

# Adslot Ltd

ACN 001 287 510

## Prospectus

A fully underwritten, non-renounceable pro-rata entitlement offer of 1 New Share for every 2.8 Existing Shares held by shareholders in Adslot Ltd with a registered address in Australia or New Zealand as at the Record Date, at an issue price of \$0.004 per New Share to raise approximately \$3.15 million before costs. Every 1 New Share will be accompanied, at a nil issue price, by 1 attaching New Option with an exercise price of \$0.006 and an expiry date of 31 December 2024.

Also, an offer to Placement Participants of up to 275,000,000 New Options at a nil issue price.

The Entitlement Offer closes at 5:00pm (Melbourne time) on Wednesday 28 June 2023 (unless extended). Valid applications must be received by the relevant time.

***This document is not for release or distribution in the United States.***

### **IMPORTANT NOTICE**

This is an important document which is accompanied by a personalised entitlement and acceptance form and both should be read in their entirety. Please call your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser if you have any questions.

# Important information

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## Entitlement Offer

This Prospectus relates to the offer by Adslot Ltd (ACN 001 287 510) (“**Adslot**” or “**Company**”) of:

- (a) New Shares comprised of a 1 for 2.8 fully underwritten non-renounceable pro-rata entitlement offer with 1 for 1 attaching New Options (“**Entitlement Offer**”); and
- (b) the offer to Placement Participants in respect of the Placement Shares of 1 for 1 attaching New Options (“**Placement Offer**” and, together with the Entitlement Offer, the “**Offers**”).

This Prospectus is issued by the Company.

## Lodgement and listing

This Prospectus is dated 9 June 2023 (“**Prospectus Date**”) and a copy was lodged with the Australian Securities and Investments Commission (“**ASIC**”) on that date.

The Company will apply to ASX Limited (“**ASX**”) on the Prospectus Date for official quotation of the New Shares and New Options to be issued pursuant to this Prospectus. Neither ASIC, ASX nor their officers take any responsibility for the contents of this Prospectus or for the merits of the investment to which this Prospectus relates.

## Expiry Date

No New Shares or New Options will be issued or sold on the basis of this Prospectus after 9 July 2024 (“**Prospectus Expiry Date**”), being the date 13 months after the Prospectus Date.

## About this Prospectus

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and options to acquire continuously quoted securities and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and professional advisers whom investors may consult. Investors should therefore have regard to the other information disclosed to ASX in relation to the Company before deciding whether to invest.

Applicants should read this Prospectus in its entirety and seek professional advice where necessary.

## Defined words and expressions

Some words and expressions used in this Prospectus have defined meanings. These words and expressions are capitalised and are defined either in the body of this Prospectus or in the Glossary in section 8 of this Prospectus.

## This Prospectus does not contain financial product or investment advice - you should seek your own professional investment advice

The information in this Prospectus is not financial product advice or investment advice and does not take into account your investment objectives, financial situation or particular needs (including financial and taxation issues).

It is important that you read this Prospectus carefully and in its entirety before deciding whether to apply for New Shares and New Options. In particular, you should consider all of the risks that could affect the value or performance of New Shares and New Options or the Company. Risks identified in relation to investing in the Company that you should consider include those described in section 5. There may be risk factors in addition to these that should be considered in light of your personal circumstances. You should carefully consider these risks and your investment objectives, financial situation or particular needs (including financial and taxation issues) and seek professional guidance from your stockbroker, solicitor, accountant or other independent professional adviser before deciding whether to apply for New Shares and New Options. You should also consider the assumptions underlying the pro forma financial information.

The potential tax effects of the Offers will vary between investors. All investors should satisfy themselves of any possible tax consequences by consulting their own professional advisers.

## Financial amounts and times

A reference to dollars, (\$) or cents in this Prospectus is a reference to Australian currency unless otherwise indicated. A reference to time in this Prospectus is a reference to the time in Melbourne, Australia.

## Future performance and forward-looking statements

This Prospectus contains certain “forward looking statements” which can generally be identified by words such as “may”, “could”, “believes”, “estimates”, “expects”, “intends”, “likely”, “should”, “predict”, “propose”, “will”, “forecast”, “target”, “outlook”, “guidance” and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of the Company, the outcome and effects of the Offers and the use of proceeds. To the extent that certain statements contained in this Prospectus may constitute “forward looking statements” or statements about “future matters”, the information reflects the Company’s intent, belief or expectations as at the date of this Prospectus. Any forward looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Forward-looking statements are subject to various risk factors that could cause the Company’s actual results, performance or achievements to differ materially from the results, performance or achievements expressed or anticipated in these statements. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors of the Company and management of the Company. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. Investors should consider the forward-looking statements contained in this Prospectus in light of those disclosures and not place reliance on such statements. Any forward looking statements, opinions and estimates in this Prospectus 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.

Neither the Company, the Underwriter nor their respective related bodies corporate or affiliates nor their respective directors, officers, partners, employees and agents give any warranty, representation, assurance or guarantee that the occurrence of the events expressed or implied in any of the forward-looking statements in this Prospectus will actually occur. In addition, please note that past performance should not be relied upon as (and is not) an indication or guarantee of future performance.

Except as required by law or regulation (including the Listing Rules), the Company undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, or guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

#### **Non-IFRS financial measures**

Certain financial data or measures included in, or incorporated by reference into, this Prospectus is non-IFRS financial information under ASIC Regulatory Guide 230 (*Disclosing non-IFRS financial information*). These measures may include fee revenue, EBIT, EBITDA, EBITDA margin, gross margin and working capital. These non-IFRS financial measures do not have a standardised meaning prescribed by Australian Accounting Standards and therefore may not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Although the Company believes these non-IFRS financial measures provide useful information to users in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-IFRS financial measures included in this Prospectus.

#### **Pro forma financial information**

This Prospectus contains pro forma financial information showing the proposed application of the proceeds of the Entitlement Offer. The pro forma financial information provided is for illustrative purposes only and should not be relied upon as, and is not represented as being indicative of, the Company's future financial condition and/or performance.

#### **Target market determination**

The Company has adopted a target market determination ("TMD") for the offer of New Options. The TMD is available at the website of the Company, <https://www.adslot.com/>. By making an application for New Options, an investor warrants that they have read and understood the TMD and that they meet the eligibility criteria of, and fall within the target markets set out in, the TMD.

#### **Restrictions applicable to foreign Shareholders**

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law. If you are a Shareholder in any jurisdiction outside Australia or New Zealand and you come into possession of this Prospectus, then you should observe any such restrictions. Please see section 7.18 on Foreign Selling Restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the New Shares, the New Options or the Entitlement Offer, or to otherwise permit a public offering of the New Shares and New Options, in any jurisdiction outside Australia and New Zealand. The Entitlement Offer is not being extended to any Shareholder outside Australia and New Zealand.

#### **New Zealand**

The New Shares and New Options are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

#### **United States**

This Prospectus, any investor presentation, any accompanying ASX announcements relating to the Entitlement Offer and the Entitlement and Acceptance Form do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States of America or to any person who is acting for the account or benefit of any person in the United States (to the extent such person holds ordinary shares in the Company and is acting for the account or benefit of a person in the United States).

The New Shares, New Options and the Entitlements have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States or other jurisdiction of the United States. Accordingly, the New Shares, New Options and the Entitlements may not be offered, sold, resold or otherwise transferred, directly or indirectly, in the United States or to persons acting for the account or benefit of a person in the United States (to the extent such persons hold ordinary shares in the Company and are acting for the account or benefit of a person in the United States). The New Shares, New Options and the Entitlements may only be offered and sold to certain investors that are outside of the United States, in selected jurisdictions in reliance on Regulation S under the US Securities Act and the applicable laws of the jurisdiction in which the New Shares, New Options and Entitlements are being offered and sold.

**This Prospectus may not be distributed or released to any person in the United States.**

#### **Application for New Shares and New Options under the Entitlement Offer**

An application for New Shares and New Options by Eligible Shareholders will only be accepted by following the instructions on the Entitlement and Acceptance Form accompanying this Prospectus as described in section 2 of this Prospectus.

#### **Disclaimer**

No person is authorised to give any information or to make any representation in connection with the Offers which is not contained in this Prospectus. Any information not so contained may not be relied upon as having been authorised by the Company, the Underwriter, any of their respective related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees and agents in connection with the Offers. You should rely only on information in this Prospectus.

Neither the Underwriter nor any of its related bodies corporates and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents have authorised or caused the issue of this Prospectus or any action taken by you on the basis of such information. To the maximum extent permitted by law, the Underwriter, its related bodies corporate and affiliates and each of their directors, officers, partners, employees, representatives or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Offers and this Prospectus being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. Neither the Underwriter nor any of its related bodies corporates and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents make any recommendations as to whether you or your related parties should participate in the Offers, nor do they make any representations or warranties to you concerning the Offers or any information, and you represent, warrant and agree that you have not relied on any statements made by the Underwriter, any of its related bodies corporates and affiliates or any of their respective directors, officers, partners, employees, representatives or agents in relation to the New Shares, New Options or the Offers generally.

The Underwriter may also hold interests in the securities of the Company or earn brokerage, fees or other benefits from the Company. The engagement of the Underwriter by the Company is not intended to create any agency, fiduciary or other relationship between the Underwriter and any other investor.

Determination of eligibility of investors for the purposes of the Offers is determined by reference to a number of matters, including legal requirements and regulatory requirements, logistical and registry constraints and the discretion of the Company and the Underwriter. To the maximum extent permitted by law, the Company, the Underwriter, their respective related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents expressly disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion. To the maximum extent permitted by law, the Underwriter, its related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents expressly disclaim all liability in respect of, make no representation regarding and take no responsibility for any part of this Prospectus.

This disclaimer does not purport to disclaim any warranties or liability which cannot be disclaimed by law.

#### **Photographs and Diagrams**

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus. Photographs in this Prospectus may be used under licence. The downloading, republication, retransmission, reproduction or other use of such photographs other than in this Prospectus is prohibited.

#### **Privacy**

Please read the privacy statement located under section 7.15. It is important you understand that by submitting an Entitlement and Acceptance Form in or accompanying this Prospectus and applying for New Shares and New Options, you consent to the matters outlined in that statement.

#### **PROSPECTUS AVAILABILITY**

This Prospectus is available in both a paper and electronic version. A link to an electronic version of this Prospectus will be emailed to Eligible Shareholders who have provided the Share Registry with their email address.

#### **Enquiries**

If you would like more information or have any questions in relation to the Offers, please contact your stockbroker, accountant, solicitor or other professional adviser to determine whether it meets your objectives, financial situation and needs or call our Share Registry (Computershare) on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (Melbourne time) Monday to Friday during the period (in the case of the Entitlement Offer) from and including the date on which the Entitlement Offer opens until and including the date on which it closes on Wednesday 28 June 2023 (within Australia), unless closed earlier.

If you have any questions on how to:

- (a) complete the personalised Entitlement and Acceptance Form accompanying this Prospectus which Eligible Shareholders may use to apply for New Shares and New Options; or
- (b) take up all or part of your Entitlement,

please call the Company between 9:00am and 5:30am (Melbourne time) Monday to Friday during the period from and including the date on which the Entitlement Offer opens until and including the date on which it closes on Wednesday 28 June 2023 (unless closed earlier).

In respect of the Entitlement Offer, if you are an Eligible Shareholder and take no action or your application is not supported by cleared funds, your Entitlement will lapse and you will not be issued New Shares or New Options. You should note that if you do not take up all or part of your Entitlement, then your percentage shareholding in the Company will be diluted by your non-participation in the Entitlement Offer. Eligible Shareholders who do not take up their Entitlement in full will not receive any payment or value for that part of their Entitlement they do not take up.

If you are an Eligible Shareholder and have misplaced your Entitlement and Acceptance Form and would like a replacement form, please call the applicable number above.

**This document is important and should be read in its entirety.**

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# Summary of the Entitlement Offer and key dates

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## Key Offer statistics

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Entitlement Offer Ratio	1 New Share for every 2.8 Existing Shares held at the Record Date
Entitlement Offer Price	\$0.004 per New Share
Shares on issue as at the date of this Prospectus	2,204,348,381
Number of New Shares offered under the Entitlement Offer	787,267,279
Number of Shares offered under the Placement	275,000,000
Number of Shares on issue at completion of the Offers	3,266,615,660
Entitlement Offer proceeds (before Entitlement Offer costs)	\$3,149,069
Placement proceeds (before Placement costs)	\$1,100,000
New Option exercise price	\$0.006 per New Option
New Option expiry date	31 December 2024
Options on issue as at the date of this Prospectus	110,500,000
Number of New Options offered under the Entitlement Offer	787,267,279
Number of New Options offered under the Placement Offer	275,000,000
Number of Options on issue at completion of the Offers	1,172,767,279

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## Summary of key dates

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Prospectus lodged and Entitlement Offer announced, Placement Offer 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 New Shares and New Options under Entitlement Offer and New Options under the Placement	Wednesday 5 July 2023

**Note:** The timetable above is indicative only and may be subject to change. Unless otherwise indicated, all times are stated in Melbourne time. The Company reserves the right to vary any and all of the above dates and times without prior notice subject to the Listing Rules, the Corporations Act and other Applicable Laws. In particular, the Company reserves the right to extend the Closing Date with respect to the Entitlement Offer, to accept late applications under the Offers (either generally or in particular cases) and to withdraw one, other or both of the Offers (or any part of them) without prior notice. Any extension of the Closing Date will have a consequential effect on the issue date of New Shares and New Options.

