

ASX Announcement | 21 August 2023
Spacetalk Limited (ASX: SPA)

Spacetalk Restructures Loan Facility

Highlights

- Agreement with PURE Asset Management (Pure) to restructure the loan facility signed.
- Second Loan of \$2m **repayment date extended** from 1 July 2024 to 20 March 2025 aligning repayment date with First Loan of \$3m.
- Covenants **favourably amended**.
- 20 million warrants to be issued to Pure, with a strike price of 5c per share, expiring on 31 December 2026.

Spacetalk Limited (ASX:SPA) ("Spacetalk" or "the Company") is pleased to announce that it has successfully restructured its Loan facilities with Pure Asset management. The Lender has agreed to restructure elements of the existing facility. The key changes include:

- Aligning the Repayment Date for Tranche 1 and Tranche 2 to 20 March 2025 from 1 July 2024.
- Providing short-term covenant flexibility to facilitate the rollout of Spacetalk's new Budget Watch in the coming quarter.
- Reduction in cash covenants from \$1.25m to \$1.0m from 1 January 2024.
- Agreement on the operating cash flow covenant effective Q2 FY24.

As part of this renegotiation, Spacetalk issued to PURE a warrant over 20 million Spacetalk shares, exercisable at any time prior to 31 December 2026. The warrant exercise price will be \$0.05 per share with provision for a price adjustment under certain circumstances including but not limited to a change of control or future equity issuances exceeding 15% of shares on issue. The warrant is subject to shareholder approval.

Should this warrant be exercised in full at \$0.05 per share, this would provide the Company with an additional \$1.0 million of cash.

Spacetalk Chief Executive Officer and Managing Director Simon Crowther, said:

"The debt restructure is an important milestone for Spacetalk and will support the execution of our strategy. We are excited about the future, and we thank Pure's support as we progress with delivering our priorities per the strategic plan that we provided to the market in May 2023".

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About Spacetalk Limited (ASX:SPA)

Spacetalk Limited (ASX:SPA) is a software services and smartwatch hardware product developer. As a package, the company's technology platform provides a complete digital communication solution that supports safety and security for families across their life cycles and for employees working in remote settings. The company's unique proprietary ecosystem, which has continued to evolve over time, is today recognised as a leader in family safety and the connected wearables industry.

The Spacetalk technology platform comprises both market-leading hardware and a trusted, client-controlled software platform that provides safety and security to users via the benefits of mobile technology.

The multi-functional Software-as-a-Service Spacetalk App can be customised, giving clients the ability to enable or disable individual features. Parents are empowered to block their child's access to the open internet, social media and inappropriate adult content while simultaneously blocking calls and messages from unknown senders. The app can also track the location of vulnerable family members, including children and seniors requiring constant monitoring.

Spacetalk's best-in-class software platform additionally supports children's development by facilitating engaging, confidence-building experiences that the whole family can participate in and enjoy.

Spacetalk's core hardware, its smartphone-watch, is effectively a child's first mobile phone. It offers all the benefits of a smartphone, operating on a secure, private and parent-controlled ecosystem that can be customised to reflect each family's needs and values.

To learn more, please visit: www.spacetalk.co

For more information



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This ASX announcement has been authorised by the Board of Spacetalk Limited (ASX: SPA)

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