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THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND SHALL NOT CONSTITUTE AN OFFER TO SELL OR ISSUE OR THE SOLICITATION OF AN OFFER TO BUY, SUBSCRIBE FOR OR OTHERWISE ACQUIRE ANY NEW ORDINARY SHARES OF SEEING MACHINES LIMITED IN THE UNITED STATES, CANADA, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL

This announcement is not for publication or distribution, directly or indirectly, in or into the United States of America. This announcement is not an offer of securities for sale into the United States. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States, except pursuant to an applicable exemption from registration. No public offering of securities is being made in the United States.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS DEFINED IN ARTICLE 7 OF THE MARKET ABUSE REGULATION NO. 596/2014 ("MAR"). UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN

## Seeing Machines Limited

### Proposed Placing and Subscription to raise approximately £30 million (approx. AUD\$53 million)

### Proposed Offer of new Ordinary Shares to Qualifying Participants to raise up to £2.4 million (approx. AUD\$4.3 million)

4 December 2017

Seeing Machines Limited (AIM: SEE) ("**Seeing Machines**" or the "**Company**"), an industry leader in computer vision technologies which enable machines to see, understand and assist people, today announces its intention to conduct an accelerated bookbuild (the "**Bookbuild**") to raise gross proceeds of approximately £30 million (approximately AUD\$53 million) by way of a conditional placing (the "**Placing**") and subscription of ordinary shares of no par value in the Company ("**Ordinary Shares**").

Pursuant to the Placing and the Subscriptions (as defined below), approximately 600,000,000 new Ordinary Shares (the "**Placing Shares**") will be issued at a price of 5 pence each in the Company (the "**Placing Price**") and will represent approximately 40.2 per cent. of the Company's current issued Ordinary Share capital. The Placing is being made available to institutional investors in the UK and Europe only and is not being made available to the public.

Seeing Machines has entered into a placing agreement with finnCap Ltd ("**finnCap**"), Canaccord Genuity Limited ("**Canaccord Genuity**") and Cenkos Securities plc ("**Cenkos**") to act as the joint bookrunners in relation to the Placing (together the "**Bookrunners**").

The Company is also pleased to confirm that its largest shareholder and strategic investor, V S International Venture Pte. Ltd ("**VS International**"), has confirmed in writing that it intends to subscribe directly with the Company for Ordinary Shares in the Company at the same issue price and at the same time as the Placing (the "**VSI Subscription**") in order to maintain its current shareholding of 11.7% in the Company following completion of the Placing and the Subscription.

Certain of the Directors and members of the Company's senior management team and Directors and members of VS International have indicated that they intend to participate in the Placing or make a subscription directly with the Company for Ordinary Shares, in either case at the same issue price and at the same time as the Placing (the "**Management Subscription**", and together with the VSI Subscription, the "**Subscriptions**").

The Placing will open with immediate effect following release of this announcement and will be conducted by way of the Bookbuild. **Whilst the Company has already conducted a focussed marketing exercise amongst certain shareholders and other investors, and the Company is pleased with the level of indicative support received to date, there can be no certainty at this time that the Placing will be successful.** The timing of the closing of the Placing, the number of Placing Shares, the Placing Price and allocations are at the discretion of the Company and Bookrunners and a further announcement confirming these details is expected to be made in due course. The Bookrunners reserve the right to close the Bookbuild without further notice.

Subject to the closing of the Placing, the Company also proposes to make an offer to Qualifying Participants to raise up to a further £2.4 million (approximately AUD\$4.3 million) at the Placing Price (the "**Offer**"). The terms and conditions of the Offer will be set out in a circular to shareholders which will be sent following the successful completion of the Bookbuild.

**Mike McAuliffe, CEO of Seeing Machines, commented:**

*"We are delighted to announce details of the proposed Placing and the Subscriptions and are pleased with the ongoing support indicated by our largest shareholder, VS International. The proceeds from the Placing and the Subscriptions will enable the business to continue to invest into its Vision AI platform and product development as well as scaling the Company's infrastructure and global footprint to meet sustained customer demand for Fleet business expansion and for our leading edge Automotive DMS solutions."*

**Use of proceeds from the Placing and Subscriptions**

The proceeds of the Placing and Subscriptions will be used to accelerate the Company's investment into its platform and product development programs over the next few market critical years, to support the scaling up of the Company's infrastructure capacity, enhance the Company's ability to meet the growing demands for Fleet business expansion and supporting multiple expected Global Automotive OEM programs.

The use of proceeds is as follows:

- Increasing the R&D headcount and engineering spend for the development of the Company's core platform & products and accelerating the product roadmap
- Scaling up the Automotive Customer Program teams from two to five, supporting the Company's ability to service a greater number of global programs in parallel
- Funding the near term working capital requirements of the Company, including for the rollout of the new Generation Fleet 2.0 product, providing the Company with substantial product advantages and cost savings in the near to medium term
- Developing the Company's next generation Fleet and Automotive aftermarket products
- Investing in supporting the fit out of the new Canberra, US, EU and Japan offices, including spend on specialised laboratories, test equipment, simulators and building the IT infrastructure to support its major machine learning activities and plans
- Investing in driving the field marketing and technical support of the Company's products and services through expanding the Company's existing Sales, Marketing, Applications and Business Development teams in the major markets
- Investing in the Company's research and development Incubator Innovator ("I2") segment, investing in next generation applications for the Company's technology

**Current Trading and Outlook**

Further to the update given on 17 October 2017, the Company has continued to experience top-line sales growth for the period to date and is trading in-line with the expectations given at that time.