The commencement of quotation of New Shares is subject to confirmation from ASX. The Company proposes seeking quotation (listing) of the New Shares, subject to meeting the quotation requirements of the ASX. The fact that ASX may grant official quotation of the New Shares is not to be taken as an indication of the merits of the Company. The Company does not intend to seek quotation of the New Options.

Cooling off rights do not apply to an investment in New Shares and New Options. You cannot withdraw your application once it has been accepted. Eligible Shareholders wishing to participate in the Entitlement Offer are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Entitlement Offer opens.

New Options will be issued to Placement Participants under this Prospectus only if and to the extent that Placement Shares are issued to them in the Placement.

### **What you should do?**

This Prospectus contains important information in relation to the Offers. You should read all of this Prospectus carefully, including section 5 which identifies the key risks associated with an investment in the Company and New Shares and New Options.

It is also important for you to read carefully and understand the information on the Company and the Offers made publicly available, including the information lodged by the Company with the ASX as part of its continuous disclosure obligations, prior to deciding whether to take up all or part of your Entitlement or do nothing in respect of your Entitlement, or to apply for New Shares and/or New Options. In particular, please refer to the other announcements made available at [www.asx.com.au](http://www.asx.com.au) (search by reference to the Company's ASX ticker, which is ADS) including announcements which may be made by the Company after publication of this Prospectus and announcements relevant to the Offers.

If you are in doubt as to the course of action you should follow, you should consult your broker, legal, financial or other professional adviser before making an investment decision.



# Chairman's letter

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9 June 2023

**Dear Investor,**

On behalf of the Board, I invite you to participate in Adslot's offer of New Shares and New Options to raise approximately \$3.15 million (**Entitlement Offer**).

## **Details of the Entitlement Offer**

The Entitlement Offer comprises a fully underwritten pro-rata non-renounceable entitlement offer at the price of \$0.004 per New Share (**Offer Price**) with (at a nil issue price) 1 for 1 attaching New Options with an exercise price of \$0.006 and an expiry date of 31 December 2024, to raise up to approximately \$3.15 million.

The Entitlement Offer is being run concurrently with a placement of Shares and attaching New Options on the same terms as the Entitlement Offer, and these New Options are also being offered under this Prospectus.

New Shares issued under the Entitlement Offer, and any Shares issued on exercise of the New Options, will rank equally with Existing Shares in all respects. For the purposes of participating in the Entitlement Offer, the shareholding of Eligible Shareholders will be determined by the number of Shares held at 7 pm (Melbourne time) on the Record Date of Thursday, 15 June 2023.

Eligible Shareholders can choose to take up all, part or none of their Entitlement. Entitlements are non-renounceable, which means they cannot be traded.

The Entitlement Offer will open on Monday, 19 June 2023 and close at 5:00pm (Melbourne time) on Wednesday, 28 June 2023. If you are an Eligible Shareholder and you wish to take up all or part of your Entitlement, you need to ensure that you have completed and returned your Entitlement and Acceptance Form before this time in the manner described in section 2 of this Prospectus.

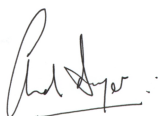
An investment in the Company involves risk, and as such you should read and carefully consider the risk factors in section 5 of this Prospectus, which contains a summary of some of the key risks associated with an investment in the Company and New Shares and New Options.

## **Further Information**

Please carefully read this Prospectus in its entirety and consult your broker, legal, financial or other professional adviser before making your investment decision.

Please call our Share Registry (Computershare) on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (Melbourne time) Monday to Friday during the Offer period if you have any questions in respect of the Entitlement Offer.

Yours sincerely,



**Andrew Dyer**  
Chairman  
Adslot Ltd

# 1. Details of the Entitlement Offer

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References to “you” in this section 1 are references to Eligible Shareholders.

## 1.1. Entitlement Offer

This Prospectus invites Eligible Shareholders to participate in the Entitlement Offer, which is a pro rata non-renounceable entitlement offer of 1 New Share for every 2.8 Existing Shares held at 5:00pm (Melbourne time) on the Record Date at an issue price of \$0.004 per New Share, with (at a nil issue price) 1 for 1 attaching New Options, for the purpose of raising up to approximately \$3.15 million.

As at the date of this Prospectus, the Company has 2,204,348,381 Shares on issue.

The Entitlement Offer is made on, and subject to, the terms conditions set out in this Prospectus.

You should note that not all Shareholders will be eligible to participate in the Entitlement Offer. Please see associated definitions in section 8 for more details.

All of the New Shares issued under this Prospectus, and any Shares issued on exercise of the New Options, will rank equally with the Existing Shares. Please refer to sections 7.9 and 7.10 for further information about the rights and liabilities attaching to the New Shares and New Options.

You should read this Prospectus carefully and consult your own professional advisers before making any decisions in relation to your Entitlement.

## 1.2. Shortfall

Any entitlement to New Shares and attaching New Options under the Entitlement Offer not taken up will form part of the Shortfall.

An Eligible Shareholder who applies for their full entitlement to New Shares and attaching New Options under the Entitlement Offer may also apply for more New Shares and attaching New Options than the number shown on their personalised Entitlement and Acceptance Form.

To apply for more New Shares and attaching New Options than your entitlement (being an application for New Shares and attaching New Options from the Shortfall) please follow the instructions in section 2.2 and as contained in your personalised Entitlement and Acceptance Form.

Any New Shares and attaching New Options from the Shortfall will be allocated by the Company (in consultation with the Underwriter), with allocations to Eligible Shareholders who take up their full entitlement under the Entitlement Offer and apply for additional New Shares and New Options from the Shortfall being capped at 50% of the entitlement to New Shares and New Options of the Eligible Shareholder under the Entitlement Offer. If there is insufficient Shortfall to meet demand from Eligible Shareholders, the Company (in consultation with the Underwriter) will scale back applications for Shortfall at its discretion, having regard to the shareholdings of Eligible Shareholders at the Record Date and control factors.

There is no guarantee that any application for New Shares and attaching New Options from the Shortfall will be successful, and the Company reserves the right to decline to allocate all or any part of the Shortfall to satisfy applications by Eligible Shareholders at its sole and complete discretion.

New Shares and attaching New Options remaining from the Shortfall after the allocation to Eligible Shareholders as described above will be allocated to the Underwriter (or sub-underwriters identified by the Underwriter).

No Shareholder, investor, Underwriter or sub-underwriter will be allocated New Shares and attaching New Options from the Shortfall if such allocation would result in the relevant interest of the Shareholder (and its associates) exceeding 19.99% of the issued capital of the Company. Additional New Shares and New Options will also not be issued to Shareholders or others from the Shortfall where to do so would involve a breach of the ASX Listing Rules, the Corporations Act or any other applicable law.

### 1.3. Placement Offer

As announced on 9 June 2023, concurrently with the Entitlement Offer, the Company is undertaking a placement of 275,000,000 Placement Shares to sophisticated and professional investors, on the same terms as the Entitlement Offer (including attaching New Options), for the purpose of raising up to approximately \$1.1 million.

The Placement Offer to the Placement Participants of attaching New Options is made on, and subject to, the terms and conditions set out in this Prospectus.

You should note that only participants in the Placement will be eligible to participate in the Placement Offer. Please see associated definitions in section 8 for more details.

### 1.4. Purpose of the Entitlement Offer and use of proceeds

The Company is seeking to raise up to approximately \$3.15 million from the Entitlement Offer and approximately \$1.1 million from the Placement.

The proceeds of the Offers will be used to:

- (a) fund continued investment in product development on projects related to large commercial opportunities;
- (b) provide activation resources related to currently contracted clients who have not yet fully activated the Adslot Media platform;
- (c) engage in continued sales efforts in key markets, including the United States and the United Kingdom; and
- (d) fund working capital requirements of the Company for the next 12 months.

If all of the New Options issued under the Offers were fully exercised, at their exercise price of \$0.006 per option, the Company would raise approximately an additional \$6.373 million.

In addition, as part of its

undertake a minimum holding buy back of parcels of Shares having a value of less than \$500 (**Unmarketable Parcels**).

After the Entitlement Offer is completed, assuming a trading price for the Shares of \$0.004 and that none of the Shareholders that currently hold an Unmarketable Parcel increases their shareholding to \$500 or more, a total of 50,765,813 Shares will be held by Shareholders that hold an Unmarketable Parcel. At a buy-back price of \$0.004 per Share, the total buy-back price for those Unmarketable Parcels would be \$203,063.25.

### 1.5. Effect of the Offers on capital structure

Effect on capital structure	Number of Shares	Number of Options
Currently on issue as at the date of this Prospectus	2,204,348,381	110,500,000
Placement (and Placement Offer)	275,000,000	275,000,000
Entitlement Offer	787,267,279	787,267,279
<b>Post Issue*</b>	<b>3,266,615,660</b>	<b>1,172,767,279</b>

*\*Note this assumes that the maximum possible New Shares and New Options are issued under the Offers, and that none of the New Options or existing Options on issue are exercised.*

## 1.6. Impact on control

The potential effect that the Entitlement Offer will have on the control of the Company and the consequences of that effect will depend on a number of factors, including Eligible Shareholders' interest in taking up their Entitlements. The Entitlement Offer is not expected to have a material impact on the control of the Company. In particular, the Company does not expect any shareholder to hold more than 20% of the Shares after completion of the Placement and the Entitlement Offer. As noted elsewhere in this prospectus, no sub-underwriter will be allocated Shortfall Shares that would take their interest in the Company above 19.99%.

## 1.7. Entitlement Offer details

The Entitlement Offer will open at 9:00 am (Melbourne time) on Monday 19 June 2023 and will close at 5:00pm (Melbourne time) on Wednesday 28 June 2023 (the **Closing Date**).

The Entitlement Offer has been fully underwritten by the Underwriter. Any Entitlements not taken up by Eligible Shareholders will be allotted to Eligible Shareholders that apply for New Shares and New Options from the Shortfall and/or to the Underwriter and any sub-underwriter(s). The Directors, in consultation with the Underwriter, reserve the right to allocate any Shortfall at their discretion.

### (a) Please consider the Entitlement Offer in light of your particular investment objectives and circumstances

Please consult with your broker, legal, financial or other professional adviser if you have any queries or are uncertain about any aspects of the Entitlement Offer. You should also refer to the risks associated with an investment in the Company and the New Shares and New Options which are set out in section 5 of this Prospectus.

An application for New Shares and New Options is subject to investment and other known and unknown risks, some of which are beyond the control of the Company, including possible loss of income and principal invested. The Company does not guarantee any particular rate of return or the performance of the Company, nor does it guarantee the repayment of capital from the Company or any particular tax treatment.

### (b) Your Entitlement under the Entitlement Offer

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 2.8 Existing Shares you hold as at the Record Date. If the result is not a whole number, your Entitlement will be rounded up to the nearest whole number of New Shares.

If you have more than one registered holding of Existing Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding.

New Shares issued under the Entitlement Offer (or on exercise of New Options) will be fully paid and from allotment rank equally in all respects with Existing Shares and will be entitled to dividends on the same basis as Existing Shares. The rights and liabilities attaching to the New Shares are set out in the Constitution, which can be inspected at the Company's registered office.

Please also refer to sections 7.9 and 7.10, which contain a summary of the rights and liabilities attaching to the New Shares and New Options.

## 1.8. Placement Offer details

The Placement Offer is open to Placement Participants only. Placement Participants should complete and submit their Application Form for New Options in accordance with the instructions on the Application Form. Please read the instructions carefully.

Completed Application Forms must be lodged at any time after the issue of this Prospectus and on or before the date on which the Placement Shares are issued to the Placement Participants.

## 1.9. Allotment of New Shares and New Options under the Offers

New Shares and New Options under the Entitlement Offer, as well as New Options under the Placement Offer, will be allotted on the Allotment Date.

No certificates will be issued in respect of New Shares or New Options. Following allotment, Applicants will be sent a holding statement which sets out the number of New Shares and New Options allotted to them.

Applicants may contact our Share Registry (Computershare) on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (Melbourne time) Monday to Friday during the Offer period to seek confirmation of their allocation.

#### **1.10. Minimum subscription**

There is no minimum subscription for the Entitlement Offer.

#### **1.11. Lead Manager and Underwriting**

The Placement and the Entitlement Offer are lead managed and fully underwritten by Canaccord Genuity (Australia) Limited (**Underwriter**). The Underwriter will receive a selling and management fee equal to 2% of the proceeds from the Placement (expected to be \$22,000), an underwriting fee equal to 4% of the proceeds from the Placement (expected to be \$44,000), a selling and management fee equal to 2% of the proceeds from the Entitlement Offer (expected to be \$62,981.38) and an underwriting fee equal to 4% of the proceeds from the Entitlement Offer (expected to be \$125,962.76).

