

14th May 2019

SKYFII OBTAINS \$2 MILLION UNSECURED LOAN FACILITY

Highlights:

- Skyfii obtains unsecured loan facilities of \$2 million in aggregate from sophisticated investors, including Thorney Technologies Ltd (ASX:TEK), an existing institutional investor associated with the Thorney Investment Group and a company associated with Skyfii director, Jon Adgemis
- The \$2 million loan facility provides for greater funding capacity to invest for organic growth across international markets and to support the integration of the recently announced acquisition of Beonic Technologies, a complementary customer insights business
- The initial term of the loan facility is for 2 years and matures on 31 May 2021, with a conditional option to extend for a further 12 months
- Interest on the loan facility is payable quarterly, with a total annual interest rate of 8% on funds drawn plus an annual line fee of 2%
- In addition, the lenders will receive 9,523,808 options for an equivalent number of new ordinary SKF shares at a premium exercise price of \$0.21 per share, which are exercisable until 1 February 2022, a potential significant further cash inflow to Skyfii if exercised

SYDNEY, AUSTRALIA, 14th May, 2019 - Skyfii Limited (ASX:SKF) ("**Skyfii**" or "**the Company**") an omnidata intelligence company, is pleased to announce that it has entered into unsecured loan facility agreements of \$2 million in aggregate from sophisticated investors including Thorney Technologies Ltd (ASX:TEK), an existing institutional investor associated with the Thorney Investment Group and Jagafii Pty Ltd, a company associated with Skyfii director Jon Adgemis ("**Lenders**").

The Thorney Investment Group, led by founder and chairman Alex Waislitz, is one of Australia's most successful small and mid cap investment houses. In addition to its substantial private portfolio it operates two Listed Investment Companies, Thorney Opportunities Ltd and Thorney Technologies Ltd. Thorney Technologies Ltd is an existing Skyfii shareholder, having joined the register in late 2018.

The \$2 million unsecured loan facilities supplement Skyfii's existing cash balance of \$1.2 million¹, providing for greater funding capacity to invest for organic growth across international markets and to support the integration of the recently announced acquisition of Beonic Technologies, a complementary customer insights business.

Key terms of the loan facilities are:

- Aggregate facility limit amongst Lenders of \$2,000,000;
- Initial term of 2 years, maturing 31 May 2021, with an option to extend for an additional year to 31 May 2022, with the extension conditional upon maintaining a positive Operating EBITDA position in FY2020 and 1HFY2021²;
- Skyfii will be charged an annual line fee of 2% plus an interest rate of 8% per annum on drawn amounts (accruing daily), with interest and line fees payable quarterly;
- The Lenders, at their option, may elect to receive line fees and interest in ordinary SKF shares at an issue price of \$0.16 per share;
- In addition, the Lenders will receive 9,523,808 options for an equivalent number of new ordinary SKF shares at a premium exercise price of \$0.21 per share, which are exercisable until 1 February 2022 and which, if fully exercised, would result in a further cash inflow of up to \$2 million to Skyfii;
- The Company has the discretion to drawdown and repay (whether fully or partly) with notice at any time prior to maturity without incurring any additional fees;
- The loan facility is unsecured and the Company has provided the lender with a negative pledge from encumbering any of its assets or property (excluding equipment leases).

Shareholder approval

As Jagafii Pty Ltd is a company associated with Skyfii director, Jon Adgemis, the Company requires and will be seeking shareholder approval³ for the issue of 3,333,333 options and up to approximately 1,300,000 ordinary SKF shares which may be issued for the payment of line fees and interest payments under its loan facility agreement. Only the loan facility with Jagafii Pty Ltd (which has a facility limit of \$700,000) is conditional upon and not effective until the requisite shareholder approvals are obtained.

¹ As at 31 March 2018.

² Operating EBITDA is defined as earnings before interest, tax, depreciation and amortisation, and adjusted to be inclusive of any R&D tax incentive grants accrued or received, and exclusive of share and option based payments expenses and extraordinary acquisition related expenses.

³ A Notice of Meeting and Explanatory Memorandum will be issued to shareholders in due course for the approval of the option and potential share issues relating to the loan facility agreement with Jagafii Pty Ltd.

Mr Wayne Arthur, Skyfii Chief Executive Officer commented, *"We are incredibly pleased to have secured this loan facility from sophisticated investors including Thorney Technologies and one of our cornerstone shareholders and current director, Jon Adgemis, and appreciate the support and sign of confidence in Skyfii's growth strategy. This loan facility will provide Skyfii with additional flexibility and capacity to invest in organic growth opportunities across our international markets and to support the integration of the Beonic business from completion."*

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About Skyfii

Skyfii helps physical venues measure, predict, and influence customer behaviour.

Thousands of shopping centres, airports, retailers, smart cities, universities, restaurants, and other venues, large and small, rely on Skyfii to help improve venue performance and create better experiences for their visitors and customers.

As the world's most trusted omnidata intelligence company, Skyfii collects and analyses billions of data points each month from venues across five continents.

Our cloud-based software platform, the IO Platform, helps venues visualise trends from digital and physical data in a single system of record. The IO Platform provides location and behaviour based communications software and tools to manage guest Wi-Fi, 2D and 3D cameras, people counting technology, weather and social media data across multiple locations.

Skyfii further augments insights generated by the IO Platform with its Data & Marketing Services offering: a team of data science and marketing consultants who help clients effectively gain more value from their data.

Skyfii offers a SaaS cloud-based solution (IO Platform) on a subscription based model, consisting of three core 'IO' services:

- IO Connect: a data portal where data is collected (multi-source data collection)
- IO Insight: venue performance, customer behaviour, loyalty & engagement (data analytics)
- IO Engage: targeted content delivery, automated marketing and monetization (marketing tools)

Skyfii also engages clients to provide further revenue generating services:

- Data Consultancy Services (DS): Experts in delivering compelling and actionable research outcomes through the fusion of digital and behavioural data
- Marketing Services (MS): Experts in delivering data-driven marketing practices, empowered through the fusion of digital and behavioural data

Learn more at www.skyfii.com

Follow Skyfii updates at <https://au.linkedin.com/company/skyfii>

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