

ASX Announcement

ROCKETDNA RECEIVES FIRM COMMITMENTS TO RAISE \$ 1.1m
TO GROW ITS AUTONOMOUS DRONE BUSINESS

HIGHLIGHTS

- Firm commitments from new professional and sophisticated investors, including a well-regarded family office, to raise \$1.1m through the issue of 122,222,222 new fully paid ordinary shares; of which RKT Directors and management to invest \$100k. The Directors' participation will be subject to shareholder approval at an upcoming General Meeting
- Funding to grow the autonomous drone business; to build and deploy approximately 20 autonomous xBot® (drone-in-a-box) units, including more software development on the front-end platform, xBot® roll-out and go-to-market activities, and to strengthen the balance sheet
- Opportunity to front-run the xBot® roll-out, based on the significant market opportunity and conversations the Company is having with industry participants; xBot® has application across a number of settings and verticals

4 December 2023, RocketDNA Ltd (ASX: RKT), a global drones-as-a-service provider, is pleased to advise that it has received firm commitments to raise \$1.1m through the issue of approximately 122,222,222 new fully paid ordinary shares ("Shares") and an issue price of \$0.009 (0.9 cents) per Share ("Placement").

The Placement was well supported by a range of new professional and sophisticated investors including a well-regarded family office, along with RKT Directors and management who will invest an aggregate of \$100k.

New funds from the Placement will be used to fund growth in the autonomous drone business; to build and deploy approximately 20 autonomous xBot® units, including more software development on the front-end platform, xBot® roll-out and go-to-market activities, and to strengthen the balance sheet.

xBot® Autonomous Drone Product (Drone-in-a-Box)

Applications and trials: The Company sees an opportunity to front-run its xBot® roll-out, based on the significant market opportunity and conversations the Company is having with industry participants. xBot® has application across a number of settings and verticals. Currently these are Inspections, Patrols and Survey. Industry verticals currently include mining, security, solar and linear assets and further applications in additional verticals are expected to grow over time. xBOT® is already installed on an existing client mine site in Western Australia undergoing trials. This is a delivery of a 'first time' technology solution to the mining sector in a solution in a service format,

Certifications: The xBot® solution is the culmination of significant planning and successfully applied for approval steps, as announced over recent months, to operate autonomous drone product including for



remote docking station operations from the Civil Aviation Safety Authority (CASA) in Australia as well as being the first company to receive approval from the South African Civil Aviation Authority (SACAA).

The Company earlier in the year received additional approvals for long range drone flight, Beyond Visual Line of Sight (BVLOS) and for meeting Safety standards. BVLOS approval enables long-range operations, with approval received from the local Civil Aviation & Safety Authorities. This enables the Company to execute long-range BVLOS missions, unlocking cost efficiencies.

RocketDNA has received BARS verification, a requirement to operate on large mining sites, which has been received in both South Africa and Australia - one of the highest commitments to safety in the contracted aviation world.

AI enabled: Faster geospatial insight is a growing segment of our data products and insights, powered by AI tools, allowing the Company to process, quantify and report faster than previous manual calculations. RKT sees further potential to build its front-end platform and to enter partnerships and collaborations, similar to the partnership announced (see [ASX announcement 14 November 2022](#)) late last year with Strayos software specialising in the mining sector.

RocketDNA CEO Christopher Clark said: "We are extremely pleased with this capital raise and the support shown from investors, especially given current market conditions.

We have a unique competitive advantage, following regulatory approvals for our autonomous xBOT® drone solution and believe the market demand and economic reward for deploying this niche solution is now mature enough to sustain long-term growth within in our key operating markets of Australia and South Africa.

The conversations we are having with large mining companies is not "if" they are considering autonomous drone-in-a-box systems, only "when", and with the continuing constraints of sourcing adequate labour for these remote mining locations combined with the complexity involved in building, operating and maintaining this technology stack, we believe the window of opportunity is now.

The funds, which we have raised, will allow us to build and configure approximately 20 xBOT® units, providing us with a ready-to-go inventory of autonomous drones to meet customer demand and interest in trials.

We will continue to develop our sales and marketing strategy, leveraging our xBOT® autonomous drone capability, combined with our AI skills & toolsets to increase the number of use cases, in which we are looking to result in the growing of our pipeline of sales."

The Placement:

The Placement will be conducted in two tranches with the first tranche of approximately 118,333,333 (\$1,065,000) Shares issued under the Placement being issued pursuant to the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A and representing approximately 22.16% of current shares on issue.

The second tranche being subject to shareholder approval at a General Meeting of the Company to be held around mid to late January 2024, is to issue 3,888,888 (\$35,000) fully paid ordinary shares to the directors of the Company.

The issue price of new Shares represents a 13.67% discount to the 15-day Volume Weighted Average Price (VWAP) of \$0.0104 and a 5.26% discount to the closing price of \$0.0095 on 29 November 2023.

Sydney-based advisory firm, Prenzler Group Pty Ltd acted as Lead Manager to the Placement and will receive a 6% capital raising fee on the gross funds raised, pursuant to the Placement terms, for acting in this capacity. The Lead Manager and or its nominees, will also receive 10,000,000 options with an exercise price of \$0.018 (1.8 cents) and an expiry date of 24 months from the date of issue (see attached Terms and Conditions). The options will be issued utilising the Company's existing placement capacity under ASX Listing Rules 7.1.

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

-ENDS-

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About RocketDNA

RocketDNA Ltd (ASX: RKT), formerly Delta Drone International Limited, 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.

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LEAD MANAGER - TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

The Options have an exercise price \$0.018 (1.8 cents).

(c) **Expiry Date**

Each Option will expire at 5:00pm (WST) 24 months from the date of issue. An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electric funds transfer or other means of payment acceptable to the Company. Any Notice of Exercise of an Option received by the Company will be deemed to be effective notice of the exercise of that Option on and from the date of receipt of the Notice of Exercise and the receipt of the full amount of the Exercise Price for each Option exercised in cleared funds.

The Options may only be exercised in multiples of 100,000 on each occasion.

(e) **Shares issued on exercise**

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

(f) **Quotation of Shares on exercise**

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(g) **Timing of issue of Shares**

After the Exercise Date, the Company must, within, five business days:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (iii) if admitted to the official list of ASX at the time, do all such acts, matters and things to obtain the grant of official quotation of the Share on ASX no later than 5 Business Days after issuing the Shares.

If a notice delivered under paragraph (g)(ii) 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 20 business days 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 these circumstances, the holder agrees not to trade the Shares for so long as the Shares are subject to such restrictions.

(h) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will giveholders of the Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

(i) **Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(j) **Adjustment for entitlement issue**

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), the Exercise Price of an Option will be adjusted according to the following formula:

$$\text{New exercise price} = O - \frac{E[P-(S+D)]}{N+1}$$

Where:

- O = the old Exercise Price of the Option.
- E = the number of underlying Shares into which one Option is exercisable.
- P = average market price per Share weighted by reference to volume of the Company's Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date of the relevant pro rata issue.
- S = the subscription price of a Share under the pro rata issue.
- D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).
- N = the number of Shares with rights or entitlements that must be held to receive a right to one Share.

(k) **Adjustments for reorganisation**

If there is any reorganisation of the issued share capital of the Company, the rights of the Optionholder will be varied to comply with the Listing Rules which apply to the reorganisation at the time of the reorganisation.

(l) **Options not quoted**

The Company will not apply to ASX for quotation of the Options.

(m) **Options not transferable**

The Options will not be transferrable.

(n) **Lodgement Instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for shares on exercise of the Options with the appropriate remittance should be lodged at the Company's registered office.

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