

ASX Release

7 December 2020

Amaero Raises \$9 million in Strongly Supported Placement

- **\$9 million raised from high-quality domestic and international institutional and sophisticated investors, at an issue price of \$0.55 per share.**
- **The proceeds will be used to fund equipment purchases, capital expenses including installation and fit-out, research & development and working capital as well as being utilised to progress clients from R&D activities through to manufacturing opportunities.**
- **Share Purchase Plan (SPP) (partially underwritten by our joint venture partner PPK Group Ltd ASX:PPK) to be offered to existing, eligible shareholders to raise up to \$3.0 million at the same price as the Placement**

Amaero International Limited (**ASX:3DA**) ("**Amaero**" or the "**Company**") a specialist in metal additive manufacturing (3D printing) for the defence, aerospace and tooling sectors, is pleased to announce the Company has received firm binding commitments to raise \$9.0 million (before costs) through a strongly supported share placement to domestic and international institutional and sophisticated investors at a price of \$0.55 per share ("**New Shares**").

Share Placement Details

The Placement, pursuant to Section 708 of the Corporations Act 2001 (Cwth), comprises the issue of approximately 16.36 million new fully paid ordinary shares (**New Shares**). The New Shares will be issued under the Company's existing placement capacity under ASX Listing Rules 7.1.

The issue represents an approximate 16.0% discount to the last traded price, a 19.9% discount to the 5-day volume weighted average price (VWAP) and a 20.8% discount to the 15-day VWAP immediately prior to the raising.

Allotment of the New Shares is expected to occur on Thursday, 10 December 2020 with the New Shares to rank equally with the Company's existing shares on issue.

Share Purchase Plan

Amaero is also pleased to announce a (partially underwritten up to \$1.5m by joint venture partner PPK Group Ltd) Share Purchase Plan ("SPP") to be offered to eligible shareholders at the same price as the Placement of \$0.55 per share. Shareholders will be invited to participate up to a maximum of \$30,000 per shareholder on the register at 7.00pm (AEST) on the Record Date of Friday 4 December 2020 and whose registered address is in Australia or New Zealand.

Amaero considers that the SPP provides qualifying shareholders with an equitable opportunity to participate in the Company's capital raising. Personalised SPP documents will be sent to qualifying shareholders on 14 December 2020. Amaero is arranging to provide additional services for shareholders to also access their documents online.

PPK partially underwriting the SPP continues to demonstrate the strong support that the company attracts in its strategic growth phase.

Event	Date
Record Date to determine eligibility to participate in the SPP	Friday, 4 December 2020
Opening Date	Monday, 14 December 2020
Closing Date	Friday, 15 January 2021
Announcement of the results of the Plan	Wednesday, 20 January 2021
Allotment of Shares	Wednesday, 27 January 2021
Commencement of trading of Shares on ASX	Wednesday, 27 January 2021

The timetable is indicative only and Amaero may, at its discretion, vary any of the above dates by lodging a revised timetable with ASX. The commencement of trading of New Shares is subject to confirmation from ASX.

Proceeds from the Placement and SPP Offers will be used for the following:

Use of Funds	Funds Allocated
Equipment Purchases	\$6,300,000
Capital Expenses (Install & Fitout)	\$1,000,000
Research and Development	\$750,000
Working Capital	\$3,410,000
Capital Raising Costs	\$540,000
Total	\$12,000,000

* \$70K of capital raising fees will be issued in the form of shares at the offer price in lieu of cash fees

Amaero Chairman, David Hanna, commented: "We are delighted to have completed a successful capital raise as Amaero enters its next stage of growth as a listed entity. With very strong support from institutional funds both in Australia and internationally, on behalf of the Board, I would like to thank all who participated in this heavily oversubscribed placement. To provide eligible shareholders with the opportunity to fund their company, we have also launched an SPP on the same terms as the placement. I strongly encourage all shareholder to take up their full entitlement."

PAC Partners Securities Pty Ltd acted as Sole Lead Manager to the Placement.

This ASX release is approved by the Board of Amaero International Limited.

David Hanna
Chairman
Amaero International Limited

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About Amaero International Limited:

Amaero International Limited is an Australian-based company that manufactures large format complex components in metal with laser-based additive manufacturing processes, commonly known as 3D printing.

The principal activity of Amaero is the provision of end to end additive manufacturing solutions in terms of services, equipment and technology to its key clients in the Aviation Defence and Space sectors and the Tool and Die industry.

Amaero has worked with many of the world's leading manufacturers of aerospace and defence products in both an R&D and manufacturing capability and has a demonstrated ability to deliver aviation and military specification 3D printed alloy critical operation components.

Amaero was established with the support of Monash University in 2013 to take advantage of commercial opportunities identified by the Monash Centre for Additive Manufacturing (MCAM). Amaero is co-located with MCAM in Melbourne Australia. It operates two additional facilities, in Adelaide, South Australia, and El Segundo, California, USA.

