

ASX Announcement

31 July 2024

SUCCESSFUL REFINANCING AND EXTENSION OF LOAN FACILITY

SYDNEY, Australia – Spacetalk Limited ("Spacetalk" or the "Company") (ASX: SPA) is pleased to announce that it has successfully renegotiated its existing \$5 million loan facility with its current lender.

The revised terms include an extension of the loan maturity date by two years to March 2027. This extension provides Spacetalk with significant financial flexibility and supports the Company's strategic growth initiatives.

Highlights:

- Extension of the maturity date for the \$5 million loan to March 2027
- Structured amortisation schedule to ease repayment burdens
- Interest rate remains at 9.50%
- Financial covenants that ensure financial stability.

Key Terms of the Refinanced Loan Facility:

- **Interest Rate:** 9.50%
- **Maturity Date:** Extended to March 2027
- **Amortisation Schedule:**
 - **March 2025:** Repay \$1,000,000, leaving a total loan balance of \$4,000,000.
 - **September 2025:** Repay \$750,000, leaving a total loan balance of \$3,250,000.
 - **March 2026:** Repay \$1,000,000, leaving a total loan balance of \$2,250,000.
 - **March 2027:** Repay \$2,250,000, fully repaying the loan.

Financial Covenants:

- **Minimum Cash Balance:** Cash to exceed \$750,000 at all times.
- **Operating Cash Flow:** Specific targets to be met quarterly.

Comments from Tim Callan, Portfolio Manager of Pure Asset Management:

"We congratulate Spacetalk on their impressive turnaround and the achievement of a cash positive quarter. Management's focus on sustainable cash flow is pleasing, and we are excited to support the team both as a funder and shareholder as Spacetalk embarks on its next phase of growth."

Spacetalk's CEO, Simon Crowther, commented:

"We are delighted to have successfully renegotiated our loan facility under terms that provide greater flexibility and support our growth trajectory. The extended maturity date and structured repayment schedule align with our strategic initiatives and ensure that we can continue to build on our recent successes. This agreement is a testament to the confidence our lender has in Spacetalk's business model and growth prospects. We are committed to maintaining robust financial health while driving forward our product innovation and expanding our market presence."

The updated loan facility terms are expected to significantly enhance Spacetalk's liquidity position and provide the necessary capital to support the Company's operational and strategic objectives.

The release of this announcement has been approved by the board of directors of the Company.

To keep up to date with company news and announcements visit investorhub.spacetalk.co.

For further information or investor enquiries, please contact:

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ABOUT SPACETALK LIMITED

Spacetalk Limited (ASX: SPA) is a software services and wearables hardware product developer. As a package, the company's technology platform provides a complete digital communication solution that supports safety and security for families across their life stages and for employees working in remote settings. The company's unique proprietary ecosystem, which has continued to evolve over time, is today recognised as a leader in family safety and the connected wearables industry.

The Spacetalk technology platform comprises both market-leading hardware and a trusted, client-controlled software platform that provides safety and security to users via the benefits of mobile technology. The multi-functional SaaS Spacetalk App can be customised, giving clients the ability to enable or disable individual features. Parents are empowered to block their kids access to the open internet, social media, and inappropriate adult content while simultaneously blocking calls and messages from unknown senders. The app can also monitor the location of vulnerable family members, including children and seniors bringing enhanced peace of mind for the entire family.

Spacetalk's core wearables hardware is effectively a child's first mobile phone. It offers all the benefits of a smart device, operating on a secure, private and parent-controlled ecosystem that can be customised to reflect each family's needs and values. To learn more, please visit: www.spacetalk.co.

FORWARD-LOOKING STATEMENTS

This announcement may contain forward-looking statements. These statements are based on Spacetalk's expectations, estimates, and projections at the time the statements are made. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Actual outcomes and results may differ materially from those expressed or implied in these forward-looking statements. Spacetalk undertakes no obligation to update these statements for events or circumstances occurring after the date of this announcement.