

Tuesday 5th December 2017

CAPITAL RAISING TO ACCELERATE ORGANIC GROWTH OPPORTUNITIES

Spirit Telecom (ASX:ST1) is pleased to announce the successful completion of a \$3m equity placement, which received strong support to fund growth initiatives. Following the completion of the Board's three-year strategic plan, the Company decided to raise additional investment funds to accelerate network expansion to capitalise on near term growth opportunities, as well as increasing sales and marketing activities.

The capital raising received strong support from existing institutional investors, and Spirit Telecom welcomes a number of new institutional shareholders to the register.

Taylor Collison was sole Lead Manager to the capital raising. 20 million new shares will be issued at \$0.15 per share and settlement of the placement is scheduled to occur on Friday the 8th of December. The Company will utilise its current placement capacity in accordance with ASX Listing Rule 7.1

The Company is pleased to announce a better than expected, record organic sales month in November, which will translate into cash receipts over the coming months. With 9 consecutive quarters of revenue growth, Spirit is investing to continue this trend and anticipates continued quarter-on-quarter growth in overall revenues.

Commenting on the outlook, Managing Director Geoff Neate stated, "With consistent organic revenue growth and the recent strengthening of the executive team, we believe the Company is well positioned to continue capitalising on high demand for our superfast internet services."

Figure 1: Organic Building Growth

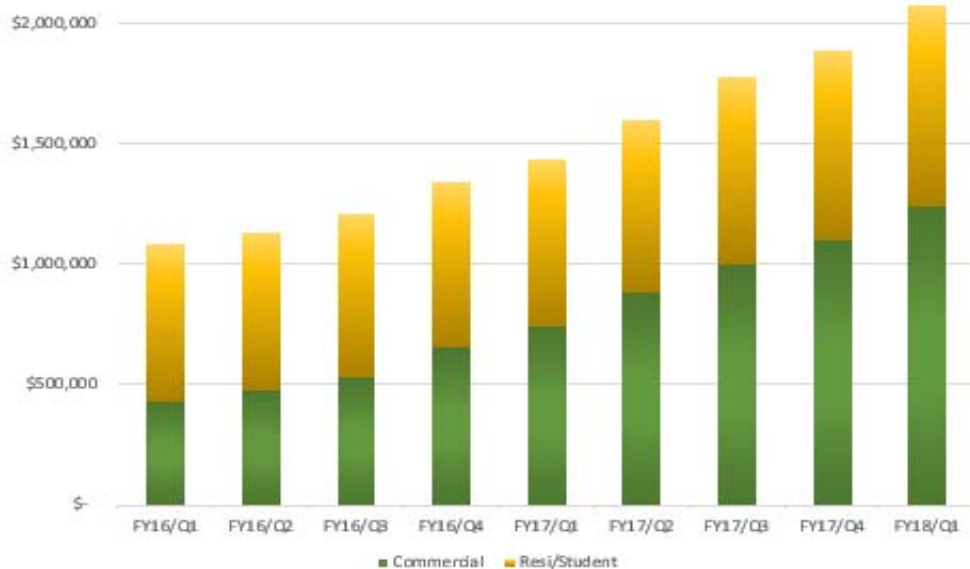
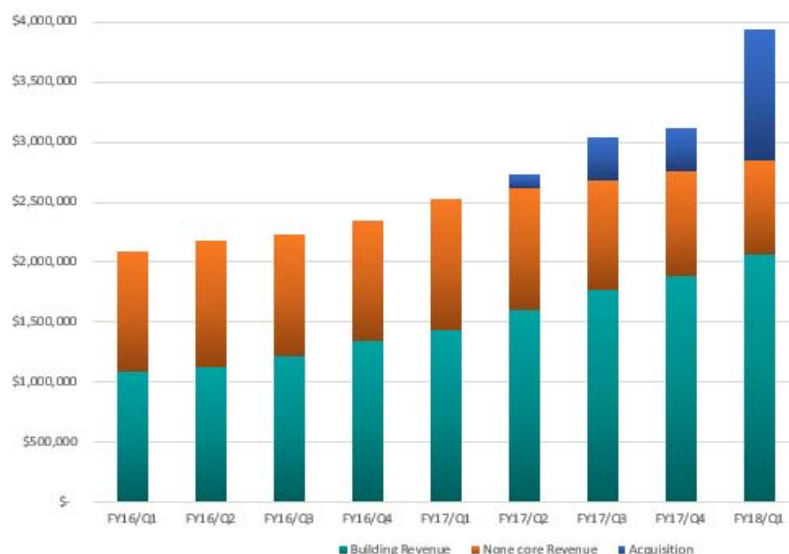


Figure 2: Consistent Revenue Growth



USE OF FUNDS

\$3 Million Total Funds Raised

	\$M
Accelerate network expansion to capitalise on near term revenue growth opportunities	1.20
Sales & Marketing	0.50
System Upgrades/Development	
Implementation of Enterprise Resource Planning (ERP) software system to drive enhanced information flow	0.30
Integration of Provisioning/Deployment platform post WWW acquisition (~\$100k per annum opex saving)	0.10
Working capital / Balance Sheet Flexibility	0.70
Expenses of the offer	0.20
	<u>3.00</u>

About Spirit

Spirit Telecom Limited is a modern telecommunications provider of superfast Internet access and telephony services.

A fast-growing niche Telecommunications Carriage Service Provider, Spirit is focused on supplying fibre based broadband services to multi-dwelling user locations including residential, business, student accommodation, community housing and business parks.

Spirit was recently independently ranked as the fastest ISP provider in Melbourne. With 10-year brand awareness, Spirit prides itself on delivering real service to its Australian residential and commercial customers and provides customers with the highest quality product.

Spirit has a track record in acquisitions, having already successfully completed Voxcom, My Telecom, Phone Names and World without Wire purchases in the past.

For more information, please visit www.spirit.com.au

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