



ASX Announcement (ASX:LAW)

4 June 2020

Update on Unlisted Warrants

The Board of LawFinance Limited (**Company**) wishes to provide an update, in relation to all unlisted warrants, on the change in their exercise price and correct the previously announced expiry date.

In connection with the Company's acquisition of National Health Finance HoldCo, LLC (**NHF**) in 2018, and pursuant to a warrant deed poll dated 25 September 2018 (**Warrant Deed Poll**), the Company issued 452,743,636 unlisted warrants (**Warrants**) with an exercise price of A\$0.14 per Warrant (**Exercise Price**) and expiry date of 28 September 2022 (**Expiry Date**) to various holders (**Warrantholders**). Each Warrant entitles the Warrantholder to acquire one (1) fully paid ordinary share in the Company (**Share**) upon payment of the Exercise Price.

The Warrant Deed Poll included an adjustment mechanism to the Exercise Price which, relevantly, afforded a reduction in the Exercise Price in accordance with the formula set out in ASX Listing Rule 6.22.2 in circumstances where the Company undertakes a pro rata entitlement offer.

On 14 January 2020, the Company announced a 1 for 1 (1 new Share for every 1 existing Share) non-renounceable, pro rata entitlement offer at an issue price of A\$0.064 per Share (**Entitlement Offer**). The Entitlement Offer closed on Friday, 14 February 2020.

On 31 March 2020, the Company announced in its annual report to shareholders that, pursuant to ASX Listing Rule 6.22.2, the Exercise Price of the Warrants had been adjusted to A\$0.135 per Warrant. The new Exercise Price became effective on 7 April 2020. This adjustment to the Exercise Price is unrelated to a reference made in the Explanatory Statement released in conjunction with the Notice to Shareholders in relation to the Extraordinary General Meeting held on 10 March 2020. The Company did request a waiver from ASX Listing Rule 6.23.3 in relation to varying both the Exercise Price and Expiry Date. This application was not granted.

In addition, the Company wishes to advise that one of the Warrantholders brought to the Company's attention that the incorrect Expiry Date had been utilised at the time of issuing the Warrants. Due to an administrative error, the incorrect expiry date of 28 September 2022 was announced. In accordance with the Warrant Deed Poll, the Warrants will now expire at 5.00pm (Sydney time) on 8 November 2022.

There is no change to the number of Shares to be issued upon exercise of the Warrants, being 452,743,636 Shares.

Authorised by:

The Board of Directors

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