



ASX Announcement

RocketDNA Secures \$1M Unsecured Debt Finance to Propel Growth

HIGHLIGHTS

- RocketDNA secures up to \$1 million in an Unsecured Revolving Debt Facility
- Funds will enable RocketDNA to execute on its growth plans, including the deployment of AI-enabled xBot® autonomous drone solutions and other strategic initiatives

27 August 2024, RocketDNA Ltd (ASX: RKT) (RocketDNA or the Company), a technology service company that leverages AI and Autonomous Drones to provide mission-critical services for enterprise customers, is pleased to announce the successful execution of \$1 million unsecured revolving debt facility with ACM AEPF Pty Ltd, a wholly owned subsidiary of Altor Capital Pty Ltd (**Altor Capital**), a leading alternative asset management company.

Financing Overview

Altor Capital, via its Emerging Growth Fund, a major shareholder in RocketDNA, has agreed to provide a revolving debt facility of up to \$1 million, that will enable the Company to accelerate its growth plans to deploy AI-enabled xBot® autonomous drone solutions in a number of customer markets.

Key terms of the debt facility agreement include:

- Two tranches of \$500,000 each, with the second tranche available from 1 January 2025 subject to the Lender's investment committee's approval;
- 8% p.a. interest rate over a 42-month term;
- 1% per annum fee payable on any undrawn amount of each tranche (if any); and
- Can be repaid anytime during the term.

In addition, RocketDNA will issue to Altor Capital, 20 million Tranche 1 Options for the Tranche 1 Advance and 20 million Tranche 2 Options for the Tranche 2 Advance, exercisable at \$0.011 per share and expiring 36 months from 30 August 2024 and 1 January 2025 respectively. This financing structure aligns with RocketDNA's strategy to secure the necessary capital while preserving its shareholder value and enhancing its growth trajectory in the rapidly evolving drone and AI sectors. The Terms and Conditions of the Tranche 1 and Tranche 2 Options are disclosed in Annexure A. The agreement contains various other terms that are considered standard for agreements of this nature.

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Commenting on the financing, RocketDNA CEO Christopher Clark said:

"Altor Capital has been a major shareholder in RocketDNA since January 2023. During this time Altor Capital has worked closely with the company and has developed a core understanding of our business requirements and growth profile. This financing provides RocketDNA with flexible and non-dilutive working capital to drive key strategic initiatives, including the deployment of our AI-driven xBot® autonomous drone solutions to enterprise customers, where deployment has taken longer than initially anticipated. Additionally, the funds will support the continued development and enhancement of our customer experience and accelerate the adoption of the technology.

RocketDNA's AI-enabled xBot® autonomous drone solutions deliver mission critical data services to enterprise customers, and the Company is now well positioned to scale the business by taking advantage of positive industry tailwinds for AI and drone technology."

RocketDNA continues to expand its reach beyond the mining sector, leveraging its proprietary drone-in-a-box solution across industries such as public safety, agribusiness, and critical asset surveillance. Following the deployment of its first batch of xBots® in Q2 FY2024, the Company has seen rising demand and is on track for further deployments across Government Authorities, Ports, Insurance, Asset Managers, Agribusinesses and Security Companies (ASX Announcement 29 July 2024).

-ENDS-

This announcement has been authorised for release by the **Board of RocketDNA Ltd**.

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About RocketDNA

RocketDNA Ltd (ASX: RKT) is an ASX-listed multi-national drone-based data service and technology solutions provider for the mining, agricultural and engineering industries.

Services are aerial surveying and mapping, security and surveillance, and blast monitoring and fragment analysis through a fully-outsourced service with AI and fast data turnaround that allows enterprise customers to focus on operations on the ground while RocketDNA takes care of everything in the air.

Revenues are generated through multi-year recurring revenue contracts and short projects which also have the potential to be recurring. Key customer contracts include with tier 1 and tier 2 miners, South32, Newmont Mining, Red 5 and Seriti Coal.

RocketDNA's operations are focused on Australia and Africa with regional offices in Perth, Johannesburg & Accra.

Annexure A

Tranche 1 Options – Terms and Conditions

(a) Entitlement

Each Tranche 1 Option entitles the holder to subscribe for one Share upon exercise of the Tranche 1 Option.

(b) Exercise Price

Subject to clause (j) below, the amount payable upon exercise of each Tranche 1 Option will be \$0.011 (**Exercise Price**).

(c) Expiry Date

Each Tranche 1 Option will expire at 5.00pm (AWST) on the date that is 36 months from 30th August 2024 (**Expiry Date**). A Tranche 1 Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The Tranche 1 Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

The Tranche 1 Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Tranche 1 Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Tranche 1 Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Tranche 1 Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

Within 5 Business Days after the later of the following:

(i) the Exercise Date; and

(ii) when excluded information in respect to the Company (as defined in section 708A(7) of the *Corporations Act 2001* (Cth) (**Corporations Act**)) (if any) ceases to be excluded information,

but in any case no later than 5 Business Days after the Exercise Date, the Company will:

(iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Tranche 1 Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, as soon as practicable lodge with ASIC a prospectus prepared in accordance with the

Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors and in that case the Shares may not be disposed of until after the prospectus has been lodged; and

- (v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Tranche 1 Options.

