



Butn Limited

ACN 644 182 883

www.butn.co

ASX Code: BTN

Melbourne, 15 April 2024

ASX ANNOUNCEMENT

NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES OR TO U.S. PERSONS

Capital Raising Entitlement Offer

Butn Ltd (ASX: BTN) ("**Butn**" or the "**Company**") today announces an equity raising of approximately \$5 million. The equity raising is expected to support further growth opportunities and for general working capital purposes.

The equity raising is structured as a fully underwritten 1-for-1.9 pro rata accelerated, non-renounceable entitlement offer to raise approximately \$5 million ("**Entitlement Offer**").

The Entitlement Offer is being conducted at a price ("**Offer Price**"), being \$0.052 per new Butn share (each, a "**New Share**"). The Offer Price per New Share represents a:

- 29.7% discount to the last traded price of \$0.074 on 10 April 2024
- 33.4% discount to the 5-day VWAP of \$0.078
- 21.7% discount to theoretical ex-rights price (TERP) of \$0.066

Each New Share issued under the Entitlement Offer will rank equally with all existing fully paid ordinary Butn shares on issue. Butn will apply for quotation of the New Shares on the ASX.

Directors of Butn have committed to participating in the Entitlement Offer by up to approximately \$115,000, by way of take up of entitlements and providing sub-underwriting of the Entitlement Offer.

Rationale for Entitlement Offer

The Entitlement Offer is expected to increase Butn's cash reserves to up to approximately \$5 million.

The additional capital will allow Butn to support further growth opportunities and for general working capital purposes.

Details of the Entitlement Offer

The Entitlement Offer is available to all shareholders who hold shares in Butn on the record date (defined below) with a registered address in Australia, New Zealand and Singapore.

Under the Entitlement Offer, eligible shareholders will be able to subscribe for 1 New Share for every 1.9 existing Butn shares held as at the record date being 7.00pm (Sydney time) on 17 April 2024.

The Entitlement Offer comprises the following components:

- **Institutional Entitlement Offer** – Eligible institutional shareholders are invited to take up all or part of their entitlement under the institutional component of the entitlement offer.

The Institutional Entitlement Offer will open today and is expected to close at 4:00pm (Sydney time) on Monday, 15 April 2024. Institutional entitlements not taken up, along with entitlements of ineligible institutional shareholders, will be sold under an institutional shortfall bookbuild.

- **Retail Entitlement Offer** – Eligible retail shareholders will be issued with their entitlements under the Retail Entitlement Offer which can be taken up in whole or in part, or in whole with the ability to subscribe for additional Shares in excess of their entitlement, to be allocated in the top-up facility¹.

The Retail Entitlement Offer will open on Friday, 19 April 2024. The Retail Entitlement Offer will be conducted at the same offer price and offer ratio as the Institutional Entitlement Offer.

A link to the retail offer booklet, containing information in respect of the Retail Entitlement Offer (“**Retail Offer Booklet**”) will be sent to eligible retail shareholders and lodged with ASX on Friday, 19 April 2024. Eligible retail shareholders who have nominated to receive documents from Butn electronically will receive access via email on Friday, 19 April 2024 to a copy of a Retail Offer Booklet and a personalised entitlement and acceptance form. Eligible retail shareholders who have not elected to receive electronic communications will be posted a letter on Friday, 19 April 2024 detailing how to access the Retail Offer Booklet and their personalised entitlement and acceptance form. Entitlements to subscribe for New Shares under the Entitlement Offer cannot be traded.

Shareholders who do not satisfy the eligibility criteria set out in the Retail Offer Booklet are not entitled to participate in the Retail Entitlement Offer.

Unified Capital Partners Pty Ltd (**UCPS**) is acting as lead manager and underwriter for the Entitlement Offer (**Lead Manager**).

Key Dates for the Equity Raising

Event	Date
Institutional Entitlement Offer opens	15 April 2024
Institutional Entitlement Offer closes	15 April 2024
Results of Institutional Entitlement Offer announced	16 April 2024
Trading halt lifted and shares recommence trading on an ex-entitlement basis	16 April 2024

¹ The allocation of additional New Shares (and/or any scale-back) will be subject to the availability of additional New Shares (i.e. if there is a shortfall under the Retail Entitlement Offer) and the Company's absolute discretion.

