



Replacement Crowd-sourced funding offer document

Dated 19 May 2020

This is a replacement offer document that replaces the CSF offer document dated 19 May 2020

Registered entity: **CaroMel Ltd**

Offer of fully-paid ordinary shares in CaroMel Ltd (trading as Two Hands) at \$0.53 per share to raise a maximum of \$3,000,000

This crowd-sourced funding (CSF) offer document relates to the Offer of fully-paid ordinary shares in CaroMel Ltd. This Offer is made under the CSF regime in Part 6D.3A of the *Corporations Act 2001* (Corporations Act).

Issuer: CaroMel Ltd ACN 162 235 707

Intermediary: Birchall Financial Services Pty Ltd AFSL 502 618

Table of Contents



Section 1:	Risk warning	3
Section 2:	Information about the Company	4
	<i>Letter from the founder</i>	4
2.1	Company details	6
2.2	Description of the business	8
2.3	Capital structure	25
2.4	Our Organisation	26
2.5	Risks facing the business	33
2.6	Financial information	36
Section 3:	Information about the Offer	40
3.1	Terms of the Offer	40
3.2	Use of funds	41
3.3	Rights associated with the shares	42
Section 4:	Information about investor rights	43
4.1	Cooling-off rights	43
4.2	Communication facility for the Offer	43
4.3	Public company corporate governance obligations	43
	Glossary	44



Section 1: Risk Warning

Crowd-sourced funding is risky. Issuers using this facility include new or rapidly growing ventures. Investment in these types of ventures is speculative and carries high risks.

You may lose your entire investment, and you should be in a position to bear this risk without undue hardship.

Even if the company is successful, the value of your investment and any return on the investment could be reduced if the company issues more shares.

Your investment is unlikely to be liquid. This means you are unlikely to be able to sell your shares quickly or at all if you need the money or decide that this investment is not right for you.

Even though you have remedies for misleading statements in the offer document or misconduct by the company, you may have difficulty recovering your money.

There are rules for handling your money. However, if your money is handled inappropriately or the person operating the platform on which this offer is published becomes insolvent, you may have difficulty recovering your money.

Ask questions, read all information given carefully, and seek independent financial advice before committing yourself to any investment.

Section 2: Information about the Company

Letter from the founder



The Two Hands journey has been rather extraordinary, full of serendipity – like it was meant to be.

The journey started with a phone call I will never forget from a fisher leader in the Southern Rock Lobster industry in December 2016. He was desperately concerned about the future of his industry for his kids and grandkids.

It was while going through the Airbnb process for our family's Christmas get together that the light bulb went on. Why not connect farmers, fishers and restaurants together directly?

After the family Christmas get together, we sat down with fisher leaders, always in their homes. Every meeting was with their wives and we realised the wives are a critical part of their fishing business. That's why we call them "fishers". We came to love these fishers and we realised no one was fighting in their corner. In these meetings, we explained how technology now enabled direct connection with chefs at restaurants in China where over 90% of Australian Southern Rock Lobster is sold. The fisher leaders said this is the first day of the future of their industry.

In China, we met with the chefs and management of a global, luxury restaurant chain and they said no one in the world of food is doing what we proposed. They then suggested ideas made possible by direct connection.

From there, doors just kept on opening for us.

We established a company in Shanghai and we were approved to operate a food business and to have a licence to host a website in China. These are easy words to say but it was hard yards. After initially working with a distributor, we made the bold move to have our own sales team – and what a great move that was.

On the tech side, to ensure our integrity and to eliminate fraud, our initial focus was on recording every action and transaction through the end-to-end supply chain. We realised for our blockchain application to have integrity, the fisher/farmer had to lock a smart tag onto their product and each smart tag had to be customised and unique. This was a huge effort, but we discovered the benefits to fishers, farmers, chefs and consumers in terms of an enriched experience and the data we could gather for their benefit.

However, there was one extremely important piece of the puzzle missing and this piece has had a profound impact – the ethical supply chain.

Through more serendipity, I met Stephen Hanman in February 2019. Our first meeting was one of those occasions when you say to yourself, "That was too good to be true". Thankfully, it ended up being true. Stephen and I believe the corporate model is broken and needs some work to serve humanity going forward.

Stephen brought with him angel investment and Ian George. We describe later in the Offer Document how Stephen and Ian were instrumental in Two Hands developing a "Next Generation" organisation delivering an ethical supply chain that is scalable. We realised a "humanised blockchain", where an ethical supply chain steered blockchain technology implementation, would have a profound impact on

global food fraud and supply chain inefficiencies.

After we launched our blockchain-authenticated product in September 2019, we progressed at a rate that brought us way ahead of our projections.

Then COVID-19 struck in late January 2020. All restaurants closed in China, air freighting ceased and Two Hands operations and revenue stopped. However, COVID-19 has given rise to an opportunity for Two Hands.

The brutal reality is a lack of transparency and ethics in food supply chains enabled COVID-19, SARS and bird flu. More than ever, the world needs ethical food supply chains.

Two Hands is an idea whose time has come.

The path we have followed to fight on behalf of

fishers and farmers has led us to a position where Two Hands provides a solution where governments, the World Health Organisation and law enforcement can't: Ethical food supply chains.

One of the great things about this digital age is, once a digitally disruptive product resonates with its users in solving significant pain points, it can grow its user base at speed. This is our opportunity to ensure food supply chains are ethically based and will mitigate the risk of another pandemic.

Become a shareholder of Two Hands and be part of the solution.



Greg McLardie,
Two Hands Founder & Managing Director



2.1 Company Details

This offer of shares is made by

CaroMel Ltd ACN 162 235 707
(Trading as Two Hands)
Two Hands brand became
a registered trademark
November 2017

Two Hands is:

- A revenue generating start-up in the food/agritech industry.
- One of the few globally to monetise a blockchain platform, addressing a critical, real-world issue.
- Our mission is to restore trust and closeness for fishers, farmers, chefs and consumers globally.
- The Two Hands marketplace directly connects fishers and farmers with chefs and consumers, avoids China's wet markets, eliminates inefficiencies, and improves quality, safety, transparency, and authenticity.
- Since launching our pilot program in September 2019, we grew annualised revenue to ~\$300k within four months. At that time, we had over \$4m annualised revenue in our pipeline.
- Estimated Serviceable Available Market of \$130bn, based on the average annual spend on hero proteins in ~55,700 top-tier restaurants worldwide.
- We are raising up to \$3m from CSF shareholders in order to continue our protein expansion strategy, expand our restaurant base and further develop our digital marketplace.
- The raise is at a share price of \$0.53 per share, representing a ~25% discount from our latest capital raising round in late 2019.
- COVID-19 presents both risks and opportunities for Two Hands. The current spotlight on Chinese wet markets and food safety issues positions the Company well to capitalise on safe Australia-China food trade post COVID-19.

Company Name	CaroMel Ltd
ACN	162 235 707
Offer Type	Crowd-sourced funding
Offer Date	19th May 2020
Offer Details	Offer of fully-paid ordinary shares in CaroMel Ltd at \$0.53 AUD per share to raise a maximum of \$3,000,000.
Registered office, principal place of business and contact details	14 Seville Street, Camberwell, VIC 3124
Office in China	6th Floor, WeWork, 35 Loushanguan Road, Shanghai 200336

Two Hands Mission:

Restoring trust and closeness to fishers, farmers, chefs and consumers globally.





2.2 Description of the business

2.2.1 Overview

Two Hands is a digital marketplace, restoring provenance, traceability and human connections to the food industry. We are one of the few globally to monetise a blockchain platform directly connecting fishers, farmers, restaurants and consumers.

Having successfully launched with Australian Southern Rock Lobster (SRL) in hotels like Waldorf Astoria and Ritz Carlton Shanghai, we are now expanding into more seafood and beef as well as more restaurants. Our technology and business model are built for global scale.

We have built the Two Hands-branded marketplace to take power away from middlemen and redistribute to producers, chefs and consumers.

Our products have a unique, tamper-evident smart tag – our 'passport'. Scanning the smart tag connects restaurants and consumers to a customised experience for each item, showcasing the producer, provenance and sustainability, secured by blockchain authentication.

We are achieving exciting traction. Just prior to escalation of the COVID-19 pandemic we had over \$4m annualised revenue in our pipeline.

We currently have strong interest from restaurants in China to resume shipments, and an expanded protein offering, immediately. This restaurant interest results from heightened food safety concerns following COVID-19 and the difficulties they are encountering sourcing products from Europe and North America.



2.2.2. The problem

Two Hands has had countless discussions with farmer and fisher leaders in Australia North America and New Zealand to understand the industries and the farmer and fisher mindset. Through all these discussions we found fishers and farmers feel they do not receive the profit, respect or recognition they deserve for all their sweat. Producers feel powerless as middlemen become more powerful.

Fishers and farmers used to be the lifeblood of our communities. Now globalisation and technology have taken us to a world where, to chefs and consumers, producers are faceless, their regions are invisible and the supply chain is a black box.

In this environment, it is no surprise food fraud is estimated to be a USD 40 billion problem globally¹; bigger than heroin trade and arms trafficking combined². It has been widely reported in the last 12 months China sells more than twice as much Australian-labelled beef than is exported from Australia³.

Further, supply chain inefficiencies have been estimated to be a USD 60 billion global problem⁴. Inefficiencies arise from paper-based systems, lack of coordination and every player seeking to maximise their profits.

We believe COVID-19, SARS and Bird flu were enabled by a lack of transparency and ethics in food supply chains.

In the weeks leading up to the writing of this Offer Document, there was breathless reporting about the wet markets in China and through Asia. The Australian government called upon the World Health Organisation to step in. Ironically, the government's \$110 million rescue package for food exporters is sending Australian product to those very same wet markets.

Clearly, the system is broken.

1. <https://www.digitalcommerce360.com/2017/08/23/food-fraud-walmart-retailers-food-producers-try-blockchain/>

2. <https://www.weeklytimesnow.com.au/agribusiness/decisionag/food-fraud-high-roller-of-the-crime-scene/news-story/a9837a9f2232ec5c520e2997f03bb617>

3. <https://www.abc.net.au/news/2019-11-03/blockchain-detecting-beef-fraud-in-australian-exports-to-china/11662950>

4. <https://www.ibm.com/downloads/cas/LR8VR8YV>



Figure 1: Two Hands digital marketplace.

2.2.3 The Solution

The Two Hands solution has four elements.

- **Two Hands marketplace**

The Two Hands digital marketplace connects fishers and farmers directly with restaurants and consumers using smart tagging, inventory management and blockchain technologies. As shown in Figure 1 above, fishers, farmers and chefs meet virtually on our digital marketplace, where they receive, place and track orders with each other.

With direct connection, Two Hands flips the balance of power giving farmers and fishers the recognition, higher profits and transparency they deserve.

We discuss how our marketplace works later in Section 2.2.4.

- **The ethical supply chain**

The reinvented Two Hands supply chain eliminates most middlemen, generating ~20% cost savings versus existing supply chains (discussed in Section 2.2.4). As a result, those parties remaining in our supply chain are redefined in a culture of collaboration where the mission, values and ethics are aligned - an ethical supply chain.

The Two Hands team and our supply chain partners act collaboratively and transparently to deliver alignment using a 'Next Generation' way of doing business (discussed in Section 2.4.2)

- **Humanised Blockchain transparency**

Technology has provided solutions where governments and law enforcement can't.

