



ASX Announcement (ASX: LAW)

16 November 2022

Release of Funds and Modification of the PFG Facility

LawFinance Limited ("LAW" or the "Company") announced today that the Company and Partners For Growth ("PFG") have executed a facility modification that governs the operation of the PFG facility until 1 March 2023 following a breach of the Liquidity Covenant as disclosed in the Quarterly Report for the 3rd quarter of 2022 ("Facility Modification").

As part of the Facility Modification, the Company and PFG have agreed:

- The release of US\$1 million from the facility to the Company
- A waiver of existing covenant breaches and reduced triggers until 1 March 2023 for certain covenants
- Ability to refinance without prepayment penalty
- The issuance of warrants to PFG on a successful refinancing of the PFG facility (terms to be agreed)
- Cancellation of the undrawn facility amount, saving on interest and facility line fees
- All collections will go towards a reduction of the PFG facility

The Company has commenced the process to refinance the PFG facility by 1 March 2023 and will update the market in due course.

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