Record Date for Entitlement Offer	7pm on Wednesday, 17 April 2024
Settlement of Institutional Entitlement Offer	18 April 2024
Retail Offer Booklet made available and Retail Entitlement Offer opens	19 April 2024
Issue of New Shares under the Institutional Entitlement Offer	19 April 2024
Trading of New Shares under the Institutional Entitlement Offer	22 April 2024
Retail Entitlement Offer Closes	5pm on Thursday, 9 May 2024
Announcement of results of Retail Entitlement Offer	13 May 2024
Settlement of Retail Entitlement Offer	15 May 2024
Issue of New Shares under Retail Entitlement Offer	16 May 2024
Trading of New Shares issued under Retail Entitlement Offer commences	17 May 2024

Note: All dates and times above are indicative only, and Butn reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), ASX Listing Rules and the consent of the Lead Manager. All times and dates are in reference to the time in Sydney, Australia. The commencement of quotation of New Shares under the Entitlement Offer is subject to confirmation from ASX.

Further information

Butn expects to announce the outcome of the Institutional Entitlement Offer to the market on Tuesday, 16 April 2024 and will remain in a trading halt until this time.

In conjunction with this announcement, the Company has today released to the ASX a Cleansing Notice (in accordance with section 708AA(2)(f) of the *Corporations Act 2001* (Cth) and an Appendix 3B (New Issue Announcement) in connection with the Entitlement Offer.

Advisers

Butn is being advised by UCPS as Lead Manager and by K&L Gates as legal counsel in respect of the Entitlement Offer.

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and consult your independent broker, solicitor, accountant, financial adviser or other professional adviser in relation to the information in this announcement and any action to be taken on the basis of that information.

- ENDS -

This announcement has been authorised for release by the Board of Directors of Butn Limited.

Further information please contact:

Investors

Rael Ross, Co-CEO and Exec Director

Investor Relations: investors@butn.co

About Butn

Butn Limited is an Australian Business-to-Business ('B2B') funder innovating the way SMEs fund and grow their businesses. Butn focuses on transactional funding – funding SME businesses through their working capital constraints by financing individual transactions, leveraging the end debtor's credit. With a vision of "Your money, today" Butn delivers cashflow funding solutions at the click of a Butn having funded over \$1.5 billion to Australian businesses. For more information visit www.butn.co

Important notice and disclaimer

Nothing in this announcement constitutes a recommendation to acquire the New Shares under the Entitlement Offer by the Company or any other person (including the Lead Manager). The Company is not licensed to provide financial advice in relation to the acquisition of securities. This announcement does not contain all the information that investors and their professional advisers may require to make an investment decision in relation to the Company or the Entitlement Offer, and should be read in conjunction with other periodic and continuous disclosure announcements made by the Company available at: <https://www.asx.com.au/markets/trade-our-cash-market/announcements.btn>. This announcement does not account for the investment objectives, financial circumstances or other particular needs of investors. Investors should seek any independent professional advice they may require in relation to the Entitlement Offer.

This announcement includes certain "forward-looking statements" such as indications of, and guidance on, future events, future earnings and the future financial performance and financial position of the Company. Forward-looking statements can generally be identified by the use of forward-looking words such as "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "projection", "estimate", "target", "outlook", "guidance" or other similar expressions and include statements regarding the timing and outcome of the Entitlement Offer, the Company's strategies, plans and future operational and financial performance. Any forward-looking statements included in this announcement involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies and other factors, many of which are outside the control of, and are unknown to, the Company and its officers, employees, agents or associates and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Forward-looking statements, including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication, prediction or guarantee of future performance. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including the Company). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. The forward looking statements are based on information available to the Company as at the date of this announcement.

Except as required by law or regulation (including the ASX Listing Rules), the Company undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements.

Involvement of the Lead Manager

Neither the Lead Manager, nor its related bodies corporate and affiliates, nor each of their respective officers, directors, partners, employees, consultants, contractors, agents and advisers ("**Beneficiaries**"), have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this announcement. There is no statement in this announcement which is based on any statement made by the Lead Manager or Beneficiary. To the maximum extent permitted by law, the Lead Manager and the Beneficiaries expressly disclaim all liabilities (including for fault, negligence, or negligent misstatement) in respect of, and take no responsibility for, any part of this announcement, and make no representation or warranty (whether express or implied) regarding any part of this announcement, including as to the fairness, currency, accuracy, timeliness, reliability or completeness of any information in this announcement. None of them accept any fiduciary relationship with, or owe any duty of care to, investors or potential investors in connection with the Entitlement Offer or otherwise. To the maximum extent permitted by law, investors and prospective investors expressly disclaims any such fiduciary relationship.

Determination of eligibility of investors

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company and the Lead Manager. To the maximum extent permitted by law, the Company, the Lead Manager, and the Beneficiaries each disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of the exercise of that discretion or otherwise. The Lead Manager may rely on information provided by or on behalf of institutional investors in connection with managing, conducting or underwriting the Entitlement Offer, and has not independently verified such information.

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released or distributed in the United States or any other jurisdiction where to do so would be a breach of applicable securities law. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933, as amended (the **US Securities Act**), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.