It's worth remembering the counterfeiting of CDs and DVDs had the music and movie industries on their knees. Once so prevalent throughout China and globally, counterfeiting died out thanks to innovation rather than law enforcement. As China embraced smartphones, it was cheaper and more reliable to download music, films or software from a legitimate source than it was to buy it from a street market.

Now, just imagine if we had a world with a single source of truth where farmers and consumers knew and trusted the ethics of the supply chain participants all the way from the farmgate to the consumer. This brings the trust implicit in the local village, to the global village. The answer is technology. Blockchain technology.

Blockchain improves transparency and traceability with a shared transaction history end-to-end, from producer through to consumer.

Humanised blockchain? The essence of Two Hands is the closeness we bring between producers, chefs and consumers, underpinned by an ethical and collaborative supply chain. There is something very human in this connection. We need the human connection to enable and humanise the technology. This marriage of human trust and tech trust is the ethical path and creates a better future for all.

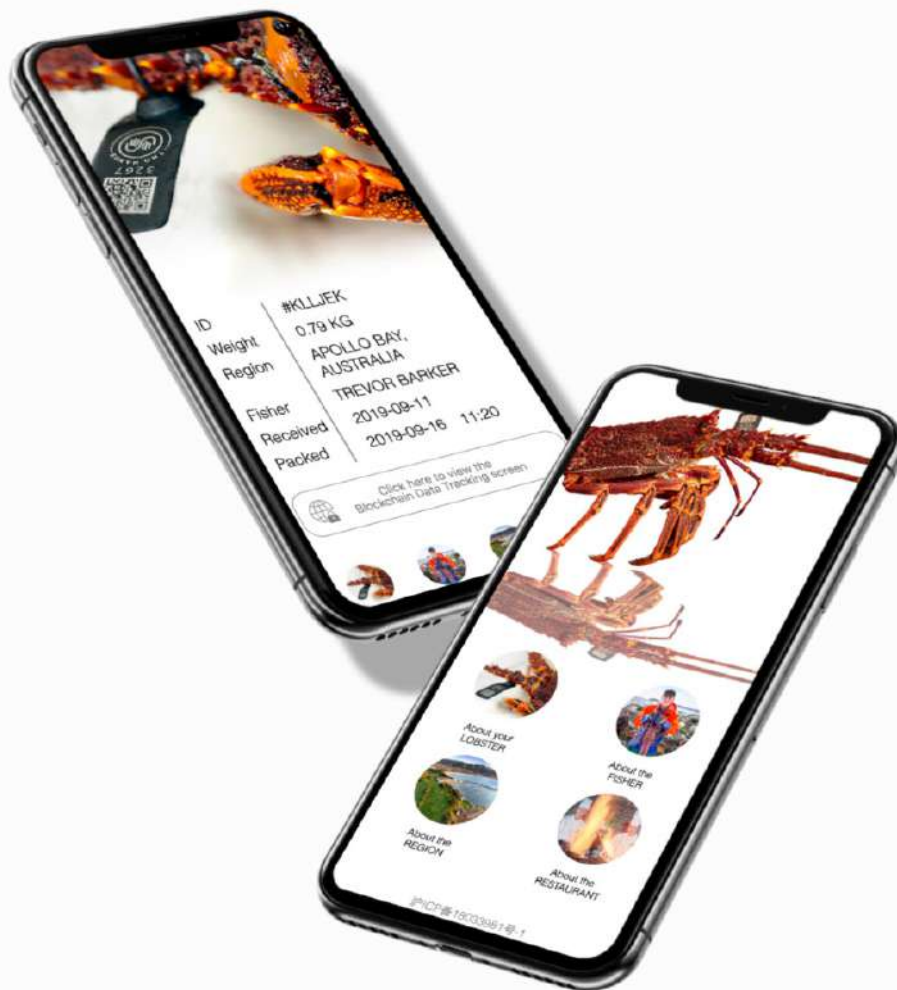
For more details on our blockchain technology, refer to Section 2.2.8.

• **Unique and customised experiences**

Every Two Hands smart tag is unique and customised. Fishers and farmers become the hero. Their regions become famous. Chefs and consumers in China scan the QR code locked onto the product and see:

- ➔ Video of the fisher/farmer,
- ➔ Video of the beauty of the harvesting region,
- ➔ Information on the chef and restaurant where the product is consumed,
- ➔ Sustainability information, and
- ➔ A blockchain dashboard verifying product authenticity.

Unique, customised smart tags have the potential to lift the quality standards of an industry. We continue to discover benefits to having unique, customised smart tags tracking product back to the individual fishers and farmers. See further explanation under 'Our Moat' in Section 2.2.6.



Taking the supply chain from many hands to Two Hands



Figure 2: Comparison of food supply chains: traditional (top) vs Two Hands (bottom).

2.2.4 How it works

The traditional food supply chain shown in Figure 2 above currently enables middlemen. Supply chain participants only have visibility/interaction with those with whom they directly interact. Majority of inter-supply chain relationships are confrontational as each is incentivised to maximise their own profit and make decisions independent of the other participants.

Each party clips the ticket, particularly on the China side, where there could be 2+ wholesalers/fish markets. Most fish are placed in wet markets, where middleman profits are put ahead of product quality or safety. The product can be handled 10+ times, further affecting product quality and safety.

Fishers and farmers in this traditional supply chain are the hardest hit. In most industries they have no option but to sell to a limited number of middlemen, meaning less bargaining power⁵ Powerful middlemen are incentivised to not share information as this increases their own bargaining power.

Because of middleman control and the lack of communication, fishers and farmers have no visibility of what happens to their produce once it leaves them. The lack of transparency works both ways: There is no ability to track the produce back to

the original producer. As a result, fishers and farmers don't receive the recognition or reward they deserve for their labour and the risks they endure.

The issue for the chef can be summarised by a Shanghai head chef who told us that chefs can't trust any ingredient which enters their kitchen.

From many hands to Two Hands

Two Hands has re-engineered the supply chain, eliminating most middlemen and instead creating direct connection between fishers & farmers and chefs & consumers. The supply chain transforms from a chain of traders looking after their own profit to collaborative, direct, ethical logistics.

As a result, we are able to generate approximately 20% savings versus the traditional supply chain. In a rock lobster example, the fisher locks a tamper-proof Two Hands smart tag on the lobster. At the holding facility, the weight and quality are recorded, and this information is immediately uploaded to the digital marketplace with pricing. Restaurants place orders on the same digital marketplace. Orders are then aggregated and packed for delivery. After the product passes through Shanghai customs, it is transported direct to the restaurant avoiding all middlemen, including the wet markets. Throughout this process, the producer and chef can go on the marketplace to track the order.

5. <https://www.agrifutures.com.au/wp-content/uploads/publications/15-055.pdf>

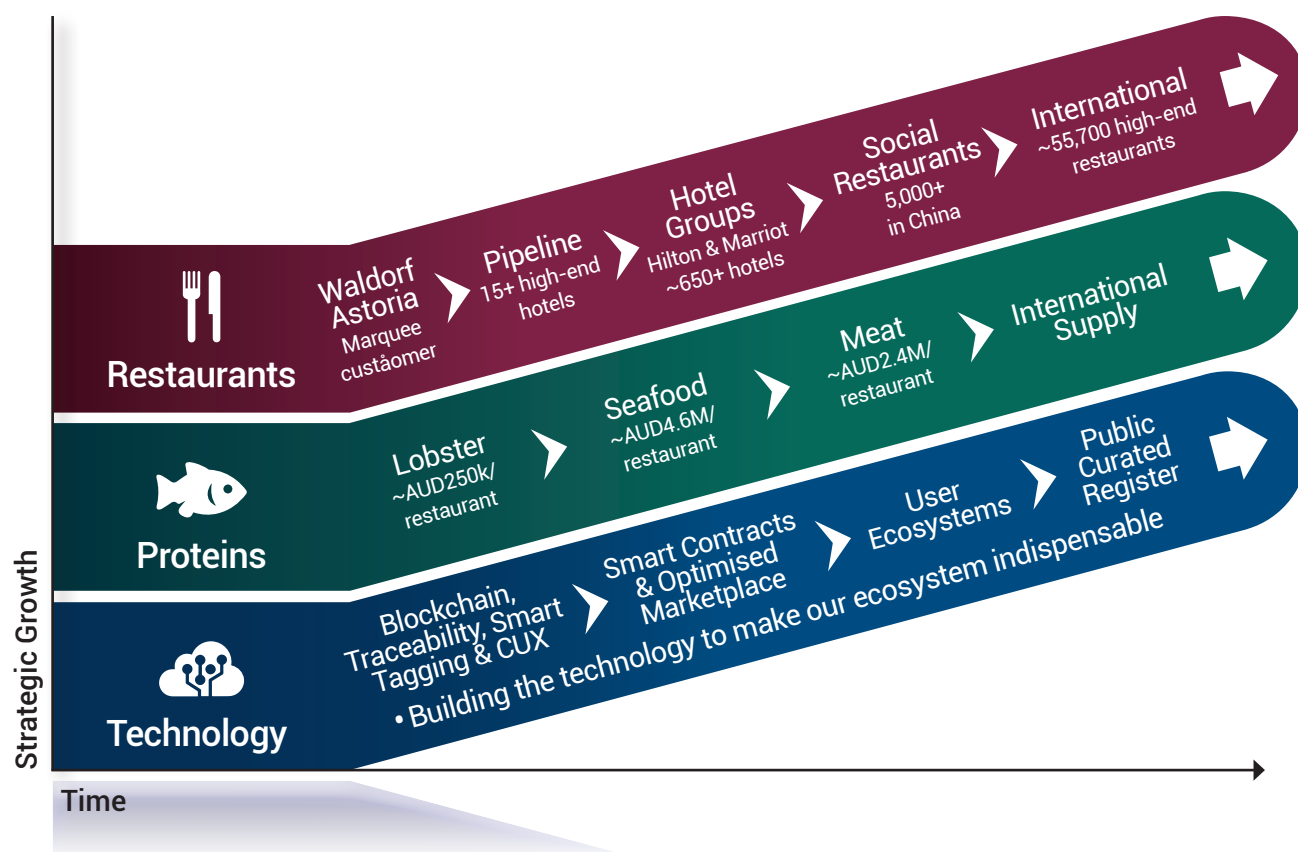


Figure 3: Two Hands three-pronged Go To Market Strategy.

2.2.5 Our Strategy

Our business model

Two Hands is a B2B2C marketplace. Our business model is built for global scalability:

- **Asset-light** – Two Hands does not own supply chain physical assets, including inventory and/or logistics assets.
- **Based on fee per transaction** – Like AirBnB, the Company earns its margin based on receiving ~5% commission from every transaction on its marketplace.
- **Building market share through high volume, low margin** – Leveraging technology to cut supply chain costs and to capitalise on a first mover advantage.
- **On-going incentives for users** – The savings generated from our reduced supply chain and from partners who act towards a common goal means we can financially incentivise both

fishers and farmers as well as restaurants, driving demand and market share.

Go-To-Market strategy & pipeline

We started in Shanghai because

- Over 90% of SRL is sold in China⁶, with the majority going to the Shanghai region; and
- Shanghai is the food innovation capital of China and Asia. While setting very high standards for Two Hands, success in Shanghai will open doors throughout Asia.

