

3 September 2018

\$8 million Capital Raising to Institutional and Sophisticated Investors

Highlights:

- LAA successfully completes oversubscribed placement with the issue of 40 million shares at an issue price of \$0.20 per share to institutional and sophisticated investors raising \$8 million
- Proceeds will go towards partial redemption of the outstanding convertible notes, working capital and capital raising costs
- Company reaffirms expectation of achieving operating cash-flow breakeven towards the end of calendar year 2018

Mexico City, Melbourne – 3 September 2018: LatAm Autos Limited (ASX: LAA) (“**LatAm Autos**” or the “**Company**”) is pleased to announce that it has received firm commitments from institutional and sophisticated investors for a share placement to raise \$8.0 million.

The Capital Raising was driven by reverse enquiry from a number of high quality institutional investors who were seeking to invest significant capital in the Company. As part of this placement, the Company welcomes these institutional investors onto its share register.

The single tranche placement of approximately 40.0 million new fully paid ordinary shares in the Company is priced at 20 cents per share and at a 9.5% discount to the 10-day VWAP. The new shares will be issued under ASX Listing Rule 7.1.

The placement is expected to be settled on 7 September 2018.

Strong Balance Sheet

The Company has commenced discussions with convertible note holders regarding their redemption and will accordingly update the market in due course. After settlement occurs, the Company will issue a redemption notice to noteholders, whereby the noteholders can elect the proportion of notes either redeemed or converted.

With an even stronger balance sheet, the Company intends to accelerate the inclusion of new loan products onto the Motorfy platform.

LAA’s Executive Chairman, Tim Handley said: *“This successful capital raising positions LAA to accelerate the deployment of multiple loan products we have in the pipeline for the Motorfy platform and also undertake a partial redemption of the convertible notes currently on issue and expire in 2020.*

We are very pleased with the performance of the Motorfy platform with monthly loan applications growing 360% since the end of 2017. New loan products planned for deployment, together with the recently announced loan product for consumers of little or no credit history, positions the Company to capture the strong demand for car finance products in Mexico.

We would like to thank the strong support of new and existing institutional investors and welcome a number of new investors participating in the Placement.”

Foster Stockbroking acted as sole lead manager to the Placement.

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About LatAm Autos (ASX: LAA)

LatAm Autos listed on the ASX in Dec-14 and is the leading Vehicle Transaction Market Place (VTMP) in Mexico and Ecuador. LatAm Autos is capitalising on the shift of automotive classifieds advertising to online channels, whilst providing cross sell products on its VTMP to car buyers and dealers through its Motorfy mobile app.

Motorfy brings together buyers and sellers of motor vehicles and their related Product Partners. Product Partners provide Cross-Sell Products in two categories: Vehicle Finance and Vehicle Value-Add Products (such as insurance, extended warranty and car tracking technology). LAA receives upfront fees for distributing Product Partners' products and does not assume any credit or underwriting risk.

For more information on LatAm Autos, please visit its website: www.latamautos.com.

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