

ASX Announcement | 16 May 2024
DomaCom Limited (ASX: DCL)

Loan Funding and Entitlement Offer Underwriting

Highlights

- DomaCom has secured additional loan funding of up to \$0.75 million
- DomaCom also receives a commitment to underwrite a \$2.0 million Entitlement Offer

DomaCom Limited (ASX:DCL) (**'DomaCom'** or **'Company'**), is pleased to announce two additional funding initiatives.

The Company has received a binding commitment for a loan of up to \$0.75 million from Bricklet Ltd (**Bricklet**). In addition, 53,571,429 Unlisted Options will be issued to the Lenders as part of the terms of this Unsecured Loan.

DomaCom is now also currently considering an opportunity to undertake an Entitlement Offer.

DomaCom obtains new loan; progresses a planned Capital Raise

The new Unsecured Loan has an interest rate of 13% and a maturity date of 31 October 2025. The terms of the Loan are set out in Appendix A.

The 53,571,429 Unlisted Options accompanying the loan have a maturity date of 31 May 2025 and an exercise price of \$0.014 per Ordinary Share. The Terms of the Options are set out in Appendix B. These proposed Options are subject to Shareholder approval.

DomaCom is now also currently considering an opportunity to undertake an Entitlement Offer. Further details will be released once the terms have been agreed. Bricklet have committed to underwrite \$2.0 million of the Entitlement Offer, if it proceeds. The underwriting would be subject to agreement of underwriting terms and would be subject to not causing the breach of any ASX Listing Rule, ASIC Regulation or requirement of the Corporations Act.

On top of these funding initiatives, DomaCom and Bricklet continue to evaluate a potential strategic acquisition based on shared goals as set out in the DomaCom ASX Announcements dated 31 January 2024 and 4 March 2024.

DomaCom CEO Steve James commented, “We are pleased that Bricklet continues to see the growth potential in the DomaCom business. This additional funding supplied by Bricklet will provide DomaCom with additional financial support as the Company executes the next stage of its growth strategy.”

Bricklet Chairman Giuseppe Porcelli commented, “We are pleased to strengthen our partnership with DomaCom through this loan and underwriting commitment. Our shared vision for innovation and growth makes this a natural fit, and we look forward to continuing our support for DomaCom's exciting future plans.”

This announcement has been authorised for release to the market by Company Secretary Philip Chard. **End**

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About DomaCom

DomaCom Limited (ASX:DCL) is the operator of an innovative managed investments platform for a wide range of assets across wholesale and retail markets. The platform offers investors and financial advisers easy access, reporting and transparency with comparatively lower minimum investments and competitive costs and structures. Investments on the platform can include a range of unique assets from agriculture, energy, securities, commercial and residential property.

As a leader in the Australian financial sector, DomaCom has a reputation for innovative structures and making portfolio diversification a reality for investors.

To learn more, please visit: www.domacom.com.au

About Bricklet

Bricklet Ltd is part of the Lakeba Group portfolio. Bricklet is revolutionising the property market by providing innovative solutions for aspiring homeowners and investors. Bricklet's mission is to make property ownership accessible, flexible, and hassle-free.

To learn more, please visit: www.bricklet.com.au

Appendix A: Key terms of Binding Term Sheet for Loan

Borrower	DomaCom Limited (DomaCom)
Lead Lender	Bricklet Ltd (Bricklet)
Supporting Lender	<p>The Lead Lender, with the consent of DomaCom, may assign the fulfillment of the commitment to supporting lender(s). The commitment for the Loan Amount remains with Bricklet.</p> <p>The Lead Lender and Supporting Lenders, if part or all of the fulfillment of the commitment is assigned, are defined as the Lenders.</p>
Security	Unsecured
Loan Amount	\$750,000
Interest Rate	13% per annum paid quarterly in arrears.
Default Interest Rate	Interest Rate + 5% per annum
Maturity Date	31 October 2025
Term	Period from the first drawdown date to the earlier of First Repayment Event Date, Second Repayment Event Date and Third Repayment Event Date (together Repayment Event Dates).
Repayment	<p>The Lenders can request repayment of the Loan Amount if either First Repayment Event, Second Repayment Event or Third Repayment Event (together Repayment Events) occurs. The Repayment would be made on or before the applicable Repayment Event Date. The loans made under this binding term sheet are separate to the loan made by Bricklet under the agreement signed 31 January 2024, as amended by the Letter of Variation signed 4 March 2024 (Initial Loan).</p>
First Repayment Event	First Repayment Event occurs if DomaCom completes an Entitlement Offer and funds are received from existing shareholders (after deducting the costs of the Entitlement Offer) in excess of the Loan Amount.