As shown in Figure 3, there are three core drivers underpinning our Go-To-Market (GTM) and growth strategies; Restaurants, Proteins and Technology.

Restaurants expansion:

We estimate a Serviceable Available Market of over \$130bn, based on the average annual spend on hero proteins in 55,700 high-end restaurants⁷ worldwide. High-end restaurants are our initial target for several reasons:

6. Fisheries Research and Development Corporation, 2019.

7. Based on internal calculations

- These chefs are key influencers globally for all food trends – for both consumers at home as well as for more mainstream restaurants – as they are passionate about a better food experience;
- They are purchasers of high value proteins and are willing to pay for better quality;
- Concentrated market (especially in China, with access to a higher portion via hotel groups)

For launch, we partnered with a small number of high-end restaurants in luxury hotels such as the Waldorf Astoria Shanghai to test and learn.

Our target strategy going forward is to target:

- Shanghai high-end hotel restaurants. There are approximately 80 high-end hotels in Shanghai, with an average of over three restaurants per hotel. Of these we have already built a pipeline of over 15 hotels, including Ritz Carlton, W Hotel and Bvlgari.
- Large hotel groups for scalable growth.
 - » Hilton Group China (~120 hotels in China),
 - » Marriot Group China (~530 hotels in China), and
 - » Intercontinental, Hyatt and Great Eagle groups.
- 'Social' restaurants, which are high-end restaurants independent of hotels, represent an estimated opportunity of ~\$550M in Shanghai.
- Geographic expansion within China, primarily among Tier 1 and 2 cities – Beijing, Guangzhou, Shenzhen, Hong Kong, Zhejiang, Jiangsu, etc.
- Geographic expansion outside China, including Japan, South Korea and Singapore.

Protein expansion

To test our working model, Two Hands launched with one protein, Southern Rock Lobster.

Our GTM strategy was always to quickly expand our protein offering, to:

- Increase our relevance for restaurants,

- Expand the opportunity for producers as food fraud issues and SRL fishers' issues are shared by many farmers and fishers,
- Gain economies of scale for our logistics, and
- Dramatically increase the number of participants in the Two Hands marketplace.

Feedback from Shanghai chefs has confirmed not only their interest in more proteins, but particularly in salmon and beef, along with niche or regional proteins that provide them with a point of difference.

Hence, our current (second) phase of protein expansion includes salmon, beef and a limited number of additional seafoods. In particular:

- Two Hands has secured an agreement with Aglive Group Limited, a public (unlisted) Australian company that has developed an industry-first paddock-to-plate solution for beef, backed by blockchain data storage and encrypted security.
- Other Australian seafoods including oysters, abalone and crab.

The next phase of protein expansion will be to target other Australian and New Zealand sourced meats and seafoods.

From there, we plan to expand our producer sources outside Australia and New Zealand. Chefs in Shanghai attract the best food products from around the world. These chefs are keen to introduce these farmers, fishers and artisans into the Two Hands marketplace.

Tech expansion

The initial focus of the Two Hands technology platform centred on product recording and tracing capabilities. Working with SRL, Two Hands was able to sample and develop effective smart tagging and inventory technologies allowing seafood proteins to be tracked through the supply chain. Central to this was the integrity of our data.

OUR BRANDING WILL CHANGE CHEF & CONSUMER PERCEPTION

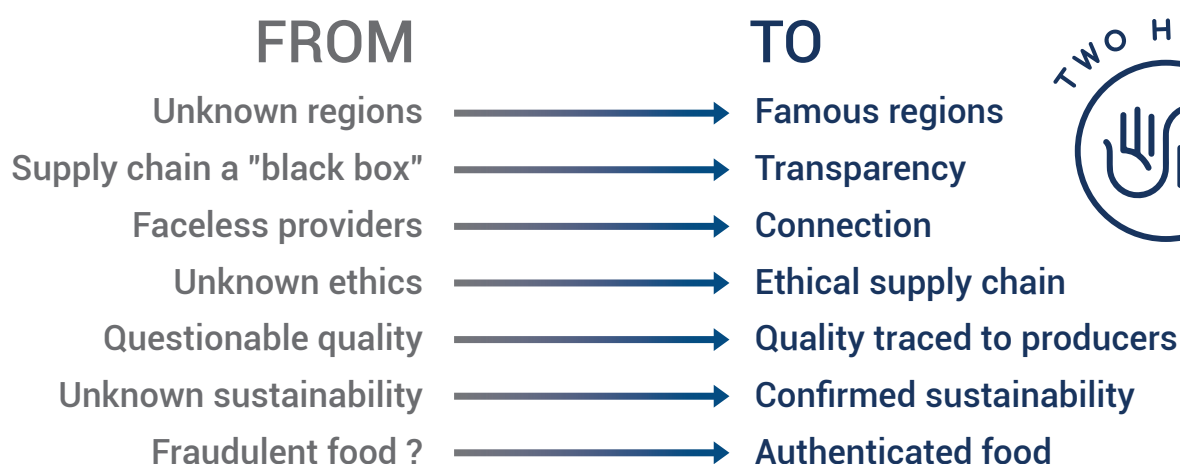


Figure 4: Impact of Two Hands branding strategy.

Integrating our inventory systems to record data on blockchain ensured we would have the trusted data sources to provide the provenance assurances restaurants demanded. From there our consumer experience application evolved to showcase the provenance and to romance the story behind food producers, regions and the restaurants.

The next phase of the technology expansion will be to grow the technology platforms to handle multiple supply chains for the many different foods sources we will on-board. Central to this will be the development of our marketplace concept which provides the portal for the direct connection between producers, restaurants and consumers as well as the incentive mechanisms to drive ethical behaviour.

Please refer to 2.2.8 for more details around our technology offering today and our roadmap for the future.

Branding strategy

Traditionally, seafood, proteins and unprocessed agricultural products have not been branded.

However Two Hands branding will be a critical element. We intend for Two Hands to become a globally-recognised guarantor of quality, freshness, safety and transparency for every product that travels via our marketplace.

The Two Hands branding will reach well beyond the smart tag. We will build awareness to drive producers and chefs to become users of our marketplace, but also to build consumer awareness of Two Hands. As shown in Figure 4, as consumer awareness grows of the unique benefit of Two Hands-tagged produce, they will become more knowledgeable about provenance, sustainable and ethical food supply and will seek out restaurants providing those products. This will drive further growth in the Two Hands marketplace.


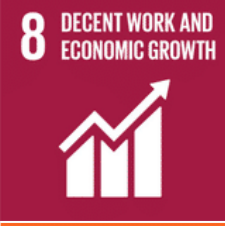



Branded produce is part of the Two Hands marketplace. The Two Hands branding will be on the packaging and smart tag, and in future, on display at the restaurants, to guarantee the ethical and transparent supply chain. Concurrently, the food product branding by producers using our marketplace can focus on their marketing strategy. In this way, Two Hands can be a marketplace for competing products/brands, providing a 'halo' of quality and ethical supply for all our user brands.

For example, Macka's branded Angus beef will have their brand messages exposed directly to chefs and consumers in China. Similarly, the Two Hands marketplace will give farmers and fishers the opportunity for the first time to build their own personal brand through the provenance videos and consumer user experience.

Social Impact strategy

Two Hands seeks to be an ethical company, not just create an ethical supply chain. As part of this, we have embraced both a 'Next Generation' way of doing business (further discussed in Section 2.4.2) and the opportunity to deliver against five of the UN Sustainable Development Goals⁸.

Outlined below is how we aim to address five of the UN's Sustainable Development Goals.

	Objectives	Outcomes	Projects
	World health and well-being	<ul style="list-style-type: none"> Improving food safety Improving the mental health of fishers and farmers 	<ol style="list-style-type: none"> Redesigning the supply chain to avoid fish markets and double-handling Facilitating human connections between producers and restaurants Rewarding quality producers with premium pricing
	Thriving regional Communities	<ul style="list-style-type: none"> Increased income for fishers and farmers, with multiplier effect on their communities 	<ol style="list-style-type: none"> Fisher, farmer and protein growth Redesigning the supply chain to remove costs Building collaborative workplaces
	Innovation to eliminate food fraud globally	<ul style="list-style-type: none"> Fully transparent and authenticated supply chains 	<ol style="list-style-type: none"> Tech development: blockchain, smart contracts, user experience Building collaborative supply Chains
	Reduce the environmental footprint from food and materials	<ul style="list-style-type: none"> Recyclable packaging Reduced food wastage Reduced use of chemicals 	<ol style="list-style-type: none"> Recyclable packaging Redesigning the supply chain to avoid fish markets and double-handling
	Promote sustainable fishing practices	<ul style="list-style-type: none"> Increased awareness and demand for sustainable seafoods. 	<ol style="list-style-type: none"> Tech development: fisher inventory management, blockchain, user experience Fisher and protein growth Facilitating human connections between producers and restaurants

8. <https://unstats.un.org/sdgs/report/2019/Overview/>






						TRADITIONAL TRADERS
Provenance Tagging	●	●	●	●	●	—
End-to-end blockchain	●	●	●	—	—	—
Ethical focus on eliminating food fraud	●	—	—	●	—	—
Unique & customised experiences	●	—	—	—	—	—
Re-engineered supply chain, with collaboration shifting the balance of power	●	—	—	—	—	—
Marketplace (without ownership of assets)	●	—	—	●	—	—

Figure 5: Assessment of competitors' service features vs Two Hands.

2.2.6 Competitive Advantage

There is no equivalent business to Two Hands in terms of our unique combination of human and technological trust. Two Hands has a unique focus on creating a transparent, collaborative and ethical marketplace.

In Figure 5 we have outlined the features of competitive offerings versus Two Hands. While there are no global multinationals operating in our space, we face competition from existing industry exporters, wholesalers and supply chain participants. From a technology standpoint, there are large consultancies providing blockchain solutions for food supply chains, such as IBM and PwC. In China, Alibaba, has Hema stores providing information on their live seafood. Fishcoin has not monetised their blockchain solution. Gfresh has simply digitised existing supply chains with no end-to-end capability or blockchain implementation.

In all the above examples, producers remain open to exploitation. Two Hands has used blockchain

technology to flip the balance of power away from middlemen to the people who matter most – fishers, farmers, chefs and consumers. Most blockchain applications want to be a platform for others to build on. “Build it and they will come” appears to be their tech-first operating model. In these competitive blockchain applications, we think that producers can still be exploited and food fraud can still occur.

Being one of the first globally to monetise a blockchain application solving a critical world issue, the Two Hands insight is blockchain technology will be used in one of two ways:

1. To entrench the power of existing, powerful middlemen; or
2. To be highly disruptive and distribute supply chain power more equitably, more democratically. To be highly disruptive requires a different business model where all participants are aligned to an inspiring mission, acting collaboratively and transparently, leading to an ethical supply chain.

