

ASX Announcement:  
5G Networks Limited  
ACN 163 312 025 (ASX: 5GN)  
launches A\$18.3 million  
placement and share  
purchase plan



NEWS RELEASE 10<sup>th</sup> June 2020

## Key Highlights

- 5GN to undertake a placement of A\$18.3 million at an offer price of A\$1.23 per share (**Placement**).
- Following completion of the Placement, 5GN will also conduct a share purchase plan offer to existing eligible shareholders to raise up to A\$4 million (**SPP Offer**).
- 5GN intends to use the proceeds from the Placement and SPP Offer (together, the **Capital Raising**) to provide balance sheet flexibility to fund 5GN's organic growth strategy and acquisition opportunities, including:
  - investing in the expansion of fibre network in Sydney and Melbourne and new builds in Brisbane and Adelaide focused on CBD demand and key data centre locations;
  - pursuing M&A opportunities;
  - investing in increasing utilisation and cross-sell initiatives; includes ongoing development of Indirect channel; and
  - accessing unique growth opportunities during and post COVID-19.

### Background

Proceeds from the Capital Raising will be used to accelerate organic growth initiatives and to fund acquisition opportunities. 5GN has a disciplined approach to capital deployment and a proven track record of executing and delivering growth from acquisitions.

Upon completion of the Placement, 5GN will have a pro forma net cash position as at 31 March 2020 of A\$16.4 million (excluding proceeds from the SPP).

### Placement

5GN is seeking to raise approximately A\$18.3 million from the Placement and will issue approximately 14.8 million new fully paid ordinary shares (**New Shares**), representing approximately 20.7% of 5GN existing issued capital.

The Placement will be conducted at A\$1.23 per share, which represents:

- (a) an 8.9% discount to the last closing price of 5GN shares on the ASX on 9 June 2020, being A\$1.35 per share; and
- (b) a 5.7% discount to the five-day VWAP as at, and including, the same date.

The New Shares issued under the Placement will rank equally with existing 5GN fully paid ordinary shares on issue. 5GN will issue the New Shares without shareholder approval in accordance with its existing placement capacity under ASX Listing Rule 7.1.

The Placement is by Wilsons Corporate Finance Limited (ABN 65 057 547 323) (**Wilsons**).

Settlement of the New Shares issued under the Placement is expected to occur on Monday, 15 June 2020, with allotment of the New Shares issued under the Placement scheduled for Tuesday, 16 June 2020.



## Share Purchase Plan

Following completion of the Placement, 5GN will conduct an offer of New Shares under a share purchase plan (**SPP Offer**) to existing shareholders of the Company:

- (a) who have a registered address in Australia or New Zealand as at 7.00pm on Tuesday, 9 June; and
- (b) who are not in the United States or acting for the account or benefit of a person in the United States.

The SPP Offer will provide each eligible shareholder with the opportunity to apply for up to A\$30,000 worth of New Shares at the lower of:

- (a) the issue price under the Placement (being A\$1.23); and
- (b) the price that is a 2% discount to the VWAP of 5GN shares on the ASX over the five trading days up to, and including, the closing date of the SPP Offer (rounded down to the nearest cent).

5GN is aiming to raise up to A\$4 million under the SPP Offer but 5GN reserves the right to increase the size of the SPP Offer should there be strong demand from investors. The SPP Offer may also be subject to a scale back of applications at the absolute discretion of the Company.

The New Shares issued under the SPP Offer will rank equally with existing 5GN fully paid ordinary shares on issue.

The SPP offer document (**SPP Booklet**) containing further details of the SPP Offer will be released on the ASX separately and is expected to be mailed to all eligible shareholders in Australia and New Zealand on or about Wednesday, 17 June 2020 being the date on which the SPP Offer will open.

5GN will seek quotation of the New Shares issued under the Placement and the SPP Offer on the ASX.



## EQUITY RAISING INDICATIVE TIMETABLE\*

Event	Date (2020)
Record date for eligible shareholders to subscribe for New Shares via the SPP Offer	Tuesday, 9 June
Announcement of the Equity Raising	Wednesday, 10 June
Placement bookbuild	Wednesday, 10 June
Announcement of results of Placement	Thursday, 11 June 9.00 AM
Settlement of Placement	Monday, 15 June 10.00 AM
Allotment of New Shares issued under the Placement	Tuesday, 16 June 10.00 AM
Trading of New Shares issued under the Placement commences on ASX	Wednesday, 17 June
SPP Booklet despatched to shareholders	Wednesday, 17 June
SPP Offer opens	Wednesday, 17 June
SPP Offer closes	Wednesday, 8 July
Announcement of result of SPP Offer	Friday, 10 July
Allotment of New Shares issued under the SPP Offer	Tuesday, 14 July
Despatch of holding statements	Wednesday, 15 July
Normal trading of New Shares issued under SPP Offer	Thursday, 16 July

\* These dates are indicative only and are subject to change. 5GN, reserves the right, subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules, to amend this indicative timetable. In particular, 5GN reserves the right to extend the Closing Date, accept late applications under the SPP Offer (either generally or in particular cases), and to withdraw or vary the Placement or SPP Offer without prior notice.

Any extension of the Closing Date will have a consequential effect on the date for the allotment and issue of New Shares. 5GN will consult with the lead manager in relation to any proposed change to this indicative timetable and any such change will require the consent of the lead manager.



### Additional information

Further details on 5GN's business, the Placement and the SPP Offer are set out in the investor presentation provided to the ASX today and are also available to eligible persons not in the United States at the Company's website at [5gnetworks.com.au](http://5gnetworks.com.au). The investor presentation contains important information including key risks relating to 5GN and an investment in 5GN shares. Any person considering an investment in 5GN shares should read the investor presentation and seek their own independent advice before making any decision in this regard.

Wilson is acting as lead manager to the Placement. Cornwallis is acting as legal adviser to 5GN.

For and on behalf of the Company  
Glen Dymond  
Chief Financial Officer and Company Secretary

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## About 5G Networks

5GN (5GN) is a licenced telecommunications carrier operating across Australia. Our mission is to be Australia's partner of choice for unifying a seamless digital experience for our customers across data connectivity, cloud and data centre services, underpinned by expert managed services in the business to business market.

5GN currently owns and operates its own nationwide high-speed data network with points of presence in all major Australian capital cities. In addition, the Company offers managed cloud solutions through its Cloud and Data Centre capabilities as well as managed services to optimise customers' IT and network environments. Supporting this is the Company's combined rack capacity of 720 racks through its owned and operated Data Centres across Melbourne, Sydney and Adelaide.

As an organisation, we are dedicated and passionate about delivering unique value to our 2500+ customers which include several top 50 ASX listed and Government organisations. This commitment is strengthened by a core focus on digital leadership, innovation and an exceptional customer experience.

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