



ASX ANNOUNCEMENT, 27 September 2018

EXECUTION OF FURTHER CONVERTIBLE LOAN FACILITY

Vivid Technology Limited (ASX: VIV) ("Vivid Technology" or the "Company") confirms that it has entered into an unsecured convertible loan facility with several sophisticated parties ("Lenders"). The new convertible loan facility provides the Company with additional working capital requirements and opportunities for its Lighting-as-a-Service ("LaaS").

Last financial year, Vivid Technology announced the establishment of a new \$1.5m Convertible Loan agreement with Evercharge Pty Ltd to replace the previous \$0.5m debt funding agreement with Moneytech. This initial facility was also designed to assist the Company with working capital for growth opportunities including LaaS.

Subsequent to the announcement of the initial facility, Vivid Technology received strong interest from a number of its shareholders, expressing interest in extending a similar facility of up to \$2m to provide further support to the expanding growth in line with the reported increase in FY18 sales revenue to \$7.3m (FY17: \$2.3m).

Vivid Technology subsequently established this secondary convertible loan facility, structured along similar terms as the Evercharge Pty Ltd convertible loan agreement, with initial commitments of \$1.3m confirmed, and the opportunity to extend commitments under the facility to \$2m.

This new funding capability is in line with Vivid Technology's continuing review of determining the optimal funding structures to grow the business under its commercialisation models via channel partners and direct sales to customers.

Under the LaaS model, Vivid Technology will be paid to install, service, maintain and monitor its intelligent lighting system into a customer site across several years, with Vivid Technology covering the initial cost of capital at the installation. Customers are also able to access key data analytics about their site, enabling a range of other business operational improvements.

The loan has the following key terms:

Lenders	Various sophisticated investors
Borrower	Vivid Technology Limited
Purpose	For funding Vivid Technology's working capital requirements
Commitment Amounts	The total loan amount committed is \$1,300,000. The Board has approved extending the facility to a maximum limit of \$2,000,000 if other lenders are identified.
Conditions Precedent	There are no conditions precedent for drawdown of the loan facility.
Agreement Date	27 September 2018
Repayment Date	24 months from drawdown date.
Conversion	The Lenders may convert the Loan into shares in Vivid Technology. The conversion ratio is the outstanding loan amount (including unpaid interest) divided by the Conversion Price.
Conversion Price	The lesser of: <ul style="list-style-type: none"> (a) \$0.125; or (b) the greater of: <ul style="list-style-type: none"> (i) the VWAP over a period of twenty (20) days prior to and including the Conversion Date less a discount of 15% and rounded to the nearest 1/10th of a cent; or (ii) the floor price of \$0.05.
Interest Rate	11.00% per annum.
Early Repayment	Vivid Technology may make an early repayment prior to the Repayment Date as long as an amount equal to one months' interest has accrued on the amount repaid.

– ENDS –



About Vivid Technology

Vivid Technology Limited is a [B Corp™](#) certified, diversified, innovative Australian clean technology company that delivers intelligent energy efficiency solutions and carbon reduction through IoT and CO₂-to-fuel conversion technologies.

Vivid Technology has a range of patented clean tech solutions, including innovative and intelligent IoT Industry 4.0 MATRIXX® lighting platform. Vivid's MATRIXX® unique intelligent lighting control system combines a state of the art, human centric lighting system with unrivalled energy efficiency, reducing lighting energy costs by up to 90%. Delivering exceptionally high energy efficiency savings and carbon reductions, MATRIXX® captures and converts smart data to provide site intelligence for industrial and infrastructure sectors. Vivid's technology is easily installed and provides businesses the infrastructure for an IoT and industry 4.0 future. Vivid Technology is full turn key solutions partner.

Vivid Technology Limited is a [B Corp™](#) certified company, which highlights the company's approach to driving business solutions with a strong corporate social responsibility.

Vivid Technology - www.vividtechnology.com.au

About Vivid Industrial

Vivid Industrial is a subsidiary of Vivid Technology, providing customised, intelligent and energy efficient cloud based solutions for industrial and infrastructure clients. The "internet of lights" and "cloud based monitoring" delivers quantifiable efficiencies and significant cost savings with environmentally sustainable benefits for businesses. Going beyond engineered design and installation, Vivid Industrial is a turnkey solutions business partner, offering solutions to suit custom lighting, cost and energy efficiency needs. Vivid Industrial is your complete intelligent lighting solutions partner with a base of blue chip, industrial companies.

Vivid Industrial - www.vividindustrial.com

About Vivid Ilumalite

Vivid Ilumalite specialising in creating highly effective, energy-saving and human centric LED lighting solutions, for commercial and government clients, that generate significant cost savings and reduce environmental impact. Ilumalite, has a reputation as a highly regarded and valued turnkey solutions partner who delivers exceptional tailored lighting results.

Vivid Ilumalite - www.vividilumalite.com

About NewCO2Fuels

NewCO2Fuels is a subsidiary of Vivid Technology. NewCO2Fuels' cutting-edge technology profitably converts CO₂ into multi-purpose fuels (Diesel, Methanol or Hydrogen) and Oxygen.

NewCO2Fuels – www.newco2fuels.co.il



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Media Toolkit

Free to use company images, photos and logos for articles and publications

[Vivid Technology Media Toolkit](#)



Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Vivid Technology Ltd

ABN

60 120 710 625

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Convertible loans (being a convertible security allowing the lenders, at its discretion, to convert all or part of the loans into fully paid ordinary shares). |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | The maximum number of fully paid ordinary shares that may be issued under the convertible loan (assuming the current maximum commitment amount of \$1,3000,000 is fully drawn and converted into shares at the \$0.05 floor issue price) is 26,000,000 fully paid ordinary shares. |

+ See chapter 19 for defined terms.

