

ApplyDirect raises \$1.18 million under Share Purchase Plan and Placement

Melbourne, Australia, 30 August 2019: ApplyDirect Limited (ASX: AD1) (ApplyDirect or the Company) is pleased to announce the successful completion of its Share Purchase Plan announced on 16 July 2019. Under the Share Purchase Plan, which closed at 5 p.m. on 22 August 2019, the Company received \$833k in applications and will issue 55,536,650 new ordinary shares at \$0.015 per share. The new shares under the Share Purchase Plan will be issued on 30 August 2019.

Additionally, the Smedley Family Office (Cornerstone Investor), has agreed to apply for and will be granted a further placement of \$350,000 at \$0.015 per share (Placement). The new shares will be issued within ApplyDirect's existing capacity under ASX Listing Rules 7.1 and 7.1A. Settlement of the Placement is expected on or before 13 September 2019.

ApplyDirect CEO, Bryan Petereit, said: "I am very pleased with the strong participation under the Share Purchase Plan, which demonstrates the shareholder endorsement of the ApplyDirect strategy. I wish to thank all participating shareholders for their continuing support.

"Taking the Company to a position of profit remains our top priority and we believe that Company is now sufficiently capitalised to achieve this target as a result of the Share Purchase Plan and Placement. Accordingly, at this time we do not see a need to raise further capital."

END

Bryan Petereit

CEO

ApplyDirect

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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

ApplyDirect Limited (ASX:AD1)

ABN

29 123 129 162

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

(1) Ordinary Shares
(2) Unlisted Options

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

(1) 55,536,650 Ordinary Shares
(2) 4,500,000 Unlisted Options

+ 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)	<p>(1) Fully Paid Ordinary Shares issued under a Share Purchase Plan Offer to eligible existing shareholders as announced to the ASX on 27 July 2019.</p> <p>(2) 4,500,000 Unlisted Options across three tranches (each comprising of 1,500,000 Unlisted Options) to acquire new Fully Paid Ordinary Shares, subject to a continued employment condition and Target Share Price Condition.</p> <p>Provided the recipient is still employed three years from the offer date (i.e. on 24 July 2022) and the relevant Target Share Price for a particular tranche of Unlisted Options is met or exceeded on that date, all of the Unlisted Options in the relevant tranche/s shall vest.</p> <p>The Target Share Price and Exercise Price for each tranche of the Unlisted Options is as follows:</p> <p>Tranche 1: \$0.05 Tranche 2: \$0.075 Tranche 3: \$0.10</p>
4	<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 	<p>(1) Yes</p> <p>(2) Upon Exercise of an Unlisted Option, each Option is converted to one fully paid ordinary share.</p>
5	Issue price or consideration	<p>(1) \$0.015 per share</p> <p>(2) Nil</p>

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	(1) 55,536,650 Ordinary Shares issued as part of Share Purchase Plan Offer to eligible existing shareholders as announced to the ASX on 23 July 2019. (2) 4,500,000 Unlisted Options issued to Chief Financial Officer as part of remuneration package.
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	26 November 2018
6c	Number of +securities issued without security holder approval under rule 7.1	4,500,000
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of +securities issued under an exception in rule 7.2	55,536,650
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

+ See chapter 19 for defined terms.

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	Refer to Annexure 1 below	
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.	(1) 30 August 2019 (2) 30 August 2019	
8	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	Number	+Class
		524,725,198	Ordinary Shares

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	750,000	Options (exercisable at \$0.25 each expiring on 4 September 2019).
	250,000	Options (exercisable at \$0.25 each expiring on 8 September 2019).
	500,000	Options (exercisable at \$0.25 each expiring on 29 September 2019).
	1,000,000	Options (exercisable at \$0.25 each expiring on 5 October 2019).
	50,000	Options (exercisable at \$0.25 each expiring on 13 October 2019).
	1,000,000	Options (exercisable at \$0.25 each expiring on 28 November 2019).
	950,000	Options (exercisable at \$0.25 each expiring on 1 December 2019).
	250,000	Options (exercisable at \$0.25 each expiring on 11 December 2019).
	875,000	Options (exercisable at \$0.25 each expiring on 18 December 2019).
	13,879,835	Options (exercisable at \$0.09 each expiring on 20 December 2019).
	4,928,119	Options (exercisable at \$0.09 each expiring on 28 January 2020).
	1,625,000	Options (exercisable at \$0.25 each expiring on 8 March 2020).
	15,000,000	

+ See chapter 19 for defined terms.

3,405,000	Options (exercisable at \$0.28 each expiring on 28 April 2020).
	Options (exercisable at \$0.33 each expiring on 30 April 2020).
750,000	Options (exercisable at \$0.33 each expiring on 28 September 2020).
277,777	Options (exercisable at \$0.09 each expiring on 19 February 2020).
8,555,554	Options (exercisable at \$0.06 each expiring on 4 October 2021).
2,777,776	Options (exercisable at \$0.06 each expiring on 21 December 2021).
1,500,000	Options (exercisable at \$0.05 each expiring on 24 July 2024).
1,500,000	Options (exercisable at \$0.075 each expiring on 24 July 2024).
1,500,000	Options (exercisable at \$0.010 each expiring on 24 July 2024).

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

See page 41 of Replacement Prospectus dated 31 May 2016

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A

+ See chapter 19 for defined terms.

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 (Ordinary Shares Only)

(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>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>N/A</td> <td>N/A</td> </tr> </tbody> </table>	Number	+Class	N/A	N/A	
Number	+Class						
N/A	N/A						

+ 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: Date: 30 August 2019
(Company secretary)

Print name: Prashant Chandra

+ See chapter 19 for defined terms.

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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	222,299,657
Add the following: <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> 	259,162,208
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	-
“A”	481,461,865

+ 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	72,219,279
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of ⁺ equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: <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 Note: <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> 	47,833,333
“C”	47,833,333
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	72,219,279
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	47,833,333
Total [“A” x 0.15] – “C”	24,385,946 <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>	481,461,865
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	48,146,186
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 <i>Notes:</i> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • 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 • It may be useful to set out issues of securities on different dates as separate line items 	0
“E”	0

+ 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>	48,146,186
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	0
Total [“A” x 0.10] – “E”	48,146,186 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.