Announcement Summary

Entity name

AD1 HOLDINGS LIMITED

Announcement Type

New announcement

Date of this announcement

Tuesday October 13, 2020

The Proposed issue is:

☑ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
AD1	ORDINARY FULLY PAID	48,076,923

Proposed +issue date

Friday October 16, 2020

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

AD1 HOLDINGS LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ACN

Registration Number

123129162

1.3 ASX issuer code

AD1

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

Tuesday October 13, 2020

1.6 The Proposed issue is:

☑ A placement or other type of issue

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
No

Details of +securities proposed to be issued

ASX +security code and description

AD1 : ORDINARY FULLY PAID

Number of +securities proposed to be issued

48,076,923

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.05200

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
Yes

Part 7C - Timetable

7C.1 Proposed +issue date

Friday October 16, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?
No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?
Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

48,076,923

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?
No

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?
No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?
No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?
No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?
No

7E.2 Is the proposed issue to be underwritten?
Yes

7E.2a Who are the underwriter(s)?

The Placement is being underwritten equally by the three Non-Executive Directors of the Company ("Joint Underwriters")

7E.2b What is the extent of the underwriting (ie the amount or proportion of the proposed issue that is underwritten)?

The underwritten amount is $1,500,000

7E.2c What fee, commission or other consideration is payable to them for acting as underwriter(s)?

Non-cash underwriting fee of 6% of the underwritten amount is payable to the Joint Underwriters

7E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated.

- ASX announces that the Company will be removed from the official list or that any Shares will be removed from official quotation;
- ASX does not, or states that it will not, grant official quotation of all the Placement Shares on an unconditional basis;
- the Company withdraws the Placement or any part of it;
- any Group Member is, or becomes, Insolvent

7E.3 Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed issue?

☑ Yes

7E.3a What is the name of that party?

Andrew Henderson, Michael Norster and Nicholas Smedley

7E.3b What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?

The underwritten amount is $1,500,000

7E.3c What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?

Non-cash underwriting fee of 6% of the underwritten amount is payable to the Joint Underwriters

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Approximately $110,000 in related transaction costs to be incurred in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

The funds raised will be used for the acquisition and integration of Art of Mentoring and as reserve for the expedited implementation of a pipeline of acquisition opportunities

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☑ No

7F.2 Any other information the entity wishes to provide about the proposed issue

Please refer to the accompanying ASX announcement for other information