



Announcement Summary

Entity name

READCLOUD LIMITED

Announcement Type

New announcement

Date of this announcement

Tuesday October 27, 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 |
|--------------------|-----------------------|--|
| n/a | Performance Rights | 657,894 |

Proposed +issue date

Friday October 30, 2020

Refer to next page for full details of the announcement

FOR PERSONAL USE ONLY



Part 1 - Entity and announcement details

1.1 Name of +Entity

READCLOUD 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

44136815891

1.3 ASX issuer code

RCL

1.4 The announcement is

New announcement

1.5 Date of this announcement

Tuesday October 27, 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

Yes

7A.1a Conditions

| Approval/Condition | Date for determination | Is the date estimated or actual? | ** Approval received/condition met? |
|---|-------------------------|--|-------------------------------------|
| Other (please specify in comment section) | Friday October 30, 2020 | <input checked="" type="checkbox"/> Actual | |

Comments

The issue is subject to satisfaction/waiver of conditions precedent and completion of acquisition.

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)?

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

Performance Rights

FOR PERSONAL USE ONLY

**+Security type**

Performance options/rights

Number of +securities proposed to be issued

657,894

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**

Deferred Consideration for the acquisition of PKY Media Pty Ltd determined by reference to achievement of FY21 revenue numbers

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

250,000.000000

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

Performance options/rights details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.3800

Expiry date

Friday December 31, 2021

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

RCL : ORDINARY FULLY PAID

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

657,894

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.https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02299354-3A553679?access_token=83ff96335c2d45a094df02a206a39ff4**Part 7C - Timetable****7C.1 Proposed +issue date**

Friday October 30, 2020

ONLY
USE
PERSONAL
FOR



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?

657,894

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?

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

To align the Vendor with RCL in the future, preserve cash resources; and to ensure that the price which it pays for Target accurately reflects underlying performance of the Vendor business in the near term.

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

FOR PERSONAL USE ONLY