



## Announcement Summary

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**Entity name**

STEMIFY LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

Thursday April 1, 2021

**The Proposed issue is:**

A placement or other type of issue

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

<b>ASX +security code</b>	<b>+Security description</b>	<b>Maximum Number of +securities to be issued</b>
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

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**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**

ACN

**Registration Number**

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 actual?	** Approval received/condition met?
+Security holder approval	Monday May 3, 2021	<input checked="" type="checkbox"/> Actual	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



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**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?**

AUD - Australian Dollar

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

AUD 0.50000

**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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**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

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**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

**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)?**

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)**

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

Yes

**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**

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 consideration being paid?**

AUD - Australian Dollar

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

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**

AUD - Australian Dollar

**Exercise price**

AUD 0.7500

**Expiry date**

Tuesday May 14, 2024



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**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

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Part 7C - Timetable

**7C.1 Proposed +issue date**

Friday May 14, 2021

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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?**

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

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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?**

No

**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.



**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?**

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.