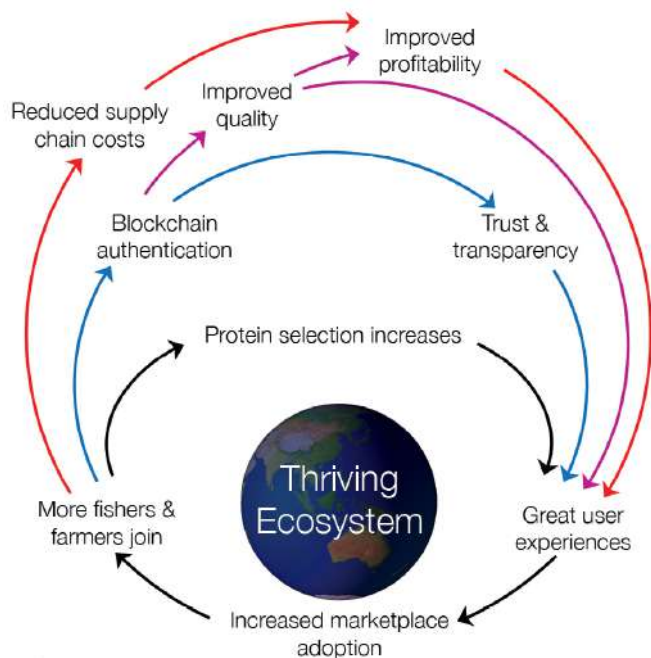


Figure 6: Two Hands flywheels of growth

Our Moat

At its core, we are creating an ecosystem that is indispensable to all our users – producers, chefs, consumers – due to the great experiences they receive.

Our competitive edge, or 'moat', goes beyond the virtuous, self-fulfilling cycle of growth that each aspect of our marketplace creates. It is about how each builds on the other. The various growth engines or 'flywheels' for Two Hands are shown in Figure 6 above.

Enhanced consumer experience on protein: The inner (black) circle represents the cycle of supply and demand. Increased supply and selection of proteins results in a better experience for restaurants, which drives growth.

The middle (blue/purple) circle represents the impact of our technology offering. There are two flywheels generated from blockchain authentication:

- **Authenticity** – resulting in greater transparency and trust in the products offered via the Two Hands brand, thereby enhancing chef and consumer experiences, driving growth; and
- **Reward enhanced quality** – This not only benefits producers financially, but also provides a better quality experience for both chefs and consumers, in turn driving growth. By rewarding quality we are inspiring excellence from all participants, continually 'raising the bar' for all users compared to their competitors;

Improved supply chain – The outer (red) circle is the volume (i.e. efficiencies of scale) and price driver. It is important to note this circle builds further on the efficiencies already generated by our reinvented supply chain.

While competitors could potentially replicate individual elements of our cycles of growth, the biggest challenge would be integrating these elements, as this requires the Next Generation culture with which Two Hands operates (see Section 2.4.2 for further explanation).

As shown in Figure 7, these flywheels of growth generate a variety of benefits for each of the users of the Two Hands marketplace: producers, restaurants, consumers and logistics partners.

Fisher & Farmers	Restaurants	Consumers	Logistics Partners
<ul style="list-style-type: none"> • Earn higher prices in return for quality product • Valuable market insights • Respect and recognition 	<ul style="list-style-type: none"> • Trust in the source of produce and no food fraud • Marketing opportunity for quality, sustainability and story-telling • Improved profitability 	<ul style="list-style-type: none"> • Trust in provenance, quality and food safety • Unique and customised experience 	<ul style="list-style-type: none"> • Scalable future growth opportunity • Be part of ethical safe food solution • Stable Margin protected from market variability

Two Hands users join for the pricing and stay for the growth, connection, quality and experience.

Figure 7: Summary of benefits to users of Two Hands marketplace.

2.2.7 Key Achievements – Journey to Date

2016

December

- Concept of Two Hands is born

2018

May

- Wholly Foreign Owned Entity (WFOE), business licence, website licence and office established in China

2020

February

- Chefs in China request an expansion of Two Hands seafood and meat products owing to food safety and security concerns from COVID-19.

April

- Agreement signed with AgLive to bring fully traceable meat products into the Two Hands network
- Agreement signed with GoChain, a leading Silicon Valley-based international blockchain technology company

2017

April

- Tech development begins, supplier and logistics agreements signed

October

- Two Hands China team established

December

- Began trial shipments to gather all supply chain data and assess technology interface requirements

2019

March

- First revenue, based on pre-blockchain pilot to record all chain of custody information

June

- Successfully resolved the issue with running the Two Hands platform outside and inside the 'Great Firewall of China'

July

- Fishers onboarded with Two Hands. Video content produced with fishers telling their own stories.

August

- Hyperledger fabric blockchain network deployed and live testing

September

- First revenue from a blockchain-authenticated shipment
- Pilot shipment of SRL with Two Hands traceability platform to two restaurants in Shanghai
- Waldorf Astoria highlights Two Hands brand on their menu

October

- Waldorf Astoria PR event - featured in Forbes and Grazia China

November

- Agreement signed with Last Mile Distributor in Shanghai

December

- Additional restaurants onboarded and receiving weekly shipments

2.2.8 Our Technology

Background

Food supply chains still largely operate on paper-based records, which creates interdependencies between intermediaries and ample opportunities to falsify records. Blockchain, by providing a cryptographically secure and immutable record of transactions and associated metadata (such as origin, contracts, process steps, microbial records) promises to bring greater efficiency, transparency and traceability to the exchange of value and information between all actors in the supply chain.

The technology itself cannot prevent fraudulent information being supplied. Even if data is directly entered through the scanning of a barcode on a package, this still relies on the source of data (the barcode) accurately reflecting the contents (the ultimate product). The key weakness of these solutions stems from the fact they preserve the existing multi-enterprise supply chain structure.

Our insight is the potential of blockchain and other technologies can only be realised if the food supply chain is reengineered to re-establish closeness and trust through-out the supply chain between the producer and consumer. The ability of our marketplace to transact information and value at

the same time without the need of many controlling intermediaries, combined with a Next Generation way of doing business (see Section 2.4.2) are key to Two Hands efforts to build a supply chain where all players are engaged and act ethically, transparently and collaboratively.

The Two Hands Marketplace

The Two Hands marketplace provides the ecosystem for fishers and farmers (producers), restaurants and logistics partners to operate in a supply chain with trust and transparency. Participation in the marketplace requires acceptance of our governance rules and regulations. This is a fundamental principle of the marketplace.

Performance measures are built into the marketplace, supported by blockchain technology, to hold each participant to account. Ultimately, as the marketplace evolves the community curation of each actor in the supply chain will take place. Two Hands technology sits at the application (ecosystem apps) and smart contract layer of the blockchain stack (see Figure 8).

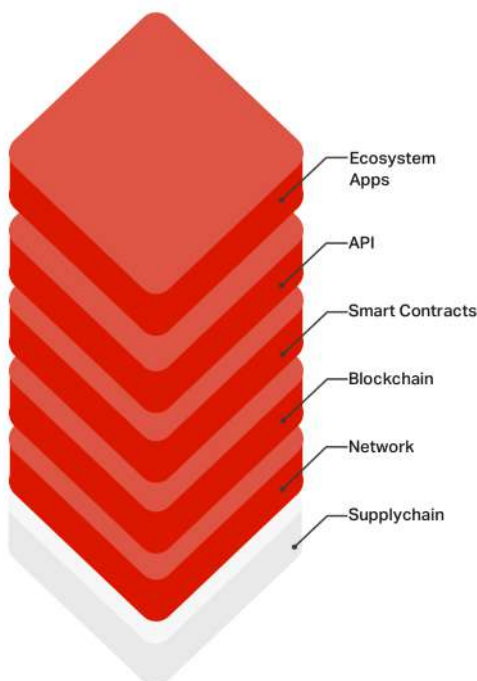


Figure 8: Our technology stack.



“
With this QR code I can really see the map and where it comes from, how it has been looked after and shipped here. So I really get the best and freshest food.
”

Alistair Carter
Head Chef, Waldorf Astoria on the Bund, Shanghai.

*Individual has provided consent to this statement being included in this Offer Document

The below table outlines the components of the Two Hands technology platform – both today and in the future.

Table 1: Two Hands technology component features, now versus future plans.

	TODAY	ROADMAP
BLOCKCHAIN & API 	<ul style="list-style-type: none"> ● Uses Hyperledger Fabric to run private distributed ledger ● Smart contracts (chaincode) determine how data attached to smart tags is updated ● Blockchain integration is provided by TIS, CHoC & CUX ● API links TIS & CHoC to Hyperledger Fabric ● On-boarding new supply chains (e.g. Beef) 	<ul style="list-style-type: none"> ● Incorporate additional supply chain metrics for existing APPs for performance monitoring ● Interface IoT (Internet of Things) technologies for additional traceability ● Scale technology offering internationally ● Implement Financial Smart Contracts for ordering and payment ● Public Curated Registry
MARKETPLACE 	<ul style="list-style-type: none"> ● Provides a mechanism for participants to engage collaboratively ● provides market tools and intelligence tailored to each participant: <ol style="list-style-type: none"> 1. <i>For producers, includes a dashboard of market information and pricing.</i> 2. <i>For restaurants, includes pricing, ordering and direct connection to producers/provenance.</i> 	<p>For producers -</p> <ul style="list-style-type: none"> ● Performance Dashboard – supply frequency, volume, quality, specification, etc. ● Market intelligence ● Business support services – other benefits facilitated by Two Hands ● Profile – customisable view ● Build sense of community for connection and mental health support <p>For restaurants -</p> <ul style="list-style-type: none"> ● Market intelligence ● Ordering promotions ● Producer engagement –communication portal ● Innovation through food artisans and high-quality, niche, smaller producers ● Product Tracking – temperature, shock, etc ● Build sense of community for connection and for mental health support
SMART TAGGING INVENTORY SYSTEM (TIS) 	<ul style="list-style-type: none"> ● Producers and logistics partners use our tamper evident smart tags ● Collects producer information linked to product and quality ● Passed to an API end-point which updates the Blockchain and CUX ● Enables performance measures 	<ul style="list-style-type: none"> ● Capture additional performance metrics around the quality of food processed. ● TIS <-> API endpoint functionality will continue to be developed. ● Onboard additional supply chains having different data capture technologies



CHAIN OF CUSTODY APP (CHOC) 	<ul style="list-style-type: none"> ● Allows logistics partners to engage with the Two Hands platform as smart tagged produce travels through the supply chain ● Validates product's itinerary with the data points captured on blockchain. ● Chefs and diners can verify the authenticity of their product via CUX 	<ul style="list-style-type: none"> ● Integrate with IoT (Internet of Things) technologies to augment the CHoC application data points, providing a level of automation in the supply chain outside of official custody transfer.
CONSUMER USER EXPERIENCE APP (CUX) 	<ul style="list-style-type: none"> ● Works as a data reader, allowing restaurant patrons to scan a QR code on a tag locked onto the produce and access information regarding the provenance of their meal. ● No app download is required. 	<ul style="list-style-type: none"> ● Build a "Netflix"-type experience. ● Improve mobile browser support (always ongoing) ● WeChat Mini-Apps to unlock e-commerce opportunities ● Single touch experience sharing (e.g. see my fisher, see my restaurants) ● Engagement – explore platform tools for consumer -> producer engagement

Table 1: Two Hands technology component features, now versus future plans.

The touchpoints of the Two Hands technology with our supply chain are outlined in Figure 9. The QR code shown at various locations indicating points where information is uploaded to the blockchain

during the product's journey through the supply chain., while the colour coding shows the different layers of the Two Hands technology interacting with our blockchain at each step of the supply chain.

