



ASX Announcement

22 February 2017

Inabox Completes \$4 million Capital Raise

- Inabox has successfully raised \$4 million via a private placement to new and existing institutional and sophisticated investors
- The funds raised will be used to pay down short-term debt associated with the recent acquisition of Hostworks, and for working capital

Inabox Group Limited (Inabox) (ASX:IAB), a national multi-channel, managed IT and communications company, is pleased to announce it has raised \$4 million via a private placement (Placement).

The Placement will be used in part to pay down short-term debt associated with the recent acquisition of 100% of Hostworks Group Pty Limited and its associated companies (Hostworks).

Under the placement, 3,636,364 fully paid ordinary shares will be issued at \$1.10 per share, a discount of 14% to the last traded price.

Placement shares are expected to commence trading on the Australian Securities Exchange no later than 2 March 2017.

The Placement received strong support from new and existing shareholders, including institutional funds and sophisticated investors. The lead manager for the Placement was Taylor Collison and the issue was not underwritten.

Damian Kay, CEO of Inabox said: "We are pleased at the level of interest from both our existing shareholders and institutions keen to become shareholders. The capital raised will enable Inabox to pay down short-term debt associated with our successful acquisition of Hostworks. It also provides funds which can be used for further earnings-accretive acquisitions."

Of the shares to be issued, 3,522,909 will be issued under Listing Rule 7.1 and 113,455 will be issued under Listing Rule 7.1A. Inabox obtained shareholder approval to issue shares under Rule 7.1A in order to expedite the process of raising capital in connection with acquisitions. The shares issued under Rule 7.1A represent a dilution to existing shareholders of 0.57%. The total fee payable to the lead manager in respect of these shares will be \$7,488.

Ends.

About Inabox Group Limited

Inabox supplies wholesale ICT (fixed, mobile, data) and cloud products and associated services, including billing and technical and customer support, to retail service providers around Australia through wholesale brands, Telcoinabox, iVox and Neural Networks. Inabox also enables mass-market consumer brands to enter the telecommunications market by leveraging its network and systems capabilities. Inabox provides nationwide IT software, hardware and services through its Anittel brand.

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