

25 November 2022

The Manager
Market Announcements Office
Australian Securities Exchange
Level 40, Central Park
152-158 St George's Terrace, Perth WA 6000

Non-Renounceable Entitlement Offer

Nexion Group Ltd (ACN 628 415 887) (**ASX: NNG**) (**Company**) is seeking to raise up to approximately \$6,424,048 (before costs) through a pro rata non-renounceable entitlements offer of one (1) fully paid ordinary share in the capital of the Company (**Share**) for every one (1) Share held by eligible shareholders on 30 November 2022 at an issue price of \$0.05 per Share together with one (1) free attaching option (**New Option**) for every one (1) Share subscribed for (**Entitlement Offer**). Each New Option is exercisable at \$0.10 and expire on 31 December 2025. There is no minimum subscription in respect of the Entitlement Offer.

CoPeak Corporate Pty Ltd <The Trustee for Peak Asset Management Unit Trust> ACN 632 277 144, an authorised representative of Dayton Way Securities Pty Ltd (ACN 124 327 064) (Dayton Way Securities) (AFSL No. 382585), trading as Peak Asset Management (**Peak** or **Lead Manager**) has been appointed as the lead manager of the Entitlement Offer. The Company will pay Peak a capital raise fee of 6% on all funds raised by Peak under the Entitlement Offer (excluding GST) and will issue Peak (or its nominees) up to 6,000,000 Options out of the Company's existing Listing Rule 7.1 capacity.

The Company is also currently in negotiations with various lenders in relation to establishing a debt facility of up to \$24 million.

Indicative use of proceeds of Entitlement Offer

The Company proposes to use the proceeds of the Entitlement Offer as follows:

Use	Approximate amount to be allocated assuming full subscription under the Entitlement Offer (A\$)	%
Development of Cloud Services business	1,250,000	19
Development of Hardware Services business	1,250,000	19
Development of Cyber Security Services	1,250,000	19
Development of Networking Services	1,250,000	19
Capital Raising Costs	385,443	6
Other Expenses of the offer	77,453	1

Working capital	961,152	15
Total	6,424,048	100%

The above expenditure budget is indicative only and may change according to circumstances prevailing at the time.

Summary of the Entitlement Offer

1. The Entitlement Offer comprises one (1) new Share for every one (1) existing Share held by existing eligible shareholders on the record date (30 November 2022) at \$0.05 cents per Share together with one (1) New Option for every one (1) Share subscribed for.
2. Eligible shareholders will comprise those shareholders with a registered address in Australia, New Zealand and Singapore or any other shareholders in other jurisdictions to whom the Company decides to make offers.
3. The Entitlement Offer is not underwritten.
4. Any fractional entitlements arising from the Entitlement Offer will be rounded up.
5. Shares issued under the Entitlement Offer will rank equally with existing Shares on issue on the record date. The Company will make application for official quotation of the new Shares proposed to be issued under the Entitlement Offer. Share entitlements are non-renounceable and will not be tradeable on the ASX or otherwise transferable.
6. The Company intends to apply for quotation of the New Options to be issued under the Entitlement Offer on the ASX, subject to ASX granting official quotation, and each New Option is exercisable into one Share at an exercise price of \$0.10 until the expiry date of 31 December 2025.
7. Up to approximately 128,480,961 Shares and 128,480,961 New Options will be issued pursuant to the Entitlement Offer. Shareholders who do not take up all or any part of their entitlement will not receive any payment or value in respect of the entitlement not taken up and their equity interest in the Company will be diluted.
8. Any entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer, allowing eligible shareholders to apply for additional Shares over and above their entitlements (additional Shares will be allotted to the extent there is a shortfall under the Entitlement Offer).

Timetable

Further details of the Entitlement Offer, including details on how to accept and key risks of the Entitlement Offer, will be set out in the prospectus released to the ASX today and dispatched to shareholders on 5 December 2022. Outlined below is a timetable of relevant events and dates relating to the Entitlement Offer. These events and dates are indicative only and subject to change. Subject to the ASX Listing Rules, the Corporations Act and other applicable laws, the Company's Board reserves the right to modify all dates, including the Entitlement Offer closing date.

Event	Date
Announce Entitlement Offer Lodge Prospectus with ASIC and ASX and Appendix 3B with ASX	Pre-market Fri, 25 Nov 2022
Ex date (Entitlement Offer)	Tue, 29 Nov
Record Date for determining Entitlements	Wed, 30 Nov
Entitlement Offer opening date, Prospectus sent to Shareholders	Mon, 5 Dec
Last day to extend the Entitlement Offer Closing Date	Prior to 12pm (AEDST) Wed, 14 Dec
Entitlement Offer Closing Date	5pm (WST) on Mon, 19 Dec
Entitlement Offer Shares and Options commence trading on a deferred settlement basis	Tue, 20 Dec
Last day to announce Entitlement Offer results and shortfall	Fri, 23 Dec
Issue Entitlement Offer Shares and Options and lodge App 2A with ASX applying for quotation of the Entitlement Offer Shares and Options	Prior to 12pm (AEDST) on Weds, 28 Dec
Quotation of Entitlement Offer Shares and Options on a normal settlement basis	Thurs, 29 Dec

Application for new Shares and Options under the Entitlement Offer may only be made by completing the Application Form which accompanies the prospectus. Shareholders eligible to participate in the Entitlement Offer should read the prospectus carefully and consult professional advisers as necessary.

www.nexiongroup.io

This announcement has been authorized by the Board of NEXION Group Ltd.

NEXION Group Ltd
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ABN:48 628 415 887

Should you wish to contact the company in relation to this announcement please contact:
Paul Glass – Group Chief Executive Officer at paul.glass@nexiongroup.io

This release does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer or sale would be illegal. This release may not be distributed or released in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the securities referred to in this release in any jurisdiction outside Australia. In particular, the new shares and options to be offered in the Entitlement Offer have not been, and none of them will be, registered under the U.S. Securities Act of 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the new shares and options may not be offered, directly or indirectly, to, any person in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.