

ASX ANNOUNCEMENT

ASX: RBO | 19 June 2017

Sales Growth to Accelerate with Completion of A\$1.8m Funding

HIGHLIGHTS

- A\$1.8m funding package secured including A\$1.0m trade finance facility from Albion Capital Partners, an entity associated with major shareholder Tony Grist
- Structure minimises dilution for shareholders as trade finance facility is convertible at 17% premium to issue price of Placement
- Funding will ramp up stock purchasing from Foxconn to meet expected sales demand
- Pre-orders of over A\$800,000 for the Robo R2 were received in May
- Regular and constant deliveries of the flagship Robo R2 printer have commenced
- First major international distributor in Europe, SOTEC3D expands Robo's international footprint
- US\$8 billion+ education technology market remains a major focus, soon to exhibit at ITSE 2017 event in USA to be attended by estimated 15,000 education professionals
- Increased media interest received for Robo printers following increased PR activity

Robo 3D Limited ("Robo" or the "Company"), the emerging company delivering award-winning products for the desktop segment of the 3D printing industry, is pleased to advise that it has received firm commitments to raise A\$1.8m.

The funding comprises a placement of 13,333,333 shares to sophisticated investors at an issue price of \$0.06 per share, alongside entering a binding term sheet for a A\$1.0 million trade finance loan facility from Albion Capital Partners, an entity associated with the Company's major shareholder, Mr. Tony Grist. The first drawdown of A\$250,000 will be provided immediately. Importantly for all shareholders, the trade finance loan facility from the Company's major shareholder minimises the dilution of the Placement, as conversion into ordinary shares is set at a 17% premium to the issue price of the Placement.

The funds from the placement and the trade finance loan will be used to ramp up stock purchasing with Foxconn to meet expected demand for its flagship Robo R2 printer from expanded international distribution and reseller networks.

In addition, the working capital will also be used to fund:

- Rollout of the Robo C2 printers;
- Sales and marketing support for growing international markets;
- Accelerating joint R&D development initiatives with Foxconn, the Company's major manufacturer; and
- Development of strategic partnerships and joint venture opportunities.

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In May, Robo announced that it had received pre-orders of over A\$800,000 for the Robo R2, which commenced delivery in late May instead of March following delays in moving its production to Foxconn (see ASX announcement "*Significant Pre-Orders for Robo R2*" on 11 May 2017). Foxconn is a leading consumer electronics company that manufactures some of the most iconic products in the world, including Apple's iPhone and iPad, Amazon Kindle, Nintendo, Sony PlayStation, and Microsoft Xbox product ranges. A quality manufacturing partner was an important investment to underpin Robo's commitment to building a long term sustainable consumer brand.

The Company continues to expand its international footprint, establishing an international sales office, and signing its first major distributor in Europe, SOTEC3D (see ASX announcement "*Robo signs first major distributor in Europe*" on 2 June 2017).

Continuing its efforts in the education space, Robo will soon exhibit at the largest education trade show in the USA, ITSE 2017, on 25-28 June 2017, with the expected attendance of an estimated 15,000 education professionals. Robo will also be attending and showing the Robo C2 and Robo R2 in conjunction with the San Diego County Library at the American Library Association show in Chicago on 22-27 June 2017, which is expected to be attended by 25,000 librarians and library staff, educators, authors, publishers, and exhibitors.

Supporting these initiatives, Robo has received increased media interest in its new products over the last 72 hours, featuring on morning TV shows and tech blogs in the USA resulting from increased PR activity by the Company.

Managing Director Ryan Legudi commented:

"We are delighted that follow-on investment by a number of our existing shareholders, including the strong support from our major shareholder Tony Grist, and investment from new institutional investors, recognises both the progress that we have made and the exciting sector that we operate in.

Since our listing in December 2016, we have launched two innovative and multi-award winning products, increased our presence in the education market via our partnerships with Promevo and Best Buy for Education, and signed a number of distribution agreements with some of the largest distributors and retailers, including WYNIT and Synnex, which will widen our distribution channels and lead to a growing customer base. We also welcome a number of new investors to the share register at this very exciting time for the Company.