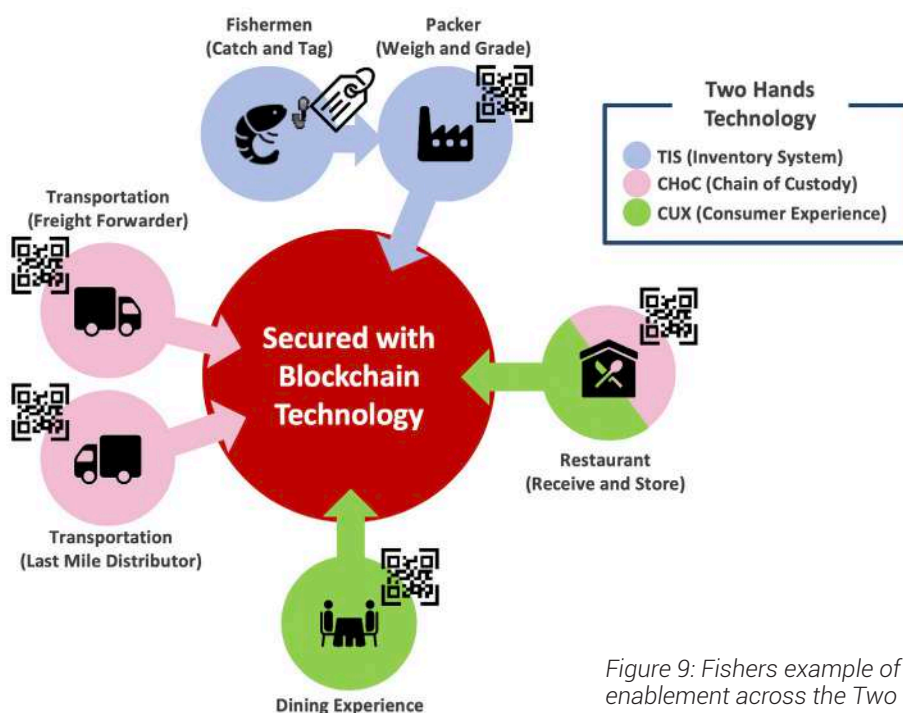


Figure 9: Fishers example of Blockchain enablement across the Two Hands supply chain.



2.2.9 The Future

Public register and mitigating future pandemics

The Two Hands vision is to develop a global marketplace governance model involving a public curated registry (PCR) (also known as a token curated registry) with a “Jedi global council” overseeing governance, rules and behaviours. The purpose of the registry is to incentivise ethical behaviour within marketplace where ethics, sustainability, trust, transparency and collaboration are key.

Initially, the PCR will be piloted inhouse before giving birth to a separate, PCR. Producers, restaurants and logistics partners (the actors) invited to operate in the Two Hands marketplace will be included in the registry. The curation of the registry is then achieved by the marketplace actors.

The ultimate goal of the registry is to retain and reward ‘good’ actors while removing ‘bad’ actors (i.e. participants with poor performance or unethical behaviours including food fraud practices). Actors removed from the registry will also be removed from the Two Hands marketplace. The reputational effect of an efficient PCR will provide end consumers and other potential supply chain participants with information about:

- The credibility of the Two Hands marketplace
- The credibility of participants in the Two Hands marketplace
- Whether they wish to join the Two Hands marketplace

The PCR may enable rapid, global expansion of a risk mitigant to future pandemics, food fraud elimination and enable greater happiness to producers. There appears to be ethical companies pursuing the same path as Two Hands in England, France, Norway, Iceland, India, Malaysia, China and North America. These companies can join the PCR, while staying entrepreneurial and independent, as long as they abide by the PCR's governance, rules and behaviours

An effective PCR requires active participation by its members. Tokens (cryptocurrency) provide the economic incentives for participants to curate the registry judiciously. Backed by blockchain, an effective crypto economic design of a PCR assures stability and fairness for those who participate.

The process around the foundation, governance, tokenisation, staking and protocols for the Two Hands PCR have yet to be determined. However, a core principle for the development of a PCR will be that it must be linked to the performance of the actors within the marketplace. For example, the Two Hands ecosystem includes technology that passively or directly captures information related to performance by its actors. This varies for each supply chain participant. Information captured allows performance benchmarks to be established based on outcomes that are desirable to the Two Hands ecosystem (i.e. quality product, efficiency in handling, consumer satisfaction).



If all actors performance can be transparently monitored then curation decisions around who is retained and who is removed from the registry can be more reliably predicted. Accordingly, to avoid potential biases or manipulation via coordination or collusion a challenge protocol will be developed that is linked to performance. The ultimate reward for the PCR is the retention of participants who act with ethics, trust and transparency at the expense of those that do not.

The recently announced agreement with leading blockchain provider, GoChain will provide Two Hands with access to the technology platform and skills required to implement a PCR.

Ecosystem

The intent for our digital marketplace is to make it become indispensable to our users - fishers, farmers, chefs and consumers. In order to achieve this, our marketplace needs to provide more than just information relevant to the buying and selling of product on Two Hands. We envision providing an 'ecosystem' - a virtual universe of information, ideas, inspiration, data that meets other needs of the various users totally unrelated to the actual business of buying and selling of product. In doing so, these users become even more attached to the Two Hands platform as a source of broad knowledge and even entertainment. Examples of some of these additional benefits are outlined in Section 2.2.8, in Table 1, under the column titled 'Roadmap'.

Brand

Currently, Michelin stars provide independent verification of the quality of the dining experience

and the Trip Advisor symbol provides crowd-sourced confirmation of hospitality quality. We intend for Two Hands to emulate these, a symbol proudly displayed by producers and chefs to showcase their commitment to authenticated, safe food.

Next Generation organisation

Social responsibility has always been a part of our business plan. For Two Hands to aspire to make the world a better place and consider our whole ecosystem, first we must become a robust, profitable organisation. From strength we can bring about dramatic change in the world.

We see issues with freighting food and a lack of ethics in global supply chains.

Under the Two Hands model, and as a Next Generation organisation (see Section 2.4.2), the restaurant/consumer has more power to set the level of standards for ethically and sustainably sourced product – because they have direct connections with the producers and access to this information through our marketplace. This will encourage more and more sustainably sourced food and accountability within the supply chain. We intend for the future of our marketplace to include industry standards and certifications, such as Marine Stewardship Council or Aquaculture Stewardship Council certified fishers. Our restaurant partners love the idea of having blockchain verification of the sustainability of Two Hands product.

We are generating amazing responses from the industries and communities that we work with, including impact investors.

2.3 Capital Structure

The company has historically been funded by founder finance and equity injections from angel investors who have supported the company's set-up, scale and growth periods.

2.3.1 Issued Capital

As at the date of this CSF offer document, the Company has a combination of Ordinary Shares, Convertible Notes, Simple Agreements for Future Equity (SAFEs) and Employee Options on issue. Table 2 below shows the breakdown based on shareholder type.

Table 2: Issued capital of the Company before the Offer.

Shareholder	Shares	Convertible Securities ¹	Options ²	% On Full Dilution
Greg McLardie (Founder & CEO)	8,849,707	46,348	Nil	28%
Other Directors (current & former)	5,520,135	152,098	Nil	17%
Founding Shareholders & Angel Investors	8,737,279	6,105,875	Nil	46%
Employees	450,001	10,332	2,391,800	9%
Total	23,557,122	6,314,653	2,391,800	100%

¹ Convertible Securities include SAFEs and Convertible Notes

² Options are part of the Company's Employee Share Scheme (ESS). Those shown in Table 2 are only those already allocated to employees.

Table 3 sets out the issued capital of the Company following the Offer on a fully diluted basis.

Table 3: Issued capital (on a fully diluted basis).

Shares	Minimum Subscription	Maximum Subscription
Greg McLardie (Founder & CEO)	8,896,055 (27%)	8,896,055 (23%)
Other Directors (current & former)	5,672,233 (17%)	5,672,233 (15%)
Founding Shareholders & Angel Investors	14,843,153 (45%)	14,843,153 (39%)
Employees	2,852,133 (9%)	2,852,133 (8%)
Offer Shares	471,690 (2%)	5,660,276 (15%)
Total shares on issue	32,735,264 (100%)	37,923,850 (100%)

Rights associated with shares, convertible securities and options are as follows;

➔ **Ordinary Shares.** Representing a normal equity ownership in the Company with standard voting rights.

➔ **Simple Agreement for Future Equity ("SAFE") agreements.** Ordinary shares will be issued to these investors under conditions and pricing outlined in the agreements. The shares will be issued at a future equity event, based on the lesser of a specified discount to the market price or a capped valuation per share. Refer footnote 3 to the Balance Sheet (section 2.6.2) for more information.

➔ **Convertible Notes.** The vast majority of notes can either be converted to ordinary shares or repaid in cash no earlier than a future equity event such as an IPO, or in 10 years from issuance.

➔ **Options.** The Company is establishing an Employee Share Scheme (ESS) in order to provide certain employees, contractors and Directors with an opportunity to share in the growth in value of the shares. This encourages them to improve the performance of the Group's return to shareholders, and enables the Company to retain and attract skilled and experienced employees. The ESS is expected to comprise of a total option pool of between 10% and 15% of the business.

A copy of the Company's constitution is available on the intermediary's platform.

2.3.2 Debt Funding and other sources of Funding

Loans

The Company has three loan agreements outstanding;

1. A \$57,000 loan agreement has been entered into with Founder and Managing Director, Greg McLardie. The loan is unsecured and repayment terms are conditional on the company raising a total of \$3 million in capital.

2. A \$80,000 loan agreement has been entered into with an existing shareholder. The loan is unsecured and repayment terms are conditional on the company raising a total of \$300,000 in capital.
3. A \$5,000 loan agreement has been entered into with a Director, Wayne Hayes. The loan is unsecured and the repayment term is aligned to receipt of proceeds from this offer.

Grants

To date, the Company has received \$59,236 (net of fees) in Export Marketing and Development grants.

We have submitted a claim for \$49,606 (net of fees) under the Federal Government's R&D tax incentive scheme relating to its financial year ending 30 June 2019. The business intends to submit a second claim as soon as possible after 30 June 2020.

2.4 Our Organisation

2.4.1 Company Structure

- CaroMel Ltd is the ultimate operating and holding company for all of the business activities described in this offer. The Company trades under its 'Two Hands' brand, which is a registered trademark of CaroMel Ltd.
- CaroMel Ltd owns 100% of its subsidiaries; CaroMel China Pty Ltd (Australian registered) and CaroMel NZ Ltd (NZ registered)
- In May 2018 we established a wholly foreign owned entity (WFOE) in China, CaroMel China Co. Ltd. This entity conducts the majority of the Company's Chinese operations. It is 100% owned by CaroMel China Pty Ltd.

CaroMel Ltd is not an Early Stage Investment Company for the purposes of the Federal Government's tax incentives afforded to those companies.



Figure 10: Two Hands team structure.

2.4.2 Organisational Structure

The organisational circle structure shown in Figure 10 reflects our Next Generation way of doing business, as further explained in the section below. In contrast to the standard hierarchy approach, this structure states that expertise outranks rank. We always want the best person for the job. The leadership and management centre is open for the expert to step in. Leaders can challenge and invite people into the centre if they are seen as the experts but are reticent to step in. Authority is devolved down to the expert who is guided by our Strategic intent. We work together to deliver the Two Hands strategic intent.

