



Update Summary

Entity name

KNOSYS LIMITED

Announcement Type

Update to previous announcement

Date of this announcement

Thursday December 24, 2020

Reason for update to a previous announcement

Correction to number of shares to be issued. Typographical error in original App 3B
Number of shares to be issued should read 20,778,571 , not 21,778,571 as originally entered on the form

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

KNOSYS LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ACN

Registration Number

604777862

1.3 ASX issuer code

KNO

1.4 The announcement is☒ Update/amendment to previous announcement**1.4a Reason for update to a previous announcement**

Correction to number of shares to be issued. Typographical error in original App 3B
Number of shares to be issued should read 20,778,571 , not 21,778,571 as originally entered on the form

1.4b Date of previous announcement(s) to this update

Thursday December 17, 2020

1.5 Date of this announcement

Thursday December 24, 2020

1.6 The Proposed issue is:☒ A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

☒ No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

KNO : ORDINARY FULLY PAID

Number of +securities proposed to be issued

20,778,571

Reason for the update of 'Maximum Number of +securities proposed to be issued'

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.14000



Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Part 7C - Timetable

7C.1 Proposed +issue date

Thursday December 24, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☒ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

☒ Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

5,895,021

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☒ Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

14,883,550

7D.1c (ii) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate

Having regard to the amount raised and the Company's timing and certainty requirements, the Company believes that the proposed placement is the most efficient mechanism for raising the requisite funds at this time, with limited execution risk.

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ No



Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☒ Yes

7E.1a Who is the lead manager/broker?

Bell Potter Securities Limited

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

A fee of 5% of proceeds is payable, incorporating a management fee and a selling fee.

7E.2 Is the proposed issue to be underwritten?

☒ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Funds to be used to fund increased investment in sales and marketing, product development and IT infrastructure and also used to fund transaction costs related to the GreenOrbit acquisition and for general working capital for the expanded Knosys group.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No

7F.2 Any other information the entity wishes to provide about the proposed issue

The securities that are the subject of this App 3B are those referred to as "Tranche 1" of the \$3million Placement announced to ASX on 17 December 2020.