Refer to Section 7.6 for the material terms of the Underwriting Agreement.

#### **1.12. Sub-Underwriting**

The Underwriter has appointed, or intends to appoint, certain institutional investors, including the following related parties of the Company:

- (a) Mr John Barlow (and/or his nominee(s)), the father of Andrew Barlow, a Director of the Company;
- (b) Mr Andrew Barlow (and/or his nominee(s)), a Director of the Company;
- (c) Mr Andrew Dyer (and/or his nominee(s)), the Chair of the Company; and
- (d) Mr Ben Dixon (and/or his nominee(s)), a Director of the Company.

to sub-underwrite a portion of the Entitlement Offer pursuant to separate sub-underwriting agreements.

Mr John Barlow (and/or his nominee(s)), the father of Andrew Barlow, a Director of the Company, has agreed to sub-underwrite the Entitlement Offer for \$1,015,609 of the Shortfall (for a sub-underwriting fee of \$20,312.18).

Mr Andrew Barlow (and/or his nominee(s)), a Director of the Company, has agreed to sub-underwrite the Entitlement Offer for \$53,938 of the Shortfall (for a sub-underwriting fee of \$1,078.76).

Mr Andrew Dyer (and/or his nominee(s)), a Director of the Company, intends to sub-underwrite the Entitlement Offer for \$55,576 of the Shortfall (for a sub-underwriting fee of \$1,111.52).

Mr Ben Dixon (and/or his nominee(s)), a Director of the Company, intends to sub-underwrite the Entitlement Offer for \$16,779 of the Shortfall (for a sub-underwriting fee of \$335.58).

No sub-underwriter will be allocated Shortfall Shares that would take their interest in the Company above 19.99%. All sub underwriters will be paid a sub underwriting fee by the Underwriter of 2% of their sub underwritten amount.

Refer to Section 7.7 for additional information on related party sub-underwriting.

#### **1.13. Foreign Applicants**

The distribution of this Prospectus and the Entitlement and Acceptance Form in jurisdictions outside Australia may be restricted by law. If you are a person (including a Shareholder) in any jurisdiction outside Australia and you come into possession of this Prospectus, then you should observe any such restrictions. See section 7.18 containing further information on International Entitlement Offer Restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus does not constitute an offer or invitation to potential investors to whom it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the New Shares or New Options or otherwise permit a public offering of the New Shares or New Options in any jurisdiction other than Australia (and to existing Shareholders only in New Zealand). In particular, neither the New Shares nor the New Options have been, and they will not be, registered under the US

Securities Act or the securities laws of any state of the United States, and they may not be offered, sold or resold in the United States.

Nominees, trustees and custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Shareholder. See section 1.18 for further information.

This Entitlement Offer is not open to Shareholders outside Australia and New Zealand (**Foreign Holders**) on the basis that the Directors have formed the view that it is unreasonable to make an offer to those persons having regard to the number of Foreign Holders, the Shares held by Foreign Holders, and the costs of complying with the legal and regulatory requirements in the place of residence of the Foreign Holders.

The Company reserves the right to reject any Application which it believes comes from a person who is not an Eligible Shareholder.

#### **1.14. ASX quotation and trading of New Shares**

The Company will apply to ASX for admission of the New Shares to official quotation within 7 days of the date of this Prospectus. While the Company is not aware of any reason why quotation would be denied, there is no assurance that the application will be granted. If ASX does not grant quotation of the New Shares within three months after the date of this Prospectus, the Company will refund all Application Monies in accordance with the Corporations Act and without payment of interest.

The Company does not propose to apply for quotation (listing) of the New Options.

Holding statements are expected to be despatched by the Share Registry to Eligible Shareholders by Monday 10 July 2023. It is the responsibility of each Applicant to confirm their holding before trading in New Shares. Any Applicant who sells New Shares before receiving confirmation of their holding in the form of their holding statement will do so at their own risk. The Company, the Underwriter, their respective related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents disclaim all liability whether in negligence or otherwise (and to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statement from the Share Registry, whether on the basis of confirmation of the allocation provided by the Company, the Share Registry or the Underwriter.

#### **1.15. CHESS and issuer sponsored holdings**

New Shares will participate in CHESS from the date of commencement of quotation. New Shares must be held in uncertificated form (i.e. no share certificate will be issued) on the CHESS sub register normally under sponsorship of a participant (usually a broker) or on the issuer-sponsored sub register. Arrangements can be made at any subsequent time, through your controlling participant, to convert your holding from the issuer-sponsored sub register to the CHESS sub register or vice versa.

#### **1.16. Application Monies and interest**

Application Monies received from an Applicant under the Entitlement Offer will, until New Shares and New Options in respect of the Application Monies are issued, be held by the Share Registry in a trust account. Refunds will be made via Electronic Funds Transfer where valid banking details are recorded with the Share Registry. Any balance of Application Monies that is remaining as a result of rounding will be refunded to you except where the amount is less than \$5.00, in which instance it will be retained by the Company or donated to charity.

The Company reserves the right to withdraw or vary all or part of the Offers at any time, subject to Applicable Laws, in which case the Company will refund Application Monies in relation to Entitlements or New Shares and New Options not already issued in accordance with the Corporations Act and without payment of interest. To the fullest extent permitted by law, each Applicant agrees that such Application Monies shall not bear or earn interest for the Applicant, irrespective of whether or not all or any New Shares and attaching New Options applied for by the Applicant are issued to the Applicant.

In the case of the Entitlement Offer, once you have paid your Application Monies, they will be held on trust for you in the Share Registry's trust account. If the Entitlement Offer does not proceed, any Application Monies held on trust for you by the Share Registry will be returned (other than any interest that has accrued on the Application Monies, such monies being the property of the Company). If the Entitlement Offer proceeds, Application Monies will be taken out of the Share Registry trust account and will be the property of the Company (or the Share Registry) when the New Shares and New Options are issued to you.

### **1.17. Disclaimer**

The Company and the Underwriter reserve the right to determine whether a Shareholder is an Eligible Shareholder. Please see all associated definitions in section 8 for more details of what constitutes an Eligible Shareholder. Please also refer to section 7.12 of this Prospectus which sets out the representations and warranties which accepting Applicants will be deemed to have given (confirming in the case of the Entitlement Offer that they are an Eligible Shareholder) by completing and returning their personalised Entitlement and Acceptance Form or making a payment by BPAY®.

The Company, the Underwriter, their respective related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents disclaim all liability (to the maximum extent permitted by law) in respect of the determination as to whether an Applicant is an Eligible Shareholder.

### **1.18. Notice to nominees and custodians**

Persons acting as nominees for other persons may not take up Entitlements or subscribe for New Shares and New Options on behalf of, or send any documents relating to the Offers to, any person in the United States or any person who is acting for the account or benefit of a person in the United States (to the extent such person holds Shares and is acting for the account or benefit of a person in the United States) or other jurisdiction outside of Australia as set out in section 7.18 (Foreign Selling Restrictions).

The Company is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any Applicants (including beneficial owners of Existing Shares or Entitlements). Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Offers by the beneficiary complies with applicable foreign laws. The Company is not able to advise on foreign laws.

The Company, the Underwriter, their respective related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents disclaim all liability (to the maximum extent permitted by law) in respect of any application made by a person who is acting for the account or benefit of a person in the United States.

## 2. How to apply under the Entitlement Offer

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### 2.1. Completion of relevant form

Eligible Shareholders wishing to apply for New Shares and attaching New Options must complete the Entitlement and Acceptance Form which accompanies this Prospectus or make payment via BPAY® in accordance with the instructions set out in their Entitlement and Acceptance Form. Applicants must complete the form in accordance with the instructions set out in Entitlement and Acceptance Form, including, in each case, the acceptance of the declarations and acknowledgements contained in the form and any application for Shortfall if desired, and submit it to the Share Registry.

Eligible Shareholders please visit the Entitlement Offer website [www.computersharecas.com.au/ads](http://www.computersharecas.com.au/ads).

### 2.2. Applying for additional New Shares and attaching New Options in the Shortfall

If you have applied for your full Entitlement (as shown by the number on your Entitlement and Acceptance Form), you may wish to apply for more New Shares and attaching New Options in the Shortfall. To do this, complete the relevant section in the Entitlement and Acceptance Form.

If you are applying by BPAY® and wish to apply for additional New Shares and attaching New Options in the Shortfall, make a payment for more than your Entitlement. The excess amount of Application Monies will be taken to be an application for additional New Shares and attaching New Options in the Shortfall.

### 2.3. If you are an Eligible Shareholder and do nothing

If you take no action, you will not be allocated New Shares and New Options, and your Entitlement will lapse.

Your Entitlement to participate in the Entitlement Offer is non-renounceable, not tradeable and not otherwise transferable. Shareholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up.

Eligible Shareholders who do not participate fully in the Entitlement Offer will have their percentage holding in the Company reduced.

### 2.4. Ineligible Shareholders

Ineligible Shareholders are not entitled to participate in the Entitlement Offer. If you receive this Prospectus and a personalised Entitlement and Acceptance Form but you are an Ineligible Shareholder, please disregard them.

### 2.5. Payment

Applicants must include, with the completed Entitlement and Acceptance Form, payment of Application Monies for an amount calculated by multiplying the number of New Shares applied for (including any New Shares from the Shortfall) by the Offer Price. Please note that the Company reserves the right to close the Offers early or suspend or withdraw the Offers at any time.

You can pay in the following ways:

- (a) by BPAY® by visiting the Entitlement Offer website [www.computersharecas.com.au/ads](http://www.computersharecas.com.au/ads); or
- (b) if you are unable to pay by BPAY® (for example, because you are a New Zealand Shareholder who does not have an Australian bank account), by electronic funds transfer as detailed below.

Cash payments will not be accepted, and payments will only be accepted in Australian currency. Receipts for payment will not be issued.

The Company will treat you as applying for as many New Shares as your payment will pay for in full up to your Entitlement.

If you provide insufficient funds to meet the Application Monies due to take up all or part of your Entitlement, you may be taken by the Company to have applied for such lower number of New Shares and attaching New Options as your cleared Application Monies will pay or your Application may be rejected.



Any excess Application Monies will be treated as an application to apply for additional New Shares and attaching New Options in the Shortfall, to the value of that excess amount. Your application for the additional New Shares and attaching New Options may not be successful (wholly or partially). Any Application Monies received for more than your final allocation of New Shares and attaching New Options will be refunded (only where the amount is \$5.00 or greater) as soon as practicable after the close of the Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

The Company takes no responsibility for any failure to receive Application Monies or payment by BPAY® before the Entitlement Offer closes arising as a result of, amongst other things, delays in postage or processing of payments by financial institutions.

#### **Payment by BPAY®**

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding, and submit the separate personalised Entitlement and Acceptance Form provided for that holding, along with the relevant Application Monies for that holding. If you do not use the correct CRN specific to that holding your application will not be recognised as valid.

Please note that if you pay by BPAY®:

- (a) you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in section 7.12; and
- (b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

If you pay with BPAY®, it is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5:00pm (Melbourne time) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

#### **Payment by electronic funds transfer**

To pay by electronic funds transfer, Shareholders in New Zealand (or who otherwise are unable to pay by BPAY®) can visit the Entitlement Offer website [www.computersharecas.com.au/ads](http://www.computersharecas.com.au/ads) to access your personalised Entitlement and Acceptance Form. You must use your unique payment reference number as displayed on your personalised Entitlement and Acceptance Form when making your electronic funds transfer payment.

## **2.6. Mail**

To participate in the Entitlement Offer, your payment must be received no later than the close of the Entitlement Offer, being 5:00pm (Melbourne time) on Wednesday 28 June 2023.

Personalised Entitlement and Acceptance Forms and Application Monies will not be accepted at the Company's registered or corporate offices, or other offices of the Share Registry.

## **2.7. Returning the form or making a BPAY payment**

By returning your Entitlement and Acceptance Form or making a payment by BPAY®, you will be deemed to have given certain representations and warranties to the Company. Please see section 7.12 for further information.

## **2.8. Enquiries**

If you have any questions in relation to the Entitlement Offer please call our Share Registry (Computershare) on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (Melbourne time) Monday to Friday during the Offer period. If you have any further questions, you should contact your broker, legal, financial or other professional adviser.

## 3. Company update

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### 3.1. Background

Adslot is a publicly listed company with offices in New York, London, Shanghai, Munich, Sydney and Melbourne, servicing market-leading brands, agencies, and publishers all over the world.

### 3.2. Recent business operations

During the 2023 financial year, the Company has continued its progress towards profitability. In particular, the Company has implemented a series of cost reductions which will further reduce its normalised cash burn. The cost reductions include a reduction in office lease costs, a reduction in operating expenses (including software licensing costs), immediate headcount cost reductions and limited redundancies of development and sales resources.