In a relatively short period of time, Robo has reached the top 3 market share in the US desktop segment of 3D printing, and we are in full commercialisation mode. We have steady year on year revenue from our printers and related accessories, and our footprint into new geographies will lead to an additional revenue stream for the Company.

With the successful pre-sales of our new Robo R2 3D printers, this fundraising will strengthen our working capital position to fully expand our marketing and sales efforts while our printers gain further traction in the market."

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Key Terms of the Placement:

GTT Ventures acted as Lead Manager for the Placement, raising A\$800,000 at an issue price of A\$0.06 per share, which represents a 17% discount to the last traded price of A\$0.072, and results in the issuance of 13,333,333 new Robo shares, in accordance with the Company's placement capacity under ASX Listing Rule 7.1.

Key Terms of Trade Finance Facility Loan:

- A\$1,000,000 facility limit.
- A\$250,000 immediately drawn.
- Subsequent drawdowns of A\$250,000 no less than 30 days apart, conditional on execution of a formal agreement for the Trade Finance Facility Loan, and at the sole discretion of the lender.
- At the election of the lender, the outstanding amount under the Trade Finance Facility Loan (including accrued interest) can be:
 - Converted into Robo shares at \$0.072, a 17% premium to the Placement price, subject to Robo shareholder approval;
 - Converted into a new Term Loan (details below), subject to shareholder approval; or
 - Repaid in cash.
- Unsecured.
- Interest rate of 12.0% per annum on the drawn amount, interest capitalised on to loan balance.
- Repayable at the call of the lender or otherwise on expiry of the 6 month term, unless converted into shares or into a new Term Loan as described above.

Key Terms of Term Loan:

- A\$1,000,000 facility limit (i.e. excluding interest).
- Drawdowns of A\$250,000 no less than 30 days apart.
- At the election of the lender, the outstanding amount drawn under the Term Loan (including accrued interest) can be:
 - Converted into Robo shares at the lower of \$0.100 or at a price representing a 15% discount to the 10-day volume weighted average price at the Expiry Date (save that any amount converted from the Trade Finance Facility Loan will remain convertible to Robo shares at \$0.072), subject to Robo shareholder approval; or
 - Repaid in cash.
- Secured.
- Interest rate of 10.0% per annum on drawn amount, capitalised on to loan balance.
- 12 month term.

A fee of up to 2,000,000 options will be payable to the lender issued in pro rata instalments coinciding with each draw down, with an exercise of \$0.100 and an expiry date of four (4) years from issuance.

In addition, S3 Consortium Pty Ltd will be issued 550,000 shares in lieu of services provided to Robo.

The Company notes that the funding package that has been secured is sufficient to meet its working capital requirements according to the current operating budget of the Company, and adds that if subsequent drawdown conditions are not met, and further drawdowns are not provided when

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requested by the Company, or alternative working capital sources cannot be found, there may be a deficiency in working capital.

— ENDS —

FORWARD LOOKING STATEMENTS

All statements other than statements of historical fact included on this announcement including, without limitation, statements regarding future plans and objectives of Robo, are forward-looking statements. Forward-looking statements can be identified by words such as ‘anticipate’, ‘believe’, ‘could’, ‘estimate’, ‘expect’, ‘future’, ‘intend’, ‘may’, ‘opportunity’, ‘plan’, ‘potential’, ‘project’, ‘seek’, ‘will’ and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of Robo that could cause actual results to differ from the results expressed or anticipated in these statements.

Further information

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About Robo 3D Limited

Robo 3D Limited (**ASX: RBO**) is a company based in California, USA, focused on the design and distribution of 3D printers and associated products for the desktop segment of the 3D printing industry (**Robo**).

The company was founded in 2012 by a group of students from San Diego State University and delivered its first model to customers in 2013. Since then, Robo has grown into a leading brand in the desktop segment of the 3D printing industry, gaining significant traction online and through retail partners including Amazon and Best Buy. Robo commenced trading on the ASX on 22 December 2016.

To learn more about Robo 3D, visit: www.robo3D.com

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