The positive momentum within the Fleet business has continued, with the Company's pipeline of sales opportunities consisting of close to AUD\$200 million. Total contract value (TCV) signed with customers, but not yet delivered, has increased from AUD\$21.5 million at 30 June 2017 to AUD\$35 million as at 31 October 2017, with approximately half of this expected to be delivered in the current financial year.

The growing ecosystem of Global OEM and Tier 1 partners continues to bring significant new program opportunities to the Company, which includes being in the test stages of its technology, with approximately 20 Global OEMs and Tier 1 partners.

The Company continues to be engaged in discussions with a number of potential financial and commercial partners with regards to various potential partnerships and future strategic investment in the business though no such deal is viewed as imminent at this time.

The Company remains excited by the large and fast growing multi-faceted market opportunities in its Commercial Fleet, Automotive and other operational segments.

As at 30 November 2017, the Company held gross cash balances of AUD\$17.6 million, with the Company expecting to receive AUD\$1.8 million in cash payments before the end of the calendar year.

The Board of Seeing Machines is seeking to identify potential new Non-Executive Directors to strengthen its Board with expertise in target areas of Finance / Accounting, UK plc/capital markets, High-tech Software, Silicon or Systems and relevant industry expertise such as Automotive. James Palmer is also confirmed to be full time CFO following his interim CFO contract.

## **Details of the Placing**

The timing of the closing of the Placing, the number of Placing Shares, the Placing Price and allocations will be determined by the Company and Bookrunners. An announcement confirming these details will be made in due course. Following the Bookbuild, any decision to proceed with the Placing is solely at the discretion of the Company.

Pursuant to the placing agreement, dated 4 December 2017 between the Bookrunners and the Company (the "**Placing Agreement**"), the Bookrunners have conditionally agreed, as agents of the Company, to use their reasonable endeavours to procure subscribers for the Placing Shares. The Placing is conditional upon, *inter alia*, Admission becoming effective on or before 8.00 a.m. (London time) on 3 January 2018 or such later date as may be agreed between the Bookrunners and Company, but in any event no later than 8.00am (London time) on 31 January 2018, and shareholder approval and the Placing Agreement having not been terminated prior to Admission. The Placing Shares will rank equally in all respects with the existing Ordinary Shares. The Placing is not being underwritten by the Bookrunners.

**This Announcement should be read in its entirety. In particular, your attention is drawn to the detailed terms and conditions of the Placing and further information relating to the Bookbuild described in the Appendix to this Announcement (which forms part of this Announcement).**

By choosing to participate in the Placing and by making an oral and legally binding offer to acquire Placing Shares, investors will be deemed to have read and understood this Announcement in its entirety (including the Appendix), and to be making such offer on the terms and subject to the conditions of the Placing contained herein, and to be providing the representations, warranties and acknowledgements contained in the Appendix.

## **Shareholder Approval - Notice of General Meeting**

Under the Company's Constitution the Directors may issue new shares up to a cap of 15 per cent. of the Company's issued shares in any twelve-month period (with certain exceptions). The total number of Placing

Shares exceeds this 15 per cent. cap, and accordingly shareholder approval is required for the Directors to issue the Placing Shares and the new Ordinary Shares relating to the Subscriptions.

A notice of meeting will be sent to shareholders and depositary interest holders in due course following completion of the Bookbuild. A further announcement will be made in due course.

### **Details of the Offer**

Subject to the successful closing of the Bookbuild, the Company proposes to provide an opportunity to Qualifying Participants to raise up to a further £2.4 million (approximately AUD\$4.3 million) at the Placing price pursuant to an offer (the "Offer") details of which are set out below.

Shareholders, with registered addresses in the United Kingdom, Ireland and the Isle of Man, entered on the register at 6.00 p.m. (London time) on 4 December 2017 (the "Record Date") will be entitled to participate in the Offer. Such Qualifying Participants will be able to apply for new Ordinary Shares at the Placing Price but, if the aggregate applications under the Offer exceed £2.4 million, shareholders will be scaled back at the Directors' discretion. The Board of the Company also reserves the right to issue shares to third parties in the event of a shortfall.

The Offer will be made pursuant to a separate circular, which will include the detailed terms and conditions of the Offer, an application form and an expected timetable. The circular will be sent to all Qualifying Participants shortly after the closing of the Bookbuild, at which point a further announcement will be made and the documents will also be made available at [www.seeingmachines.com](http://www.seeingmachines.com). The Offer will not be underwritten and the entitlement to participate in the Offer cannot be sold or otherwise transferred. The Offer will be subject to shareholders approving the Placing and Subscriptions, and to the new Ordinary Shares to be issued under the Offer being admitted to trading on AIM. Qualifying Participants should consider the circular in deciding whether to subscribe for the shares being offered to them and will need to complete the application form that accompanies that document.

### **Enquiries:**

**Seeing Machines Limited**

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**+44 207 397 8900**

### **About Seeing Machines**

Seeing Machines (LSE: SEE) an industry leader in computer vision technologies which enable machines to see, understand and assist people. The Company deploys its FOVIO machine learning vision platform to deliver real-time understanding of drivers through AI analysis of heads, faces and eyes for Driver Monitoring Systems (DMS), which monitor driver attention state including drowsiness and distraction. DMS is increasingly considered a core automotive safety technology as well as an enabling technology for ADAS/Autonomous Driving. The Company's pioneering commercial fleet solution (Guardian) delivers an after-market, in-cabin safety intervention system with 24/7 monitoring and cloud analytics services delivered on a telematics SaaS basis. The Company also serves Aviation, Rail and Off-Road markets, and they are seeking to innovate in new markets. Based in Canberra, Australia with the intention to grow in the USA and Europe, the Company delivers

multi-platform solutions from embedded software and processors to aftermarket system and service solutions to industry leaders globally. [www.seeingmachines.com](http://www.seeingmachines.com).

