Announcement Summary

Entity name

FAMILY ZONE CYBER SAFETY LIMITED

Announcement Type

New announcement

Date of this announcement

2/5/2022

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
New class-code to be confirmed	Convertible Notes (Kibo)	3,328
New class-code to be confirmed	Convertible Notes (W8)	4,162
New class-code to be confirmed	Deferred Consideration Rights	80,633,748
FZO	ORDINARY FULLY PAID	22,186,646

Proposed +issue date

10/6/2022

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

FAMILY ZONE CYBER SAFETY 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.
If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type	**Registration Number**
ABN	33167509177

1.3 ASX issuer code

FZO

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

2/5/2022

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 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?
Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	3/6/2022	Estimated	

Comments

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

FZO : ORDINARY FULLY PAID

Number of +securities proposed to be issued

22,186,646

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
No

Please describe the consideration being provided for the +securities

The shares are being issued as part of the consideration for the acquisition of Qustodio pursuant to the Unit Purchase Agreement.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

9,440,000.000000

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

Yes

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)?

New class

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

Yes

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

Convertible Notes (Kibo)

+Security type

+Convertible debt securities

Number of +securities proposed to be issued

3,328

Offer price details

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

No

Please describe the consideration being provided for the +securities

The Kibo Convertible Notes are being issued in part consideration for the acquisition of Qustodio pursuant to the Unit Purchase Agreement

Please provide an estimate of the AUD equivalent of the consideration being

provided for the +securities

4,650,242.000000

Will all the +securities issued in this class rank equally in all respects from their issue date?
Yes

+Convertible debt securities details

These securities are:
Convertible

Type of security
Convertible note or bond

+Security currency
USD - US Dollar

Face value
USD 1,000.0000

Interest rate type
Fixed rate

Frequency of coupon/interest payments per year
Quarterly

First interest payment date
1/10/2022

Interest rate per annum
8.00000 %

Is the interest rate per annum estimated at this time?
No

s128F of the Income Tax Assessment Act status applicable to the +security
Not s128F exempt

Is the +security perpetual (ie. no maturity date)?
No

Maturity date
3/12/2023

Select other features applicable to the +security
Redeemable

Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?
No

Details of the type of +security that will be issued if the securities are converted, transformed or exchanged

FZO : ORDINARY FULLY PAID

Number of +securities that will be issued if the +securities are converted, transformed or exchanged (including, if applicable, any interest)

7,750,403 Shares

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

The full terms and conditions of the Convertible Notes will be outlined in the Notice of Meeting to approve these securities

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)?
New class

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

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
Yes

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
No

ASX +security code

New class-code to be confirmed

+Security description

Convertible Notes (W8)

+Security type

+Convertible debt securities

Number of +securities proposed to be issued

4,162

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
No

Please describe the consideration being provided for the +securities

The W8 Convertible Notes are being issued in part consideration for the acquisition of Qustodio pursuant to the Unit Purchase Agreement

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

5,814,908.000000

Will all the +securities issued in this class rank equally in all respects from

their issue date?
Yes

+Convertible debt securities details

These securities are:
Convertible

Type of security
Convertible note or bond

+Security currency
USD - US Dollar

Face value
USD 1,000.0000

Interest rate type
Fixed rate

Frequency of coupon/interest payments per year
Quarterly

First interest payment date
1/10/2022

Interest rate per annum
10.00000 %

Is the interest rate per annum estimated at this time?
No

s128F of the Income Tax Assessment Act status applicable to the +security
Not s128F exempt

Is the +security perpetual (ie. no maturity date)?
No

Maturity date
10/6/2024

Select other features applicable to the +security
Redeemable

Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?
No

Details of the type of +security that will be issued if the securities are converted, transformed or exchanged
FZO : ORDINARY FULLY PAID

Number of +securities that will be issued if the +securities are converted, transformed or exchanged (including, if applicable, any interest)
9,691,513 Shares

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

The full terms and conditions of the Convertible Notes will be outlined in the Notice of Meeting to approve these securities

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)?
New class

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

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
Yes

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
No

ASX +security code

New class-code to be confirmed

+Security description

Deferred Consideration Rights

+Security type

Performance options/rights

Number of +securities proposed to be issued

80,633,748

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
No

Please describe the consideration being provided for the +securities

The Deferred Consideration Rights are being issued in part consideration for the acquisition of Qustodio pursuant to the Unit Purchase Agreement

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

34,320,000.000000

Will all the +securities issued in this class rank equally in all respects from their issue date?
Yes

Performance options/rights details

+Security currency	Exercise price	Expiry date
AUD - Australian Dollar	AUD 0.0000	10/6/2024

Details of the type of +security that will be issued if the option is exercised

FZO : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

80,633,748 Shares

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

The full terms and conditions of the Deferred Consideration Rights will be outlined in the Notice of Meeting to approve the issue of these securities.

Part 7C - Timetable

7C.1 Proposed +issue date

10/6/2022

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?

Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

3/6/2022

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?
☑ No

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

Part 7F - Further Information

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

The Shares, Deferred Consideration Rights and Convertible Notes are being issued in part consideration for the acquisition of Qustodio pursuant to the Unit Purchase Agreement.

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

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:
☑ The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)