



22 July 2019

Capital Raising Update

Melbourne – 22 July 2019: LatAm Autos Limited (ASX: LAA) (“**LatAm Autos**” or the “**Company**”) advises that its non-renounceable one (1) for four (4) Rights Issue, with one (1) free attaching option for every two (2) new Shares subscribed for and issued, closed on Wednesday, 17 July 2019.

Highlights:

- **Successful capital raising of \$6.2m from the placement and rights issue and commitment to shortfall**
- **After completion of capital raising, proforma cash balance of \$8.5m¹**
- **Company has three months to place remaining shortfall, and is in discussions with several potential investors**
- **All Directors participated in the capital raising through either the rights issue, placement or convertible note restructure**
- **Company continues to assess several corporate strategic and growth options in conjunction with its advisors Grant Samuel**

Rights Issue

The Company received applications for 50,382,057 new fully paid ordinary shares and 25,191,029 free attaching New Options amounting to total subscriptions of \$2,771,013.

Below is a table outlining the effect of the Rights Issue on the capital structure of the Company:

| | NO. OF SECURITIES |
|--|-------------------|
| Shares currently on issue | 477,983,296 |
| Maximum shares offered under the Rights Issue | 119,495,833 |
| Entitlement shares applied for under the Rights Issue | 22,680,381 |
| Additional shares applied for under the Rights Issue | 27,701,676 |
| Attaching Options issued under the Rights Issue | 25,191,029 |
| Shortfall shares available after completion of Rights Issue (with Attaching Options on a 1 for 2 basis) | 69,113,776 |

¹ Proforma cash balance calculated as 30-Jun-19 cash balance (unaudited) plus all proceeds from placement and rights issue, includes further commitments of \$0.25m from Directors (subject to shareholder approval at EGM), and at least \$0.3m from Perennial Value Management as a result of maintaining its shareholding once the convertible note restructure is approved at the EGM



The Company intends to issue and allot all entitlement shares and additional shares applied for by shareholders in line with the updated Rights Issue timetable announced on 28 June 2019. The number of shares on issue in the Company after the issue of entitlement and shortfall shares will be 528,365,353.

Having raised a total of approximately \$6.2million² under the Rights Issue and the placement announced on 14 June 2019, in addition to commitments of at least \$0.3m from its largest institutional shareholder Perennial Value Management to maintain its 14% shareholding through the equity raising and convertible note restructure, the Board through the Company's joint lead managers Foster Stockbroking and CCZ Statton Equities, are seeking to place some or all of the Rights Issue shortfall, and are in discussions with a number of sophisticated and institutional investors. Placement of any shares under the Rights Issue shortfall will occur within three months of the Rights Issue closing date.

LatAm Autos Directors, Tim Handley, Gareth Bannan and Jorge Mejia have taken up part of their entitlements under the Rights Issue. Mike Fitzpatrick and Simon Clausen also have participated in the capital raising through either participation in the placement and/or conversion of convertible notes (subject to shareholder approval).

In addition to the capital raising completed under the Rights Issue and the placement, the Company is also undertaking a restructure of its outstanding Convertible Notes, having entered into agreements with noteholders on a redemption of notes by subscription to equity totalling approximately \$3.1 million at \$0.055 (5.5 cents), as well as an extension of the Maturity Date to 31 July 2021 and repricing of conversion price of the Notes to \$0.10 (10 cents). The Convertible Note restructure is subject shareholder approval, which the Company will seek at an EGM to be scheduled around the end of September 2019.

The Board wishes to thank all shareholders for their participation and ongoing support.

For more information, please contact:

Melanie Leydin
Company Secretary
+61 3 9692 7222
investors@latamautos.com

About LatAm Autos (ASX: LAA)

LatAm Autos is a leading online car transaction market place with operations in Mexico, Ecuador and Peru. LatAm Autos is capitalising on the shift of automotive classifieds advertising to online channels, whilst providing ancillary services to car buyers such as finance, insurance and car tracking technology through its Motorfy brand. For more information on LatAm Autos, please visit its website: www.latamautos.com.

² Includes further commitments of \$0.25m from Directors (subject to shareholder approval at EGM)