### **Forward-looking statements**

This announcement may include certain “forward-looking statements” and “forward-looking information” under applicable securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements. Forward-looking statements are frequently characterised by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, and other similar words, or statements that certain events or conditions “may” or “will” occur. Forward looking statements are based on the opinions and estimates of management at the date the statements are made, and are based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Assumptions upon which such forward-looking statements are based include that all required third party regulatory and governmental approvals will be obtained. Many of these assumptions are based on factors and events that are not within the control of the Company and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking statements include changes in market conditions and other risk factors discussed or referred to in this announcement and other documents filed with the applicable securities regulatory authorities. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward looking statements if circumstances or management’s estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

**Canaccord, finnCap and Cenkos are authorised and regulated by the Financial Conduct Authority (the "FCA") in the United Kingdom and are acting exclusively for the Company and no one else in connection with the Bookbuilding Process and the Placing, and Canaccord, finnCap and Cenkos will not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Bookbuilding Process or the Placing or any other matters referred to in this Announcement.**

**No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Bookrunners or by any of their respective affiliates or agents as to, or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefor is expressly disclaimed.**

**No statement in this Announcement is intended to be a profit forecast or estimate, and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.**

**The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.**

**The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than on AIM of the London Stock Exchange.**

**Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.**

### **APPENDIX - TERMS AND CONDITIONS OF THE PLACING**

### **IMPORTANT INFORMATION FOR INVITED PLACEES ONLY REGARDING THE PLACING.**

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT (INCLUDING THIS APPENDIX) AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, THIS "ANNOUNCEMENT") ARE DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE: (1) IF IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA ("EEA"), QUALIFIED INVESTORS AS DEFINED IN ARTICLE 2(1)(e) OF DIRECTIVE 2003/71/EC AS AMENDED, INCLUDING BY THE 2010 PROSPECTUS DIRECTIVE AMENDING DIRECTIVE (DIRECTIVE 2010/73/EC) AND TO THE EXTENT IMPLEMENTED IN THE RELEVANT MEMBER STATE (THE "PROSPECTUS DIRECTIVE"); (2) IF IN THE UNITED KINGDOM, QUALIFIED INVESTORS WHO (A) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "ORDER") (INVESTMENT PROFESSIONALS) OR (B) FALL WITHIN ARTICLE 49(2)(a) TO (d) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS").

THIS ANNOUNCEMENT AND THE INFORMATION IN IT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN SEEING MACHINES LIMITED.

THE PLACING SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE PLACING SHARES ARE BEING OFFERED AND SOLD ONLY (I) OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS" WITHIN THE MEANING OF, AND IN ACCORDANCE WITH, REGULATION S UNDER THE SECURITIES ACT AND OTHERWISE IN ACCORDANCE WITH APPLICABLE LAWS.

THIS ANNOUNCEMENT (INCLUDING THIS APPENDIX) AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

The distribution of this Announcement and/or the Placing and/or issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, the Bookrunners or any of their respective affiliates, agents, directors, officers or employees that would permit an offer of the Placing Shares or possession or distribution of this Announcement or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and the Bookrunners to inform themselves about and to observe any such restrictions.

This Announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia), Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction in which the same would be unlawful. No public offering of the Placing Shares is being made in any such jurisdiction.

All offers of the Placing Shares will be made pursuant to an exemption under the Prospectus Directive from the requirement to produce a prospectus. In the United Kingdom, this Announcement is being

directed solely at persons in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 (as amended) (the "FSMA") does not apply.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States. The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in the Republic of South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will they be, registered under or offering in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan or the Republic of South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction outside the United Kingdom.

Persons (including, without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this Announcement should seek appropriate advice before taking any action.

This Announcement should be read in its entirety.

By participating in the Bookbuilding Process and the Placing, each Placee will be deemed to have read and understood this Announcement in its entirety, to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained herein and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in this Appendix.

In particular, each such Placee represents, warrants, undertakes, agrees and acknowledges (amongst other things) that:

1. it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
2. in the case of a Relevant Person in a member state of the EEA which has implemented the Prospectus Directive (each, a "Relevant Member State") who acquires any Placing Shares pursuant to the Placing:
  - (a) it is a Qualified Investor within the meaning of Article 2(1)(e) of the Prospectus Directive; and
  - (b) in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive:
    - (i) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than Qualified Investors or in circumstances in which the prior consent of the Bookrunners has been given to the offer or resale; or
    - (ii) where Placing Shares have been acquired by it on behalf of persons in any Relevant Member State other than Qualified Investors, the offer of those Placing Shares to it is not treated under the Prospectus Directive as having been made to such persons; and
3. it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this Announcement; and

4. it understands (or if acting for the account of another person, such person has confirmed that such person understands) the resale and transfer restrictions set out in this Appendix.

#### No prospectus

The Placing Shares are being offered to a limited number of specifically invited persons only and will not be offered in such a way as to require any prospectus or other offering document to be published. No prospectus or other offering document has been or will be submitted to be approved by the FCA in relation to the Placing or the Placing Shares and Placees' commitments will be made solely on the basis of the information contained in this Announcement, the announcement of the pricing of the Placing (the "Placing Results Announcement") and any information publicly announced through a Regulatory Information Service (as defined in the AIM Rules for Companies (the "AIM Rules")) by or on behalf of the Company on or prior to the date of this Announcement (the "Publicly Available Information") and subject to any further terms set forth in the contract note sent to individual Placees.