This structure also reflects that we are inviting each person to take responsibility for their work.

Next Generation Organisations

A Next Generation organisation is a different approach to organisational structure. The change is about power; in the hierarchical command and control model it is about having power over people. The leadership that forms in this model is about getting people to do what is needed – that often involves manipulation.

In contrast a Next Generation organisation actively works on power with people. We co-create and actively involve people and dismantle hierarchical ways of working that disengage people. We strive for a high trust work environment that invites the whole person to work. We nurture self responsibility via autonomy and devolved decision making. This is the design for success in this VUCA world – volatile, uncertainty, complexity and ambiguous. Collaborative leadership is the norm and we work with interdependencies within the Two Hands teams as well as with our global supply chain partners.

Next Generation Organisations work in a holistic way where all players in the value chain win, from fishers to customers and consumers. Stakeholders are included in this approach with payback to involved communities. Its focus is wider than shareholder value. Working in this way both within our team and with all our partners results in everyone working towards a common goal that benefits all in the long run, rather than short term self-interest gains. This business approach also enables the Two Hands team to genuinely connect both with world-famous chefs and isolated fishers/farmers - each is respected for their contribution to an ethical food supply chain.

2.4.3 Our Team



*"I believe that people, and technology, are ready for what Two Hands can deliver – absolute proof of provenance, transparent supply chains, and making ethical actors of us all."**

Laurel Dayman, Chief Financial Officer

- A strategic finance professional with 10+ years of experience.
- Treasury roles have provided a comprehensive understanding of capital and risk management, transactional and trade financing, cash management, financial stakeholder engagement and reporting.
- Assistant Treasurer at Incitec Pivot Limited, an ASX-listed international company and global leader in the resources and agricultural sectors.
- NAB Associate Director, FX, Interest Rates and Commodities Sales for ASX Top 200 and multinational corporates.
- Bachelor of Business from Monash University.



*"Sales helps industries solve critical problems by bringing them innovative solutions, but Two Hands goes beyond this – it has the potential to have a major positive impact for consumers globally"**

Brielle Perry, Head of Sales

- A startup executive with expertise in sales process, scalability, and fostering high performing revenue teams.
- VP of Sales and Business Development Consultant at Harbinger since 2018, where she is responsible for transforming sales organizations by implementing process and developing predictable revenue strategies.
- VP of Sales at B2B technology companies including Tagboard and Hyp3r:
 - » At Tagboard Brielle built the sales organization from the ground up and doubled revenue year over year.
 - » At Hyp3r, Brielle doubled their ARR and building an enterprise sales team.
- BA in Business focused on Sales & Marketing – University of Washington, Foster School of Business.



*"We're doing something no one else is doing – not just amazing technology and reinventing international supply chains, but honouring amazing, hard-working fishers and farmers. And I love that."**

Ben Pyman, Head of Operations

- Ten years working for several companies overseeing the development of apps for a wide range of clients.
- Over this time Ben progressed quickly from Digital Consultant roles to COO at software development company, NextFaze.
- Ben ran his own business for almost 5 years, a consultancy providing digital development to small and medium sized companies across several countries.

**Individual has provided consent to this statement being included in this Offer Document.*



*"Through-out my career, I've spent time with farmers across the world, seeing their enthusiasm and passion firsthand. I love that Two Hands is bringing that personal experience to consumers globally."**

Gale McLardie, Head of Marketing

- 35 year career as a food and beverage marketer.
- Previous Marketing Director/Manager roles with companies vertically integrated back to producers include Tata Global Beverages, Dairy Australia and Ocean Spray Cranberries.
- Having started her marketing career at Procter & Gamble's global headquarters, also worked in advertising and marketing consulting agencies, and across Australia, New Zealand, Japan and the US.
- MBA – University of North Carolina at Chapel Hill, Bachelor of Economics – Duke University.



*"There is no magic formula for a successful venture, but there are key ingredients, and Two Hands brings these to the table; a team dedicated to actually make something, vision to change things, and ability to take the steps to get there."**

Derek Munneke, Head of Technology

- Derek has spent 15 years working his way up in the IT industry.
- Originally a developer, Derek has fulfilled roles as varied as manager, salesman, mentor, and social organiser.
- With vast experience in all aspects of the software lifecycle, Derek brings a passion and dedication to developing good software.
- Masters in Science – University of South Australia majoring in Computer and Information Science, Bachelor of Science (Honours), Physics – University of New South Wales.



*"Foods show the culture and deliver care, At the forefront of IoT, I look forward to helping Chinese consumers use our technology to create a deep resonance with our high quality producers and their foods."**

Alex Shu, Joint Head of China

- Alex spent 9 years living, working and studying in Germany.
- The Two Hands mission is highly disruptive, yet collaborative, making Alex an ideal team member. Her creative thinking and natural leadership style are critical as Two Hands seeks to build relationships with 5-star restaurants different to anything these users have ever experienced.
- Master of science -Technology Logistics – University of Applied Sciences Frankfurt; Bachelor of Engineering – Mechanical & economy Logistics – University of Kaiserslautern.

**Individual has provided consent to this statement being included in this Offer Document.*



*"Always full of the passion for progress and growing up in a farmer's family, I love the fact that both consumers and producers will be more satisfied because Two Hands will redefine the food supply chain."**

Yang Chen, Joint Head of China

- Yang has a deep knowledge of the seafood industry, seafood species and the ideal conditions for the best condition of live and chilled seafood.
- He previously worked with Alibaba in their seafood operation within the Hema subsidiary. He has had 6 years sales experience including management of a sales team.
- Bachelor of Engineer: Aquaculture – Shanghai Oceanic University.

2.4.4 Our Directors and Advisors



*"Driving me has been the strong desire to build something with such a strong foundation that it will last for generations. That 'something' is a noble company that makes a difference: Two Hands."**

Greg McLardie, Managing Director and Founder

- Eight year relationship with lobster and abalone fisher leaders
- Ten years and over 60 visits building relationships in China.
- 22 years consumer products and 17 years food industry experience in USA, Japan, South Korea, Australia & China.
- CEO experience in FMCG, food and agriculture industries in large and small companies for the last 24 years.
- MBA – University of North Carolina at Chapel Hill, Bachelor of Economics – University of Sydney, earned Chartered Accountancy at Ernst & Young.
- Greg McLardie was a director of Taranto's Pty Ltd (Taranto's) from 1999 until its deregistration. In 2002 Taranto's was placed under external administration and was ultimately wound-up in insolvency, as a result of its inability to meet its debt commitments in circumstances where the largest creditor was the Australian Taxation Office. A private equity shareholder in Taranto's wound up its fund within days of placing a committed second tranche of funds. Creditors were substantially repaid, including through the sale of Greg's personal property. Greg made sure his response to this experience, which occurred almost 20 years ago and resulted in a significant financial and personal cost, did not define him as a person. It shaped the person he is today.

**Individual has provided consent to this statement being included in this Offer Document.*



*"My career in IT has been to the motto of "Innovative and cost effective business management software". Two Hands meshes the power of technology with people at the centre – I am proud to be part of this mission."**

Wayne Hayes, Non-Executive Director

- Co-founder and director since 1996 of an IT software development business, Vital Business Solutions, providing software and services in supply chain, logistics and professional service automation.
- Project leader on roll-out and support of warehouse and inventory management solution for clients throughout South-East Asia since 2004.
- Bachelor of Applied Science in Computer Studies – University of South Australia.



*"I have been driven by creating soulful organisations for 35 years. Two Hands wants to do things differently – it is an idea whose time has come."**

Stephen Hanman, Non-Executive Director

- Supply chain collaboration has been at the heart of what I have done for those years. High trust workplace environments are great for people, teams and organisations; they enable people to be their best selves.
- My path has included industry experience and then the founding of Benchmarking Success; a supply chain benchmarking business offering services across Asia Pacific. MIRA Companions for Development work enabled the publishing of MeWe and led to the development of Collaborative Enquiry.
- Six years as the Chair at Dyson Group of Companies enabling the alignment of culture, governance, finance and collaborative practice.
- Bachelor of Economics – Monash University



*"I'm deeply passionate about supporting innovation and entrepreneurship, particularly in the context of solving extremely complicated, important problems. And that's what Two Hands is doing."**

Clay Maxwell, Non-Executive Director

- Venture builder, investor, advisor and strategist; building new businesses inside the corporate context and out.
- Clay founded and serves as Managing Partner of PX Venture Studio – a full service business builder.
- Partner at PX parent company, Peer Insight, a boutique innovation consultancy supporting innovation activities at Global 2000 companies and major not-for-profits – a business that has grown nearly 5x in the last 5 years. He has led multitude of product, service and experience design projects for customers including Intel, Nike, Merck, Intuit, Cardinal Health, Kimberly-Clark, DTE, AARP and the NIH.
- Bachelor of Arts – Duke University

**Individual has provided consent to this statement being included in this Offer Document.*



*"When we present our authentic selves, we discover that work is a social process which enables everyone to grow together; we begin to 'see' the other person and business thrives. This is what Two Hands does in the world."**

Ian George - Advisor

- Ian was a founding director of Melbourne integrated property company CGA Bryson where he was responsible for finance and construction. The CGA Bryson Group specialised in funds management and commercial development which at its peak had 5 divisions, 50+ staff and \$250 million in projects in a spread of private equity, Joint Ventures and Funds Management.
- In his construction business, Ian forged a new collaborative approach to working with staff, contractors and consultants which lead to a book, co-authored with Stephen Hanman, titled "From Me to We; design and build collaborative workplaces". This insight was later identified by Frederic Laloux in his bestselling book 'Reinventing Organisations'.
- Ian is a keynote speaker addressing a range of topics from collaboration to project management to social sculptures both here and abroad.
- Bachelor of Engineering – RMIT University.



*Individual has provided consent to this statement being included in this Offer Document.

2.5 Risks facing the business

An investment in the Company should be seen as high-risk and speculative. A description of the main risks that may impact our business is below. Investors should read this section carefully before deciding to apply for shares under the Offer. There

are also other, more general risks associated with the Company (e.g. risks relating to general economic conditions or the inability to sell our shares).

Table 4 outlines the key risks for Two Hands.

Table 4: Main risks.

