Announcement Summary

Entity name

STEMIFY LIMITED

Announcement Type

New announcement

Date of this announcement

Thursday April 1, 2021

The Proposed issue is:

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
n/a	unlisted options	1,500,000
SF1	ORDINARY FULLY PAID	162,769,264

Proposed +issue date

Friday May 14, 2021

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

STEMIFY 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

Registration Number

ACN

009256535

1.3 ASX issuer code

SF1

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

Thursday April 1, 2021

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

Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or	** Approval	
+Security holder approval	Monday May 3, 2021	actual?	received/condition met?	
recounty mender approval			No	

Comments

Shareholder approval is being sought at the 2021 General Meeting, to be held on 3 May 2021, for the issue of:

- 1. up to 122,769,264 shares (on a post-consolidation basis) as consideration for the proposed acquisitions of NodeOne, Fiwi and Swoop (Consideration Shares);
- 2. 40,000,000 shares (on a post-consolidation basis) at an issue price of 50 cents per share (Public Offer) to provide working capital to the Company for its growth and development; and
- 3. 1,500,000 options to the Forrest Capital, issued in consideration for termination of a lead manager agreement between the Company and Forrest Capital.

Please refer to the announcement released by the Company dated 24 February 2021 and the Notice of Meeting dated 1 April 2021 for further details.

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)?

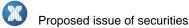
Existing class

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

SF1: ORDINARY FULLY PAID



Number of +securities proposed to be issued

40,000,000

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?

What is the issue price per

+security?

AUD - Australian Dollar

AUD 0.50000

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

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

SF1: ORDINARY FULLY PAID

Number of +securities proposed to be issued

122,769,264

Offer price details

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

No

Please describe the consideration being provided for the +securities

Issued for nil cash consideration for the acquisitions of Swoop, NodeOne and Fiwi.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.500000

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)? New class

Will the proposed issue of this +security include an offer of attaching +securities? ☑ No

Details of +securities proposed to be issued

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

ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1? Yes

Have you received confirmation from Will the entity be seeking quotation of the 'new' class of +securities on ASX? ✓ No

ASX +security code

+Security description

New class-code to be confirmed

unlisted options

+Security type

Options

Number of +securities proposed to be issued

1,500,000

Offer price details

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

In what currency is the cash

What is the issue price per

consideration being paid?

+security?

AUD - Australian Dollar

AUD 0.00010

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

Yes

Options details

+Security currency

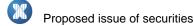
Exercise price

Expiry date

AUD - Australian Dollar

AUD 0.7500

Tuesday May 14, 2024



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

SF1: ORDINARY FULLY PAID

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

One fully paid ordinary share (ASX:SF1)

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.

link to NOM to be inserted once lodged

Part 7C - Timetable

7C.1 Proposed +issue date

Friday May 14, 2021

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?
☑ Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

Monday May 3, 2021

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

✓ Yes

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

✓ Yes

7D.3a Please enter, the number and +class of the +restricted securities and the date from which they will cease to be +restricted securities

The 122,769,264 Consideration Shares will be escrowed for a period of 24 months from the date of listing subject to any relief granted by the ASX.

The 1,500,000 options will be escrowed for a period of 24 months from the date of listing.

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?

Morgan's Corporate Limited (Morgans)

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

Pursuant to the terms of the Lead Manager Mandate, the Company will pay Morgans the following fees in consideration for services provided to the Company:

- (i) a management fee of 1% of total funds raised under the Public Offer; and
- (ii) a selling fee of 5% of total funds raised under the Public Offer.

Please refer to the Notice of General Meeting dated 1 April 2021 for further details.

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

Yes

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

Morgan's Corporate Limited (Underwriter)

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

The Public Offer to raise \$20m is fully underwritten.

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

The maximum fees payable to the Underwriter under the underwriting agreement will be \$1.2m (Underwriting Fee). The Underwriting Fee will be reduced in accordance with a formula yet to be agreed between the Company and the Underwriter for shares subscribed for by persons in the chairman's list.

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

The underwriting is proposed to be subject to termination events yet to be agreed, which are expected to be customary for an agreement of this nature. The agreement is expected to include following terms where the Underwriter may terminate its obligations if any of the following conditions are not satisfied or waived by their respective deadlines:

- (a) the offers under the prospectus are withdrawn;
- (b) any of the offer documents or any aspect of the offer does not comply with the Corporations Act, the Listing Rules, or any other applicable law or regulations; and
- (c) any Company within the group (Group Member) becomes Insolvent, or there is an act or omission which is likely to result in a Group Member becoming Insolvent.

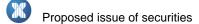
A detailed summary of the significant events that could lead to the underwriting being terminated will be provided in the prospectus that will be lodged in connection with the underwritten Public Offer.

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

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

The Company anticipates the costs associated with the transaction fees connected to the issue to be approximately \$1,700,000 including costs of the underwriting and costs associated with issuing a prospectus.

Part	7F	- F	urthe	r	Information



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

The Company has agreed to issue:

- 1. up to 122,769,264 shares as Consideration Shares;
- 2. 40,000,000 shares under the Public Offer; and
- 3. 1,500,000 options to the Forrest Capital, in consideration for termination of a lead manager agreement.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds? $\ensuremath{\mathfrak{C}}$ No

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

Please refer to the Notice of General Meeting dated 1 April 2021 for further information.