If a notice delivered under clause (g)(iv) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 5 Business Days or as soon as practicable after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors and in that case the Shares may not be disposed of until after the prospectus has been lodged.

- (h) Shares issued on exercise

Shares issued on exercise of the Tranche 1 Options rank equally with the then issued shares of the Company.

- (i) Quotation of Tranche 1 Option and of Shares issued on exercise

- (i) The Company will not apply for quotation of the Tranche 1 Options to ASX.
- (ii) Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Tranche 1 Options.

- (j) Reorganisation of capital

If at any time the issued capital of the Company is subject to a reorganisation (including consolidation, subdivision, reduction or return), all rights of a Tranche 1 Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

- (k) Participation in new issues

There are no participation rights or entitlements inherent in the Tranche 1 Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Tranche 1 Options without exercising the Tranche 1 Options.

- (l) Change in exercise price

While the Tranche 1 Options remain on issue and unexercised, if a future pro rata issue (other than a bonus issue) is undertaken by the Company during the period beginning on 30 August 2024 and ending on the date that is 36 months following 30 August 2024, the Exercise Price of the Tranche 1 Options will be adjusted in accordance with ASX Listing Rule 6.22.

Otherwise, a Tranche 1 Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Tranche 1 Option can be exercised.

- (m) Bonus issues

If from time to time before the expiry of the Tranche 1 Options the Company makes a bonus issue of Shares to its Shareholders, then upon exercise of a Tranche 1 Option the

Optionholder will be entitled to have issued to it (in addition to the Shares which it is otherwise entitled to have issued to it upon such exercise) additional Shares in the Company. The number of additional Shares is the number of bonus Shares which would have been issued to the Optionholder if the Tranche 1 Options had been exercised before the record date for the relevant issue of Shares.

(n) Transferability

Each Tranche 1 Option is non-transferable until after the period of 12 months from issue.

(o) Business Days

Business Day means a day that is not a Saturday, Sunday or any other day which is a public holiday or a bank holiday in Perth, Western Australia.

Tranche 2 Options – Terms and Conditions

(a) Entitlement

Each Tranche 2 Option entitles the holder to subscribe for one Share upon exercise of the Tranche 2 Option.

(b) Exercise Price

Subject to clause (j) below, the amount payable upon exercise of each Tranche 2 Option will be \$0.011 (**Exercise Price**).

(c) Expiry Date

Each Tranche 2 Option will expire at 5.00pm (AWST) on the date that is 36 months from 1 January 2025 (**Expiry Date**). A Tranche 2 Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The Tranche 2 Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

The Tranche 2 Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Tranche 2 Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Tranche 2 Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Tranche 2 Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

Within 5 Business Days after the later of the following:

(i) the Exercise Date; and

(ii) when excluded information in respect to the Company (as defined in section 708A(7) of the *Corporations Act 2001* (Cth) (**Corporations Act**)) (if any) ceases to be excluded information,

but in any case no later than 5 Business Days after the Exercise Date, the Company will:

(iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Tranche 2 Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, as soon as practicable lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require

disclosure to investors and in that case the Shares may not be disposed of until after the prospectus has been lodged; and

(v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Tranche 2 Options.

If a notice delivered under clause (g)(iv) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 5 Business Days or as soon as practicable after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors and in that case the Shares may not be disposed of until after the prospectus has been lodged.

(h) Shares issued on exercise

Shares issued on exercise of the Tranche 2 Options rank equally with the then issued shares of the Company.

(i) Quotation of Tranche 2 Option and of Shares issued on exercise

(i) The Company will not apply for quotation of the Tranche 2 Options to ASX.

(ii) Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Tranche 2 Options.

(j) Reorganisation of capital

If at any time the issued capital of the Company is subject to a reorganisation (including consolidation, subdivision, reduction or return), all rights of a Tranche 2 Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

(k) Participation in new issues

There are no participation rights or entitlements inherent in the Tranche 2 Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Tranche 2 Options without exercising the Tranche 2 Options.

(l) Change in exercise price

While the Tranche 2 Options remain on issue and unexercised, if a future pro rata issue (other than a bonus issue) is undertaken by the Company during the period beginning on 1 January 2025 and ending on the date that is 36 months following 1 January 2025, the Exercise Price of the Tranche 2 Options will be adjusted in accordance with ASX Listing Rule 6.22.

Otherwise, a Tranche 2 Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Tranche 2 Option can be exercised.

(m) Bonus issues

If from time to time before the expiry of the Tranche 2 Options the Company makes a bonus issue of Shares to its Shareholders, then upon exercise of a Tranche 2 Option the Optionholder will be entitled to have issued to it (in addition to the Shares which it is otherwise entitled to have issued to it upon such exercise) additional Shares in the

Company. The number of additional Shares is the number of bonus Shares which would have been issued to the Optionholder if the Tranche 2 Options had been exercised before the record date for the relevant issue of Shares.

(n) Transferability

Each Tranche 2 Option is non-transferable until after the period of 12 months from issue.

(o) Business Days

Business Day means a day that is not a Saturday, Sunday or any other day which is a public holiday or a bank holiday in Perth, Western Australia.

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