The Company is now focussed on revenue growth to bridge the remaining gap to cash flow break-even and on to profitable growth. To this end the Company has identified a number of key commercial initiatives which it is pursuing in markets across the world. These include:

- The Company has a long-standing relationship with the Interpublic Group (**IPG**) in the United States which has seen the development of custom marketplaces for their Orion barter trading division as well as specific advertiser verticals, notably for the Health & Wellness sector.
- In the United Kingdom the Company has developed a custom marketplace for GroupM, the largest buyers of media in that market. Activation continues to grow with a current focus on Diversity, Equity and Inclusion trading with minority owned publishers.
- In 2022 the Company launched its marketplace in the German market. The Company believes that the dynamics of this market, including privacy regulation and publisher consolidation, make it highly attractive for the Adslot Media platform. Trading commitments have been received with 1 agency group and indications of pilot activity from a further 2 agency groups.
- On 1 March 2023, the Company announced that it had signed a Marketing Alliance term sheet with SintecMedia, NYC, Inc. (**Operative**), a leading US technology provider of order management software for media publishers. Under the term sheet, Operative will market and explore possibilities to offer Adslot's direct trading capabilities to its publisher customers, encompassing both digital and traditional television media.
- In 2022 the Company successfully launched an integrated offering between its Symphony and Adslot Media products in the Australian market. A majority of large publishers in the Australian market are now active in this marketplace and it has become a strong source of recurring trading activity.

## 4. Financial information

### 4.1. Introduction

The historical financial statements of the Company can be accessed on the ASX website at [www.asx.com.au](http://www.asx.com.au) by searching against the Company's ASX ticker code of "ADS".

Eligible Shareholders who are considering applying for all or part of their Entitlement should review those results in conjunction with this Prospectus, together with all documents used to notify the ASX of information relating to the Company under the continuous disclosure provisions of the Listing Rules and the Corporations Act before lodgement of this Prospectus with ASIC as listed in Section 7.4 of this Prospectus.

### 4.2. Impact of the Offer: Historical and Pro forma Statement of Financial Position

Pro Forma Consolidated Statement of Financial Position, as at 31 December 2022.

	<b>Auditor Reviewed 31 December 2022</b>	<b>Pro Forma Adjustments</b>	<b>Pro Forma 31 December 2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Current assets</b>			
Cash and cash equivalents	3,922,635	3,855,606	7,778,241
Trade and other receivables	5,242,209		5,242,209
Prepayments	283,912		283,912
<b>Total current assets</b>	<b>9,448,756</b>	<b>3,855,606</b>	<b>13,304,362</b>
<b>Non-current assets</b>			
Property, plant and equipment	1,946,786		1,946,786
Intangible assets	6,917,763		6,917,763
<b>Total non-current assets</b>	<b>8,864,549</b>	<b>-</b>	<b>8,864,549</b>
<b>Total assets</b>	<b>18,313,305</b>	<b>3,855,606</b>	<b>22,168,911</b>
<b>Current liabilities</b>			
Trade and other payables	5,876,811		5,876,811
Other liabilities	355,519		355,519
Lease liability	566,103		566,103
Provisions	560,371		560,371
<b>Total current liabilities</b>	<b>7,358,804</b>	<b>-</b>	<b>7,358,804</b>
<b>Non-current liabilities</b>			
Lease liability	1,351,684		1,351,684
Provisions	742,424		742,424
<b>Total non-current liabilities</b>	<b>2,094,108</b>	<b>-</b>	<b>2,094,108</b>
<b>Total liabilities</b>	<b>9,452,912</b>	<b>-</b>	<b>9,452,912</b>
<b>Net assets</b>	<b>8,860,393</b>	<b>3,855,606</b>	<b>12,715,999</b>
<b>Equity</b>			
Issued capital	159,254,812	3,855,606	163,110,418
Reserves	1,256,637		1,256,637

Accumulated losses	(151,651,056)		(151,651,056)
<b>Total equity</b>	<b>8,860,393</b>	<b>3,855,606</b>	<b>12,715,999</b>

Notes:

1. Set out above is the Group's Consolidated Statement of Financial Position as of 31 December 2022 (Historical), which has been reviewed by the Company's auditors.
2. The Statement is presented in abbreviated form insofar as they do not include all the disclosures that are present in annual financial reports as required by Australian Accounting Standards. The significant accounting policies that underpin the Statement are the same policies as those outlined in the Company's Annual Report ended 30 June 2022 and the Half Year Financial Report ended 31 December 2022.
3. The Pro Forma Statement of Financial Position assumes a fully subscribed Placement and a fully subscribed Entitlement Offer net of costs. The adjustments are assumed to occur as of 31 December 2022.

## 5. Key risks

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This section includes details of the key risks attaching to an investment in Shares. These risks may affect the future strategy, operating and financial performance of the Company and the value of the Shares and Options. It does not purport to list every risk that may be associated with an investment in Shares now or in the future, and the occurrence or consequences of some of the risks described in this section are partially or completely outside the control of the Company, its Directors and senior management team. The risks are not set out in any particular order in this section.

The selection of risks has been based on an assessment of a combination of the probability of the risk occurring and impact of the risk if it did occur. The assessment is based on the knowledge of the Directors as at the date of this Prospectus, but there is no guarantee or assurance that the importance of different risks will not change or other risks will not emerge.

Before applying for New Shares and New Options, you should satisfy yourself that you have a sufficient understanding of these matters and should consider whether New Shares and New Options are a suitable investment for you, having regard to your own investment objectives, financial circumstances and taxation position. If you do not understand any part of this Prospectus or are in any doubt as to whether to invest in New Shares and New Options, it is recommended that you seek professional guidance from your broker, legal, financial or other professional adviser before deciding whether to invest.

All potential investors should be aware that this is not an exhaustive list of the risks associated with an investment in the Company and should be considered in conjunction with other information disclosed in this Prospectus. There can be no guarantee that the Company will achieve its stated objectives or that any forward looking statements or forecasts contained in this Prospectus will be realised or otherwise eventuate.

### 5.1. Specific risks

#### (a) Failure to retain existing customers and attract new customers

Adslot's business depends on its ability to retain existing customers and growth depends on its ability to attract further business from existing customers and to attract new customers.

There is a risk that customers reduce the use of the Adslot online platforms, such as the Symphony workflow software or the Adslot Media trading platform, for example, in terms of the number of users, number of modules, value of advertising spend transacted and volume of transactions, which results in a reduction in the level of licence fees and trading revenue payments. There is a risk that they cease to use the Symphony workflow software or the Adslot Media trading platform at the end of any contracted periods. Therefore, there is a risk that if customers terminate their contracts, or reduce their usage of Adslot's software or trading platform, Adslot's revenue, including revenue characterised as recurring revenue, could decrease. There is also a risk that existing customers fail to expand their use of Adslot's software or trading platform or that new customers fail to select Adslot's software or trading platform for their businesses.

If customers do not continue to use Adslot's software or trading platform and/or decrease their use over time, and if new customers do not choose to use Adslot's software or trading platform, growth in revenue may slow, or revenue may decline.

#### (b) Decline in advertising volumes and economic conditions

A decline in regional and global advertising volumes or recessionary economic conditions, including in the advertising services market, may adversely affect financial performance. Customers are media buying groups, advertising agencies and online publishers whose business operations depend on regional and global advertising activities which can be closely linked to regional and global economic activity.

#### (c) Adslot operates in a competitive industry

Adslot competes against both other digital advertising software and/or trading platform providers and should they develop in-house software and trading platforms of their own, customers' in-house IT departments. Some existing and potential competitors have more resources than Adslot.

Competitors could increase their competitive position, or Adslot may fail to anticipate and respond to technology changes as quickly as its competitors, competitors may expand their product offering or

lower their product pricing, and new competitors could develop products which compete with Adslot products.

**(d) Loss-making operations**

The Company continues to incur net losses. The Company is implementing various cost reduction and revenue building strategies that are designed to enable the Company to become profitable over time.

**(e) Reliance on Symphony Software and Adslot Media trading platform and failure to adequately maintain and develop them**

Adslot's business model depends on an ability to continue to ensure that customers are satisfied with Symphony workflow software and the Adslot Media trading platform. There is a risk that Adslot may fail to maintain the Symphony workflow software and the Adslot Media trading platform adequately, or that updates may introduce errors and performance issues, causing customer satisfaction in the Symphony workflow software or Adslot Media trading platform to fall. Any of these factors may result in reduced sales and usage, loss of customers, damage to Adslot's reputation, an inability to attract new customers and potentially claims for compensation.

Future revenue and growth also depends on an ability to develop enhancements and new features and modules for the Symphony workflow software and the Adslot Media trading platform so that they continue to meet customer needs, attract new customers and generate additional revenue from increased usage. There is a risk that the development and introduction of new features and modules does not result in a successful outcome for various reasons.

**(f) Failure to realise benefits from product development costs**

Developing software and trading platform technology is expensive and the investment in the development of these product offerings often requires an extended period to achieve a return on investment. An important element of Adslot's corporate strategy is to continue to make investments in innovation and related product opportunities. Adslot believes it must continue to dedicate resources to innovation efforts to develop the software and trading platform product offerings and maintain a competitive position. However, Adslot may not receive significant revenues from these investments for a material period, or may not realise such benefits at all.

**(g) Reliance on third party IT suppliers**

Adslot relies on certain contracts with third party suppliers to maintain and support its IT infrastructure. In particular, Adslot relies on contracts with tier one solution providers for the provision of cloud hosted database, development platform, software or trading platform infrastructure. If contracts with key suppliers are terminated or suffer a disruption for any reason, this could materially adversely impact operations and financial performance.

**(h) Disruption or failure of technology systems**

Both Adslot and its customers are dependent on the performance, reliability and availability of technology platforms, data centres and global communications systems (including servers, the internet, hosting services and the cloud environment in which products are provided). There is a risk that these systems may be adversely affected by disruption, failure, service outages or data corruption that could occur as a result of computer viruses, "bugs" or "worms", malware, internal or external misuse by websites, cyber attacks or other disruptions including natural disasters, power outages or other similar events.

**(i) Security breach and data privacy**

Adslot products involve the storage and transmission of customers' confidential and proprietary information, including intellectual property, confidential business information, information regarding their customers, and other confidential information.

Adslot's business could be materially impacted by security breaches of customer's data and information, either by unauthorised access, theft, destruction, loss of information or misappropriation or release of confidential customer data.

**(j) Ability to attract and retain key personnel**

Adslot's success is dependent upon the retention of key personnel, in particular members of the senior management and product teams. In addition, Adslot needs to attract and retain highly skilled software development engineers.

Competition for such personnel is intense. There is a risk that Adslot may not be able to attract and retain key personnel or be able to find effective replacements for them in a timely manner. The loss of such personnel, or any delay in their replacement, could materially adversely impact Adslot's ability to operate the business, achieve growth strategies and secure prospects, including through the development and commercialisation of new products or modules.

**(k) Country/region specific risks in new and/or unfamiliar markets**

As Adslot expands its presence in new international jurisdictions it is subject to the risks associated with doing business in regions that may have political, legal and economic instability or less sophisticated legal and regulatory systems and frameworks, including (i) unexpected changes in, or inconsistent application of, applicable foreign laws and regulatory requirements, (ii) less sophisticated technology standards; (iii) difficulties engaging local resources; and (iv) potential for political upheaval or civil unrest. As Adslot enters newer and less familiar regions there is a risk that it fails to understand the laws, regulations and business customs of these regions.

**(l) Failure to protect intellectual property rights**

The value of the Adslot brand and products is dependent on an ability to protect intellectual property, including business processes and know-how, copyrights and trademarks. There is a risk that Adslot may be unable to detect the unauthorised use of its intellectual property rights in all instances. Further, actions taken to protect intellectual property may not be adequate or enforceable and thus may not prevent the misappropriation of intellectual property and proprietary information. Breach of intellectual property may result in the need to commence legal action, such as infringement or administrative proceedings, which could be costly, time consuming and potentially difficult to enforce in certain jurisdictions and may ultimately prove unfavourable. Failure to protect intellectual property rights could have an adverse impact on operations and financial performance.

## **5.2. General risks**

Adslot is exposed to a number of other general business risks including risks relating to breach of third party intellectual property rights, failure to keep abreast of changes in political and regulatory environments, foreign exchange, potential litigation and certain investment risks.

The following risks have been identified as being key risks. These risks have the potential to have a significant adverse impact on Adslot which may in turn affect the financial position, prospects and price of its listed securities. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, others can be covered by insurance, but some are outside the control of Adslot and cannot be mitigated or insured against.

**(a) Economic conditions**

The economic condition of both domestic and global markets may affect the performance of Adslot. Factors such as fluctuations in currencies (including exchange rates), commodity prices, inflation rate, interest rates, supply and demand and industrial disruption may have an impact on operating costs and therefore future possible revenues and the share market price.

**(b) Dilution**

Adslot shareholders will be diluted by the issue of New Shares under the Placement and Entitlement Offers.

**(c) Future capital requirements**

The continued operations of Adslot may be dependent on its ability to obtain financing through debt, equity financing or capital raising. There is a risk that Adslot may not be able to access capital for working capital, future projects or developments due to factors beyond its control which could have a material adverse impact on Adslot's business and financial condition.