3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

Convertible loan (convertible security)

Commitment amount: the total loan facility amount (including unpaid interest and facility fees) is \$1,300,000.

Conversion: the lender may, at its sole discretion, convert the loan into fully paid ordinary shares in the Company. The conversion ratio is the outstanding loan amount (including unpaid interest) divided by the conversion price (see below).

Conversion price is the lesser of:

(a) \$0.125; or

(b) the greater of:

- (i) the VWAP over a period of twenty (20) days prior to and including the conversion date less a discount of 15% and rounded to the nearest 1/10th of a cent; or
- (ii) the floor price of \$0.05

Conversion date: any time on or before the date which is 24 months from the date of the convertible loan agreement execution.

Interest Rate: 11.00% per annum.

For further details of the key terms of the convertible loan, refer to the ASX announcement dated 27 September 2018.

4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

The convertible loan does not rank equally with an existing class of quoted securities.

The convertible loan does not carry any rights to participate in dividends or other distributions of the Company.

Shares issued on conversion will be fully paid ordinary shares, ranking equally with all other fully paid ordinary shares on issue.

5	Issue price or consideration	<p>Conversion price is the lesser of:</p> <p>(a) \$0.125; or</p> <p>(b) the greater of:</p> <p style="padding-left: 40px;">(i) the VWAP over a period of twenty (20) days prior to and including the conversion date less a discount of 15% and rounded to the nearest 1/10th of a cent; or</p> <p style="padding-left: 40px;">(ii) the floor price of \$0.05</p>
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To fund the Company's working capital other general corporate purposes. For further details, refer to the ASX announcement dated 27 September 2018
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	23 November 2017
6c	Number of +securities issued without security holder approval under rule 7.1	26,000,000 (based on the maximum number of fully paid ordinary shares that may be issued to the lender under the convertible loan at the floor issue price of \$0.05)
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of +securities issued under an exception in rule 7.2	Nil

+ See chapter 19 for defined terms.

6g If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.

N/A

6h If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements

N/A

6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements

15,357,771 (under rule 7.1)
~~47,571,847~~ (under rule 7.1A)
 62,929,618 (total)

7 +Issue dates

Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.

Cross reference: item 33 of Appendix 3B.

27 September 2018

8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)

Number	+Class
475,718,474	Ordinary Shares

9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)

Number	+Class
3,000,000	Options exercisable at 10 cents each expiring on 30 September 2017
13,000,000	Options exercisable at 15 cents each expiring on 30 September 2017
4,000,000	Options exercisable at 20 cents each expiring on 30 September 2017
4,250,000	Options exercisable at 12.5 cents each expiring on 7 August 2018
2,000,000	Options exercisable at 7.5 cents each expiring

3,000,000	on 30 September 2018
100,000	Options exercisable at 10 cents each expiring on 30 September 2018
13,600,000	Options exercisable at 12.5 cents each expiring on 30 September 2018
350,000	Options exercisable at 12.5 cents each expiring on 23 December 2018
500,000	Options exercisable at 12.5 cents each expiring on 31 March 2019
500,000	Options exercisable at 15 cents each expiring on 30 June 2019
1,500,000	Options exercisable at 20 cents each expiring on 30 June 2019
7,500,000	Options exercisable at 12.5 cents each expiring on 1 July 2019
5,700,000	Options exercisable at 12.5 cents each expiring on 12 December 2019
3,000,000	Options exercisable at 12.5 cents each expiring on 1 February 2020
472,000	Options exercisable at 6.5 cents each expiring on 30 June 2020
3,000,000	Options exercisable at 12.5 cents each expiring on 28 July 2020
3,000,000	Options exercisable at 7.5 cents each expiring on 30 June 2021
3,000,000	Options exercisable at 10 cents each expiring on 30 June 2021
N/A	Convertible loan (refer to ASX announcement dated 31 July 2018)
N/A	Convertible loan (refer to ASX announcement

+ See chapter 19 for defined terms.

	dated 27 September 2018)
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10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The company does not presently have a dividend policy
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Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
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12	Is the issue renounceable or non-renounceable?	N/A
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13	Ratio in which the +securities will be offered	N/A
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14	+Class of +securities to which the offer relates	N/A
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15	+Record date to determine entitlements	N/A
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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
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17	Policy for deciding entitlements in relation to fractions	N/A
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18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
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19	Closing date for receipt of acceptances or renunciations	N/A
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20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

+ See chapter 19 for defined terms.

- 32 How do security holders dispose of their entitlements (except by sale through a broker)? N/A
- 33 ⁺Issue date N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)
- (a) ⁺Securities described in Part 1
- (b) All other ⁺securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A				
39	+Class of +securities for which quotation is sought	N/A				
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	N/A				
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>	N/A				
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1"> <thead> <tr> <th data-bbox="790 1552 1088 1592">Number</th> <th data-bbox="1088 1552 1375 1592">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="790 1592 1088 1816"></td> <td data-bbox="1088 1592 1375 1816"></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



.....
(Managing Director)

Date: 27 September 2018

Print name: Samuel Marks

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	475,718,474
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>Nil</p> <p>Nil</p> <p>Nil</p>
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	475,718,474

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	71,357,771
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	56,000,000
“C”	56,000,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	71,357,771
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	56,000,000
Total [“A” x 0.15] – “C”	15,357,771 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	475,718,474
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	47,571,847
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil
“E”	Nil

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	47,571,847
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	Nil
Total ["A" x 0.10] – "E"	47,571,847 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.