



Intelligent Information Exchange

ASX ANNOUNCEMENT  
19 March 2020

## New CEO and Board Rejuvenation Partially Underwritten Rights Issue

### Highlights

- Identitii appoints John Rayment as CEO and MD
- Experienced former CBA senior executive Steve James joins the Board as a Non-Executive Director
- Identitii to raise up to AU\$3.82m via a partially underwritten non-renounceable rights issue
- Identitii is well positioned for the global COVID-19 crisis, with opportunity for ongoing growth
- Co-Founder and former CEO Nick Armstrong appointed as Chairman
- Mike Aston and Peter Lloyd have resigned from the Board

**Identitii Limited (Identitii or Company)** (ASX:ID8), the FinTech helping information move with money, today announces that Mr John Rayment has been appointed to the role of Chief Executive Officer and Managing Director, effective immediately, as part of a broader board rejuvenation.

Mr Steve James has joined Identitii's Board as a Non-Executive Director and Mr Nick Armstrong, the Company's Co-Founder and former CEO, has been appointed as the Company's Chairman, both also effective immediately. This follows the resignation of the Company's former Chairman, Mr Mike Aston and former Non-Executive Director Peter Lloyd.

In addition, the Company also announces today that it is proposing to raise up to AU\$3.82 million by conducting a partially underwritten 1 for 1 non-renounceable rights issue of new fully paid ordinary Identitii shares. Eligible shareholders will be entitled to apply for new shares under the rights issue at the issue price of \$0.07 per share<sup>1</sup>.

### New CEO John Rayment

Mr Rayment brings to Identitii significant global experience in selling enterprise solutions into financial institutions and building the technology, supply-chain and aftersales infrastructure to support those financial institutions. Mr Rayment has held board and executive roles with Travelex in Asia Pacific, North America and the United Kingdom, working predominantly in its global enterprise business, delivering forex solutions to financial institutions and corporations in more than 75 countries. Mr Rayment has also provided advisory support to many early-stage ventures, helping them develop capital raising and revenue growth strategies.

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<sup>1</sup> The issuer of the new shares under the rights issue is the Company. The prospectus for the rights issue will be made available by contacting the Company or via the Company's website after it has been lodged with the Australian Securities and Investments Commission (**ASIC**). A person should consider the prospectus in deciding whether to acquire shares. Any application for shares in the Company must be made in accordance with the prospectus. It is expected that the prospectus (and accompanying personalised entitlement and acceptance form) will be lodged with ASIC during the week commencing Monday, 23 March 2020.

*"Having solved problems for financial institutions across the globe, I understand what Identitii's customers are looking for and how to progress these solutions through the engagement process. I'm therefore very optimistic about the future, even in light of the current global COVID-19 crisis. To ensure we continue delivering for our existing clients, we remain heavily focused on our business development and operational agenda and are already making significant cost-base reductions.*

*Looking ahead, the pressure from regulators and consumers to have more information move with money will only continue to increase, regardless of the global financial situation. Identitii's platform enables faster changes at a much lower cost than other alternatives, meaning that we are very well-placed to help financial institutions, regulators and corporations respond to this evolving need. I believe the Company is therefore in a strong position to endure the foreseeable turmoil," Mr Rayment said.*

Testament to Mr Rayment's belief in and ongoing support of the Company, Mr Rayment has lent the Company AU\$100,000, interest free with a 12 month term. These funds will be used by the Company for general working capital purposes. Rather than repaying this loan in cash however, the Company intends, within 2 months of the completion of the rights issue, to seek shareholder approval to issue Mr Rayment with such number of new Identitii shares at the rights issue price of \$0.07 per share as is required to extinguish the Company's repayment obligation to Mr Rayment<sup>2</sup>.

The material terms of Mr Rayment's CEO employment contract with the Company will be released to ASX as soon as it has been agreed.

### **Board Rejuvenation**

Experienced senior executive and board member Steve James has joined the Board of Identitii effective immediately. Mr James brings extensive experience working with and in financial services organisations to Identitii's Board. He has held senior leadership and Board positions at multiple public and private organisations, including the Commonwealth Bank of Australia, CommSec, Aston Consulting, Motorcycling Australia and Seer Asset Management, and will bring valuable insight to the Company in relation to investor relations, customer engagement and overall product value, among other things.