**(d) Foreign exchange risks**

A proportion of Adslot's revenues, costs, assets and liabilities are denominated in currencies other than Australian dollars. Exchange rate movements affecting these currencies may impact the income statement or assets and liabilities of Adslot, to the extent the foreign exchange rate risk is not hedged or not appropriately hedged.

**(e) Taxation**

Future changes in Australian taxation law, including changes in interpretation or application of the law by the courts or taxation authorities in Australia, may affect taxation treatment of an investment in Adslot shares, or the holding and disposal of those shares. Further, changes in tax law, or changes in the way tax law is expected to be interpreted, in the various jurisdictions in which Adslot operates, may impact the future tax liabilities of Adslot.

**(f) Asset impairment**

As a consequence of the global financial crisis, ASIC has specifically identified impairment of assets as an issue for Australian companies. Consistent with Australian Accounting Standard AASB 136 Impairment of Assets, Adslot is periodically required to assess the carrying value of its non-current assets, including its brands and goodwill. Where the recoverable amount of an asset is assessed to be less than its carrying value, Adslot is obliged to recognise an impairment charge in its income statement. Impairment charges can be significant and can reduce the level of a company's profits and, potentially, its capacity to pay dividends. Impairment charges are a non-cash item.

**(g) Business factors**

The continuing economic viability of Adslot will be dependent on managing risk factors normally found in conducting a business, including management of contractual risks, litigation due to breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise), loss of services of key management or operational personnel or change in tax and accounting laws.

There can be no assurance that parties with whom Adslot has entered into commercial arrangements will adhere to the terms of the contracts and arrangements. There is the potential of material failure by or insolvency of any customer or supplier used by Adslot in any of its activities. Such being the case, this could cause disruption to the operations of Adslot. Adslot is unable to predict the risk of insolvency or other managerial failure by any of its customers or suppliers or other service providers used by Adslot.

All of the mentioned business factors could have a material adverse effect on the results of the operations or the financial condition of Adslot.

**(h) Change in accounting policy**

Adslot is subject to the usual business risk that there may be changes in accounting policies which impact Adslot.

**(i) Share market conditions**

Securities listed on a stock market can experience price and volume fluctuations that are often unrelated to the performance of the company. General factors that may affect the market price of Adslot shares include economic conditions, both locally and internationally, the global security situation, the possibility of terrorist disturbances and changes in government legislation or policy.

**(j) Covid 19**

The COVID-19 pandemic has created an unprecedented level of uncertainty. Although the current impact to Adslot's operations, and demand for its services, is not significant, the evolution of the pandemic and any reimposition or extension of restrictions, including further lockdowns, increased restriction of workforce movement, increased safety protocols, and reduction in demand from Adslot's customers, may negatively impact Adslot's operations in the future.



## 6. Key people - interests and benefits

### 6.1. Directors' interests

#### Holding of Shares

Relevant interests in Shares held by Directors as at the date of this Prospectus are set out in the table below:

Director	Number of Shares held (directly and indirectly) (as at the date of this Prospectus)	Voting power in Shares (as at the date of this Prospectus) <sup>1</sup>	Number of Options held
Andrew Barlow	84,743,388	3.84%	-
Adrian Giles	17,328,483	0.79%	-
Ben Dixon	40,754,588	1.85%	18,000,000
Sarah Morgan	1,776,089	0.08%	-
Andrew Dyer	66,096,971	3.00%	8,200,000
Tom Triscari	-	-	6,000,000

Note 1: based on there being 2,204,348,381 shares on issue as at the date of this Prospectus.

#### Remuneration

The table below sets out the annual fees paid to each current Director in the two years prior to the lodgement of this Prospectus.

Director	Financial year to date	FY22	FY21
Andrew Barlow	\$66,667	\$100,000	\$75,000
Adrian Giles	\$50,000	\$75,000	\$56,250
Ben Dixon	\$317,416	\$362,577	\$592,644
Sarah Morgan	\$50,000	\$75,000	\$56,250
Andrew Dyer	\$24,462	\$35,161	\$46,505
Tom Triscari	\$327,116	\$184,327	-
<b>Total</b>	<b>\$835,660</b>	<b>\$832,065</b>	<b>\$826,649</b>

As announced by the Company on 31 March 2023, as part of a series of cost reductions, the non-executive Directors of the Company have agreed to defer all director's fee payments until 30 June 2023, after which time the Board will re-assess whether continued deferrals are appropriate.

### Intentions of Directors

Each Director will be entitled to participate in the Entitlement Offer to the extent that the Director (or their associated entities) holds Existing Shares at the Record Date.

As described in section 7.7, Mr Andrew Barlow, Mr Andrew Dyer and Mr Ben Dixon have agreed, in addition to taking up their entitlement in full, that they or their associated entities will sub-underwrite a portion of the Entitlement Offer.

## 6.2. Potential effect on control of the Company

The Entitlement Offer is fully underwritten by the Underwriter, who has entered into or will enter into sub-underwriting arrangements.

To the extent that Shareholders do not take up their entitlement under the Entitlement Offer, their holding in the Company may be diluted.

Example Shareholder	Number of shares held at Record Date	% at Record Date	Entitlement under Entitlement Offer	Holding if Entitlement not taken up	% if maximum shares are issued under the Placement and Entitlement Offer <sup>1</sup>
1	50,000,000	2.27%	17,011,830.04	50,000,000	1.53%
2	100,000,000	4.54%	34,023,660.07	100,000,000	3.06%
3	500,000,000	22.68%	170,118,300.37	500,000,000	15.31%

Note 1: this assumes the Placement and Entitlement Offer are fully taken up, and no options are exercised.

Based on information available to the Company, those Shareholders with a relevant interest in 5% or more of the Shares on issue as at the date of this Prospectus are as follows:

Substantial Shareholder	Number of shares held	Voting power <sup>1</sup>
Private Portfolio Managers Pty Ltd	208,907,133	9.48%
Peter Diamond & Diana Diamond Superannuation Fund	158,000,000	7.17%
Jencay Capital Pty Limited	166,955,075	7.57%
Geoff Dixon	113,929,061	5.17%
Andama Holdings Pty Ltd ATF J&M Barlow Pension Fund	112,434,721	5.10%

Note 1: this assumes total Shares on issue of 2,204,348,381.

## 6.3. Interests of experts and advisers

Except as disclosed in this Prospectus, no:

- person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus;
- promoter of the Company; or
- broker or underwriter to the Offers,

(each a **relevant person**) holds, at the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offers; and
- (f) the Offers.

Except as set out in this Prospectus, no one has paid or agreed to pay any amount or given or agreed to give any benefit for services provided by a relevant person in connection with the formation or promotion of the Company or the Offers. The amounts below are exclusive of GST.

Canaccord Genuity (Australia) Limited is acting as Underwriter and Lead Manager to the Company in connection with the Entitlement Offer. The Underwriter is entitled to receive the fees and commissions described in the summary of the Underwriting Agreement in section 7.6.

Hall & Wilcox has acted as Australian legal adviser to the Company in connection with the Offers. The Company has agreed to pay \$50,000 (excluding GST and disbursements) for legal services in connection with the Offers to the date of this Prospectus. Further amounts may be paid to Hall & Wilcox in accordance with its usual time-based charges.

## 7. Additional information

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### 7.1. Tax

The Company is taxed as an Australian tax resident public company for the purpose of Australian income tax law.

Recipients of this Prospectus and the Offers should seek and obtain their own taxation advice.

### 7.2. Nature of this Prospectus

Shares in the Company have been continuously quoted for more than three months prior to the date of this Prospectus.

As a result of this, this Prospectus is a “transaction-specific prospectus” for continuously quoted securities to which the special content rules under section 713 of the Corporations Act apply.

In general terms, a transaction specific prospectus is only required to contain information in relation to the effect of the issue of securities on a company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

As an ASX-listed company, the Company has provided the ASX with a substantial amount of information regarding its activity and that information is publicly available on the ASX market announcements platform. The Prospectus is intended to be read in conjunction with that publicly available information. You should therefore review and have regard to all other publicly available information before making a decision of whether or not to invest.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

### 7.3. Reporting and disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act. As such, the Company is subject to the regime of continuous disclosure and periodic reporting requirements.

As a listed company, the Company is subject to the ASX Listing Rules, which (in addition to the Corporations Act) require continuous disclosure to the market of any information possessed by the

Company which a reasonable person would expect to have a material effect on the price or value of its Shares (subject to certain exceptions).

In accordance with the Corporations Act and the ASX Listing Rules, the Company is required to prepare and lodge with ASIC and the ASX yearly and half-yearly financial reports.

#### 7.4. Availability of other documents

The ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at the ASX during normal working hours, and the Company's announcements may be viewed on the ASX website ([www.asx.com.au](http://www.asx.com.au)). In addition, documents lodged by, or in relation to the Company, with ASIC may be obtained from, or inspected at, an ASIC office.

The Company will provide a copy of any of the following documents, free of charge, to any investor who so requests during the application period under this Prospectus:

- (a) the annual financial report for the year ended 30 June 2022;
- (b) the half year financial report for the half-year ended 31 December 2022; and
- (c) any other document used to notify the ASX of information relating to the Company under the continuous disclosure provisions of the Listing Rules and the Corporations Act before lodgement of this Prospectus with ASIC.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with ASIC are set out in the table below.

Date	Description of announcement
9/06/2023	Changes to Board
9/06/2023	Capital Raise announcement
7/06/2023	Commercial update
7/06/2023	Trading halt
3/05/2023	Change in substantial holding
26/04/2023	Quarterly Activities/Appendix 4C Cash Flow Report
31/03/2023	Progress Update
31/03/2023	Cost Reductions and Update on Strategic Review
23/03/2023	Notification of cessation of securities – ADS
1/03/2023	FY2023 Half Year Results Presentation
1/03/2023	Adslot signs Marketing Alliance term sheet with Operative
28/02/2023	Half Yearly Report and Accounts
22/02/2023	Change in substantial holding
22/02/2023	Becoming a substantial holder
3/02/2023	Notification of cessation of securities – ADS
1/02/2023	Investor Webinar Presentation
31/01/2023	Quarterly Activities/Appendix 4C Cash Flow Report
24/01/2023	Investor Webinar – Quarterly Trading Update
21/11/2022	Change of Director's Interest Notice

Date	Description of announcement
21/11/2022	Notification regarding unquoted securities – ADS
16/11/2022	Notification of cessation of securities – ADS
16/11/2022	Results of 2022 Annual General Meeting
16/11/2022	2022 AGM – Chairman’s Address and CEO Presentation
10/11/2022	FY2022 R&D received
2/11/2022	Investor Webinar Presentation
31/10/2022	Quarterly Activities/Appendix 4C Cash Flow Report
26/10/2022	Investor Webinar – Quarterly Trading Update

All documents are available on the Company’s website (<https://www.adslot.com/>) and on the ASX website ([www.asx.com.au](http://www.asx.com.au)).

All requests for copies of the above documents should be addressed to:

Attn: Mr Ben Dixon  
Chief Executive Officer  
Adslot Ltd  
Level 2, 419 Collins Street  
Melbourne VIC 3000  
[investor.relations@adslot.com](mailto:investor.relations@adslot.com)

## 7.5. Description of the Underwriter

The Underwriter to the Entitlement Offer is Canaccord Genuity (Australia) Limited.

## 7.6. Underwriting Agreement

Settlement of the Entitlement Offer is underwritten by the Underwriter pursuant to an underwriting agreement between the Company and the Underwriter entered into on or about the date of this Prospectus (**Underwriting Agreement**). Under the Underwriting Agreement, the Underwriter has agreed to underwrite the Entitlement Offer. The following is a summary of the terms of the Underwriting Agreement.

### (a) Fees, costs and expenses

The Underwriter will be remunerated by the Company for managing and providing lead manager and underwriting services in relation to the Offers as follows:

- a selling and management fee equal to 2% of the proceeds from the Placement (expected to be \$22,000),
- an underwriting fee equal to 4% of the proceeds from the Placement (expected to be \$44,000),
- a selling and management fee equal to 2% of the proceeds from the Entitlement Offer (expected to be \$62,981.38); and
- an underwriting fee equal to 4% of the proceeds from the Entitlement Offer (expected to be \$125,962.76).

In addition to the fees described above, the Company has agreed to reimburse the Underwriter for reasonable costs reasonably incurred in connection with the Offers (other than fees payable to sub-underwriters, co-lead managers, co-managers or sales agents), including costs for legal counsel capped at \$10,000. The Underwriter must obtain the Company’s consent prior to incurring any single expense greater than \$2,000 other than the aforementioned legal costs.

### (b) Conditions Precedent

The following general conditions precedent apply:

- **(Trading halt)** ASX having granted the Company before 9.30am on the date for the trading halt a trading halt; and

- **(Due diligence)** the Underwriter having received, by no later than 9:00am on the date of the trading halt, or such other time as the Underwriter agrees in writing, a copy of various due diligence documentation;
- **(Information Documents)** the Company lodging the Prospectus, an ASX release and an Appendix 3B by no later than 10.00am on the announcement date.

