them.

¹ Return on equity is the fraction expressed as percentage equal to (net profit after tax of Clover for the relevant financial year) ÷ (average shareholder equity of Clover at the start and end of the relevant financial year).

² Earnings per share is the amount equal to (net profit after tax of Clover for the relevant financial year) ÷ (weighted average number of Clover shares on issue during the financial year).

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3rd tranche
<p>For 50% of the performance rights, the performance condition is that the company's return on equity for FY19 is at least a specified percentage - 16.4% for half these performance rights and 20.8% for all of them.</p> <p>For the other 50%, the performance condition is that the company's earnings per share for FY19 is at least a specified amount - 3.4 cents for half these performance rights and 4.3 cents for all of them.</p>

The outstanding FY18 performance rights are subject to satisfaction of the following performance conditions:

1st tranche
<p>For 50% of the performance rights, the performance condition is that the company's return on equity for FY18 is at least a specified percentage - 14.7% for half these performance rights and 18.8% for all of them.</p> <p>For the other 50%, the performance condition is that the company's earnings per share for FY18 is at least a specified amount - 2.9 cents for half these performance rights and 3.7 cents for all of them.</p>

2nd tranche
<p>For 50% of the performance rights, the performance condition is that the company's return on equity for FY19 is at least a specified percentage - 16.4% for half these performance rights and 20.8% for all of them.</p> <p>For the other 50%, the performance condition is that the company's earnings per share for FY19 is at least a specified amount - 3.4 cents for half these performance rights and 4.3 cents for all of them.</p>

3rd tranche
<p>For 50% of the performance rights, the performance condition is that the company's return on equity for FY19 is at least a specified percentage - 17.8% for half these performance rights and 22.8% for all of them.</p> <p>For the other 50%, the performance condition is that the company's earnings per share for FY19 is at least a specified amount - 3.8 cents for half these performance rights and 4.6 cents for all of them.</p>

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The performance rights are also subject to certain continuing employment conditions.

The company's board of directors determines whether or not a performance condition has been satisfied.

The exercise period of vested FY17 performance rights starts on 1 August 2019 (or when the board determines that the relevant performance conditions have been satisfied, if that is later) and ends on 31 July 2021.

The exercise period of vested FY18 performance rights starts on 1 August 2020 (or when the board determines that the relevant performance conditions have been satisfied, if that is later) and ends on 31 July 2022.

4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment

the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Not applicable.

5 Issue price or consideration

No cash consideration was paid or payable for the grant of the performance rights and no cash consideration is payable to acquire the shares underlying the performance rights.

6 Purpose of the issue
 (If issued as consideration for the acquisition of assets, clearly identify those assets)

The performance rights are granted pursuant to a long term incentive plan. The purpose of the plan is to provide an equity based reward to employees for enhanced performance that is aligned with the interests of the company's shareholders.

+ See chapter 19 for defined terms.

6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	No.
6b	The date the security holder resolution under rule 7.1A was passed	Not applicable.
6c	Number of +securities issued without security holder approval under rule 7.1	Not applicable.
6d	Number of +securities issued with security holder approval under rule 7.1A	Not applicable.
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable.
6f	Number of +securities issued under an exception in rule 7.2	Not applicable.
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable.
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable.
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Not applicable.

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7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	<p>FY17 performance rights – 29 November 2016 to 31 January 2017</p> <p>FY18 performance rights - 1 November 2017 to 15 December 2017</p>							
8	<p>Number and ⁺class of all ⁺securities quoted on ASX (including the ⁺securities in section 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="716 436 995 472">Number</th> <th data-bbox="995 436 1278 472">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="716 472 995 598">165,181,696</td> <td data-bbox="995 472 1278 598">Ordinary shares</td> </tr> </tbody> </table>	Number	⁺ Class	165,181,696	Ordinary shares			
Number	⁺ Class								
165,181,696	Ordinary shares								
9	<p>Number and ⁺class of all ⁺securities not quoted on ASX (including the ⁺securities in section 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="716 598 995 634">Number</th> <th data-bbox="995 598 1278 634">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="716 634 995 703">477,790</td> <td data-bbox="995 634 1278 703">FY17 performance rights</td> </tr> <tr> <td data-bbox="716 703 995 766">650,619</td> <td data-bbox="995 703 1278 766">FY18 performance rights</td> </tr> </tbody> </table>	Number	⁺ Class	477,790	FY17 performance rights	650,619	FY18 performance rights	
Number	⁺ Class								
477,790	FY17 performance rights								
650,619	FY18 performance rights								
10	<p>Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p>	<p>Performance rights do not entitle their holders to receive dividends.</p>							

+ See chapter 19 for defined terms.

Part 2 - Pro rata issue

11	Is security holder approval required?	Not applicable.
12	Is the issue renounceable or non-renounceable?	Not applicable.
13	Ratio in which the +securities will be offered	Not applicable.
14	+Class of +securities to which the offer relates	Not applicable.
15	+Record date to determine entitlements	Not applicable.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable.
17	Policy for deciding entitlements in relation to fractions	Not applicable.
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Not applicable.
19	Closing date for receipt of acceptances or renunciations	Not applicable.
20	Names of any underwriters	Not applicable.
21	Amount of any underwriting fee or commission	Not applicable.
22	Names of any brokers to the issue	Not applicable.

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23	Fee or commission payable to the broker to the issue	Not applicable.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable.
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable.
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not applicable.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable.
28	Date rights trading will begin (if applicable)	Not applicable.
29	Date rights trading will end (if applicable)	Not applicable.
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not applicable.
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable.
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not applicable.
33	⁺ Issue date	Not applicable.

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Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

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40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)

Number	+Class

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
- Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:


.....
(Director/Company secretary)

Date: 12/09/18

Print name:

PAUL SHERMAN
.....

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i>	
<i>Insert</i> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	Not applicable.
<i>Add</i> the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Not applicable.
<i>Subtract</i> the number of fully paid +ordinary securities cancelled during that 12 month period	Not applicable.
“A”	Not applicable.

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Step 2: Calculate 15% of “A”	
“B”	Not applicable. <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	Not applicable.
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Not applicable.
“C”	Not applicable.
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	Not applicable.
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	Not applicable.
<p>Total [“A” x 0.15] – “C”</p>	<p>Not applicable.</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	Not applicable.
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of ⁺ equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Not applicable.
“E”	Not applicable.

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
<p>“A” x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	Not applicable.
<p>Subtract “E”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	Not applicable.
<p>Total [“A” x 0.10] – “E”</p>	<p>Not applicable.</p> <p><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

+ See chapter 19 for defined terms.