Each Placee, by participating in the Placing, agrees that the content of this Announcement is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any information (other than the Publicly Available Information), representation, warranty or statement made by or on behalf of the Bookrunners or the Company or any other person and none of the Bookrunners, the Company nor any other person acting on such person's behalf nor any of their respective affiliates has or shall have any liability for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. No Placee should consider any information in this Announcement to be legal, tax or business advice. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

#### Details of the Placing Agreement and the Placing Shares

5. The Bookrunners have today entered into a placing agreement (the "Placing Agreement") with the Company under which, on the terms and subject to the conditions set out in the Placing Agreement, the Bookrunners, as agents for and on behalf of the Company, have agreed to use their respective reasonable endeavours to procure Placees for the Placing Shares. The Placing is not being underwritten by the Bookrunners. The Placing Shares will, when issued, be subject to the memorandum and articles of association of the Company and credited as fully paid and will rank *pari passu* in all respects with the existing issued ordinary shares of no par value in the capital of the Company or where the context requires depository interests ("Ordinary Shares"), including the right to receive all dividends and other distributions declared, made or paid in respect of such Ordinary Shares after the date of issue of the Placing Shares.

6. The Company undertakes that for a period of 90 days after (but including) Admission that it shall first consult with the Bookrunners prior to, directly or indirectly, issuing, offering, selling, lending, pledging, contracting to sell or issue, granting any option, right or warrant to purchase or otherwise dispose of any Ordinary Shares (or any interest therein or in respect thereof) or other securities of the Company exchangeable for, convertible into or representing the right to receive Ordinary Shares or any substantially similar securities or otherwise enter into any transaction (including derivative transaction) directly or indirectly, permanently or temporarily, to dispose of any Ordinary Shares or undertake any other transaction with the same economic effect as any of the foregoing or announce an offering of Ordinary Shares or any interest therein or to announce publicly any intention to enter into any transaction described above other than the grant or exercise of options under any of the Company's existing share incentives and share option schemes, or following Admission the issue by the Company of any Ordinary Shares upon the exercise of any right or option or the conversion of a security already in existence ("Proposed Share Issue") and it shall not carry out or enter into any agreement in respect of any Proposed Share Issue without the prior written consent of the Bookrunners (such consent not to be unreasonably withheld, delayed or made subject to conditions).

#### Application for admission to trading



Application will be made to the London Stock Exchange for admission of the Placing Shares to trading on AIM.

It is expected that Admission will take place on or before 8.00 a.m. on 3 January 2018 and that dealings in the Placing Shares on AIM will commence at the same time.

### **The Bookbuilding Process**

The Bookrunners will today commence the Bookbuilding Process to determine demand for participation in the Placing by Placees. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

The Bookrunners and the Company shall be entitled to effect the Placing by such alternative method to the Bookbuilding Process as they may, in their sole discretion, determine.

### **Principal terms of the Bookbuilding Process and Placing**

1. The Bookrunners are acting as joint bookrunners to the Placing, as agents for and on behalf of the Company.
2. Participation in the Placing will only be available to persons who may lawfully be, and are, invited by the Bookrunners to participate. The Bookrunners and any of their respective affiliates are entitled to enter bids in the Bookbuilding Process.
3. The Bookbuilding Process will establish a single price (the "Placing Price") payable to the Bookrunners (as agents for the Company) by all Placees whose bids are successful. The Placing Price and the number of Placing Shares will be agreed between the Bookrunners and the Company following completion of the Bookbuilding Process. The Placing Price will be announced by the Company through a Regulatory Information Service (the "Placing Results Announcement") following the completion of the Bookbuilding Process.
4. To bid in the Bookbuilding Process, Placees should communicate their bid by telephone to their usual sales contact at the Bookrunners. Each bid should state the number of Ordinary Shares which a Placee wishes to acquire at either the Placing Price which is ultimately established by the Bookrunners in agreement with the Company or at prices up to a price limit specified in its bid. Bids may be scaled down by the Bookrunners on the basis referred to in paragraph 9 below. The Bookrunners are arranging the Placing as agents of the Company.
5. The Bookbuilding Process is expected to close no later than 7.00 a.m. on 5 December 2017 but may be closed earlier or later subject to the agreement of the Bookrunners and the Company. The Bookrunners may, in agreement with the Company, accept bids that are received after the Bookbuilding Process has closed. The Company reserves the right (upon agreement of the Bookrunners) to reduce or seek to increase the amount to be raised pursuant to the Placing, in its discretion.
6. Each Placee's allocation will be determined by the Bookrunners in their discretion following consultation with the Company and will be confirmed orally by the Bookrunners.
7. The Company will release the Placing Results Announcement following the close of the Bookbuilding Process detailing the aggregate number of the Placing Shares to be issued and the Placing Price at which such shares have been placed.
8. Each Placee's allocation and commitment will be evidenced by a contract note issued to such Placee by the relevant Bookrunner. The terms of this Appendix will be deemed incorporated in that contract note.
9. Subject to paragraphs 4, 5 and 6 above, the Bookrunners may choose to accept bids, either in whole or in part, on the basis of allocations determined at its discretion and may scale down any bids for this purpose on such basis as it may determine or be directed. The Bookrunners may also,

notwithstanding paragraphs 4, 5 and 6 above, subject to the prior consent of the Company: (a) allocate Placing Shares after the time of any initial allocation to any person submitting a bid after that time; and (b) allocate Placing Shares after the Bookbuilding Process has closed to any person submitting a bid after that time.

10. Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to the Bookrunners (as agents for the Company), to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to acquire and the Company has agreed to allot and issue to that Placee.

11. Irrespective of the time at which a Placee's allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made at the same time, on the basis explained below under "Registration and Settlement".

12. All obligations under the Bookbuilding Process and Placing will be subject to fulfilment of the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Termination of the Placing".

13. By participating in the Bookbuilding Process, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.

14. To the fullest extent permissible by law, neither:

(a) the Bookrunners,

(b) any of their respective affiliates, agents, directors, officers, consultants or employees; nor

(c) to the extent not contained within (a) or (b), any person connected with the Bookrunners as defined in the FSMA ((b) and (c) being together "affiliates" and individually an "affiliate" of the Bookrunners);

shall have any liability (including to the extent permissible by law, any fiduciary duties) to Placees or to any other person whether acting on behalf of a Placee or otherwise. In particular, neither the Bookrunners nor any of their respective affiliates shall have any liability (including, to the extent permissible by law, any fiduciary duties) in respect of the Bookrunners' conduct of the Bookbuilding Process or of such alternative method of effecting the Placing as the Bookrunners and the Company may agree.

#### Registration and settlement

If Placees are allocated any Placing Shares in the Placing they will be sent a contract note or electronic confirmation which will confirm the number of Placing Shares allocated to them, the Placing Price and the aggregate amount owed by them to the relevant Bookrunner.

Each Placee will be deemed to agree that it will do all things necessary to ensure that delivery and payment is completed as directed by the Bookrunners in accordance with either the standing CREST or certificated settlement instructions which they have in place with the relevant Bookrunner.

Settlement of transactions in the Placing Shares (ISIN: AU0000XINAJ0) following Admission will take place within the CREST system, subject to certain exceptions. Settlement through CREST will be on a date notified by the Bookrunners in the contract note (the "Settlement Date"). Settlement will be on a delivery versus payment basis. However, in the event of any difficulties or delays in the admission of the Placing Shares to CREST or the use of CREST in relation to the Placing, the Company and the Bookrunners may agree that the Placing Shares should be issued in certificated form. The Bookrunners reserve the right to require settlement for the Placing Shares, and to deliver the Placing Shares to Placees, by such other means as they deem necessary if delivery or settlement to Placees is not practicable within the CREST system or would not be consistent with regulatory requirements in a Placee's jurisdiction.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above, in respect of either CREST or certificated deliveries, at the rate of 2 percentage points above prevailing LIBOR as determined by the Bookrunners.

Each Placee is deemed to agree that if it does not comply with these obligations, the Bookrunners may sell any or all of their Placing Shares on their behalf and retain from the proceeds, for the relevant Bookrunner's own account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the Placing Price which may arise upon the sale of its Placing Shares on its behalf.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees must ensure that, upon receipt, the conditional contract note is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to United Kingdom stamp duty or stamp duty reserve tax. Placees will not be entitled to receive any fee or commission in connection with the Placing.

#### **Conditions of the Placing**

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms.

The obligations of the Bookrunners under the Placing Agreement are, and the Placing is, conditional upon, inter alia:

- (a) certain announcement obligations;
- (b) delivery of certain documents, including a duly signed copy of the subscription agreement with VS International;
- (c) the passing of the shareholder resolutions at the general meeting of the Company to be held on 2 January 2018;
- (d) none of the representations, warranties and undertakings on the part of the Company contained in the Placing Agreement being untrue, inaccurate or misleading at the applicable time being the date on which the Placing Agreement was signed, the date of the Placing Results Announcement or Admission, by reference to the facts and circumstances then subsisting;
- (e) the Company and the Bookrunners agreeing the final number of Placing Shares and the Placing Price and executing the Pricing Agreement no later than 7.00 a.m. on the Business Day following the date of this Announcement (or such later time and/or date as the Bookrunners may agree with the Company);
- (f) the Company having allotted, subject only to Admission, the Placing Shares and the subscription shares to VS International in accordance with the Placing Agreement; and
- (g) Admission having become effective at or before 8.00 a.m. on 3 January 2018 or such later time as the Bookrunners may agree with the Company;

(all conditions to the obligations of the Bookrunners included in the Placing Agreement being together, the "conditions").

If any condition set out in the Placing Agreement is not fulfilled or, where permitted, waived in accordance with the Placing Agreement within the stated time periods (or such later time and/or date as the Company and the Bookrunners may agree), or the Placing Agreement is terminated in accordance with its terms, the Placing will lapse and the Placee's rights and obligations shall cease and terminate at such time and each Placee agrees that no claim can be made by or on behalf of the Placee (or any person on whose behalf the Placee is acting) in respect thereof.

By participating in the Bookbuilding Process, each Placee agrees that its rights and obligations cease and terminate only in the circumstances described above and under "Termination of the Placing" below and will not be capable of rescission or termination by it.

The conditions may be waived, in whole or in part, by notice in writing given jointly by the Bookrunners to the Company and the respective times for satisfaction of the conditions may be extended by notice in writing given jointly by the Bookrunners to the Company; save that certain conditions including the condition relating to Admission referred to in paragraph (g) above may not be waived. Any such extension or waiver will not affect Placees' commitments as set out in this Appendix.

finnCap, following prior consultation with the other Bookrunners and such consultation with the Company as the circumstances may allow, may terminate the Placing Agreement in certain circumstances, details of which are set out below.

