



## Announcement Summary

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**Entity name**

SCOUT SECURITY LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

Wednesday November 11, 2020

**The Proposed issue is:**

- ☒ An offer of securities under a securities purchase plan
- ☒ A placement or other type of issue

**Total number of +securities proposed to be issued for an offer of securities under a securities purchase plan**

ASX +security code	+Security description	Maximum Number of +securities to be issued
SCT	ORDINARY FULLY PAID	35,924,030

**+Record date**

Tuesday November 3, 2020

**Offer closing date**

Friday December 4, 2020

**+Issue date**

Friday December 11, 2020

**Total number of +securities proposed to be issued for a placement or other type of issue**

ASX +security code	+Security description	Maximum Number of +securities to be issued
SCT	ORDINARY FULLY PAID	22,222,222

**Proposed +issue date**

Tuesday November 17, 2020

Refer to next page for full details of the announcement



## Part 1 - Entity and announcement details

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### 1.1 Name of +Entity

SCOUT SECURITY 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

615321189

### 1.3 ASX issuer code

SCT

### 1.4 The announcement is

☒ New announcement

### 1.5 Date of this announcement

Wednesday November 11, 2020

### 1.6 The Proposed issue is:

- ☒ An offer of +securities under a +securities purchase plan
- ☒ A placement or other type of issue



## Part 4 - Details of proposed offer under securities purchase plan

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### Part 4A - Conditions

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**4A.1 - Are any of the following approvals required for the offer of +securities under the +securities purchase plan issue to be unconditional?**

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

☒ No

### Part 4B - Offer details

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**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**

SCT : ORDINARY FULLY PAID

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

☒ No

### Details of +securities proposed to be issued

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**ASX +security code and description**

SCT : ORDINARY FULLY PAID

**Maximum total number of those +securities that could be issued if all offers under the +securities purchase plan are accepted**

35,924,030

**Will the offer be conditional on applications for a minimum number of +securities being received or a minimum amount being raised (i.e. a minimum subscription condition)?**

☒ No

**Will the offer be conditional on applications for a maximum number of +securities being received or a maximum amount being raised (i.e. a maximum subscription condition)?**

☒ No



**Will individual security holders be required to accept the offer for a minimum number or value of +securities (i.e. a minimum acceptance condition)?**

☒ Yes

**Is the minimum acceptance unit based or dollar based?**

☒ Dollar based (\$)

**Please enter the minimum acceptance value**

\$ 2,000

**Will individual security holders be limited to accepting the offer for a maximum number or value of +securities (i.e. a maximum acceptance condition)?**

☒ Yes

**Is the maximum acceptance unit based or dollar based?**

☒ Dollar based (\$)

**Please enter the maximum acceptance value**

\$ 30,000

**Describe all the applicable parcels available for this offer in number of securities or dollar value**

\$2,000, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000, \$30,000,

#### Offer price details

**Has the offer price been determined?**

☒ Yes

**In what currency will the offer be made?**

AUD - Australian Dollar

**What is the offer price per +security?**

AUD 0.13500

#### Oversubscription & Scale back details

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

☒ Yes

**Describe the scale back arrangements**

on an equitable basis with prompt return to the shareholder of application monies, without interest.

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

☒ Yes

#### Part 4C - Timetable

##### 4C.1 Date of announcement of +security purchase plan

Wednesday November 4, 2020



**4C.2 +Record date**

Tuesday November 3, 2020

**4C.3 Date on which offer documents will be made available to investors**

Thursday November 12, 2020

**4C.4 Offer open date**

Thursday November 12, 2020

**4C.5 Offer closing date**

Friday December 4, 2020

**4C.6 Announcement of results**

Tuesday December 8, 2020

**4C.7 +Issue date**

Friday December 11, 2020

Part 4D - Listing Rule requirements

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**4D.1 Does the offer under the +securities purchase plan meet all of the requirements of listing rule 7.2 exception 5 or do you have a waiver from those requirements?**

☒ Yes

Part 4E - Fees and expenses

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**4E.1 Will there be a lead manager or broker to the proposed offer?**

☒ No

**4E.2 Is the proposed offer to be underwritten?**

☒ No

**4E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?**

☒ No

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



Part 4F - Further Information

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**4F.01 The purpose(s) for which the entity intends to use the cash raised by the proposed issue**

used to strengthen its development team for the roll out of products under the Company's existing agreements with strategic white label partners, including its largest shareholder, multinational security company Prosegur Compania de Seguridad, S.A.

**4F.1 Will the entity be changing its dividend/distribution policy if the proposed offer is successful?**

☒ No

**4F.2 Countries in which the entity has +security holders who will not be eligible to accept the proposed offer**

all countries other than Australia and New Zealand

**4F.3 URL on the entity's website where investors can download information about the proposed offer**

<https://www.scoutalarm.com/pages/resources>

**4F.4 Any other information the entity wishes to provide about the proposed offer**

The company is raising \$500,000 with the ability to accept a further \$500,000 in over subscriptions.

Part 7 - Details of proposed placement or other issue

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Part 7A - Conditions

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**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

☒ Yes

## 7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Friday December 18, 2020	<input checked="" type="checkbox"/> Estimated	

**Comments**

Balance of shares of 8,498,242 will be subject to shareholder approval at AGM, all other shares issued under ASX LR 7.1 and 7.1A

Part 7B - Issue details

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**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?**

☒ NoDetails of +securities proposed to be issued

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**ASX +security code and description**

SCT : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

22,222,222

**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 0.13500

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

☒ Yes

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## Part 7C - Timetable

### 7C.1 Proposed +issue date

Tuesday November 17, 2020

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## 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?**

1,802,875

**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?**

11,921,105

**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?

Gleneagle Securities (Aust) Pty Ltd

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

Transaction Management fee of 2% of the gross proceeds, A Capital Raise fee of 4% of the gross proceeds and an Option fee with the issue of 1,433,256 Options. Provided that the capital raising fee be reduced by 1% for the first \$1.5M of the placement underwritten by EGP Capital Pty Ltd.

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

☒ Yes

#### 7E.2a Who are the underwriter(s)?

Partly underwritten by both EGP Capital Pty Ltd and Altor Capital Management Pty Ltd

#### 7E.2b What is the extent of the underwriting (ie the amount or proportion of the proposed issue that is underwritten)?

EGP Capital Pty Ltd to \$1,500,000  
Altor Capital Management Pty Ltd to \$500,000

#### 7E.2c What fee, commission or other consideration is payable to them for acting as underwriter(s)?

EGP Capital Pty Ltd - 2% of the underwritten commitment  
Altor Capital Management Pty Ltd - 2% of the underwritten commitment

#### 7E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated.

1. ASX does not give approval for the shares to be listed, or if approval granted, it is subsequently withdrawn.
2. Index changes - the All Ords or the S&P/ASX Small Ordinaries Index is 20% or more below its respective level on any 3 consecutive trading days prior to the underwriting agreement
3. Default - Scout is in material default of any material terms and conditions of the underwriting agreement or warranty or covenant
4. Any adverse change

### 7E.3 Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed issue?

☒ 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**

Applied towards working capital, specifically to strengthen the development team for the roll out of white label arrangements with various partners.

**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 balance of shares of 8,498,242 shares to be subject to shareholder approval being received at a shareholder meeting (forthcoming AGM).