Second Repayment Event	<p>Second Repayment Event occurs if DomaCom completes an Entitlement Offer and funds received from existing shareholders (after deducting the costs of the Entitlement Offer) are below of the Loan Amount.</p> <p>If the Entitlement Offer is only underwritten by Bricklet, the obligation of the Underwriter remains to provide funding to DomaCom in accordance with the terms of the underwriting agreement. The obligation for DomaCom to repay Bricklet remains on receipt of a request for repayment of the Loan even if the only underwriter is Bricklet.</p>
Third Repayment Event	<p>Third Repayment Event occurs if the proposed acquisition of Bricklet by DomaCom does not complete by 31 July 2024.</p> <p>The proposed acquisition is subject to shareholder approval and potential ASX approval.</p>
First Repayment Event Date	2 business days after receiving at least the Loan Amount in subscriptions for an Entitlement Offer (after deducting the costs of the Entitlement Offer).
Second Repayment Event Date	2 business days after receiving at least the Loan Amount through subscriptions from the Underwriting of an Entitlement Offer (after deducting the costs of the Entitlement Offer).
Third Repayment Event Date	One month after the Third Repayment Event.
Use of Funds	DomaCom will use the funds received from the Loan to meet expenses tied to the current capital raise process and for working capital purposes.
Initial Loan Facility Agreement	Bricklet entered into a Loan Facility Agreement with DomaCom on 31 January 2024, that was subject to a Letter of Variation dated 11 February 2024 and a Letter of Variation dated 4 March 2024.

Consequence of Default	<p>DomaCom agrees that any default by DomaCom under the terms of this binding Term Sheet, may at the discretion of Bricklet, make loan amounts, accrued interest and fees for the amounts borrowed by DomaCom under the Initial Loan Facility Agreement immediately due and payable.</p>
Participation in subsequent capital raising activities	<p>Irrespective of whether a Repayment Event occurs, DomaCom commits to the Lenders over the Term to:</p> <ul style="list-style-type: none"> a) permit the Lenders, in total, to enter into an Underwriting Agreement or facilitate a sub-Underwriting Agreement for an amount of \$2,000,000 if DomaCom carries out an Entitlement Offer; or b) permit the Lenders, in total, to participate in a Private Placement for an amount of \$2,000,000 if DomaCom carries out a Private Placement. <p>Irrespective of whether a Repayment Event occurs, Bricklet commits to the Borrower over the Term to enter into an Underwriting Agreement or sub-Underwriting Agreement of \$2,000,000 if DomaCom carries out an Entitlement Offer over the Term subject to the following conditions:</p> <ul style="list-style-type: none"> a) There is no commitment by DomaCom to carry out an Entitlement Offer or a Placement and therefore there is no commitment or agreement to issue shares; b) The price of any Shares issued under an Entitlement Offer or Placement, if the these occur, has not been determined; c) Participation in any Entitlement Offer or Placement would be conditional on it not causing the breach of any ASX Listing Rule, ASIC Regulation or requirement of the Corporations Act and may be subject to Shareholder approval (which will be the case unless an exemption to Listing Rule 7.1 is available); and d) Any underwriting by the Lender, if it occurs, would be subject to the agreement of terms, in good faith, of an Underwriting or Sub-Underwriting Agreement.

