



Electro Optic Systems Holdings Limited

ACN 092 708 364

T +61 2 6222 7900

F +61 2 9232 3411

A Suite 3, Level 12, 75 Elizabeth Street, Sydney, NSW 2000

eos-aus.com

Successful completion of A\$134 million institutional placement

Canberra, 16 April 2020

Electro Optic Systems Holdings Limited (**EOS** or **Company**) (ASX: EOS) today announces the successful completion of its fully underwritten A\$134 million institutional placement of new fully paid ordinary shares (**New Shares**) at an offer price of A\$4.75 per New Share (**Placement**). The Placement was undertaken to enhance liquidity and continue to fund ongoing growth initiatives and working capital requirements

Dr Ben Greene, the Group CEO of EOS said: "The Placement was well supported by our existing institutional shareholders as well as a number of new institutional investors. We are pleased to have secured the funding required to fund working capital requirements and ongoing growth initiatives."

Settlement of the Placement is expected to occur on Monday, 20 April 2020 with issue of New Shares expected to occur on Tuesday, 21 April 2020. The 28,269,553 New Shares issued under the Placement will rank equally with existing shares on issue.

Citigroup Global Markets Australia Pty Limited acted as sole lead manager, bookrunner and underwriter to the Placement.

As announced on Wednesday, 15 April 2020, EOS will separately conduct an offer of New Shares under a share purchase plan (**SPP**) to existing eligible shareholders in the Company with a registered address in Australia and New Zealand as at 7.00pm (Sydney, Australia time) on Tuesday, 14 April 2020, and who are not in the United States or acting for the account or benefit of a person in the United States. The SPP will raise a maximum of A\$10 million.

The SPP will provide each eligible shareholder with the opportunity to apply for up to A\$30,000 of New Shares at the lower of (i) the A\$4.75 (being the price paid per New Share under the Placement), and (ii) the price that is equal to the VWAP of EOS' ordinary shares as traded on ASX over the five trading days up to, and including, the day before the issue of New Shares under the SPP (rounded down to the nearest cent). The Company has secured a modification of the Corporations Act 2001 (Cth) from the Australian Securities and Investments Commission which permits eligible shareholders to subscribe for up to A\$30,000 worth of Shares under the SPP despite having participated in the Company's share purchase plan conducted in November 2019.

The SPP offer booklet containing further details regarding the SPP, including the terms and conditions for participation, will be lodged with ASX on or about Wednesday, 22 April 2020 and will be despatched to eligible shareholders in Australia and New Zealand at that time.

Each New Share issued under the SPP will rank equally with existing shares on issue in EOS at their date of issue and EOS will seek quotation of the New Shares issued under the SPP on ASX.

For further information regarding the SPP, please contact the EOS Offer Information Line on 1300 855 080 between 8.30am and 5.30pm (Sydney, Australia time) from the date the SPP opens, being Wednesday, 22 April 2020.

This announcement has been authorised for release to ASX by Ian Dennis, Director.

Further information:

Ben Greene

Group CEO

+61 414 365658

ABOUT ELECTRO OPTIC SYSTEMS (ASX: EOS; OTC: EOPSY)

EOS operates in three sectors: Defence, Space and Communications

- **EOS Defence Systems** specialises in technology for weapon systems optimisation and integration, as well as ISR (Intelligence, Surveillance and Reconnaissance) for land warfare. Its key products are next-generation vehicle turrets and remote weapon systems.
- **EOS Space Systems** specialises in applying EOS-developed optical sensors to detect, track, classify and characterise objects in space. This information has both military and commercial applications, including managing space assets to avoid collisions with space debris, missile defence, and space control.
- **EOS Communication Systems** specialises in innovative optical, microwave and on-the-move radio and satellite products that help to deliver high speed, resilient and assured telecommunications anywhere in the world.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. The New Shares to be offered and sold in the Placement and the SPP have not been, and will not be, registered under the United States Securities Act of 1933 (the **U.S. Securities Act**), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold to persons in the United States, unless they have been registered under the U.S. Securities Act, or are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

This announcement contains certain "forward-looking statements" including statements regarding EOS' intent, belief or current expectations with respect to EOS' business and operations, market conditions, results of operations, financial condition, and risk management practices. The words "likely", "expect", "aim", "should", "could", "may", "anticipate", "predict", "believe", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements in this announcement include statements regarding the outcome and effects of the Placement and the SPP and statements regarding EOS' future financial performance and results. Forward-looking statements including projections, guidance on future earnings

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and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This announcement contains such statements that are subject to risk factors associated with an investment in EOS. Forward-looking statements involve known and unknown risks, uncertainties and assumptions and other important factors that could cause the actual results, performances or achievements of EOS to be materially different from future results, performances or achievements expressed or implied by such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this announcement.