

Announcement to ASX
ASX Code: SM8

2 July 2019

Capital Raise – Additional Working Capital

The Board of Smart Marine Systems Limited (the **Company**) (**ASX:SM8**) wish to advise the placement of 50,000,000 fully paid ordinary shares at a price of 2.2 cents per share to sophisticated investors to raise \$1.1 million in working capital. The placement was made pursuant to S708 of the Corporations Act, and under ASX Listing Rules 7.1 (37,815,951 shares) and 7.1A (12,184,049 shares).

The placement will be used to fund additional cash requirements associated with the initial charter of the “VOS Shine” offshore support vessel (announced on 27 May 2019) by the Company’s wholly owned subsidiary Harvest Technology Pty Ltd (**Harvest**). The additional cash requirement includes the provision of a bank guarantee to the Vessel Owners for the term of the charter, plus working capital for the costs associated with mobilising the vessel to Australia.

A cash deposit of the full value of the bank guarantee will be held by the bank. This deposit will remain an asset of the Company and will be refunded ninety (90) days after the expiry of the charter term.

In addition to covering these added cash requirements, the Company believes that the placement provides an opportunity to secure additional strategic investors whose involvement as shareholders can further strengthen the opportunity to develop and grow the Harvest business.

Harvest will take delivery of the vessel once Marine Warranty Survey (**MWS**) Approvals are granted. The Company is currently finalising the MWS process which will delay the Vessel departing Europe by three weeks from its original anticipated departure in late June 2019. Arrival in Australia is now expected late August.

As previously advised to the market, the VOS Shine will be undertaking a cable laying contract following delivery into Australia. The vessel is attracting strong interest from industry operators and contractors, and Harvest is pursuing several opportunities subsequent to its first contract.

Ends

For further information please contact:

Mr David McArthur
Company Secretary
Smart Marine Systems Limited
Tel: 9435 3200

1st Floor, 31 Cliff Street,
Fremantle, Western Australia 6160
E: enquiry@smartmarinesystems.com
P: +61 1300 524 392
ABN: 77 149 970 445

www.smartmarinesystems.com