

**ASX RELEASE**

4 November 2020

**NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT**

On 28 October 2020, Scout Security Limited (**Company**) completed the issue by way of placement upon conversion of convertible notes in the Company of 535,714 fully paid ordinary shares in the capital of the Company (**Shares**). The issue of the convertible notes was previously announced on by the Company on 16 July 2020.

The Company gives notice pursuant to section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) that:

1. the Company issued the Shares without disclosure under Part 6D.2 of the Corporations Act; and
2. as at the date of this notice, the Company has complied with:  
  
the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and  
  
section 674 of the Corporations Act; and
3. as at the date of this notice, the Company is in trading halt pending releases of announcements in respect of:
  - (a) a proposed capital raising to be undertaken by way of:
    - (i) a placement to sophisticated and institutional investors, currently anticipated to raise up to \$3,000,000, of which part will be subject to shareholder approval at the Company's annual general meeting for the financial year ended 30 June 2020; and
    - (ii) a share purchase plan to existing shareholders as at the record date for the share purchase plan, currently anticipated to raise up to \$500,000,  
  
the final terms of which (including pricing, fees payable and total raising) remain uncertain and subject to further discussion; and
  - (b) a proposed white-label arrangement with a US-based technology company, pursuant to which it is anticipated that the counterparty will white label certain of the Company's products for sale to its customers.

The final terms of the capital raising and white-label arrangement referenced above are yet to be finalised and will be confirmed once the Company makes an announcement releasing the trading halt currently in place.

**Authorised for release for and on behalf of Scout Security Limited**  
**Stuart Usher**  
**Company Secretary**