

ASX ANNOUNCEMENT

31 March 2022

JAT Raises \$4.4m Via Placement and Secures Additional \$3.3m Funding Facility

Highlights

- **Jatcorp Limited (ASX: JAT) has received binding commitments to raise \$4.4m (before costs) through the issue of 275m new fully paid ordinary shares at an issue price of \$0.016 ("Placement")**
- **Placement cornerstoned with \$2m by JAT's largest shareholder (Gold Brick Capital Pty Ltd), and strongly supported by a range of local and international investors, including institutions and sophisticated investors.**
- **Entered into term sheet with SBC Global Investment Fund for up to an additional \$3.3m in funding via a secured convertible note facility (subject to shareholder approval and ASX Consultation)**

Jatcorp Limited is pleased to announce that it has received commitments for a placement to raise \$4.4 million through the issue of 275,000,000 fully paid ordinary JAT shares to sophisticated and professional investors at an issue price of A\$0.016 per share ("**Placement**"). The placement is being made under JAT's 15% placement capacity under ASX listing rule 7.1.

Of the \$4.4 million committed, \$2.2 million was raised from current shareholders and associates of JAT (excluding JAT directors). Of that amount, \$2 million has been committed by Gold Brick Capital Pty Ltd, which is currently JAT's large shareholder holding 14.94% of the issued capital of JAT. Upon issue of the Placement shares Gold Brick will own in excess of 18% of the issued capital.

The Placement investors will receive one free attaching option for every one Placement share subscribed, with a strike price of \$0.032 and expiry date of two years from the date of issue. ("Attaching Options"). The Attaching Options are subject to shareholder approval. If approved and issued, JAT will apply for the Attaching Options to be listed on the ASX which is subject to meeting the ASX listing requirements.

Everblu Capital Pty Limited acted as lead manager to the Placement. Everblu will be paid a Management Fee of 2% on total funds raised, a lead manager fee of 4% on funds raised by EverBlu, and, subject to shareholder approval, 4.4m shares at a deemed issue price of \$0.016 and 250,000,000 options with a strike price of \$0.032, expiring two years from the date of issue (and to be listed subject to listing requirements being met). EverBlu and its associates have committed a total of \$462,000 towards the Placement, to be issued a total 28,875,000 shares.

The Company intends to use funds raised from the Placement for:

- Marketing of co-branded immunity-support products;
- Repayment of Topwei loan;
- New product development;
- R&D and further commercialisation; and
- Working capital (including digital marketing promotion in Australia and internationally).

Approximately \$1.2 million of the Topwei loan will be partially repaid from current cash reserves of JAT and the balance of \$3.8 million will be repaid from the proceeds of the Placement. Accordingly, the Topwei loan will be fully repaid on receipt of the Placement proceeds on or about 6 April 2022.

Additional Funding Facility

In addition to the Placement, Jatcorp Limited has entered into a term sheet (subject to ASX consultation and shareholder approval) for a secured convertible note facility for up to an additional \$3.3m of direct funding. It is expected that this facility will come into effect in approximately 8-10 weeks. The proposed indicative terms of the convertible notes ("**Notes**") are as follows:

Investor	SBC Global Investment Fund ("SBC")
Funded Amount	Up to \$3.3M (max.)
Face Value	\$1.17 per Note
Security	Secured by the Initial Shares
Conversion	At any time during the term the Investor may convert the Notes at the Fixed Conversion Price or a 5% discount to the lowest VWAP in the 10 days preceding Conversion (the "Conversion Price").
Fixed Conversion Price	150% of the average of the 5 daily VWAPs preceding Closing or 50% to concurrent placement price
Options	Nil
Initial Shares	At Closing, the Company will issue to SBC a number of shares equal to 40% of the Funded Amount of the Notes divided by the price of the Concurrent Placement (\$0.016). Within 24 months from Closing, such shares will be returned to the Company or purchased by the Investor at the applicable Conversion Price.
Conditions Precedent	Prior to funding, the Company will seek shareholder approval and ASX approval.
Events of Default	Standard events of default for a financing of this type. Upon an Event of Default, the Default Amount, equal to 110% of the then outstanding Notes, shall be due and payable

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Sell-Down Restrictions	Maximum of either \$60,000 per day (calculated on weekly basis) and 15% of weekly volume
Fee	3% of cash proceeds payable in shares on execution of definitive documentation, which will be priced at the price of the current Placement.

JAT's Chairman, Mr Brett Crowley said *"We are very pleased with EverBlu's continued support in securing significant funding for the Company, and by the interest shown from new and existing shareholders."*

We are highly encouraged by the progress that JAT has made over the past few months in establishing the immunity-support product lines which are backed by robust scientific studies. This technology is creating the opportunity for new product lines, new distributors and co-branding products which together will help to establish JAT as a leader in the immunity-support food segment and unlock new opportunities to grow sales and build brand recognition."

JAT's Managing Director, Wilton Yao commented *"The strong rebound in JAT's revenues in the 2nd half of CY 2021 is continuing into 2022 and we expect this trend to continue. JAT's investment in the expansion of ANMA and the introduction of exciting new products is proving to be a successful growth strategy for the Company. Repayment of the Topwei loan significantly strengthens JAT's financial position resulting in greater cashflow being made available for new business opportunities."*

This announcement is authorised by JAT's Managing Director, Wilton Yao.

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About Jatcorp Limited

Jatcorp (ASX: JAT), at the forefront of innovative technology servicing the world's largest retail markets. With a track record of successful product development and distinguished technology. JAT is a leading producer of supplementary food products, plant-based meat.

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