

**Announcement Summary**

Entity name

AMAERO INTERNATIONAL LTD

Announcement Type

New announcement

Date of this announcement

1/11/2022

The Proposed issue is: A standard pro rata issue (including non-renounceable or renounceable)**Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)**

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	OPTIONS EXPIRING THREE YEARS FROM ISSUE DATE EX \$0.18	156,716,418
3DA	ORDINARY FULLY PAID	156,716,418

Ex date

3/11/2022

+Record date

4/11/2022

Offer closing date

25/11/2022

Issue date

2/12/2022

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

AMAERO INTERNATIONAL LTD

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.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

633541634

1.3 ASX issuer code

3DA

1.4 The announcement is

New announcement

1.5 Date of this announcement

1/11/2022

1.6 The Proposed issue is:

A standard +pro rata issue (non-renounceable or renounceable)

1.6a The proposed standard +pro rata issue is:

+ Renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 Do any external approvals need to be obtained or other conditions satisfied before the entitlement offer can proceed on an unconditional basis?

No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

3DA : ORDINARY FULLY PAID

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?

Yes

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

No

Details of +securities proposed to be issued

ASX +security code and description

3DA : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the tradable rights created under a renounceable right issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued

1

For a given quantity of +securities held

2



What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

156,716,418

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.06700

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

Yes

Describe the limits on over-subscription

Any shares not taken up by Eligible Shareholders will form the shortfall. Eligible Shareholders may, in addition to applying for their entitlement, apply for the shortfall shares. There is no guarantee of shortfalls being issued to Eligible Shareholders that subscribe for the shortfall shares.

Will a scale back be applied if the offer is over-subscribed?

No

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

Yes

Attaching +Security

Is the proposed attaching 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)?

New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued



ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the tradable rights created under a renounceable right issue (if Issuer is foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

OPTIONS EXPIRING THREE YEARS FROM ISSUE DATE
EX \$0.18

+Security type

Options

Offer ratio (ratio of attaching securities at which the new +securities will be issued)

The quantity of attaching +securities to be issued

1

For a given quantity of the new +securities issued

1

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

156,716,418

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.06700

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

Yes

Describe the limits on over-subscription

Any shares not taken up by Eligible Shareholders will form the shortfall. Eligible Shareholders may, in addition to applying for their entitlement, apply for the shortfall shares. There is no guarantee of shortfalls being issued to Eligible Shareholders that subscribe for the shortfall shares.

Will a scale back be applied if the offer is over-subscribed?

No



Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.1800

Expiry date

2/12/2025

Details of the type of +security that will be issued if the option is exercised

3DA : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

A maximum of 156,716,418 ORD Fully Paid Shares. Options issued at 1 option for every 1 Share.

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Please see announcement lodged with the ASX on 1 November 2022.

Part 3C - Timetable

3C.1 +Record date

4/11/2022

3C.2 Ex date

3/11/2022

3C.3 Date rights trading commences

3/11/2022

3C.4 Record date

4/11/2022

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

9/11/2022

3C.6 Offer closing date

25/11/2022



3C.7 Last day to extend the offer closing date

22/11/2022

3C.8 Date rights trading ends

18/11/2022

3C.9 Trading in new +securities commences on a deferred settlement basis

21/11/2022

3C.11 +Issue date and last day for entity to announce results of +pro rata issue

2/12/2022

3C.12 Date trading starts on a normal T+2 basis

5/12/2022

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

7/12/2022

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

Yes

3E.1a Who is the lead manager/broker?

PAC Partners Securities Pty Ltd

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

- (a) Management fee of 2% of the gross amount raised under the offer
- (b) Underwriting fee of 4% of the Underwritten Amount
- (c) 1 option for every 5 new shares issued under the offer. The terms of these options will be on the same terms offered to shareholders under the Prospectus as outlined in Section 8 of this Appendix 3B. The maximum number of options granted to the underwriter will be 31,343,284.

3E.2 Is the proposed offer to be underwritten?

Yes

3E.2a Who are the underwriter(s)?

PAC Partners Securities Pty Ltd.

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

The offer is fully underwritten. The underwriter has secured sub-underwriting commitments for the full amount of the offer (Underwritten Amount).

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

- (d) Management fee of 2% of the gross amount raised under the offer
- (e) Underwriting fee of 4% of the Underwritten Amount
- (f) 1 option for every 5 new shares issued under the offer. The terms of these options will be on the same terms



offered to shareholders under the Prospectus as outlined in Section 8 of this Appendix 3B. The maximum number of options granted to the underwriter will be 31,343,284.

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Refer to the underwriting agreement termination events summary in the Company announcement dated 1 November 2022. For a summary of the significant events that could lead to the sub-underwriting by the Sub-underwriter (as defined below) being terminated, please refer to the above announcement under the section titled "Entitlement Offer.

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

Yes

3E.2e (i) What is the name of that party?

Pegasus Capital Group, LLC (Sub-underwriter)

3E.2e (ii) What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?

Pegasus Capital Group, LLC - \$10.5 million

3E.2e (iii) What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?

Sub-underwriting fee of 2% of Sub-underwriter's sub-underwriting commitment.

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

N/A

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

The funds raised are proposed to be used as follows:

Restructuring Costs: \$2,900,000

Operating Activities: \$6,850,000

Capital Raising Costs: \$750,000

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

The entitlement offer will be extended to shareholders in Australia, New Zealand and the United States of America (being only in respect of US institutional accredited investors to whom registration or disclosure is not required)

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing



+securities

No

3F.6 URL on the entity's website where investors can download information about the proposed issue

www.amaero.com.au

3F.7 Any other information the entity wishes to provide about the proposed issue

N/A

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

Yes

3F.9 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

The publication of a +disclosure document or +PDS for the +securities proposed to be issued