

11 May 2017

## ASX Waiver Obtained

- **ASX Waiver obtained in respect of Security to be granted in connection with A\$10m fully underwritten convertible note issuance**

**Melbourne, Australia – 11 May 2017:** LatAm Autos Limited (ASX: LAA) (“**LatAm Autos**” or the “**Company**”) is pleased to provide the following update.

### **ASX Waiver**

As announced on 13 April 2017, the Company has secured funding through the fully underwritten A\$10m convertible note issuance (the “**Notes**”), which is expected to provide the necessary capital for LatAm Autos to reach cash flow breakeven. The Notes are fully underwritten by Michael Fitzpatrick and Simon Clausen (Directors of LatAm Autos). The proposed Notes will remain subject to shareholder approval being obtained at an Extraordinary General Meeting (“**EGM**”) to be held around mid-June 2017.

As the issue of the Notes will involve the granting of security over all of the assets of three of the Company’s subsidiaries (“**Security**”), the Company has sought and obtained from the ASX a waiver of Listing Rule 10.1 in respect of the issue of the Security. The ASX granted the Company a waiver of Listing Rule 10.1 on 11 May 2017 (“**ASX Waiver**”). The terms of the ASX Waiver are attached to this announcement.

### **Repayment of the Notes**

The maturity date of the Notes is 30 April 2020. As at the maturity date, any outstanding balance under the facility not already repaid will be repaid or converted into shares in accordance with the terms of the Notes.

Following repayment or conversion into shares of all outstanding funds in accordance with the terms of the Notes, the Company will seek to discharge the Security.

### **For more information, please contact:**

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### **About LatAm Autos (ASX: LAA)**

LatAm Autos is a leading dedicated online auto classifieds and content platform with operations in six countries in Latin America – Mexico, Argentina, Ecuador, Peru, Panama and Bolivia. As early movers in the region’s online auto classifieds industry, LatAm Autos is positioned to capitalise on the shift of auto classifieds advertising from traditional print media sources to online channels. For more information on LatAm Autos, please visit its website: [www.latamautos.com](http://www.latamautos.com).

### Caution Regarding Forward-Looking Information

This document contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "outlook", "upside", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance, including LatAm Autos' FY17 outlook, are also forward looking statements, as are statements regarding LatAm Autos' plans and strategies and the development of the market. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of LatAm Autos, which may cause actual results to differ materially from those expressed or implied in such statements. LatAm Autos cannot give any assurance or guarantee that the assumptions upon which management based its forward-looking statements will prove to be correct or exhaustive beyond the date of its making, or that LatAm Autos' business and operations will not be affected by other factors not currently foreseeable by management or beyond its control. Such forward-looking statements only speak as at the date of this announcement and LatAm Autos assumes no obligation to update such information. The release, publication or distribution of this presentation in jurisdictions outside Australia may be restricted by law. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

**ASX WAIVER  
DECISION**

Based solely on the information provided, ASX Limited (“**ASX**”) grants Latam Autos Limited (the “**Company**”) a waiver from Listing Rule 10.1 to the extent necessary to permit the Company to grant security by way of secured convertible notes over all assets and shares in the Company’s subsidiaries: Avisoriaweb S.A., Latamautos Corporacion S.A. and Latamautos Mexico S. de R.L. de C.V. (the “**Security**”) in favour of Log Creek Pty Ltd, Startive Ventures, Inc. and PM Capital Limited (the “**Subscribers**”) in respect of subscribing for up to \$10,000,000 under the convertible note agreement (the “**Convertible Note Agreement**”), without obtaining shareholder approval, on the following conditions.

- 1.1. The Security includes a term that if an event of default occurs and the Subscribers exercises its rights under the Security, neither the Subscribers nor any of their associates can acquire any legal or beneficial interest in an asset of the Company or its subsidiaries in full or part satisfaction of the Company’s obligations under the Security, or otherwise deal with the assets of the Company or its subsidiaries, without the Company first having complied with any applicable Listing Rules, including Listing Rule 10.1, other than as required by law or through a receiver, or receiver or manager (or analogous person) appointed by the Subscribers exercising their power of sale under the Security and selling the assets to an unrelated third party on arm’s length commercial terms and conditions and distributing the cash proceeds to the Subscribers or any of its associates in accordance with their legal entitlements.
- 1.2. A summary of the material terms of the Security is made in each annual report of the Company during the term of the Security.
- 1.3. Any variations to the terms of the Security which is:
  - 1.3.1. not a minor change; or
  - 1.3.2. inconsistent with the terms of the waiver,must be subject to shareholder approval.
- 1.4. The Company and the Subscribers must seek to discharge the Security when the funds advanced by the Subscribers to the Company are repaid, or if it is not discharged, seek shareholder approval for the continuation of the Security for any further period.