The Underwriter's obligations to underwrite the Placement are conditional on the satisfaction or waiver of:

- **(Satisfaction of conditions)** satisfaction or waiver in writing of each of the conditions precedent described directly above;
- **(Certificate and sign-off)** the Underwriter receiving a certificate and a new circumstances sign-off;
- **(Official quotation)** on or before the date of issue of the Placement Shares, ASX not having indicated to the Company or the Underwriter that it will not grant permission for the official quotation of the Entitlement Offer Shares and Placement Shares.

The Underwriter's obligations to underwrite the Entitlement Offer are conditional on the satisfaction or waiver of:

- **(Satisfaction of conditions)** satisfaction or waiver in writing of each of the conditions precedent described directly above both generally and for the underwriting of the Placement;
- **(Initial allotment)** the Company issuing the Placement Shares in accordance with this agreement and the timetable and those Shares commencing trading on ASX;
- **(Prospectus)** the Company completing the dispatch of the Prospectus on the dispatch date;
- **(Official quotation)** on or before the date of issue of the Placement Shares, ASX not having indicated to the Company or the Underwriter that it will not grant permission for the official quotation of the Entitlement Offer Shares or the Placement Shares; and
- **(Shortfall Notice, Certificate and sign-off)** the Underwriter receiving a shortfall notice (if there are any shortfall shares), certificate and a new circumstances sign-off.

### (c) Termination

The Underwriter may terminate the Underwriting Agreement at any time prior to 2pm on the "second settlement date" (being the date on which the Underwriter is to subscribe or procure subscriptions for any shortfall from the Entitlement Offer) by giving notice to the Company and without any cost or liability, if any of the following events occurs:

- **(Listing)** The Company ceases to be admitted to the official list of ASX or the Shares are suspended from trading on, or cease to be quoted on ASX or it is announced by ASX or the Company that such an event will occur.
- **(Insolvency)** The Company or a subsidiary which represents 5% or more of the consolidated assets or earnings of the Company group (**Material Subsidiary**) is insolvent or there is an act or omission, or a circumstance arises, which is reasonably likely to result in the Company or a Material Subsidiary becoming insolvent.
- **(Withdrawal)** The Company withdraws all or any part of the Offers.
- **(Offer force majeure)** There is an event or occurrence, including any statute, order, rule, regulation, directive or request of any governmental agency, which makes it illegal for the Underwriter to satisfy a material obligation of the Underwriting Agreement or to market, promote or settle the Offers.
- **(Unable to issue)** The Company is unable to issue or prevented from issuing any New Shares (or attaching New Options) as contemplated by this agreement by virtue of the ASX Listing Rules, applicable laws, a governmental agency or an order of a court of competent jurisdiction.
- **(Repayment of application moneys)** Any circumstance arises after lodgement of the Prospectus with ASIC that results in the Company either repaying the money received from applicants or offering applicants an opportunity to withdraw their applications for Entitlement Offer Shares and be repaid their application moneys.
- **(Withdrawal of consent)** Any person (other than the Underwriter):
  - whose consent to the issue of the Prospectus is required under section 716 or 720 of the Corporations Act, does not provide that consent (in a form acceptable to the Underwriter, acting reasonably); or

- who has previously consented to the inclusion of their name or any statement in the Prospectus or any supplementary prospectus withdraws that consent.
- **(Regulatory action in relation to directors and senior executives)**
  - a director or the chief executive officer or chief financial officer of the Company is charged with an indictable offence or fraudulent conduct;
  - any director of the Company is disqualified under the Corporations Act from managing a corporation; or
  - any regulatory body commences any public action against the Company, or any director or the chief executive officer or chief financial officer of the Company, or publicly announces that it intends to take any such action.
- **(Change in management)** There is a change (or a change is announced) in the chief executive officer, chief financial officer or chairman of the Company, other than one which has already been disclosed to ASX or in any public information or disclosed to the Lead Manager before the date of this agreement.
- **(Capital structure)** Except as disclosed in the information documents lodged with ASX before or on the Announcement Date, there is an alteration to the Company's capital structure without the prior consent of the Underwriter or other than as is provided in this agreement or as a result of the Offers.
- **(Market fall)** The S&P/ASX Small Ordinaries Index falls to a level which is 10% or more below the level of that index on the close of trading on the Business Day before the date of the Underwriting Agreement and closes at or below that level:
  - on any two consecutive Business Days after the date of this agreement and on or before the Business Day immediately prior to the 'Second Settlement Date' (as defined in the Underwriting Agreement); or
  - at the close of trading on the Business Day immediately prior to the First Settlement Date or Second Settlement Date (as those terms are defined in the Underwriting Agreement).
- **(ASIC action) ASIC:**
  - applies for an order under Part 9.5 of the Corporations Act in relation to the Offer, the issue of the New Shares or any information document (as defined in the Underwriting Agreement);
  - holds, or gives notice of intention to hold, a hearing, inquiry or investigation in relation to the Offer, the issue of the New Shares or any information document under the Corporations Act or the *Australian Securities and Investments Commission Act 2001* (Cth);
  - prosecutes or gives notice of an intention to prosecute, or commences proceedings against, or gives notice of an intention to commence proceedings against, the Company or any of its officers, employees or agents in relation to the Offers, the issue of the New Shares or any information document under the Corporations Act or the *Australian Securities and Investments Commission Act 2001* (Cth),

except in circumstances where the existence of the application, hearing, inquiry, investigation, prosecution or notice has not become public and it has been withdrawn by the date that is the earlier of:

- the Business Day immediately preceding the First Settlement Date or the Second Settlement Date (as applicable) (as those terms are defined in the Underwriting Agreement); or
  - the date that is 3 Business Days after the application, hearing, inquiry, investigation, prosecution or notice is commenced or received.
- **(Application)** There is an application to a governmental agency (including the Takeovers Panel) for an order, declaration (including of unacceptable circumstances) or other remedy in connection with the Offers (or any part of them), except in circumstances where the existence of the application has not become public and has been withdrawn, discontinued or terminated by the date that is the earlier of:
  - the Business Day immediately preceding the First Settlement Date or the Second Settlement Date (as applicable) (as those terms are defined in the Underwriting Agreement); or
  - the date that is 3 Business Days after the application, hearing, inquiry, investigation, prosecution or notice is commenced or received.
- **(Determination)** ASIC makes a determination under:

- subsection 708A(2) of the Corporations Act; or
  - subsection 713(6) of the Corporations Act.
- **(Corrective statement)** In the opinion of the Underwriter (acting reasonably), the Company becomes required to give, in respect of the Placement cleansing notice which is defective, a notice in accordance with subsection 708A(9) of the Corporations Act, to correct the Placement cleansing notice.
- **(Supplementary prospectus)** A supplementary prospectus:
  - is lodged by the Company without the prior written consent of the Underwriter (not to be unreasonably withheld or delayed); or
  - must be lodged with ASIC under section 719 of the Corporations Act.
- **(Section 730 notice)** A person other than the Underwriter gives a notice to the Company under section 730 of the Corporations Act that is in the reasonable opinion of the Underwriter materially adverse from the point of view of an investor.
- **(Authorisations)** Any:
  - material licence, lease, permit, concession, tenement, authorisation or concession of the Company group (**Authorisation**) is, or is reasonably likely to be, invalid, revoked or unenforceable, including as a result of the introduction of new legislation in the relevant jurisdiction; or
  - Authorisation is breached or not complied with in a material respect;
- **(Compliance)** The Company commits a breach of the Corporations Act, ASX Listing Rules or its Constitution.
- **(Certificate)** A certificate which is required to be furnished by the Company under the Underwriting Agreement is not furnished when required, or if furnished is untrue, incorrect or misleading or deceptive in any material respect (including by omission).
- **(ASX approval)** Unconditional approval (or conditional approval, provided such condition would not have a material adverse effect on the success or settlement of the Offer) by ASX for official quotation of the New Shares is refused or is not granted by the time required to issue the relevant New Shares in accordance with the timetable or, if granted, is modified (in a manner which would have a material adverse effect on the success or settlement of the Offers) or withdrawn.
- **(Timetable)** Any event specified in the timetable for the Offers is delayed other than as consented to by the Underwriter in accordance with the Underwriting Agreement.

The Underwriter may terminate the Underwriting Agreement at any time prior to 2pm on the “second settlement date” (being the date on which the Underwriter is to subscribe or procure subscriptions for any shortfall from the Entitlement Offer) by giving notice to the Company and without any cost or liability, if any of the following events occurs and the Underwriter has reasonable grounds to believe the event has had or is likely to have a material adverse effect of could give rise to a contravention by, or liability of, the Underwriter under any applicable law or regulation:

- **(Prospectus)** The Prospectus:
  - is or becomes misleading or deceptive (including misleading within the meaning of section 728(2) of the Corporations Act); or
  - does not contain all information required to comply with the Corporations Act (in particular having regard to section 713 of the Corporations Act).
- **(Public Information)** A statement in any of the Public Information (as that term is defined in the Underwriting Agreement) is or becomes misleading or deceptive or is likely to mislead or deceive, in each case in a material respect.
- **(Breach)** The Company fails to perform or observe any of its obligations under this agreement or fails to comply with any applicable law (other than the Corporations Act and ASX Listing Rules).
- **(Due Diligence)** Any of the documents required to be provided under the Due Diligence Planning Memorandum (as that term is defined in the Underwriting Agreement), including the Due Diligence Report (as that term is defined in the Underwriting Agreement), having been withdrawn, or varied without the prior written consent of the Lead Manager.
- **(Information)** The Due Diligence Report or the information provided by or on behalf of the Company to the Lead Manager in relation to the Due Diligence Program, the Information Documents or the Offer, is false, misleading or deceptive or likely to mislead or deceive (including by omission).



- **(Representations and warranties)** A representation or warranty made or given by the Company under this agreement is breached or proves to be, or has been, or becomes, untrue or incorrect or misleading or deceptive.
- **(Legal proceedings)** Legal proceedings against the Company, any other Company group member or against any director of the Company or any other Company group member in that capacity is commenced or any regulatory body commences any enquiry or public action against a Company group member.
- **(Conduct)** The Company or any of its directors or officers engages in misleading or deceptive conduct or activity in connection with the Offer.
- **(New circumstance)** A new circumstance arises which is a matter adverse to investors in New Shares and which would have been required by the Corporations Act to be included in the Prospectus had the new circumstance arisen before the Prospectus was given to ASX.
- **(Adverse change)** There is an adverse change, or an event occurs that is reasonably likely to give rise to an adverse change, in the business, assets, liabilities, financial position or performance, operations, management, outlook or prospects of the Company or the Group (in so far as the position in relation to any entity in the Group affects the overall position of the Company).
- **(Future matters)** Any expression of belief, expectation or intention, or statement relating to future matters (including any forecast or prospective financial statements, information or data) in an Information Document or Public Information is or becomes incapable of being met or, in the reasonable opinion of the Lead Manager, is reasonably unlikely to be met in the projected timeframe.
- **(Information Documents misleading)** Any:
  - statement in an Information Document is or becomes false, misleading or deceptive or likely to mislead or deceive; or
  - Information Document does not contain all information required to comply with all applicable laws.
- **(Information Documents issued or varied without approval)** The Company:
  - issues an Information Document without the prior approval of the Lead Manager (such approval not to be unreasonably withheld); or
  - varies or withdraws an existing Information Document without the prior approval of the Lead Manager (such approval not to be unreasonably withheld).
- **(Change in law)** There is introduced into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a law or prospective law or any new regulation is made under any law, or a Governmental Agency or the Reserve Bank of Australia adopts a policy, or there is an official announcement on behalf of the Government of the Commonwealth of Australia or any State or Territory of Australia or a Governmental Agency that such a law or regulation will be introduced or policy adopted (as the case may be) (other than a law or policy that has been announced before the date of this agreement), any of which does or is reasonably likely to prohibit or regulate the Offer or adversely affects the Group.
- **(Disruption in financial markets)** Any of the following occurs:
  - a general moratorium on commercial banking activities in Australia, New Zealand, the United States, the United Kingdom, a member state of the European Union or the People's Republic of China (including Hong Kong) is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or
  - trading in all securities quoted or listed on the ASX, the London Stock Exchange, the New York Stock Exchange, Euronext or the Hong Kong Stock Exchange is suspended or limited in a material respect; or
  - the occurrence of any other adverse change or disruption to financial, political or economic conditions, currency exchange rates or controls or financial markets in Australia, New Zealand, the United States, the United Kingdom, a member state of the European Union Hong Kong or any change or development involving such a prospective adverse change in any of those conditions or markets.
- **(Hostilities)** Major hostilities not existing at the date of this agreement commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States, Japan, Singapore, the United Kingdom, a member state of the European Union, Russia, Ukraine or the Peoples Republic of China (including Hong Kong) or a national

emergency is declared by any of those countries, or a major terrorist act is perpetrated anywhere in any of those countries.

