

ASX Announcement

9 June 2023

ADSLLOT ANNOUNCES \$4.25M CAPITAL RAISING

Adslot Ltd (ASX: ADS) (“Adslot” or “the Company”) is pleased to announce the successful closing of a share placement for a total of \$1.1 million (“Placement”) to new and existing institutional and sophisticated investors. In addition, the Company intends to undertake a fully underwritten 1 for 2.8 pro rata non-renounceable entitlement offer at the same issue price as the Placement, to raise an additional \$3.15 million (“Entitlement Offer” and together with the Placement the “Equity Raising”). Each share issued via both the Placement and the Entitlement Offer will have a one for one free attaching option with an exercise price of \$0.006 and an expiry date of 31 December 2024 (“Attaching Options”).

The Company was pleased to experience strong demand for the Placement from a variety of investors, welcoming participation from new sophisticated investors and existing shareholders of the Company.

The Equity Raising is to be underwritten by Canaccord Genuity (Australia) Limited. Several of Adslot’s directors (through their related entities) have committed to take up 100% of their entitlements under the Entitlement Offer, with those directors (through their related parties) also proposing to sub-underwrite a component of the Entitlement Offer.

Funds raised from the Equity Raising will be used to fund continued investment in product development, provide activation resources, engage in continued sales efforts in key markets and otherwise provide working capital as the Company continues its progression towards cash flow break-even and profitability.

Shares issued under the Placement and the Entitlement Offer will rank equally with Adslot’s existing ordinary shares on issue. Adslot will apply to the ASX for quotation of these ordinary shares. Adslot does not intend, however, to apply to the ASX for quotation of the attaching options.

On completion of the Placement and the Entitlement Offer (assuming that all of the ordinary shares offered under the Entitlement Offer are issued), the Company will have approximately 3,266,615,660 ordinary shares and 1,172,767,279 options on issue with various exercise prices and expiry dates.

Use of funds

The Equity Raising is being undertaken to strengthen the Company’s balance sheet and provide working capital as the Company progresses towards cash flow break-even and beyond over the coming financial year. This follows a recent series of cost reduction measures and the Company’s renewed focus on key commercial projects in the US, UK and APAC that are anticipated to drive strong revenue growth over the coming year. Specifically, working capital will be allocated to:

- continued investment in product development on projects related to large commercial opportunities;
- activation resources related to currently contracted clients who have not yet fully activated the Adslot Media platform;
- continued sales efforts in key markets including the US and UK; and
- paying transaction costs of approximately \$0.4 million.

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In addition, as part of its capital management strategies, the Company is considering applying a portion of the funds raised in the capital raise to buy back unmarketable parcels of shares (that is, shareholdings having a value of less than \$500) in a minimum holding buy-back after the conclusion of the Entitlement Offer. If the Company conducts a minimum holding buy back, the shares bought back will be cancelled, and as a result, the total number of the Company's shares on issue will decrease. The Company has not yet determined that it will conduct a minimum holding buy back, however, and accordingly such a buy back ultimately may not occur.

Placement details

The Placement involves the issue of 275,000,000 new, fully paid ordinary shares ("**New Shares**") at \$0.004 per New Share ("**Offer Price**"), along with 275,000,000 attaching options ("**New Options**"), to raise \$1.1 million (before costs).

The Offer Price is:

- A 33.3% premium to the closing trading price of the Company's ordinary shares on 6 June 2023, being \$0.003.
- A premium of approximately 9.6% to the volume weighted average price ("**VWAP**") for the Company's ordinary shares on the ASX for the 30-day period up to and including 6 June 2023 (the last day of trading prior to the trading halt in connection with the Placement), which was \$0.0036.

The Placement of 275,000,000 New Shares and 275,000,000 New Options will be issued to sophisticated and institutional investors without obtaining shareholder approval, by utilising the Company's 15% capacity under Listing Rule 7.1 and additional 10% capacity under Listing Rule 7.1A, and is expected to settle on 19 June 2023. The New Shares to be issued under the Placement are expected to be issued on Tuesday 20 June 2023, while the New Options are expected to be issued on 5 July 2023, when the Attaching Options under the Entitlement Offer are expected to be issued.

Entitlement Offer details

The Entitlement Offer consists of a fully underwritten 1-for-2.8 pro rata non-renounceable offer of approximately 787,267,279 ordinary shares at the Offer Price, together with 787,267,279 attaching options (for no additional consideration), to raise approximately an additional \$3.15 million (before costs). The Entitlement Offer will be offered to those Adslot shareholders who have a registered address in Australia or New Zealand and who are on Adslot's share register on the record date, anticipated to be on or about 15 June 2023. The Entitlement Offer, as well as the offer of the New Options in the Placement, will be undertaken pursuant to a transaction specific prospectus under section 713 of the Corporations Act.

The Entitlement Offer will be fully underwritten by Canaccord Genuity, and a portion of the Entitlement Offer is proposed to be sub-underwritten by directors Andrew Barlow, Andrew Dyer and Ben Dixon (through their related entities).

As the Entitlement Offer will be non-renounceable, entitlements will not be tradeable. New Shares issued under the Placement are not eligible to participate in the Entitlement Offer.

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Indicative Timetable

Prospectus lodged and Entitlement Offer announced, Placement opens and closes	Friday 9 June 2023
Entitlement Offer Record Date	7:00pm, Thursday 15 June 2023
Prospectus dispatched to shareholders, Entitlement Offer opens	Monday 19 June 2023
New Shares issued under the Placement	Tuesday 20 June 2023
Entitlement Offer closes	5:00pm, Wednesday 28 June 2023
Notification of shortfall to Underwriter	Friday 30 June 2023
Entitlement Offer settlement	Tuesday 4 July 2023
Shortfall notification and announcement of Entitlement Offer results, issue of shares and attaching options under Entitlement Offer and of New Options under the Placement	Wednesday 5 July 2023
Commencement of trading in shares issued under the Entitlement Offer	Thursday 6 July 2023

Note: The timetable above is indicative only and may be subject to change without notice.

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For further enquiries, please contact:

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About Adslot

Adslot's mission is to automate the trading of forward guaranteed display advertising, referred to as automated guaranteed. Our leading technology is a purpose-built, global media trading platform. Adslot benefits a global community of media buyers and sellers, including media agencies, publishers and advertisers, by providing trading efficiencies and effectiveness made possible only via technology, and by doing so the basis on which the \$80B online display advertising industry will realise its full growth potential.

Adslot is a global organisation with operations in North America, Europe and Asia Pacific and is headquartered in Australia.

Future performance

This Announcement contains certain references to forecasts, estimates, assumptions and other forward-looking statements and statements regarding the intent, belief or current expectations of The Company. The words "likely", "expect", "aim", "should", "could", "may", "anticipate", "predict", "believe", "plan" and other similar expressions are intended to identify forward-looking statements. Forward-looking statements, opinions and estimates provided in this Announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This Announcement contains such statements, which are subject to risk factors associated with an investment in The Company. The Company believes that these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially. Forward-looking statements involve

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known and unknown risks, uncertainties and assumptions and other important factors that could cause actual results, performance or achievements of The Company to be materially different from future results, performances or achievements expressed or implied by such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Announcement.