



ASX Release
1 August 2019

Capital raising & potential merger

1. Equity Raising

Gooroo Ventures Limited (ASX: GOO) ("Company" or "Gooroo"), announces that it is in the process of conducting a capital raising of up to \$1.5 million to institutional, sophisticated and professional investors.

The purpose of the capital raising is primarily to fund the transaction costs and working capital for a potential merger with AIS Anywhere Inc. ("AIS"), a US-based software and solutions company which the AIS Board believes has significant synergies with Gooroo's own operations.

The funds will be used to meet the working capital needs of Gooroo (approximately \$1m) and the transaction/re-compliance costs of the potential merger (\$500k). No funds will be used for the working capital needs of AIS Anywhere.

2. Potential Merger

In that context, Gooroo provides the market update below:

- Proposed acquisition price for AIS of up to \$19.1 million
 - Based upon 6.7x AIS CY2018 EBIT
- Consideration is a mix of cash and shares, to be finalised.
- The transaction is subject to conditions precedent:
 - Completion of due diligence
 - Formal sales and purchase agreement
 - Shareholder approval including independent expert's report; and
 - ASX approval.

A more detailed summary of AIS, the rationale for the merger and its proposed terms are attached in the Investor Presentation.

3. ASX Trading

The ASX has determined that the merger is a change of scale (i.e. size). As such, in seeking to undertake the merger Gooroo has been advised that it will need to re-comply with Chapter 1 and 2 of the Listing Rules. Furthermore, the ASX is likely to suspend trading in Gooroo's shares whilst it is seeking to re-comply.

4. Risks

There can be no guarantee that a transaction with AIS will proceed. Potential reasons for not proceeding include:

- The results of due diligence by each party;
- Inability to agree terms of the formal sale and purchase agreement;
- Shareholder approval;
- Regulatory approval; and
- Market conditions.



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