

ASX: 9SP

ASX Release

17 October 2018

**9 Spokes enters into bridge funding facility
to support strategic capital raising programme**

9 Spokes International Limited (ASX: 9SP) (“9 Spokes” or the “Company”) advises that it has today entered into a short-term funding facility intended to provide the Company with working capital to allow time to conclude its current strategic capital raising (via placement) activity.

The lender (“Lender”) is a professional financier affiliated with a shareholder of the Company. A total sum of NZ\$2.5 million (plus fees and interest) may be drawable under the facility.

The key terms of the bridge facility are:

- (a) The interest rate is 6.5% per annum until 31 December 2018, and 12% after that date.
- (b) A completion and work fee is payable. The costs of the facility are consistent with the nature and purpose of the facility.
- (c) Advances are secured by way of a general security agreement over the material assets of the Company and New Zealand subsidiaries.

The bridge facility anticipates that the Company will seek legally binding commitments (subject to any required shareholder approval) from new strategic investors by 31 October 2018 for new equity capital in excess of an amount (“Raise Target”) sufficient to repay the bridge facility if fully drawn down (including fees and interest) at 31 January 2019.

If the Company receives commitments at least equal to the Raise Target by 31 October 2018 then, once any required shareholder approvals are received and closing occurs, the Lender may choose to be repaid or to convert the then outstanding amount (including fees and interest) to ordinary shares in the Company, at the same price per share as applies to the new equity issued in the capital raising.

If the Company does not receive commitments at least equal to the Raise Target by 31 October 2018 it will continue to raise new capital via potential strategic parties, but in the meantime:

- (a) The Company would implement a plan intended to achieve alignment of the business to enable it to continue to serve its customers and work on current business opportunities.
- (b) The Lender would be entitled (subject to any required shareholder approval) to convert the outstanding amount (including fees and interest) into ordinary shares, at a price per share determined on a 15 trading day volume weighted average price basis.

9 Spokes will provide a further update on the progress of the capital raising programme as soon as it is in a position to do so.

The Company will release its Appendix 4C and Quarterly report by the end of the month, however, it wishes to advise it will report \$1.6m cash on hand as at 30 September 2018 in line with expectations.

For more information:

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About 9 Spokes

9 Spokes is a tracking tool designed to help SMEs enhance their performance and be their best business self. It collates and sorts the SME's data, so they can more easily see their progress against the things that matter most to their business.

SMEs can connect their cloud software to 9 Spokes to get a comprehensive picture of their business performance through a single smart dashboard—so it's easier to make the big and small decisions required to manage and grow their business effectively. As well connecting their existing supported software to the dashboard, businesses can choose from a selection of other recommended and accredited apps to suit their industry.

9 Spokes is provided under a direct model to small businesses and as a white labelled platform allowing key Banking Partners to offer 9 Spokes to their SME customers under their own brand.

Find out more at www.9spokes.com