- **(Prescribed Occurrence)** A Prescribed Occurrence in respect of the Company occurs during the Offer Period, other than:
  - as contemplated by the Underwriting Agreement or pursuant to the Offers;
  - in a manner described in an issued management questionnaire or the ASX release or any public information lodged with ASX on or before the date of the Underwriting Agreement;
  - the Company issuing securities pursuant to:
  - the exercise or conversion of any security on issue as at the date of the Underwriting Agreement;
  - any employee incentive scheme in operation as at the date of the Underwriting Agreement; or
  - any distribution reinvestment plan; or
  - as permitted in writing by the Underwriter.

(d) **Other**

The Company has agreed to, subject to certain carve outs, indemnify the Underwriter and its officers, agents and advisers for all losses and liability incurred arising out of the Offers.

The Underwriting Agreement contains standard representations and warranties for an agreement of this nature given by the Company in favour of the Underwriter.

## 7.7. Related party sub-underwriting

The Underwriter has identified four related party sub-underwriters, being:

- Mr John Barlow (and/or his nominee(s)), the father of Andrew Barlow, a Director of the Company;
- Mr Andrew Barlow (and/or his nominee(s)), a Director of the Company;
- Mr Andrew Dyer (and/or his nominee(s)), a Director of the Company; and
- Mr Ben Dixon (and/or his nominee(s)), a Director of the Company.

Each of the above related party sub-underwriters have entered into or propose to enter into a separate agreement with the Underwriter to sub-underwrite part of the Shortfall. Details of the sub-underwriting arrangements between each of the related parties sub-underwriters and the Underwriter, which are or will be on similar terms, are set out below:

Each sub-underwriter has agreed, or intends, to take up their full entitlement, and take up the following Shortfall:

- Mr John Barlow: \$1,015,609 of the Shortfall (for a sub-underwriting fee of \$20,312.18);
- Mr Andrew Barlow: \$53,938 of the Shortfall (for a sub-underwriting fee of \$1,078.76);
- Mr Andrew Dyer: \$55,576 of the Shortfall (for a sub-underwriting fee of \$1,111.52); and
- Mr Ben Dixon: \$16,779 of the Shortfall (for a sub-underwriting fee of \$335.58)

The summary of the key terms of the sub underwriting agreements are as follows:

- the issue of Shortfall Shares is conditional on the completion of the Entitlement Offer;
- each sub-underwriter will be paid a fee of 2% of the sub-underwritten amount, payable by the Underwriter; and
- the key events that would cause the right to participate in the sub underwriting to lapse are as follows:
  - the Entitlement Offer does not proceed or is withdrawn;
  - the Lead Manager and the Company do not execute between them the lead manager agreement;
  - the lead manager agreement is terminated in accordance with its terms;
  - the sub-underwriter breaches the sub-underwriting agreement and the Underwriter gives them notice of termination; or
  - the Company does not pay the Underwriter its fees under the Underwriting Agreement.

The table below sets out the aggregate relevant interest of the sub-underwriters in the event that of the existing shareholdings in which each sub-underwriter has a relevant interest each take up their entitlements in full under the Entitlement Offer and each sub-underwriter subscribes for its full sub-underwriting commitment as described above:

Related Party Subunderwriter	Existing shares	Current %	Shares post Entitlement Offer and sub underwriting	% post Entitlement Offer and sub underwriting
Mr John Barlow	129,073,821	5.9%	429,073,821	13.1%
Mr Andrew Barlow	84,743,388	3.8%	128,493,384	3.9%
Mr Andrew Dyer	66,096,971	3.0%	103,596,971	3.2%
Mr Ben Dixon	40,754,588	1.8%	59,504,588	1.8%
<b>Total</b>	<b>320,668,768</b>	<b>14.5%</b>	<b>720,668,764</b>	<b>22.0%</b>

*Note: the above assumes all possible shares are issued under the Placement and Entitlement Offer, and that no Options are exercised.*

## 7.8. Costs of the Offers

The costs of the Offers payable by the Company (exclusive of GST) are listed below.

Item	Cost
ASIC lodgement fee	\$3,206
ASX quotation fee	\$29,970
Legal expenses	\$50,000
Share registry expenses	\$55,343
Underwriting fee	\$254,944.15
<b>Total</b>	<b>\$393,463</b>

## 7.9. Rights and liabilities attaching to Shares

The rights and liabilities attaching to ownership of Shares arise from a combination of the Constitution, statute, the ASX Listing Rules and general law. A summary of the significant rights, liabilities and obligations attaching to the Shares and a description of other material provisions of the Constitution are set out below. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Shareholders.

### Voting at a general meeting

At a general meeting of the Company, every Shareholder present in person or by proxy, representative or attorney has one vote on a show of hands and, on a poll, one vote for each fully paid Share held by that Shareholder.

### **Meetings of members**

Each Shareholder is entitled to receive notice of, attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act and the Listing Rules.

### **Dividends**

The Board may from time to time resolve to pay dividends to Shareholders and fix the amount of the dividend, the time for determining entitlements to the dividend and the timing and method of payment.

### **Transfer of Shares**

Subject to the Constitution, Shares may be transferred by a proper transfer effected in accordance with the ASX Settlement Operating Rules, by a written instrument of transfer which complies with the Constitution or by any other method permitted by the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules.

The Board may refuse to register a transfer of Shares where permitted to do so under the Corporations Act or the Listing Rules. The Board must refuse to register a transfer of Shares when required to by the Corporations Act, the Listing Rules or an applicable restriction deed.

### **Issue of further shares**

Subject to the Corporations Act, the Listing Rules and the Constitution and any rights and restrictions attached to a class of shares, the Company may issue, or grant options in respect of, or otherwise dispose of further shares on such terms and conditions as the Directors resolve.

### **Winding up**

If the Company is wound up, then subject to the Constitution and any special resolution or preferential rights or restrictions attached to a class of shares, any surplus must be divided among the Company's members in the proportions which the amount paid and payable (including amounts credited) on the shares of a member is of the total amount paid and payable (including amounts credited) on the shares of all members of the Company.

### **Unmarketable parcels**

Subject to the Corporations Act, the Listing Rules and the ASX Settlement Operating Rules, the Company may sell or buy back the Shares of a Shareholder who holds less than a marketable parcel of Shares (unless the Shareholder has notified the Company in writing that they wish to retain their Shares).

### **Variation of class rights**

At present, the Company's only class of shares on issue is ordinary shares. The rights attaching to any class of shares may be varied in accordance with the Corporations Act.

### **Directors – appointment**

Under the Constitution, the minimum number of Directors that may comprise the Board is three and the maximum is ten. The Directors may appoint a Director to fill a casual vacancy on the Board or in addition to the existing Directors, who will then hold office until the next annual general meeting of the Company.

### **Directors – voting**

Questions arising at a meeting of the Board will be decided by a majority of votes of the Directors present at the meeting and entitled to vote on the matter. In the case of an equality of votes on a resolution, the chairperson of the meeting has a casting vote.

### **Directors – remuneration**

The Directors are to be paid out of the funds of the Company as remuneration for their services as Directors, as determined by (for executive Directors) the Directors, and (for non-executive Directors) from a pool set by the Company in general meeting.

The remuneration of the Directors for the last two financial years is set out in section 6.1.

The Constitution also makes provision for:

- (a) any director who devotes special attention to the business of the Company, or who otherwise performs services which in the opinion of the Board of Directors are out of scope of the ordinary duties of a Director, or who at the request of the Board engages in any journey on the business of the Company. may be paid extra remuneration as determined by the Board of Directors; and
- (b) Directors may also be reimbursed for expenses reasonably incurred in attending to the Company's affairs, including expenses associated with reasonable travel, hotel and other expenses incurred by the Directors in attending and returning from meetings of the Board of Directors or any committee of the Directors or general meetings of the Company or otherwise in connection with the Company's business.

#### **Indemnities**

The Company, to the extent permitted by law, indemnifies every person who is or has been an officer of the Company against any liability (other than for legal costs) incurred by that person as an officer of the Company, and reasonable legal costs incurred by such persons in defending an action for a liability incurred by that person. The Company, to the extent permitted by law, may make an advance to an officer an amount it would otherwise be liable to pay under the above indemnities, on such terms as the Directors see fit.

The Company, to the extent permitted by law, may pay, or agree to pay, a premium for a contract insuring a person who is or has been a Director against any liability incurred by that person as an officer of the Company .

#### **Amendment**

The Constitution may be amended only by special resolution passed by at least three-quarters of the Shareholders present (in person or by proxy) and entitled to vote on the resolution at a general meeting of the Company. The Company must give at least 28 days written notice of a general meeting.

### **7.10. Terms of, and rights and liabilities attaching to, the New Options**

- (a) The New Options will be issued for no cash consideration.
- (b) The exercise price of each New Option is \$0.006 (**Exercise Price**).
- (c) Each New Option will be exercisable, upon payment to the Company of the Exercise Price, for one ordinary share in the capital of the Company (Share), subject to adjustment in accordance with paragraph 13.
- (d) The New Options will expire at 5:00pm AEDT on 31 December 2024 (**Expiry Date**).
- (e) The New Options are transferable, subject to compliance with applicable law.
- (f) The Company does not intend to apply for the New Options to be listed on the ASX.
- (g) The New Options may be exercised at any time before the Expiry Date, wholly or in part, by delivering a duly completed form of notice of exercise, together with payment for the Exercise Price per New Option, to the Company at any time on or after the date of issue of the New Options and on or before the Expiry Date. Payment may be made as directed by the Company from time to time, which may include by cheque, electronic funds transfer or other methods.
- (h) Upon the valid exercise of New Options and payment of the Exercise Price, the Company will, within 3 Business Days, issue fully paid Shares ranking pari passu with the then issued Shares.
- (i) New Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide New Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the New Options, in accordance with the requirements of the ASX Listing Rules.
- (j) New Option holders do not participate in any dividends unless the New Options are exercised and the resultant Shares are issued prior to the record date to determine entitlements to the dividend.
- (k) In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
  - a. the number of New Options, the Exercise Price of the Options, or both will be reorganised (as appropriate) in a manner consistent with the ASX Listing Rules as applicable at the time of reorganisation, but with the intention that such reorganisation will not result in any benefits being conferred on the holders of the New Options which are not conferred on shareholders; and
  - b. subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reorganisation of capital, in all other respects the terms for the exercise of the New Options will remain unchanged.

- (l) If there is a pro rata issue (except a bonus issue), the Exercise Price of a New Option may be reduced according to the following formula:

$$O_n = \frac{O - E [P - (S + D)]}{N + 1}$$

Where:

- $O_n$  = the new exercise price of the New Option;
- $O$  = the old exercise price of the New Option;
- $E$  = the number of underlying securities into which one New Option is exercisable;
- $P$  = the volume weighted average market price per security of the underlying securities during the five trading days ending on the day before the ex right date or the entitlements date;
- $S$  = the subscription price for a security under the pro rata issue;
- $D$  = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue); and
- $N$  = the number of securities with rights or entitlements that must be held to receive a right to one new security.

- (m) If there is a bonus issue to the holders of Shares, the number of Shares for which a New Option is exercisable may be increased by the number of Shares which the New Option holder would have received if the New Option had been exercised before the record date for the bonus issue.
- (n) The terms of the New Options will only be changed if holders of Shares (excluding any holders whose votes are to be disregarded) approve of such a change. However, unless all necessary waivers of the ASX Listing Rules are obtained, the terms of the New Options may not be changed to reduce the Exercise Price, increase the number of New Options or change any period for exercise of the New Options.
- (o) The Company will apply for listing of the resultant Shares issued upon exercise of any New Options.

### 7.11. ASX and ASIC

The Company has not obtained any ASIC relief from compliance with the Corporations Act or waivers from ASX from the application of the Listing Rules in connection with this Entitlement Offer.