TYPE OF RISK	DESCRIPTION OF RISK
COVID-19	<p>The COVID-19 pandemic has had a considerable impact on our business. The ongoing spread, and associated economic impact, presents current and future risks, including:</p> <ul style="list-style-type: none"> • Impact on demand. The Company is reliant on sales of proteins into high-end hotels and restaurants, many of which have been forced to close or operate with reduced services. Furthermore, a global economic slowdown may weigh on discretionary spend such as fine dining. Occupancy rates in hotels are expected to be low for an unknown period of time; • Impact on supply chains. The Company may experience higher costs and/or slower packing and delivery times as a result of its international trade logistics partners operating with skeleton staff and social distancing restrictions; and • Limited possible financial resources and access to investor capital due to weakening in global economic sentiment.
Supply chain and logistics	<p>The cost and reliability of components of the supply chain that are outside our Company represent an external risk to timely delivery, and cost-effective operations.</p> <p>Some of this risk sits outside of insurable events meaning that a loss of shipment or delay in processing time resulting in the spoiling of product would be borne by the owner of the product at that time. While we endeavour not to 'own' product as it travels through our supply chains, it may happen that such a loss could result in a loss to the Company.</p>

TYPE OF RISK	DESCRIPTION OF RISK
Supply risks	Dealing in farmed and wild caught produce, available quantities and quality of product can be impacted by both natural and man-made factors. If there is insufficient suitable product at the time it is required, orders may need to be rejected.
Market and competitor risk	<p>The company operates in a competitive market where other participants may act in unethical ways. Being a company founded on strong ethical principles, we can only compete to the degree we can do so in an ethical manner. This may leave us in an unfavourable position when competitors wish to operate outside these principles.</p> <p>While our fully value-added product is truly unique, the protein component of our offering (or a near replacement) could be available through other sources. Competitors may choose to sell below cost on similar proteins to force pricing competition thereby limiting our market share or impacting our available margin.</p>
Changes to export duties and tariffs as well as import regulations	<p>The Company operates in a multi-jurisdictional, international context, with an exporting entity in one country and an importing/sales entity in another. This exposes us to changes in export duties and tariffs as well as import regulations that could impact our ability to trade profitability in the market/proteins mix we are currently targeting.</p> <p>Retargeting to new markets or with new products would necessitate some cost to the Company and possible time out of sales operation.</p>
Unforeseen tech platform maintenance and forced upgrades	The Company's technical platforms involve a number of inter-related software systems and services. Whilst we endeavour to use components whose maintenance burden falls to other parties, some of what we have developed needs to be maintained, and at times, upgraded at our expense. Sometimes the timing and extent of work required cannot be predicted much in advance, so it can fall outside of regular budgeted operational costs and impact the ability of the company to deliver its product while it is being seen to.

TYPE OF RISK	DESCRIPTION OF RISK
Intellectual property	<p>The protection of the Company's intellectual property will be a contributing factor to our business and commercial success.</p> <p>If we are unable to protect or enforce the Company's intellectual property rights, there is a risk that other companies will copy pieces of our technology platform, which could adversely affect our ability to compete in our market.</p> <p>We currently have one patent application ready to lodge, and there is no assurance that this application will result in issued patents.</p>
Access to additional funding	<p>The Company's current cash reserves (plus net proceeds of the Offer) may not be adequate to fund our working capital requirements until the Company is cash flow positive.</p> <p>The Company may need to obtain additional funding to continue operations and execute its business strategy. We cannot guarantee the availability of funds in the future, or that the funds will be available on favourable terms. If we are unable to raise these funds, it could adversely impact the Company's business and prospects.</p>



“

We will be able to get our product into China in the most pristine condition ever, and the Chinese people will be able to experience perfect lobster, just like [when] we take them out of the water.

”

Kae & Colin Milstead

Fishers, Port MacDonnell, South Australia.

*Individual has provided consent to this statement being included in this Offer Document.

2.6 Financial information

Below is a summary of the financial statements of the Company for the financial years ended 30 June 2018 and 2019, which have been prepared in accordance with the Accounting Standards and audited by HLB Mann Judd.

Forecast financial information for the year ending 30 June 2020 is also included below. The forecast is based on actuals from the Management Accounts

for the period 1 July 2019 to 30 April 2020 and an estimate for May and June based on events that have occurred up to the date of this Offer Document, and management's expectation of what will occur in relation to core business activities for the remainder of FY2020. For clarity, the forecast assumes that the minimum subscription of \$250,000 is raised from this Offer and settled prior to 30 June 2020.

2.6.1 Profit and Loss Statement

	Actual as at 30 June 2018 (audited)	Actual as at 30 June 2019 (audited)	Forecast ¹ as at 30 June 2020 (management)
Revenue	-	412,810	77,750
Other income	-	51,812	114,236
Cost of sales	(12,344)	(454,461)	(129,222)
Gross Profit/ (Loss)	(12,344)	10,161	62,764
Gain/ (loss) on forgiveness of debt	-	(34,783)	-
Professional fees	(283,965)	(94,012)	(98,209)
Consulting fees	(182,722)	(231,987)	(26,804)
Directors' fees	(34,444)	-	-
Travel and accommodation	(53,313)	(63,159)	(86,127)
Employee benefits	-	(134,754)	(579,325)
Depreciation	(1,394)	(9,017)	(10,459)
Impairment of assets	(43,625)	(120,505)	-
Finance costs net	(2,636)	(3,784)	(10,509)
Advertising and Marketing	-	(58,882)	(227,204)
Sales and Strategy	-	(55,886)	(232,694)
Doubtful debt expense	-	(454,300)	-
Other expenses	(24,346)	(64,271)	(30,975)
Loss before income tax	(638,789)	(1,315,179)	(1,239,542)
Income tax expense	-	-	-
Loss for the year	(638,789)	(1,315,179)	(1,239,542)

Notes:

¹ Forecast is based on actuals from the Management Accounts for 1 July '19 to 30 April '20 with a forecast for May and June '20.

2.6.2 Balance Sheet

	Actual as at 30 June 2018 (audited)	Actual as at 30 June 2019 (audited)	Forecast ¹ as at 30 June 2020 (management)
Current assets			
Cash and cash equivalents	17,503	745,347	99,814
Other receivables	580	11,006	3,399
Total current assets	18,083	756,353	103,213
Non-current assets			
Property, plant and equipment	1,689	18,704	41,243
Intangible assets ²	-	-	142,774
Investment in subsidiaries and associates	10,010	8,519	19
Loan to Subsidiary ²	-	-	399,341
Total non-current assets	11,699	27,223	583,377
Total assets	29,782	783,576	686,590
Current liabilities			
Trade and other payables	134,822	151,285	160,851
Borrowings	67,346	88,490	169,017
Provisions	-	6,512	23,158
Simple Agreements for Future Equity ³	-	2,020,000	-
Total current liabilities	202,168	2,266,287	353,026
Loans	-	-	57,000
Convertible Notes	-	-	603,349
Non-current liabilities			660,349
Total liabilities	202,168	2,266,287	1,013,375
Net assets (liabilities)³	(172,386)	(1,482,711)	(326,785)
Equity			
Issued capital ³	656,109	660,963	3,052,963
Retained earnings	(828,495)	(2,143,674)	(3,379,748)
Total equity³	(172,386)	(1,482,711)	(326,785)

Notes:

¹ Forecast is based on actuals from the Management Accounts for 1 July '19 to 30 April '20 with a forecast for May and June '20.

² For the years ending 30 June 2018 and 30 June 2019 the Company capitalised a total of \$162,630 to intangible assets, which related to platform and software technology development. In accordance with accounting standards, the balance was recognised as an impairment at each corresponding year end. Management accounts as at 30 June 2020 have not assessed any impairment or recoverability of assets

³ **Simple Agreements for Future Equity (SAFE):** During the financial year ending June 2019 the Company raised \$2,020,000 through the issue of SAFEs – a commonly used equity instrument amongst start-ups in the United States. Under the agreements, SAFE holders are either issued ordinary shares (based on a pre-determined valuation cap or a discount to the prevailing fair value, at the time of a future equity financing). Or in a liquidity event, such as an Initial Public Offering (IPO) or change of control, SAFE holders have the option to redeem their investment in shares or cash (subject to sufficient funds).

Although the SAFEs convert to ordinary shares under several circumstances, Australian accounting standards require these instruments to be classified as a current liability. This is due in part to (a) SAFE holders ranking ahead of ordinary shareholders in the event of a dissolution, and (b) SAFE holders having the right to redeem the instruments as cash at a liquidity or dissolution event.

It is the Director's view that the most likely outcome of these instruments is a conversion to equity, and as such, incoming investors should be aware of the total amount of equity on issue. Therefore, the management accounts for 30 June 2020 present the Company's SAFEs as equity.

2.6.3 Cash Flow Statement

	Actual as at 30 June 2018 (audited)	Actual as at 30 June 2019 (audited)	Forecast ¹ as at 30 June 2020 (management)
Cash flows from operating activities			
Receipts from customers	-	464,622	(191,986)
Payments to suppliers	(473,380)	(1,179,646)	(1,364,447)
Finance costs	(2,636)	(3,784)	(10,459)
Net cash provided by (used in) operating activities	(476,016)	(718,808)	(1,182,920)
Cash flows from investing activities			
Payments for plant and equipment	(2,533)	(26,032)	(32,998)
Payments for intangible assets	(43,625)	(119,005)	(142,774)
Loan to subsidiary	-	(454,300)	(399,341)
Investment in subsidiary	(10)	(9)	8,500
Net cash provided by (used in) investing activities	(46,168)	(599,346)	(566,613)
Cash flows from financing activities			
Proceeds from shares	472,180	4,854	250,000
Proceeds from SAFEs	-	2,020,000	122,000
Proceeds from borrowings net	67,346	21,144	137,000
Proceeds from convertible notes	-	-	595,000
Net cash provided by (used in) financing activities	539,526	2,045,998	1,104,000
Net change in cash and cash equivalents held	17,342	727,844	(645,533)
Cash and cash equivalents at beginning of financial year	161	17,503	745,347
Cash and cash equivalents at end of financial year	17,503	745,347	99,814

Notes:

¹ Forecast is based on actuals from the Management Accounts for 1 July '19 to 30 April '20 with a forecast for May and June '20.

Going concern

The financial statements for the period ended 30 June 2019 were prepared on the going concern basis. The Independent Auditor's Report accompanying the Company's Annual Report for 2019, includes a going concern emphasis. The Directors recognise there is always an element of uncertainty with start-ups. To address this risk, the Directors have reviewed the cash flow requirements

of the Company for the twelve months from May 2020 and recognise that the Company is dependent upon either capital raisings or loans to fund both its ongoing operations and strategic intentions. Should the Company not achieve its capital raising objectives (refer Section 3.2 for more detail), the majority of its future operating expenses are highly controllable. Therefore, management is able to scale back spending to align with its capital position.

2.6.4 Management Comments on Financial Performance

Historical performance

- Revenue generated during FY19 was primarily from the Company's focus on traditional exporting of premium Australian farm and seafood products into China. This allowed the Company to build its relationships with key partners, such as restaurant buyers and logistics providers.
- After launching our pilot program to connect Australian SRL fishers directly with Shanghai restaurants in August 2019, our annualised revenue grew to approximately \$300k between November 2019 and January 2020. Our customer base includes several high-end hotels from the Marriott and Hilton Groups, along with some independent China-based hotels.
- As a start-up, the Company has spent much of the last two years investing significant resources in order to support future growth and profitability. Capital has been spent on;
 - » building our private ledger blockchain infrastructure;
 - » developing our marketplace and consumer apps;
 - » setting up operations and accessible technology in China; and
 - » securing the right team for the future.
- In response to the COVID-19 pandemic the Company significantly reduced our cost base by reducing staff costs and other expenses from January 2020.
- Whilst the pandemic also resulted in the Company being temporarily unable to export product or generate sales into China, we are well-positioned to capitalise on safe Australia-China food trade post COVID-19.

Outlook & Future Growth

Immediately prior to COVID-19 hitting in January, we had over \$4m annualised revenue in our pipeline.

Our discussions with chefs in Shanghai during COVID-19 indicates chefs are demanding greater food safety and security. Chefs are seeking an expansion of the Two Hands protein offering. Protein expansion not only assists with supply chain economies of scale, but also provides a more compelling offering for restaurants and consumers, which will help drive significant revenue growth as market demand returns. We now expect to launch over 15 new proteins on the Two Hands marketplace in the coming months.