*"I see a distinct value that Identitii's offering brings to the financial services industry and the opportunity for the Company to grow isn't going anywhere, even in the current environment," says Mr James. "This is a pivotal time for the financial services industry and Identitii's offering is focused on helping financial institutions meet their obligations with less. I'm excited to be joining the Board and to support the company as it focuses on turning these opportunities into revenue."*

Mr James played a pivotal role in developing the first online stockbroking business for financial planners, which was later sold into CommSec to become the largest adviser broking platform in Australia. Mr James holds a Masters Degree in Financial Services Law, a graduate of the Australian Institute of Company Directors (GAICD), Master Stockbroker qualification from the Securities Institute and a Diploma in Financial Markets from the Australian Financial Markets Association.

In addition, the Company's Co-Founder Nick Armstrong will assume the role of Chairman, to support the incoming CEO and continue to help shape the future strategy of the Company. Mr Armstrong is the largest shareholder of Identitii and will take up his full rights in the upcoming shareholder rights issue.

Mike Aston and Peter Lloyd have resigned from the Company's board with immediate effect.

*"The Board thanks both Mike and Peter for their contribution to the Company. They have carried out their duties with the utmost professionalism and we wish them well in their future endeavours" Co-Founder and Chairman, Mr Armstrong, said.*

### **Partially Underwritten Rights Issue**

The Company is also pleased to announce that it has entered into an underwriting agreement with Gleneagle Securities (Aust) Pty Ltd (**Gleneagle**) pursuant to which Gleneagle will underwrite up to half

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<sup>2</sup> If shareholder approval is not obtained under ASX Listing Rule 10.11 for this purpose, the Company will repay Mr Rayment in cash.

of the AU\$3.82 million being sought by the Company under the proposed rights issue. Under the rights issue, each eligible shareholder will be entitled to subscribe for one (1) new fully paid ordinary share in the Company for every one (1) ordinary share held as at the yet to be specified record date. New shares will be offered under the rights issue at an issue price of \$0.07 per new Identitii share.

In addition to being partially underwritten by Gleneagle Securities, existing substantial shareholder KTM Ventures Innovation Fund L.P. (**KTM Ventures**<sup>3</sup>) has entered into a sub-underwriting agreement with Gleneagle in relation to a significant proportion of any shortfall from the rights issue. Like Mr Rayment, KTM Ventures has lent the Company AU\$150,000 interest free with a 12 month term. These additional funds will also be used by the Company for general working capital purposes.

To the extent that there is sufficient shortfall under the rights issue, it is proposed that the AU\$150,000 lent by KTM Ventures to the Company will be offset against KTM Ventures' total sub-underwriting commitment under the rights issue. If there isn't sufficient shortfall on completion of the rights issue to enable this loan to be offset against KTM Ventures' sub-underwriting commitment, the Company will seek shareholder approval to issue KTM Ventures with such number of new Identitii shares at the rights issue price of \$0.07 per share as is required to extinguish the Company's repayment obligation to KTM Ventures<sup>4</sup>.

Full details of the rights issue, as well as the material terms of the underwriting and sub-underwriting arrangements entered into in connection with the rights issue, will be set out in the Company's prospectus which is expected to be lodged with ASIC and released on ASX, in the week beginning 23 March 2020.

This announcement has been approved and authorised to be given to ASX by the Board of Identitii Limited.

**For more information, please contact:**

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**About Identitii**

Identitii Limited is enabling a safe, secure and trusted global financial system by improving the integrity of financial information as it travels within and between organisations. Founded in 2014 and headquartered in Sydney, Australia, Identitii is listed on the Australian Securities Exchange (ASX:ID8).

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<sup>3</sup> The Company's former director Mr Martin Rogers (who resigned from the Company's board of directors on 8 October 2019) is also a director and substantial shareholder in KTM Ventures.

<sup>4</sup> If shareholder approval is not obtained under ASX Listing Rule 10.11 (if required), the Company will repay KTM Ventures in cash.