

17 April 2019

INTELLIHR CAPITAL RAISING

Highlights

- Up to \$3.76 million capital raising, consisting of a \$1 million placement and a non-renounceable \$2.76m rights issue
- Issue price of \$0.12, being a 17.2% discount to the last close of \$0.145 on the ASX
- Funds raised will be used for ongoing R&D and product enhancement, investment in sales and marketing to expand growth pipeline, and for working capital

intelliHR Holdings Limited (ASX:IHR) is pleased to announce a capital raising of up to \$3.76 million, consisting a of \$1 million placement and a non-renounceable \$2.76m rights issue at an issue price of \$0.12 per share. One attaching option will be issued to investors for every 2 shares issued under the placement and rights issue.

Funds raised under the capital raising will be used for:

- Ongoing R&D and product enhancement
 - Platform enhancements to improve ability to integrate additional modules to create a complete people solution for customers
 - Continuing investment in analytics, natural language processing and reporting functionality to maintain and widen product advantage over competition
- Investment in domestic and international sales and marketing to expand growth pipeline
 - Targeting run rate of 4 new customers per sales person per month
 - Current sales team approaching capacity given growth in current lead generation pipeline
 - New sales staff to be brought on-line as required to meet growth opportunities
- General working capital to enable ongoing execution of business strategy
 - Continue to grow customer base to increase headcount beyond 7,500 contracted users
 - Global expansion strategy

The issue price represents a discount of:

- 17.2% to the Company's last close of \$0.145 on the ASX;
- 7.4% to the Company's 15 day VWAP of \$0.130; or
- 7.2% to the Company's 30 day VWAP of \$0.129.

The capital raising consists of a placement of 8,333,333 fully paid ordinary intelliHR shares (**Shares**) to clients of Moore Stephens (VIC) Pty Ltd and Adelaide Equity Partners Limited and a non-renounceable offer of 1 new Share for every 5 existing Shares held on 29 April 2019 (**Record Date**). One attaching unlisted option (exercise price \$0.30, expiring 30 April 2021) will be issued to investors for every 2 new Shares issued under the capital raising, with the issue of options to placement participants subject to shareholder approval.

The issue of shares under the placement is expected to occur on 23 April 2019 and will be made without shareholder approval using the Company's existing capacity under Listing Rule 7.1.



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The rights issue is open to all eligible shareholders who have a registered address within Australia or New Zealand, and who hold Shares on the Record Date. The rights issue will close on 16 May 2019 (unless extended).

All new shares issued will rank equally with existing shares on issue and the Company will apply for official quotation of the new Shares. A prospectus in relation to the rights issue will be lodged with ASIC on or about 18 April 2019 and, together with a personalised entitlement acceptance form, will be sent to eligible shareholders shortly after the Record Date. Existing option holders are not entitled to participate in the Rights issue without first exercising their options to be registered as a shareholder in Australia or New Zealand before the Record Date, in accordance with the terms and conditions of those options.

Eligible shareholders should consider the prospectus in deciding whether to acquire securities under the Rights issue, and will need to complete the personalised entitlement and acceptance form that will accompany the prospectus.

INDICATIVE TIMETABLE

The following are indicative dates in respect of the capital raising:

Event	Date
Lodgement of Prospectus with the ASIC Announcement of Offer and Appendix 3B with ASX Notice sent to shareholders Notice sent to optionholders	18 April 2019
Shares issued under the placement	23 April 2019
Ex entitlement date Trading of placement shares commence	26 April 2019
Record Date for determining entitlements (5:00pm EST)	29 April 2019
Prospectus and personalised Entitlement and Acceptance Forms sent out to Eligible Shareholders	2 May 2019
Closing date of entitlement issue (5:00pm EST)	16 May 2019
Shares quoted on a deferred settlement basis	17 May 2019
ASX notified of under subscriptions	21 May 2019
Issue date. Deferred settlement trading ends	23 May 2019

The above dates are indicative only and may change, subject to the Corporations Act and Listing Rules.



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Signed for and on behalf of intelliHR Holdings Limited:

A handwritten signature in black ink, appearing to read "S. Yeates".

Suzanne Yeates
Company Secretary
intelliHR Holdings Limited

About intelliHR

intelliHR is an Australian HR technology business developing and currently marketing a next-generation cloud-based people management and data analytics platform. Delivered to customers by a SaaS business model, it is disruptive and advanced technology leveraging AI specifically Natural Language Processing in the application. It is scalable to a global market and is industry agnostic. For more information visit www.intellihr.com.au.

