

Firm commitment received for private Placement & Announcement of Share Purchase Plan

Highlights:

- Commitment received from a cornerstone investor in a private placement to raise approximately \$650,000 at an issue price of \$0.015 per share
- Share Purchase Plan (**SPP**) to be offered to existing shareholders at an issue price of \$0.015 per share, partially underwritten to \$350,000 by the cornerstone investor
- The cornerstone investor has agreed to participate in a top-up placement following completion of the SPP to take its shareholding in the Company to 10% if it is less than 10% after the initial placement and SPP
- Proceeds of the placement and Share Purchase Plan will primarily be used to fund the working capital requirements of the Company to breakeven

Tuesday, 16 July 2019: ApplyDirect Limited ACN 123 129 162 (**ApplyDirect** or **Company**) announces that it has received a firm commitment from a significant cornerstone investor in relation to a \$650,000 capital raising.

Private Placement

The capital raising will result in the placement and issue of 43,333,333 million new fully paid ordinary shares in the Company (**New Shares**) to an Australian based cornerstone investor; Smedley Family Office (**Cornerstone Investor**) to raise a total of approximately \$650,000.

The New Shares will be issued at a price of \$0.015 per New Share (**Placement**). The Placement price of \$0.015 per New Share represents a discount of 0.54% to the volume weighted average price of the Company's shares for the 30 trading days ending on Monday, 15 July 2019, being the last day of trading of ApplyDirect's shares prior to this announcement.

The New Shares will be issued on the same terms as, and will rank equally in all respects with, the existing fully paid ordinary shares in the Company.

The Placement is being undertaken to increase the funds available for the Company's working capital requirements. It is expected that this raising and the accompanying SPP will likely take the company through to a position of profit during this financial year.

Commenting on the Placement, ApplyDirect's Chairman Andrew Henderson stated "*our new cornerstone investor is a strong supporter of our business and strategy. As part of the support, the cornerstone investor will be entitled to a Board position to drive the M&A strategy and be actively involved in future acquisitions. We look forward to working with Smedley Family Office on exploring acquisition opportunities. This investment is an endorsement of the Company's strategy to further shareholder value through selective and aligned acquisition targets.*"

The New Shares will be issued within ApplyDirect's 25% placement capacity under ASX Listing Rules 7.1 and 7.1A.

Settlement of the Placement is expected to occur on Friday, 19 July 2019, and trading of the New Shares is expected to commence on ASX on Friday, 19 July 2019.

Share Purchase Plan

In addition to the Placement, the Company also announces that, under a share purchase plan to be established by the Company (**SPP**), eligible shareholders (being Australian and New Zealand resident shareholders of record as at 7.00pm (Melbourne time) on Monday, 15 July 2019) will have the opportunity to apply for up to \$15,000 of New Shares at an issue price of \$0.015 per New Share, being the same price as for the Placement. An application of \$15,000 made under the SPP equates to an application for 1,000,000 New Shares.

The Cornerstone Investor has agreed to partially underwrite the SPP, up to \$350,000.

The SPP provides existing shareholders with the opportunity to invest in ApplyDirect at a price of \$0.015 per New Share, which as noted above represents a 0.54% discount to the volume weighted average price of the Company's shares for the 30 trading days ending on Monday, 15 July 2019 and provides shareholders with the ability to invest at the same price as the incoming Cornerstone Investor.

It is anticipated that a detailed SPP offer booklet will be sent to eligible shareholders on or around Monday, 22 July 2019, with the SPP offer opening on Tuesday, 23 July 2019 and remaining open until late August 2019.

Top-up Placement to the Cornerstone Investor

If, at completion of the SPP, the Cornerstone Investor's shareholding in the Company is less than 10% then the Cornerstone Investor must apply for, and the Company must issue, such number of New Shares at an issue price of \$0.015 per New Share (**Top-Up Placement**) as is necessary for the Cornerstone Investor to hold 10% of the fully paid ordinary shares in the Company immediately following completion of the Top-Up Placement.

END

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CEO

ApplyDirect

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