Neither the Bookrunners nor any of their respective affiliates, agents, directors, officers or employees nor the Company shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision any of them may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision any of them may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of the Bookrunners.

#### Termination of the Placing

finnCap, following prior consultation with the other Bookrunners and such consultation with the Company as the circumstances may allow, may in its absolute discretion (acting in good faith), by notice to the Company, terminate the Placing Agreement at any time up to Admission if, inter alia:

- (a) there has, in opinion of the Bookrunners (acting in good faith), been a material breach of the warranties given to them;
- (b) there has, in the opinion of the Bookrunners (acting in good faith), been a material adverse change affecting, inter alia, the operations or financial condition of the Company;
- (c) any statement contained in this Announcement or the Placing Results Announcement is or has become or has been discovered, in the opinion of the Bookrunners (acting in good faith) to be materially untrue or inaccurate; or
- (d) in the opinion of the Bookrunners (acting in good faith), there has been a force majeure event.

If the Placing Agreement is terminated in accordance with its terms, the rights and obligations of each Placee in respect of the Placing as described in this Announcement shall cease and terminate at such time and no claim can be made by any Placee in respect thereof.

By participating in the Bookbuilding Process, each Placee agrees with the Company and the Bookrunners that the exercise by the Company or the Bookrunners of any right of termination or any other right or other discretion under the Placing Agreement shall be within the absolute discretion of the Company or the Bookrunners or for agreement between the Company and the Bookrunners (as the case may be) and that neither the Company nor the Bookrunners need make any reference to such Placee and that none of the Company, the Bookrunners nor any of their respective affiliates, agents, directors, officers or employees shall have any liability to such Placee (or to any other person whether acting on behalf of a Placee or otherwise) whatsoever in connection with any such exercise.

By participating in the Placing, each Placee agrees that its rights and obligations terminate only in the circumstances described above and under the "Conditions of the Placing" section above and will not be capable of rescission or termination by it after oral confirmation by the Bookrunners following the close of the Bookbuilding Process.

#### Representations, warranties and further terms

By submitting a bid in the Bookbuilding Process, each Placee (and any person acting on such Placee's behalf) represents, warrants, acknowledges and agrees (for itself and for any such prospective Placee) that (save where the Bookrunners expressly agrees in writing to the contrary):

1. it has read and understood this Announcement in its entirety and that its acquisition of the Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with Admission, the Placing, the subscription of new Ordinary Shares by VS International, the offer of new Ordinary Shares to certain existing shareholders of the Company, the Company, the Placing Shares or otherwise, other than the information contained in this Announcement and the Publicly Available Information;

2. it has not received a prospectus or other offering document in connection with the Placing and acknowledges that no prospectus or other offering document:

(a) is required under the Prospectus Directive; and

(b) has been or will be prepared in connection with the Placing;

3. it has made its own assessment of the Placing Shares and has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing and neither the Bookrunners nor the Company nor any of their respective affiliates, agents, directors, officers or employees nor any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company or any other person other than the information in this Announcement or the Publicly Available Information; nor has it requested the Bookrunners, the Company, any of their respective affiliates, agents, directors, employees or officers or any person acting on behalf of any of them to provide it with any such information;

4. neither the Bookrunners nor any person acting on behalf of them nor any of their respective affiliates, agents, directors, officers or employees has or shall have any liability for any Publicly Available Information, or any representation relating to the Company, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;

5.

(a) the only information on which it is entitled to rely on and on which it has relied in committing to subscribe for the Placing Shares is contained in the Publicly Available Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on Publicly Available Information;

(b) neither the Bookrunners, nor the Company (nor any of their respective affiliates, agents, directors, officers and employees) have made any representation or warranty to it, express or implied, with respect to the Company, the Placing or the Placing Shares or the accuracy, completeness or adequacy of the Publicly Available Information;

(c) it has conducted its own investigation of the Company, the Placing and the Placing Shares, satisfied itself that the information is still current and relied on that investigation for the purposes of its decision to participate in the Placing; and

(d) it has not relied on any investigation that the Bookrunners or any person acting on their behalf may have conducted with respect to the Company, the Placing or the Placing Shares;

6. the content of this Announcement and the Publicly Available Information has been prepared by and is exclusively the responsibility of the Company and that neither the Bookrunners nor any persons acting on their behalf is responsible for or has or shall have any liability for any information, representation, warranty or statement relating to the Company contained in this Announcement or the Publicly Available Information nor will they be liable for any Placee's decision to participate in the

Placing based on any information, representation, warranty or statement contained in this Announcement, the Publicly Available Information or otherwise. Nothing in this Appendix shall exclude any liability of any person for fraudulent misrepresentation;

7. it is not, and at the time the Placing Shares are acquired will not be, a resident of Australia, Canada, Japan or the Republic of South Africa;

8. the Placing Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared or approved in respect of any of the Placing Shares under the securities laws of the United States, or any state or other jurisdiction of the United States, Australia, Canada, Japan or the Republic of South Africa and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within the United States, Australia, Canada, Japan or the Republic of South Africa or in any country or jurisdiction where any such action for that purpose is required;

9. it has the funds available to pay for the Placing Shares for which it has agreed to subscribe and acknowledges and agrees that it will pay the total subscription amount in accordance with the terms of this Announcement and on the due time and date set out in the contract note, failing which the relevant Placing Shares may be placed with other Placees or sold at such price as the Bookrunners determines;

10. it and/or each person on whose behalf it is participating:

(a) is entitled to acquire Placing Shares pursuant to the Placing under the laws and regulations of all relevant jurisdictions;

(b) has fully observed such laws and regulations;