Schedule 1 - Material Terms of the Underwriting Agreement between the Company and PPK.

On 7 December 2020 the Company entered into an underwriting agreement with PPK Group Ltd (ACN 003 964 181) (**Underwriter**) who has agreed to underwrite the SPP on certain terms and conditions (**Underwriting Agreement**).

The material terms of the Underwriting Agreement include the following:

- (a) The Underwriter agrees to underwrite the subscription for the first \$1,500,000 of the SPP Shares.
- (b) The Company agrees to issue to the Underwriter an amount of Shares such that the Underwriter subscribes for a minimum of \$500,000.00 under the Offer. (That is, once the Company receives valid elections exceeding \$1,500,000 to participate in the SPP the Underwriter's obligation to underwrite Shortfall Shares will have been satisfied and the Underwriter will subscribe for shares to the value of \$500,000.)
- (c) All shares issued to the Underwriter will be issued at the same price and at the same time as SPP Shares.
- (d) The Underwriter must subscribe for the shares itself and may not appoint sub-underwriters.
- (e) The Company will issue the shares to the Underwriter under the Company's remaining ASX Listing Rule 7.1 and 7.1A capacity.
- (f) The Company will pay the Underwriter a fee of \$1.00 upon request.
- (g) The Company and Underwriter have given each other certain representations, warranties and undertakings in connection with the SPP.
- (h) The Company has agreed, subject to agreed exceptions, to indemnify the Underwriter and its personnel against all claims and losses arising out of the SPP, including the Company's breach of the Underwriting Agreement, any representation or warranty made or given by the Company proving to have been untrue, inaccurate or misleading or any public and other statements made by the Company in relation to the Offer.
- (i) The Underwriter may terminate the Underwriting Agreement, and be released from its obligations to subscribe for the shares, if certain events happen, including:
 - a. the Company is removed from the official list of ASX or the Shares become suspended from official quotation by ASX and that suspension is not lifted within 24 hours following such suspension;
 - b. the Company disposes or agrees to dispose of the whole or a substantial part of its business, property or assets;
 - c. the Company (or a subsidiary) is or becomes insolvent, or suspends payment of its debts generally;
 - d. the S&P/ASX 200 Index is at any time during the period from 7 December 2020 to the Shortfall Settlement Date, 10% or more below its level as at the close of business on 7 December 2020 for at least 2 trading days;
 - e. ASX indicates or states that Official Quotation will not be granted by the Allotment Date;
 - f. the Company is prevented from allotting and issuing the Offer Shares within the time required by this Agreement.
- (j) In addition, the Underwriter may terminate the Underwriting Agreement, and be released from its obligations to subscribe for the shares, if certain events happen which could reasonably be expected to have a material adverse effect on the Company or the Offer, including:
 - a. ASIC gives notice of any deficiency in the Offer or related documents or ASIC gives notice of an intention to hold a hearing, examination or investigation;
 - b. any authorisation which is material to anything referred to in the Offer or the terms of this Agreement is repealed, revoked or terminated or expires;
 - c. a director, CEO or CFO of a Group Member is charged with an indictable offence relating to any financial or corporate matter;

- d. default or breach by the Company under the Agreement of any terms, condition, obligation or undertaking and that default or breach is either incapable of remedy or is not remedied within 5 Business Days after it occurs;
- e. any representation or warranty given by the Company in the Agreement is or becomes untrue or incorrect in a material respect;
- f. a material contravention by a Group Member of the Corporations Act or any other applicable legislation, the Listing Rules, its constitution; or any legally binding requirement of ASIC or ASX or other applicable binding rule or requirement of any competent body or authority;
- g. an event occurs which gives rise to a Material Adverse Effect in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Group Member from that existing as at the date of this Agreement;
- h. there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- i. a judgment in an amount exceeding \$1,000,000 is obtained against a Group Member and is not set aside or satisfied within 7 days;
- j. litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced or threatened against any Group Member;
- k. there is a change in the composition of the board of the Company or a change in the senior management of the Company before Completion without the prior written consent of the Underwriter;
- l. there is a delay in any specified date in the Timetable which is greater than 2 Business Days without the consent of the Underwriter;
- m. any act of God, war, revolution, or any other unlawful act against public order or authority, an industrial dispute, a governmental restraint, or any other event which is not within the control of the parties affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- n. any person is appointed under any legislation in respect of companies to investigate the affairs of a Group Member;
- o. a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets for more than 1 Business Day; or
- p. there is an outbreak of hostilities not presently existing or a material escalation of existing hostilities (whether or not war has been declared) after the date of this Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, North Korea, South Korea, the United Kingdom, the United States of America or the Peoples Republic of China, France or Germany.