



Announcement Summary

Entity name

SCOUT SECURITY LIMITED

Announcement Type

New announcement

Date of this announcement

Thursday July 16, 2020

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

ASX +Security Code	+Security Description	Maximum Number of +securities to be issued
n/a	Convertible Notes	2,000,000
n/a	options	49,114,498

Proposed +issue date

Tuesday July 16, 2024

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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

Thursday July 16, 2020

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

☒ No

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)?

☒ New class

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

☒ Yes

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

Convertible Notes

+Security Type

Convertible Debt Securities

Maximum Number of +securities proposed to be issued

2,000,000

**Purpose of the issue**

support and fund growth initiatives (refer to announcement (Scout secures \$2M Convertible Note Facility)
first drawdown of \$750,000 will occur 22/07/2020 with company having the right at any time after to draw down remaining
\$1,250,000

Offer price details for retail security holders

**In what currency is the cash
consideration being paid?**

AUD - Australian Dollar

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

AUD 1.00000

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

☒ Yes

Oversubscription & Scale back details

May a scale back be applied to this event?

☒ No

Convertible Debt +Securities details

These securities are:

Convertible

Type of security

Convertible Bond

+Security Currency

AUD - Australian Dollar

Face Value

AUD 1.0000

Interest Rate Type

Fixed rate

**Frequency of Coupon/Interest
Payments Per Year**

Quarterly

First Payment Date

Wednesday September 30, 2020

Interest Rate (p.a.)

5.00000 %

**Is Interest Rate (p.a) estimated at this
time?**

☒ No

**s128F of the Income Tax Assessment
Act status applicable to the security**

Not applicable

**Is the security Perpetual (ie. No
maturity)?**

☒ No

Maturity Date

Saturday July 16, 2022

Is the Security Subordinated?

☒ No



Is the Security Secured?

☒ No

Select other features applicable to the security

☒ Redeemable

Is a First Trigger Date on which conversion, redemption, call or put can occur (whichever is first) applicable?

☒ No

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of +security

SCT : ORDINARY FULLY PAID

Please provide any further information relating to the principal terms of the +securities

Convertible to ordinary shares at the lower of 7 cents and a 20% discount to any future equity issuance by the company subject to a floor price of 3 cents

Attaching +Security

Is the proposed attaching 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

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +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

options

+Security Type

Options

Maximum Number of +securities proposed to be issued

49,114,498

Offer price details for retail security holders

In what currency is the cash consideration being paid? What is the issue price per +security?



Oversubscription & Scale back details

May a scale back be applied to this event?

☒ No

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 0.0700

Expiry date

Tuesday July 16, 2024

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of company option

SCT : ORDINARY FULLY PAID

Please provide any further information relating to the principal terms of the +securities

conversion at the lower of 7cents and a 20% discount to any future equity issuance subject to a floor price of 3 cents

Part 7C - Timetable

7C.1 Proposed +issue date

Tuesday July 16, 2024

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the 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 November 30, 2020

7D.2 Is a party referred to in listing rule 10.11.1 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?

☒ 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?

☒ No

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

☒ No

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

5,289,990 options will be issued by 30/07/2020 being for-

1. Gleneagle option fee 2,384,221 options

2. facility fee options being issued to investors in for participation in the note - 2,980,276 options (less 74,507 options to be approved at a shareholder meeting in respect of options to be issued to a director who will be participating in the note subject to shareholder approval).

All other options totalling 43,824,508 will be subject to shareholder approval (this includes the 74,507 options to be issued to a director).

further explanatory detail can be referenced to teh ASX announcement titled 'Scout secures \$2M Convertible Note Facility'.

Part 7F - Further Information

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