(c) has capacity and authority and is entitled to enter into and perform its obligations as an acquirer of Placing Shares and will honour such obligations; and

(d) has obtained all necessary consents and authorities (including, without limitation, in the case of a person acting on behalf of a Placee, all necessary consents and authorities to agree to the terms set out or referred to in this Appendix) under those laws or otherwise and complied with all necessary formalities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto and, in particular, if it is a pension fund or investment company it is aware of and acknowledges it is required to comply with all applicable laws and regulations with respect to its subscription for Placing Shares;

11. it is not, and any person who it is acting on behalf of is not, and at the time the Placing Shares are subscribed will not be, a resident of, or with an address in, or subject to the laws of, Australia, Canada, Japan or the Republic of South Africa, and it acknowledges and agrees that the Placing Shares have not been and will not be registered or otherwise qualified under the securities legislation of Australia, Canada, Japan or the Republic of South Africa and may not be offered, sold, or acquired, directly or indirectly, within those jurisdictions;

12. it and the beneficial owner of the Placing Shares is, and at the time the Placing Shares are acquired will be, outside the United States and acquiring the Placing Shares in an "offshore transaction" as defined in, and in accordance with, Regulation S under the Securities Act;

13. it will not distribute, forward, transfer or otherwise transmit this Announcement or any part of it, or any other presentational or other materials concerning the Placing in or into or from the United States (including electronic copies thereof) to any person, and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;

14. none of the Bookrunners, their respective affiliates and any person acting on behalf of any of them is making any recommendations to it or advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of the Bookrunners and that none of the Bookrunners have any

duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

15. it will make payment to the relevant Bookrunner for the Placing Shares allocated to it in accordance with the terms and conditions of this Announcement and on the due times and dates set out in the contract note, failing which the relevant Placing Shares may be placed with others on such terms as the relevant Bookrunner determines in its absolute discretion without liability to the Placee and it will remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares;

16. its allocation (if any) of Placing Shares will represent a maximum number of Placing Shares which it will be entitled, and required, to subscribe for, and that the Company may call upon it to subscribe for a lower number of Placing Shares (if any), but in no event in aggregate more than the aforementioned maximum;

17. no action has been or will be taken by any of the Company, the Bookrunners or any person acting on behalf of the Company or the Bookrunners that would, or is intended to, permit a public offer of the Placing Shares in the United States or in any country or jurisdiction where any such action for that purpose is required;

18. the person who it specifies for registration as holder of the Placing Shares will be:

(a) the Placee; or

(b) a nominee of the Placee, as the case may be.

Each Placee and any person acting on behalf of such Placee agrees to acquire Placing Shares pursuant to the Placing and agrees to indemnify the Company and the Bookrunners in respect of the same on the basis that the Placing Shares will be allotted to a CREST stock account of the relevant Bookrunner or transferred to a CREST stock account of the relevant Bookrunner who will hold them on behalf of the Placee until settlement in accordance with its standing settlement instructions with it;

19. the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that it is not participating in the Placing as nominee or agent for any person or persons to whom the allocation, allotment, issue or delivery of Placing Shares would give rise to such a liability;

20. it and any person acting on its behalf (if within the United Kingdom) falls within Article 19(5) and/or 49(2) of the Order and undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;

21. it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom or elsewhere in the EEA prior to the expiry of a period of six months from Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the FSMA or an offer to the public in any other member state of the EEA within the meaning of the Prospectus Directive;

22. if it is within the EEA, it is a Qualified Investor as defined in section 86(7) of the FSMA, being a person falling within Article 2(1)(e) of the Prospectus Directive;

23. it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person and it acknowledges and agrees that this Announcement has not been approved by Bookrunner in their capacity as an authorised person under section 21 of the FSMA and it may not therefore be subject to the controls which would apply if it was made or approved as financial promotion by an authorised person;

24. it has complied and it will comply with all applicable laws with respect to anything done by it or on its behalf in relation to the Placing Shares (including all relevant provisions of the FSMA in respect of anything done in, from or otherwise involving the United Kingdom);

25. it represents and warrants that, if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive (including any relevant implementing measure in any member state), the Placing Shares acquired by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the EEA which has implemented the Prospectus Directive other than Qualified Investors, or in circumstances in which the express prior written consent of the Bookrunners has been given to the offer or resale;

26. if it has received any confidential price sensitive information about the Company in advance of the Placing, it has not:

(a) dealt in the securities of the Company;

(b) encouraged or required another person to deal in the securities of the Company; or

(c) disclosed such information to any person, prior to the information being made publicly available;

27. neither the Bookrunners, the Company nor any of their respective affiliates, agents, directors, officers or employees nor any person acting on behalf of the Bookrunners or their respective affiliates, agents, directors, officers or employees is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing nor providing advice in relation to the Placing nor in respect of any representations, warranties, acknowledgements, agreements, undertakings, or indemnities contained in the Placing Agreement nor the exercise or performance of any of the Bookrunners' rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

28. the Bookrunners and their affiliates, acting as an investor for their own accounts, may bid or subscribe for and/or purchase Placing Shares and, in that capacity, may retain, purchase, offer to sell or otherwise deal for its or their own account(s) in the Placing Shares, any other securities of the Company or other related investments in connection with the Placing or otherwise. Accordingly, references in this Announcement to the Placing Shares being offered, subscribed, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by, the Bookrunners and/or any of their respective affiliates acting as an investor for its or their own account(s). Neither the Bookrunners nor the Company intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so;

29. it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (together, the "Regulations") and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;



