Announcement Summary

Entity name

AMAERO INTERNATIONAL LTD

Announcement Type

New announcement

Date of this announcement

12/5/2022

The Proposed issue is:

☑ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Convertible Notes	13,362,663
3DA	ORDINARY FULLY PAID	34,181,184

Proposed +issue date

20/5/2022

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

AMAERO INTERNATIONAL LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.
If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

633541634

1.3 ASX issuer code

3DA

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

12/5/2022

1.6 The Proposed issue is:

☑ A placement or other type of issue

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?
☑ No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ No

Details of +securities proposed to be issued

ASX +security code and description

3DA : ORDINARY FULLY PAID

Number of +securities proposed to be issued

34,181,184

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
☑ Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.21000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
☑ Yes

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ New class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
☑ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
☑ No

ASX +security code	+Security description
New class-code to be confirmed	Convertible Notes

+Security type

+Convertible debt securities

Number of +securities proposed to be issued

13,362,663

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
☑ Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.21000

Will all the +securities issued in this class rank equally in all respects from their issue date?
☑ Yes

+Convertible debt securities details

These securities are:

Converting

Type of security

Convertible note or bond

+Security currency

AUD - Australian Dollar

Face value

AUD 0.2100

Interest rate type

Fixed rate

Frequency of coupon/interest payments per year

Annual

First interest payment date

20/5/2023

Interest rate per annum

2.25000 %

Is the interest rate per annum estimated at this time?

☑ No

s128F of the Income Tax Assessment Act status applicable to the +security

s128F exemption status unknown

Is the +security perpetual (ie. no maturity date)?

☑ No

Maturity date

20/5/2025

Select other features applicable to the +security

☑ Redeemable

Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?

☑ Yes

If yes, what is the first trigger date

20/5/2023

Details of the type of +security that will be issued if the securities are converted, transformed or exchanged

3DA : ORDINARY FULLY PAID

Number of +securities that will be issued if the +securities are converted, transformed or exchanged (including, if applicable, any interest)

13,362,663

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Part 7C - Timetable

7C.1 Proposed +issue date

20/5/2022

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?
☑ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?
☑ Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

13,362,663 ORD shares on conversion of Convertible Notes
17,147,336 ORD shares from share placement

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?
☑ Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

17,033,848 ORD shares from share placement

7D.1c (ii) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate

Strategic placement to US institutional investors

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?
☑ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?
☑ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?
☑ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?
☑ No

7E.2 Is the proposed issue to be underwritten?
☑ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

N/A

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Finalise the installation and commissioning of the titanium alloy powder plant which is expected to take Amaero to a cash flow positive position; and
To identify and pursue US strategic alternatives with Guggenheim Securities.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☑ No

7F.2 Any other information the entity wishes to provide about the proposed issue

N/A

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☑ The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)