Our restaurant growth strategy in the short-term is focused on Shanghai-based, high-end hotels. We estimate a total annual opportunity of \$7m per hotel, which presents us with a ~\$560m opportunity in Shanghai. Of this market, we have already built a pipeline of over 15 hotels, including Waldorf Astoria, Ritz Carlton, W Hotel and Bulgari. The Company is beginning its outreach to Shanghai-based, 'social' restaurants, which represent a further ~\$550m opportunity.

Other key drivers of future performance include;

- supply chain efficiencies - improving gross operating margins,
- access to capital - improving return on investment, and
- customer acquisition cost - improving volume and scalability of our marketplace.

Section 3: Information about the Offer

3.1 Terms of the Offer

The Company is offering up to 5,660,276 shares at an issue price of \$0.53 per share to raise up to \$3,000,000. The key terms and conditions of the Offer are set out in Table 5 below.

Table 5: Terms of the Offer.

Term	Details
Shares	Fully-paid ordinary shares
Price	\$0.53 per share
Minimum Subscription	\$250,000
Maximum Subscription	\$3,000,000
Opening date	19 May 2020
Closing date	11 June 2020

A description of the rights associated with the shares is set out in Section 3.3 below. To participate in the Offer, you must submit a completed application form together with the application money via the Intermediary's platform. The Intermediary's website provides instructions on how to apply for shares under the Offer.

The Intermediary must close the Offer early in certain circumstances. For example, if the Maximum Subscription is reached, the Offer must be closed. If the Minimum Subscription is not reached or the Offer is closed but not completed, you will be refunded your application money.

Investors may withdraw their application during the Cooling-off Period. Further information on investor cooling-off rights can be found in Section 4 of this CSF offer document.

The Offer is not underwritten.



3.2 Use of funds

Table 6 below sets out the intended use of funds raised under this Offer based on the minimum and maximum subscription amounts.

Table 6: Intended use of CSF funds based on minimum and maximum subscription

Intended use	Minimum Subscription	Maximum Subscription
Marketplace digital development <i>Implementing chain of custody, progressing to a public register, and making Two Hands indispensable to our key users</i>	\$101,300	\$367,000
Sales & marketing <i>Aggressively targeting hotel groups such as the Marriot Group China and Hilton Group China</i>	\$50,600	\$775,000
Protein expansion <i>Launching 15+ proteins over the coming months, including onboarding new fishers and farmers</i>	\$24,300	\$331,000
Talent acquisition	Nil	\$225,000
Research & development	\$2,100	\$266,000
Working capital	\$56,700	\$856,000
Capital raising costs	\$15,000	\$180,000
Total funds	\$250,000	\$3,000,000

In Table 6, 'working capital' includes overhead expenses, repayment of loans, and operating margins whilst the Company grows its economies of scale.

Capital raising costs include the crowdfunding Intermediary's fees under the hosting agreement between the Company and the Intermediary. These fees are up to 6% of all funds raised by the Issuer through Birchall Financial Services Pty Ltd (the intermediary), plus \$2,800 for administration and setup costs.

The Maximum Subscription amount will be sufficient to meet the Company's strategic objectives over the

next 12 to 18 months. The Company is undertaking this CSF offer as part of a syndicated capital raising round and will continue to pursue additional investment from sophisticated, institutional and/or venture capital investors should this CSF offer fall short of its maximum subscription.

If only the Minimum Subscription amount is raised, the Company has significant levers to scale back its operating costs, including through reduced sales and marketing initiatives and lower working capital costs.

Other than as specified above, no other payments from the funds raised will be paid (directly or indirectly) to related parties, controlling shareholders, or any other persons involved in promoting or marketing the Offer.

3.3 Rights associated with the shares

Immediately after issue, the shares will be fully-paid shares. There will be no liability on the part of shareholders and the shares will rank equally with the shares currently on issue.

The rights associated with the shares are set out in the Company's constitution. A summary of these rights is set out below. A copy of the constitution is available on the Intermediary's platform.

3.3.1 Voting rights

Each shareholder has one vote on a show of hands and, on a poll, one vote for each share held.

3.3.2 Election and removal of directors

Shareholders may vote to elect and remove directors at a general meeting by way of ordinary resolution (50%).

3.3.3 General meetings and notices

Directors have the power to call meetings of all shareholders or meetings of only those shareholders who hold a particular class of shares. Shareholders who hold at least 5% of the votes which may be cast at a general meeting of the Company have the power to call and hold a meeting themselves or to require the directors to call and hold a meeting.

3.3.4 Dividends

All shareholders have a right to receive any dividends declared and paid by the Company. The directors have a discretion and may resolve to pay dividends, subject to their obligations under the Corporations Act (e.g. they cannot pay dividends unless the Company's assets are sufficiently in excess of its liabilities immediately before the dividend is declared and where it may materially prejudice the Company's ability to pay its creditors)

3.3.5 Winding-up

If the Company is wound up and there are any assets left over after all the Company's debts have been paid, the surplus is distributed to holders of ordinary shares after secured and unsecured creditors and SAFE holders of the Company. Holders of fully-paid ordinary voting shares rank ahead of other classes of shares (if any).



Section 4: Information about investor rights

4.1 Cooling-off rights

You have the right to withdraw your application under this Offer and to be repaid your application money. If you wish to withdraw your application for any reason (including if you change your mind about investing in the Company), you must do so within **five business days** of making your application (the Cooling-off Period).

You must withdraw your application via the Intermediary's platform as follows: by following the link and instructions on the CSF Offer page on the Intermediary's platform.

After your withdrawal has been processed, the Intermediary will refund the application money to your nominated account as soon as practicable.

4.2 Communication facility for the Offer

You can ask questions about the Offer on the communication facility available on the Intermediary's platform. You can also use the communication facility to communicate with other investors, with the Company and with the Intermediary about this Offer.

You will be able to post comments and questions about the Offer and see the posts of other investors on the communication facility. The Company and/or the Intermediary will also be able to respond to questions and comments posted by investors.

Officers, employees or agents of the Company, and related parties or associates of the Company or the Intermediary, may participate in the facility and must clearly disclose their relationship to the Company and/or Intermediary when making posts on the facility.

Any comments made in good faith on the communication facility are not subject to the advertising restrictions in the Corporations Act.

4.3 Public company corporate governance obligations

4.3.1 Annual general meetings

The Company is required to hold an annual general meeting (AGM) at least once in each calendar year and within five (5) months after the end of the Company's financial year. The Company's financial year is from 1 July to 30 June each year.

If shareholders have any queries or concerns about the Company, they should contact the company secretary and Managing Director Greg McLardie directly at greg.mclardie@twohands.world.

4.3.2 Annual report

The Company is required to prepare annual financial reports and directors' reports at the end of each financial year and lodge these with ASIC (within four months of the financial year end). The Company has a 30 June year end and its financial reports must be lodged by 31 October each year.

The financial report is required to be prepared in accordance with applicable accounting standards and audited by a registered company auditor in accordance with auditing standards.

4.3.3 Distribution of annual report

The annual report must be distributed to members within the earlier of 21 days before the annual general meeting or four months after the end of the financial year.

Shareholders can elect to receive the Company's annual reports electronic copy free of charge, by emailing investor@twohands.world.

Glossary

Application programming interface (API) refers to the part of a software system that provides an access point for other systems to interact and transact data.

Annualised Revenue is the total value of proteins sold in a given period of time, multiplied to reflect a full 12 months.

Blockchain refers to a decentralised system that holds transactional records in such a way that altering one record requires the altering of all corresponding records across the system. Blockchain systems then promote trust in the data they contain via their transparency and group consensus mechanism.

Chain of Custody App (CHoC) refers to the mobile application developed by Two Hands with which participants in our supply chain scan product (usually boxes), as they take custody of them. This enables our partners and supply chain participants to track the progress of product from producer to restaurant, and allows consumers to see the journey their protein has taken within our CUX App.

Company means CaroMel Ltd ACN 162 235 707

Cooling-off Period means the period ending five business days after an application is made under this Offer, during which an investor has a right to withdraw their application and be repaid their application money

CSF means crowd-sourced funding under Part 6D.3A of the Corporations Act

Customer User Experience App (CUX) refers to the web app developed by Two Hands with which a chef or consumer can scan the QR code on the smart tag on their protein and see the provenance information and the journey which their food has taken from producer to plate. It also shows information about the producer, the region the protein was sourced, and the restaurant in which the product is being consumed.

Ecosystem refers to an interconnected system of systems or processes. In this case we seek to create an ecosystem around our partners and users where they gain a huge amount of knowledge, value and feel closeness with one another in this next generation business and supply chain.

Flywheel based on a heavy revolving wheel in a machine which is used to increase the momentum and thereby provide greater stability or a reserve of available power. For business, it becomes an analogy to explain business strategies which generate growth, and importantly, sustain growth.

Hyperledger Fabric is an open source, permissioned, blockchain infrastructure platform. Our current blockchain solution is built using Hyperledger Fabric.

Intermediary means Birchall Financial Services Pty Ltd AFSL 502 618

Internet of Things (IoT) refers to a network of digital devices that can gather, process, share, store and display data. Some devices may perform only one specialised task (such as a QR code reader), while others (such as a smart phone or laptop computer) can perform many different tasks.

Maximum Subscription means the amount specified in this CSF offer document as the maximum amount sought to be raised by the Offer

Minimum Subscription means the amount specified in this CSF offer document as the minimum amount sought to be raised by the Offer

Next Generation Organisation means a different approach to organisational structure from the traditional hierarchical 'command and control' model, which is about having power over people. In contrast, a Next Generation organisation actively works on power with people – a high trust work environment that invites the whole person to work. It nurtures self responsibility via autonomy and devolved decision-making. Collaborative leadership is the norm.

Offer means an offer of fully-paid ordinary shares by the Company under this CSF offer document

Portal refers to a piece of software used by people to access or input information.

Public Curated Register refers to a system whereby people within the Two Hands network will be able to monitor the performance of one another, and if a review is triggered, vote to allow or disallow the continued participation of that member.

QR code refers to a square 'barcode' that can be read by a scanner or smart device (such as a smart phone). This code can link the user to a web address, or carry a value to be passed into a software system.

Serviceable Available Market is the total value of a targeted market for the company's product/service.

Smart contracts refers to a system of digitised contracts, where agreements for transacting goods and making payments are stored within the Two Hands blockchain network and can be automatically triggered when their condition (eg. order received or payment completed) are met.

Smart tags refers to the tags that are attached to Two Hands product which feature individualised QR codes allowing us to track individual units of protein within our logistical and software systems. We are currently developing a new smart tag with built-in wireless capability.

Smart Tagging Inventory System (TIS) refers to the combination of our Two Hands smart tags along with several interconnected software systems with which we identify, track and account for stock within our system.

SRL refers to Southern Rock Lobster. This is a unique lobster species found in Australia (South Australia, Victoria and Tasmania) and New Zealand.



Crowd-sourced funding offer document

Dated 19 May 2020



For further information:

Greg.Mclardie@twohands.world
Laurel.Dayman@twohands.world

Offices located
Melbourne / Shanghai



Issuer: CaroMel Ltd ACN 162 235 707

Intermediary: Birchall Financial Services Pty Ltd AFSL 502 618