30. in order to ensure compliance with the Regulations, the Bookrunners (for themselves and as agents on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity. Pending the provision to the relevant Bookrunner or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at the relevant Bookrunner's absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at the relevant Bookrunner's or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request for verification of identity the relevant Bookrunner (for itself and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, either the relevant Bookrunner and/or the Company may, at its absolute discretion, terminate its commitment in respect of the Placing, in which event the monies payable on acceptance of allotment will, if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;
31. it acknowledges that its commitment to acquire Placing Shares on the terms set out in this Announcement will continue notwithstanding any amendment that may in future be made to these terms and conditions and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or the Bookrunners' conduct of the Placing;
32. it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placing. It has relied upon its own examination and due diligence of the Company and its affiliates taken as a whole, and the terms of the Placing, including the merits and risks involved;
33. to the extent it is the holder of existing Ordinary Shares, it shall use its best endeavours to vote in favour of the resolutions to be passed at the general meeting of the Company in respect of the Placing;
34. it shall not breach any requirements of the Australian Corporations Act 2001 by virtue of its acquisition of Placing Shares;
35. it irrevocably appoints any duly authorised officer of the Bookrunners as its agent for the purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares for which it agrees to subscribe for upon the terms of this Announcement;
36. the Company, the Bookrunners and others (including each of their respective affiliates, agents, directors, officers and employees) will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements, which are given to each Bookrunner on its own behalf and on behalf of the Company and are irrevocable;
37. if it is acquiring the Placing Shares as a fiduciary or agent for one or more investor accounts, it has full power and authority to make, and does make, the foregoing representations, warranties, acknowledgements, agreements and undertakings on behalf of each such accounts;
38. time is of the essence as regards its obligations under this Appendix;
39. any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to the Bookrunners;
40. the Placing Shares will be issued subject to the terms and conditions of this Appendix; and
41. the terms and conditions contained in this Appendix and all documents into which this Appendix is incorporated by reference or otherwise validly forms a part and/or any agreements entered into pursuant to these terms and conditions and all agreements to acquire Placing Shares pursuant to the Bookbuilding Process and/or the Placing will be governed by and construed in

accordance with English law and it submits to the exclusive jurisdiction of the English courts in relation to any claim, dispute or matter arising out of such contract except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with interest chargeable thereon) may be taken by the Company or the Bookrunners in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange.

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) agrees to indemnify and hold the Company, the Bookrunners and each of their respective affiliates, agents, directors, officers and employees harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings given by the Placee (and any person acting on such Placee's behalf) in this Appendix or incurred by the Bookrunners, the Company or each of their respective affiliates, agents, directors, officers or employees arising from the performance of the Placee's obligations as set out in this Announcement, and further agrees that the provisions of this Appendix shall survive after the completion of the Placing.

The agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as agent) free of stamp duty and stamp duty reserve tax in the United Kingdom relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct by the Company. Such agreement assumes that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement related to any other dealings in the Placing Shares, stamp duty or stamp duty reserve tax may be payable. In that event, the Placee agrees that it shall be responsible for such stamp duty or stamp duty reserve tax and neither the Company nor the Bookrunners shall be responsible for such stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and they should notify the Bookrunners accordingly. In addition, Placees should note that they will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the United Kingdom by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares and each Placee, or the Placee's nominee, in respect of whom (or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such non-United Kingdom stamp, registration, documentary, transfer or similar taxes or duties undertakes to pay such taxes and duties, including any interest and penalties (if applicable), forthwith and to indemnify on an after-tax basis and to hold harmless the Company and the Bookrunners in the event that either the Company and/or the Bookrunners have incurred any such liability to such taxes or duties.

The representations, warranties, acknowledgements and undertakings contained in this Appendix are given to each Bookrunner for itself and on behalf of the Company and are irrevocable.

Canaccord Genuity, finnCap and Cenkos are authorised and regulated by the FCA in the United Kingdom and are acting exclusively for the Company and no one else in connection with the Bookbuilding Process and the Placing, and Canaccord Genuity, finnCap and Cenkos will not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to their clients or for providing advice in relation to the Bookbuilding Process or the Placing or any other matters referred to in this Announcement.

Each Placee and any person acting on behalf of the Placee acknowledges that the Bookrunners do not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings, acknowledgements, agreements or indemnities in the Placing Agreement.

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that each Bookrunner may (at its absolute discretion) satisfy its obligations to procure Placees by itself agreeing to become a Placee in respect of some or all of the Placing Shares or by nominating any connected or associated person to do so.

When a Placee or any person acting on behalf of the Placee is dealing with the Bookrunners, any money held in an account with the relevant Bookrunner on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the relevant rules and regulations of the FCA made under the FSMA. Each Placee acknowledges that the money will not be subject to the protections conferred by the client money rules: as a consequence this money will not be segregated from the relevant Bookrunner's money in accordance with the client money rules and will be held by it under a banking relationship and not as trustee.

References to time in this Announcement are to London time, unless otherwise stated.

All times and dates in this Announcement may be subject to amendment. Placees will be notified of any change.

No statement in this Announcement is intended to be a profit forecast or estimate, and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the AIM Market of the London Stock Exchange.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

**Definitions:**

<b>"Computershare"</b>	Computershare Investor Services PLC, receiving agents to the Company and depository for the DIs
<b>"Depository Interest" or "DI"</b>	the depository interests issued by Computershare representing Ordinary Shares
<b>"Qualifying Participants"</b>	Shareholders on the register of members of the Company or the register of holders of DIs, as applicable, on the Record Date with a registered address in the UK, Ireland or Isle of Man