



\$2.5 Million Capital Raising via Placement and Fully Underwritten Entitlement Issue

ASX RELEASE

25 June 2019

Highlights

- Placement of 200 million Shares at the Issue Price of \$0.005 per Share to raise \$1.0m.
- In a strong endorsement for the Company, key board members and significant shareholders are participating in the Placement, with Quantify CEO, Brett Savill, and Chairman, Peter Rossdeutsch, committing to investing \$100,000 each (subject to shareholder approval).
- \$1.5m fully underwritten Entitlement Issue on the basis of one (1) new Share for every four (4) Shares held on the record date, at the Issue Price of \$0.005 per Share.
- Participants in the Placement and the Entitlement Issue will receive one (1) free attaching Option for every one (1) Share subscribed, with an expiry date two (2) years from the date of issue, and an exercise price of \$0.01 each. The Company will apply for the Options to be listed on ASX.
- Pinnacle Corporate Finance Pty Ltd and RM Corporate Finance Pty Ltd have been appointed Joint Lead Managers and Joint Underwriters to the Entitlement Issue.
- The Company has reduced its operating costs by \$1.14m per annum in 2018/19 and continues to pursue further cost reduction.

Quantify Technology Holdings Limited (ASX:QFY) ("**Quantify**" or the "**Company**") is pleased to announce that it will be undertaking a capital raising of approximately \$2.5m ("**Capital Raising**") through its appointed Joint Lead Managers, Pinnacle Corporate Finance Pty Ltd ("**Pinnacle**") and RM Corporate Finance Pty Ltd ("**RM**") ("**JLMS**"), via a placement and an entitlement issue ("**Capital Raising**").

Placement

The Company has received firm commitments for a placement ("**Placement**") of approximately 200.0m new fully paid ordinary shares ("**Shares**") to sophisticated and professional investors pursuant to section 708 of the *Corporations Act 2001* (Cth), under its existing ASX Listing Rule 7.1 (106,000,000 Shares) and 7.1A (94,000,000 Shares) capacities, at an issue price of \$0.005 per Share ("**Issue Price**") to raise gross proceeds of approximately \$1.0m. The Placement is expected to settle on Monday, 1 July 2019 (excluding director participation, refer below).

Quantify CEO, Brett Savill, and Chairman, Peter Rossdeutsch, have both committed to subscribe for \$100,000 each in the Placement (subject to shareholder approval).



Entitlement Issue

To enable all eligible existing shareholders the opportunity to participate in the Capital Raising on the same terms as the Placement, the Company will launch an entitlement issue on the basis of one (1) new Share for every four (4) Shares held on the record date, at the Issue Price of \$0.005 per Share to raise gross proceeds of approximately \$1.5m ("**Entitlement Issue**"). The Entitlement Issue has been fully, jointly underwritten by Pinnacle and RM. A prospectus ("**Prospectus**") for the Entitlement Issue will be lodged with ASIC and announced to ASX on or around 4 July 2019.

Options

Participants in the Placement and Entitlement Issue will receive one (1) free option for every one (1) Share subscribed ("**Options**"). The Options will have an expiry date of 2 years from the date of issue and will be exercisable at \$0.01 each. The Company will apply for the Options to be listed on ASX. The Options issued to participants in the Placement will be subject to shareholder approval (see below).

Shareholder Approval

The Options issued to participants in the Placement, the participation of the Directors in the Placement and Options issued to the JLMs as part payment of its fees in relation to the Capital Raising will be subject to shareholder approval at a general meeting of shareholders to be called as soon as practical (expected to be held in early August 2019).

Use of Funds

Funds raised under the Capital Raising will primarily be used to advance revenue generating contracts and product licensing opportunities, as well as fund research and development, marketing, working capital and general corporate expenditure.

Quantify CEO Brett Savill commented:

"The Company has recently entered into an exclusive east coast sales agreement with Harvey Norman Commercial Division ("**HNCD**") and with the first purchase order currently being manufactured and due for delivery to Australia in September 2019, the Quantify Board are confident in the future of the Company. To demonstrate our commitment, both our Chairman Peter Rossdeutscher and I have invested \$100,000 each under the Placement.

"At this important stage with the Company nearing commercialisation, I commend the offer under the Entitlement Issue and encourage eligible shareholders to carefully read the Prospectus to be issued and consider taking up their entitlements. The capital raised will not only be important in further executing our commercialisation and sales strategy, it will also play a critical role in further research and development to ensure that Quantify continues to stay ahead of the market as a leader in home automation.

"Further to this, the Company has recently continued its cost reduction program, lowering its quarterly operating costs by approximately \$300,000 per quarter."

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Capital Structure

The indicative impact of the Capital Raising on the capital structure of the Company is set out below.

Security	Existing	Completion
Existing Shares	980,990,717	980,990,717
Shares under Placement	-	200,000,000
Shares under Entitlement Issue	-	295,247,679
Total Shares	980,990,717	1,476,238,396
Existing Options	114,015,591	114,015,591
Options under Placement	-	200,000,000
Options under Entitlement Issue	-	295,247,679
Options to JLMs	-	50,000,000
Performance Shares	200,000,000	200,000,000
Performance Rights	22,166,666	22,166,666
ESS Share Rights	2,999,997	2,999,997
Fully Diluted Share Capital	1,320,172,971	2,362,168,329

Note: For further details, refer to the Appendix 3B released by the Company to ASX on 20 May 2019.

Proposed Timeline

An indicative timetable for the Capital Raising is set out below.

Event	Date
Capital Raising announced, return to trading on ASX	Tuesday, 25 June 2019
Settlement of Placement	Monday, 1 July 2019
Lodgement of Prospectus and Notice of Meeting	Thursday, 4 July 2019
Record Date for Entitlement Issue	Wednesday, 10 July 2019
Despatch of Prospectus and Entitlement Issue opens	Monday, 15 July 2019
Entitlement Issue closes	Monday, 5 August 2019
Notification of shortfall	Thursday, 8 August 2019
General meeting for shareholder approvals	Thursday, 8 August 2019
Shortfall funds due / settlement date	Monday, 12 August 2019

Note: The above dates and times are indicative only and are subject to change.



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Capital Raising Fees

The Joint Lead Managers will be paid a capital raising fee of 4% and a management fee of 2% with respect to the Placement, and an underwriting fee of 4% and a management fee of 2% with respect to the Entitlement Issue, plus 50,000,000 Options (subject to Shareholder Approval as above). The JLM's will also be entitled to a monthly retainer of \$12,000 for a period of three months.

-ENDS-

Further Information:

Investor Relations & Media Enquiries

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About Quantify Technology

Quantify Technology is an Australian-based pioneer of Truly Intelligent Buildings technology. The Company has created simple to install, affordable Internet of Things devices that encourage wide-scale adoption of Internet of Things solutions.

Quantify Technology's commercial product known as the qDevice replaces standard power outlets and light switches in commercial and residential structures. Due to using standard wired Alternating Current (AC) wiring, it can be easily retrofitted without re-cabling in existing buildings.

The qDevice replaces AC light switches/dimmers and power outlets with an intelligent, network-connected framework to provide energy management and reporting, voice-enabled control and interaction, and real-time evaluation of environmental and risk factors for building occupants. This enables the delivery of the Company's vision of Truly Intelligent Buildings, with a goal to deploying the offering globally.

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