

ASX ANNOUNCEMENT

Family Zone Cyber Safety Limited

ASX:FZO ("Family Zone" or the "Company")



Our mission is to protect & support
every child's digital journey.

ISSUE OF PLACEMENT SHARES TRANCHE 1

Family Zone is pleased to announce that it has issued 91,035,100 fully paid ordinary shares (**Shares**) at an issue price of \$0.34 per Share to raise \$30.95 million under the first tranche of its Placement announced to ASX on 4 May 2022.

As announced on 2 May 2022, the Company has entered into an agreement to acquire 100% of the shares in Qustodio LLC (the US holding company of Qustodio) and its Spanish subsidiaries for US\$52 million with 52% payable upfront in a combination of cash, vendor finance and Family Zone shares and the remaining 48% payable in Family Zone shares subject to the satisfaction of performance milestones.

Net proceeds of the Placement will be used to fund the cash component of the acquisition of Qustodio, strengthen the Company's balance sheet to support additional growth and corporate opportunities and for working capital purposes to fund the Company to cash flow break even.

The second tranche of the Placement comprising the issue of 32,494,312 Shares at an issue price of \$0.34 per Share to raise \$11.05 million is subject to shareholder approval, to be sought at a general meeting to be held in June 2022.

The Placement has been fully underwritten by Joint Lead Managers and Underwriters, Shaw and Partners Limited and Euroz Hartleys Limited. Argonaut Securities Pty Limited and BW Equities Pty Ltd acted as Co-Managers to the Placement.

Please refer to the Appendix 2A lodged with ASX on 12 May 2022 for further details.

NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT 2001

This notice is given by the Company in relation to an issue of 91,035,100 Shares, which were issued without disclosure to investors under Part 6D/2 of the Corporations Act 2001 (Cth) (Act).

The Company hereby notifies ASX under section 708A(5)(e) of the Act that:

- a. the Shares were issued without disclosure to investors under Part 6D.2 of the Act;
- b. the Company is providing this notice under paragraph (5)(e) of section 708A of the Act;
- c. as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
- d. as at the date of this notice, the Company has complied with section 674 of the Act; and as at the date of this notice, there is no information:
 - i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - B) the rights and liabilities attaching to the shares.

Authorised for release by the Board of Family Zone on 12 May 2022.

For more information, please contact:

Tim Levy
Managing Director
timl@familyzone.com
+61 413 563 333

Tim Dohrman
Investor Relations
tim@nwrcommunications.com.au
+61 468 420 846

Family Zone Cyber Safety Limited
945 Wellington Street
West Perth, WA 6005

About Family Zone

Family Zone is an ASX listed technology company focused on cyber safety. Meeting a growing demand to keep kids safe online and manage digital lifestyles, Family Zone has developed unique and innovative cloud-based solutions which combines Australian innovation with leading global technology.

To learn more about the Family Zone platform and the Company, please visit www.familyzone.com.