Appendix B: Option Terms

1. Terms of the Options

1.1 Nature of Options

- (a) Each Option shall grant the holder of that Option the right but not the obligation to be issued by DomaCom ("**Company**") one Share at the Option Exercise Price.
- (b) Each Option shall be exercisable by the Option holder complying with its obligations under this clause 1, at any time after the time of its grant, and prior to 31 May 2025 (the **Option Expiration Date**) after which time it will lapse.
- (c) The Options will not be quoted on the ASX.

1.2 Exercise of Options

- (a) An Option holder may exercise any of its Options at any time prior to their expiration, by delivery of:
 - (i) a copy, whether electronically or otherwise, of a duly executed Option exercise form, to the Company during normal business hours on any Business Day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Option holder); and
 - (ii) payment of an amount equal to the Option Exercise Price (being \$0.014 per Option) multiplied by the number of Shares in respect of which the Options are being exercised at the time, by wire transfer to the account specified by the Company from time to time or by bank draft delivered to the Company during normal business hours on any Business Day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Option holder).
- (b) As soon as reasonably practicable, but in any event no later than ten (10) Business Days after receipt of a duly completed Exercise Form and the payment referred to in clause 1.2(a)(ii), the Company must cause its securities registrar to:

- (i) issue and Electronically Deliver the Shares in respect of which the Options are so exercised by the Option holder; and
- (ii) provide to the Option holder holding statements evidencing that such Shares have been recorded in the Company's Share register.

1.3 Bonus Issues

If prior to an exercise of an Option, the Company makes an issue of Equity Securities by way of capitalisation of profits or out of its reserves (other than pursuant to a dividend reinvestment plan) pursuant to an offer of such Equity Securities to at least all the holders of Equity Securities resident in Australia, then on exercise of the Option, the number of Equity Securities over which an Option is exercisable shall be increased by the number of Equity Securities which the holder of the Option would have received if the Option had been exercised before the date on which entitlements to the issue were calculated.

1.4 Rights Issues

If prior to an exercise of an Option, any offer or invitation is made by the Company to at least all the holders of Equity Securities resident in Australia for the subscription for cash with respect to Equity Securities, options or other securities of the Company on a pro rata basis relative to those holders' Shareholding at the time of the offer, the Option Exercise Price shall be reduced as specified in the Listing Rules in relation to pro-rata issues (except bonus issues).

1.5 Reconstruction of Capital

In the event of a consolidation, subdivision or similar reconstruction of the issued capital of the Company, and subject to such changes as are necessary to comply with the Listing Rules applying to a reconstruction of capital at the time of the reconstruction:

- (a) the number of the Equity Securities to which each Option holder is entitled on exercise of the outstanding Options shall be reduced or increased in the same proportion as, and the nature of the Equity Securities shall be modified to the same extent that, the issued capital of the Company is consolidated, subdivided or reconstructed (subject to the same provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the consolidation, subdivision or reconstruction); and

- (b) an appropriate adjustment shall be made to the Option Exercise Price of the outstanding Options, with the intent that the total amount payable on exercise of the Options shall not alter.

1.6 Cumulative Adjustments

Full effect shall be given to the provisions of clauses 1.3 to 1.5, as and when occasions of their application arise and in such manner that the effects of the successive applications of them are cumulative, the intention being that the adjustments they progressively effect will be such as to reflect, in relation to the Shares issuable on exercise of the Options outstanding, the adjustments which on the occasions in question are progressively effected in relation to Equity Securities already on issue.

1.7 Notice of Adjustments

Whenever the number of Shares over which an Option is exercisable, or the Option Exercise Price, is adjusted pursuant to this Agreement, the Company must give notice of the adjustment to all the Option holders, within ten (10) Business Days.

1.8 Rights Prior to Exercise

Prior to its exercise, an Option does not confer a right on the Option holder to participate in a new issue of securities by the Company.

1.9 Redemption

The Options shall not be redeemable by the Company.

1.10 Assignability and Transferability

The Options shall be freely assignable and transferable, subject to the provisions of Chapter 6D of the Corporations Act and the applicable law.