### 7.12. Representations by acceptance

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY® as outlined in section 2, you will be deemed to have represented to the Company that you are an Eligible Shareholder and:

- (a) acknowledge that you have read and understand this Prospectus and your personalised Entitlement and Acceptance Form in their entirety;
- (b) agree to be bound by the terms of the Entitlement Offer and the Placement Offer, the provisions of this Prospectus, and the Company's Constitution;
- (c) authorise convertible securities certificate and holding statement to register you as the holder(s) of New Shares and New Options allotted to you;
- (d) declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- (e) declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;

- (f) acknowledge that once the Company receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY®, you may not withdraw your application or funds provided except as allowed by law;
- (g) agree to apply for and be issued up to the number of New Shares and New Options specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY®, at the Offer Price per New Share;
- (h) authorise the Company, the Underwriter, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares and New Options to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- (i) acknowledge and agree that:
  - a. determination of eligibility of investors for the purposes of the Offers is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company and/or the Underwriter; and
  - b. the Company and the Underwriter, each of their respective related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents disclaim any duty or liability (including negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- (j) if you are participating in the Entitlement Offer, declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (k) acknowledge that the information contained in this Prospectus and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares and New Options are suitable for you given your investment objectives, financial situation or particular needs and that you have read the TMD in respect of the New Options;
- (l) acknowledge the statement of risks included in section 5 of this Prospectus, and that investments in the Company are subject to risk;
- (m) acknowledge that none of the Company, the Underwriter, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of the Company, nor do they guarantee the repayment of capital;
- (n) agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Offers including, in the case of participation in the Entitlement Offer, of your holding of Shares on the Record Date;
- (o) authorise the Company to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- (p) represent and warrant (for the benefit of the Company, the Underwriter and their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Entitlement Offer either directly or through a nominee, are not an Ineligible Shareholder and are otherwise eligible to participate in the Entitlement Offer;
- (q) represent and warrant that the law of any place does not prohibit you from being given this Prospectus and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Entitlement Offer;
- (r) represent and warrant that you are not in the United States and you are not acting for the account or benefit of a person in the United States (to the extent such person holds ordinary shares in the Company and is acting for the account or benefit of a person in the United States);

- (s) you understand and acknowledge that the Entitlements and the New Shares and Options under the Offers have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States. Accordingly, the Entitlements under the Entitlement Offer may not be issued to, taken up, or exercised by, and the New Shares and New Options to be offered or sold in the Offers may not be offered or sold to persons in the United States or persons who are acting for the account or benefit of a person in the United States (to the extent such person holds ordinary shares in the Company and is acting for the account or benefit of a person in the United States). You further understand and acknowledge that the Entitlements under the Entitlement Offer and the New Shares and New Options under the Offers may only be offered, sold and resold outside the United States in “offshore transactions” (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act;
- (t) represent and warrant that you are subscribing for or purchasing New Shares and New Options outside the United States in an “offshore transaction” (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act;
- (u) declare that if in the future you decide to sell or otherwise transfer any New Shares or New Options, you will only do so in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act, including in a standard (regular way) brokered transaction on the ASX, where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States, in accordance with Regulation S under the US Securities Act;
- (v) represent and warrant that you have not and will not send this Prospectus, the Entitlement and Acceptance Form, or any other materials relating to the Offers to any person in the United States or any other country outside Australia; and
- (w) declare that if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia (or in the case of a beneficial holder who is an Eligible Shareholder, Australia or New Zealand) and is not in the United States and is not acting for the benefit of a person in the United States (to the extent such person holds ordinary shares in the Company and is acting for the account or benefit of a person in the United States), and you have not sent this Prospectus, the Entitlement and Acceptance Form or any information relating to the Offers to any such person.

### 7.13. Consents

Each party referred to as a consenting party (who are named below):

- (a) has not authorised or caused the issue of this Prospectus;
- (b) does not make, or purport to make, any statement in this Prospectus or on which a statement made in the Prospectus is based other than as specified in this section; and
- (c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Each of the following has consented to being named in the Prospectus in the capacity as noted below and have not withdrawn such consent prior to the lodgement of this Prospectus with ASIC:

- (a) Canaccord Genuity (Australia) Limited as Underwriter and Lead Manager in relation to the Entitlement Offer;
- (b) Hall & Wilcox as legal adviser to the Company in relation to the Offers; and
- (c) Computershare Investor Services Pty Limited as the Share Registry.

There are a number of persons referred to elsewhere in this Prospectus who are not experts and who have not made statements included in this Prospectus nor are there any statements made in this Prospectus on the basis of any statements made by those persons.



These persons did not consent to being named in the Prospectus and did not authorise or cause the issue of the Prospectus.

#### **7.14. Withdrawal of Entitlement Offer**

The Company and the Directors reserve the right to withdraw or vary all or part of the Offers and this Prospectus at any time prior to the issue of New Shares and New Options, in which case the Company will refund the Application Monies in relation to New Shares and New Options not already issued in accordance with the Corporations Act and without payment of interest.

#### **7.15. Privacy**

As a Shareholder, the Company and the Share Registry have already collected certain personal information from you. If you apply for New Shares and/or New Options, the Company and the Share Registry may update that personal information or collect, hold and use additional personal information about you. Such information may be used to assess your acceptance of New Shares, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration.

To do that, the Company and the Share Registry may disclose your personal information, for purposes related to your shareholding, to their agents, contractors or third party service providers to whom they outsource services in order to assess your acceptance of New Shares and New Options, the Share Registry for ongoing administration of the register, printers and mailing houses for the purposes of preparation and distribution of Shareholder information and for handling of mail, or as otherwise authorised under the *Privacy Act 1988* (Cth).

Company and tax laws require some personal information to be collected. If you do not provide us with your personal information we may not be able to process your application. In most cases you can gain access to your personal information held by (or on behalf of) the Company or the Share Registry. The Company aims to ensure that the personal information it retains about you is accurate, complete and up to date. To assist with this, please contact the Share Registry if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information the Company or the Share Registry have about you, they will take steps to correct it. You can obtain access to your personal information by contacting the Share Registry Privacy Officer at [privacy@computershare.com.au](mailto:privacy@computershare.com.au) and access the Privacy Policy at [www.computershare.com/au/privacy-policies](http://www.computershare.com/au/privacy-policies).

#### **7.16. Governing law**

This Prospectus and the contracts that arise from the acceptance of Entitlements for New Shares and New Options or for New Options under the Placement Offer are governed by the law applicable in Victoria and each applicant submits to the non-exclusive jurisdiction of the courts of Victoria.

#### **7.17. Statement of Directors**

The issue of this Prospectus has been authorised by each Director. Each Director has consented to lodgement of this Prospectus and issue of this Prospectus and has not withdrawn that consent prior to its lodgement with ASIC.

#### **7.18. Foreign selling restrictions**

This Prospectus does not constitute an offer of New Shares and New Options of the Company in any jurisdiction in which it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the New Shares and New Options may not be offered or sold, in any country outside Australia except to the extent permitted below.

These Offers are not open to Foreign Holders on the basis that the Directors have formed the view that it is unreasonable to make an offer to those persons having regard to the number of Foreign Holders, the Shares held by Foreign Holders, and the costs of complying with the legal and regulatory requirements in the place of residence of the Foreign Holders.

##### **New Zealand**

The New Shares and New Options are not being offered or sold to the public in New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

This Prospectus contains an offer to Eligible Shareholders of continuously quoted securities and has been prepared in accordance with section 713 of the Australian Corporations Act. This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand). This Prospectus is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

#### **United States**

This Prospectus, the investor presentation, any accompanying ASX announcement relating to the Offers, the Entitlement and Acceptance Form do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person holds ordinary shares in the Company and is acting for the account or benefit of the person in the United States).

The New Shares and New Options and the Entitlements have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares and New Options and the Entitlements may not be offered, sold, resold or otherwise transferred, directly or indirectly, in the United States or to persons acting for the account or benefit of a person in the United States (to the extent such persons hold ordinary shares in the Company and are acting for the account or benefit of a person in the United States).

## 8. Glossary

TERM	MEANING
<b>\$ or A\$</b>	Australian dollars.
<b>Adslot</b>	Adslot Ltd (ACN 001 287 510).
<b>Allotment Date</b>	Wednesday 5 July 2023
<b>Applicable Law</b>	All laws of jurisdictions applicable to the Offers and/or the Company within or outside Australia, including the Listing Rules and applicable policies, guidelines, official directives, class orders or requests of or by any Government Agency, whether or not having the force of law, except to the extent compliance is duly modified, waived or exempted in favour of a person in the relevant circumstances.
<b>Applicant(s)</b>	An Eligible Shareholder a valid Application pursuant to this Prospectus.
<b>Application(s)</b>	An application made to subscribe for New Shares offered under this Prospectus.
<b>Application Monies</b>	Monies received from Applicants in respect of their Application for New Shares and New Options.
<b>ASIC</b>	Australian Securities and Investment Commission.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the securities exchange operated by it (as the case requires).
<b>ASX Settlement Operating Rules</b>	The rules of ASX Settlement Pty Ltd (ACN 008 504 532).
<b>ATO</b>	Australian Taxation Office.
<b>Australian Accounting Standards</b>	Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board.
<b>Board or Board of Directors</b>	The board of directors of the Company.
<b>Chairman</b>	Chairman of the Board of Directors.
<b>CHESS</b>	Clearing House Electronic Sub-register System, operated in accordance with the Corporations Act.
<b>Closing Date</b>	The date by which Applications must be lodged for the Offers, being Wednesday 28 June 2023. This date may be varied by the Company and the Lead Manager, without prior notice.
<b>Company</b>	Adslot Ltd (ACN 001 287 510).
<b>Constitution</b>	The constitution of the Company as amended, varied or replaced from time to time.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Corporate Directory</b>	The Corporate Directory at the back of this Prospectus.
<b>Director</b>	A member of the Board of the Company.
<b>EBIT</b>	Earnings before interest and tax.
<b>EBITDA</b>	Earnings before interest, tax, depreciation and amortisation.
<b>Eligible Shareholder</b>	A Shareholder who, as at the Record Date: <ul style="list-style-type: none"> <li>(a) has a registered address in Australia or New Zealand; and</li> <li>(b) is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent that such a person holds</li> </ul>

	ordinary shares in the Company and is acting for the account or benefit of a person in the United States).
<b>Entitlement</b>	The number of New Shares for which an Eligible Shareholder is entitled to subscribe for under the Entitlement Offer, being 1 New Shares for every 2.8 Existing Shares held as at the Record Date, subject to rounding up fractional entitlements and to the terms of the Entitlement Offer.
<b>Entitlement and Acceptance Form</b>	The entitlement and acceptance form either attached to or accompanying this Prospectus.
<b>Entitlement Offer</b>	The offer of New Shares and New Options to Eligible Shareholders.
<b>Exercise Price</b>	Has the meaning given to that term in section 7.10(b).
<b>Existing Shares</b>	A Share on issue at the Record Date.
<b>Expiry Date</b>	Has the meaning given to that term in section 7.10(d).
<b>FY</b>	Financial year or year ended 30 June. For example FY22 would be the financial year ended 30 June 2022.
<b>Government Agency</b>	Any government or any government department of governmental agency including without limitation any semi-governmental, administrative, fiscal, judicial, investigative, review or regulatory body, department, commission (including ASIC, ATO, ACCC), authority, tribunal, agency, stock exchange (including the ASX) or entity in any jurisdiction relevant to the Entitlement Offer or the Company.
<b>GST</b>	Goods and services or similar tax imposed in Australia
<b>Ineligible Shareholder</b>	A Shareholder on the Record Date who does not satisfy the criteria to be an Eligible Shareholder.
<b>Lead Manager</b>	Canaccord Genuity (Australia) Limited (ACN 075 071 466)
<b>Listing Rules</b>	The listing rules of ASX as amended or varied from time to time.
<b>New Options</b>	The Options exercisable at \$0.006 each and expiring on 31 December 2024 and otherwise having the terms and conditions set out in section 7.10 offered under the Offers under this Prospectus.
<b>New Shares</b>	The Shares offered under the Entitlement Offer under this Prospectus.
<b>Option</b>	An option, giving the holder the right, but not an obligation, to acquire a Share upon payment of a predetermined exercise price and at a specified time in the future.
<b>Offer Price</b>	\$0.004 per New Share.
<b>Official Quotation</b>	The quotation of securities on the ASX.
<b>Permitted Jurisdiction</b>	New Zealand.
<b>Placement</b>	The placement of 275,000,000 Shares undertaken concurrently with the Entitlement Offer.
<b>Placement Participants</b>	Investors who receive Placement Shares under the Placement.
<b>Placement Shares</b>	The Shares offered under the Placement.
<b>Prospectus</b>	This document (including the electronic form of this Prospectus) and any supplementary or replacement Prospectus in relation to this document.
<b>Prospectus Date</b>	The date on which a copy of this Prospectus is lodged with ASIC, being 9 June 2023.
<b>Prospectus Expiry Date</b>	The date that is 13 months after the Prospectus Date.

<b>Record Date</b>	The time and date for determining which Shareholders are entitled to the Entitlement, being 7:00 pm (Melbourne time) on Thursday 15 June 2023.
<b>Share</b>	A fully paid ordinary share in the capital of the Company.
<b>Share Registry</b>	Computershare Investor Services Pty Limited (ACN 078 279 277).
<b>Shareholder</b>	A holder of Shares.
<b>Shortfall</b>	Any New Shares and attaching New Options not taken up by Eligible Shareholders under the Entitlement Offer.
<b>Underwriter</b>	Canaccord Genuity (Australia) Limited (ACN 075 071 466).
<b>Underwriting Agreement</b>	The Agreement entered into between the Company and the Underwriter dated on or around 9 June 2023.
<b>US Securities Act</b>	The United States Securities Act of 1933, as amended from time to time.

# Corporate directory

## **ADSL0T REGISTERED OFFICE**

**Adslot Ltd  
Level 2, 419 Collins Street  
Melbourne VIC 3000**

## **LEAD MANAGER & UNDERWRITER OF THE OFFER**

**Canaccord Genuity (Australia) Limited  
Level 42, 101 Collins Street  
Melbourne, VIC, 3000**

## **LEGAL ADVISER TO THE OFFER**

**Hall & Wilcox  
Level 11, 525 Collins Street  
Melbourne VIC 3000**

## **SHARE REGISTRY**

**Computershare Investor Services Pty  
Limited  
Yarra Falls  
452 Johnston Street  
Abbotsford, VIC 3001  
Australia**