



ASX Announcement (ASX:LAW)

14 January 2020

Partially Underwritten Non-Renounceable Rights Issue

The Board of LawFinance Limited (**Company**) is pleased to formally announce and launch a partially underwritten 1 for 1 (1 new share for every 1 existing share) non-renounceable pro rata entitlement offer (**Entitlement Offer**) to raise up to A\$35,952,670 (before costs and subject to rounding) via the issue of up to 561,760,467 fully paid ordinary shares (subject to rounding) (**Shares**) at an issue price of A\$0.064 per Share, as announced on 24 December 2019.

The Entitlement Offer forms part of the broader strategic capital raising announced earlier on 24 December 2019.

Eligible shareholders of the Company will only be those who are shareholders of the Company on the share register as at 7.00 pm (AEDT) on Friday, 17 January 2020 (**Record Date**) with a registered address in Australia or New Zealand (**Eligible Shareholders**).

The Entitlement Offer will be partially underwritten for A\$20 million by Lucerne Australia Pty Ltd (**Underwriter**). The Underwriter has appointed sub-underwriters such that its relevant interest will not trigger the provisions of Chapter 6 of the Corporations Act. Therefore, pursuant to the agreements in place and structure of the Offer, the Company is of the view that no Eligible Shareholder, Underwriter or sub-underwriter will individually obtain or exceed voting power of more than 19.9% as a result of the Entitlement Offer.

All Shares issued under the Entitlement Offer will rank equally with existing fully paid ordinary shares in the Company as of the date of this announcement.

The proceeds from the Entitlement Offer will be used by the Company for the following purposes:

- reduce existing debt of at least A\$12.5 million;
- provide capital for new funding; and
- pay the costs of the Entitlement Offer.

The Entitlement Offer will reduce the Company's debt and improve its balance sheet.

The Entitlement Offer is non-renounceable and the rights will not be able to be traded on the ASX and will not be transferable.

Eligible Shareholders wishing to participate in the Entitlement Offer should carefully read the Offer Booklet and accompanying personalised Entitlement and Acceptance Form which are expected to be dispatched on or around Monday, 20 January 2020. A copy of the Offer Booklet will be announced on the ASX and available on the Company's website.

The Entitlement Offer will include a shortfall facility under which Eligible Shareholders who take up their full Entitlement will be invited to apply for additional Shares in the Entitlement Offer from a pool of those Entitlements not taken up by other Shareholders (**Shortfall Facility**). There is no guarantee that applicants under this Shortfall Facility will receive all or any of the additional Shares

applied for under the Shortfall Facility, and sole discretion with respect to allocation remains with the Board.

Update on strategic capital raising

As advised in the Company's announcement on 24 December 2019, an EGM will be called to seek shareholder approval to convert existing debt into debt and equity instruments. At this stage the Company anticipates that the EGM will be held in February/March 2020.

Key Dates of the Entitlement Offer

Event	Date*
Announcement of Entitlement Offer	Tuesday, 14 January 2020
Ex-date for Entitlement Offer	Thursday, 16 January 2020
Record Date	7.00 pm (AEDT), Friday, 17 January 2020
Entitlement Offer opens Dispatch of Booklet and Entitlement and Acceptance Form	Monday, 20 January 2020
Entitlement Offer closes (Closing Date)	5.00 pm (AEDT), Friday, 14 February 2020
Shares quoted on a deferred settlement basis	Monday, 17 February 2020
Announcement of results of the Entitlement Offer	Wednesday, 19 February 2020
Issue and allotment of Offer Shares under the Entitlement Offer	Friday, 21 February 2020
Dispatch of holding statements	Friday, 21 February 2020
Commencement of trading of new Offer Shares	Monday, 24 February 2020

**The above timetable is indicative only and subject to change. The quotation of Shares is subject to ASX approval. Subject to approval of the Underwriter, the ASX Listing Rules and the Corporations Act and other applicable laws, the Company reserves the right to vary these dates, including the Closing Date, without notice, including extending the period of the Entitlement Offer or accepting late applications, either generally or in particular cases or bringing forward the Closing Date at its discretion. Any extension of the Entitlement Offer will have a consequential effect on the issue date of the Shares. All dates and times in the timetable above are in Sydney, Australia time.*

Authorised by:



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