



Announcement Summary

Entity name

KNEOMEDIA LIMITED

Announcement Type

New announcement

Date of this announcement

Thursday April 23, 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
KNM	ORDINARY FULLY PAID	147,058,824
KNMAL	OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES	113,529,412

Proposed +issue date

Tuesday April 28, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

KNEOMEDIA 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

ABN

Registration Number

41009221783

1.3 ASX issuer code

KNM

1.4 The announcement is

New announcement

1.5 Date of this announcement

Thursday April 23, 2020

1.6 The Proposed issue is:

A placement or other type of issue

For personal use only



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?

Yes

Details of +securities proposed to be issued

ASX +Security Code and Description

KNM : ORDINARY FULLY PAID

Maximum Number of +securities proposed to be issued

147,058,824

Purpose of the issue

The funds will be used to accelerate activities in the United States where the Company is now converting previously announced sales into actual deployments, as well as to widen sales channels in the US and other markets.

Offer price details for retail security holders

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.01700



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

Yes

Oversubscription & Scale back details

May a scale back be applied to this event?

No

Attaching +Security

Is the proposed attaching 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

Attaching +Security - Existing class (additional +securities in a class that is already quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ASX +Security Code and Description

KNMAL : OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES

Maximum Number of +securities proposed to be issued

113,529,412

Offer price details for retail security holders

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.00001

Oversubscription & Scale back details

May a scale back be applied to this event?

No

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

Tuesday April 28, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the 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?

113,397,036 (73,397,036 shares and 40,000,000 options)

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)?

Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

73,661,788

7D.1c (ii) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate

KNM elected to undertake a Placement in preference to a pro-rata issue or an offer under a share purchase plan to shareholders as it considered that the Placement offered superior certainty and shorter timelines.

7D.2 Is a party referred to in listing rule 10.11.1 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?

Yes

7E.1a Who is the lead manager/broker?

Peloton Capital

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

6% placement fee and 20 million options



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

20 million options to the Company's Corporate Advisor

Part 7F - Further Information

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

The 113,529,412 options comprise 73,529,412 options which are being issued to the subscribers of the Placement on a 1 for 2 basis (Placement Options), 20,000,000 options being issued to the broker for the Placement (Broker Options) and 20,00,000 options are being issued for corporate advisory services (Corporate Advisor Options). All Options have an exercise price of \$0.04 and an expiry date of 24 months from the date of issue. The Placement Options are subject to shareholder approval at a general meeting which the Company intends to convene in due course. The Broker and Corporate Advisor Options are being issued utilising the Company's 15% capacity.