

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

FLEXIROAM LIMITED

ABN

27 143 777 397

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | 1. Shares;
2. Quoted Options. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. Up to approximately 60,520,863 shares (subject to rounding), being 1 new share for every 4 shares held on the record date;
2. Up to approximately 60,520,863 options (subject to rounding), being one Quoted Option for every new Share issued. |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. Ordinary fully paid shares;
2. Quoted Options exercisable at \$0.12 each 3 years from issue.
A summary of the terms and conditions of the above securities is set out in section 9 of the prospectus under which the securities are offered, and which was lodged with ASIC on 2 October 2019. |

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<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>1. Yes. New shares will rank equally with existing Shares on issue</p> <p>2. No, however Shares issued on exercise of Quoted Options will rank equally with all other issued fully paid ordinary shares on issue.</p>
<p>5 Issue price or consideration</p>	<p>\$0.02 per share, with one attaching Quoted Option for every one share issued.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Funds raised from the issue will be applied to product sales and marketing, research and development, to supplement existing working capital, and costs of the offer.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>7 August 2019</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Nil</p>

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6d	Number of +securities issued with security holder approval under rule 7.1A	Nil				
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil				
6f	Number of securities issued under an exception in rule 7.2	<ol style="list-style-type: none"> 1. Up to approximately 60,520,863 shares (subject to rounding), being 1 new share for every 4 shares held on the record date; 2. Up to approximately 60,520,863 options (subject to rounding), being one Quoted Option for every new Share issued. 				
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable				
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable				
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Rule 7.1:</td> <td style="text-align: right;">30,907,175.</td> </tr> <tr> <td>Rule 7.1A:</td> <td style="text-align: right;">2,902,500.</td> </tr> </table>	Rule 7.1:	30,907,175.	Rule 7.1A:	2,902,500.
Rule 7.1:	30,907,175.					
Rule 7.1A:	2,902,500.					
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	On or around 31 October 2019.				
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">302,604,314</td> <td>Ordinary fully paid shares</td> </tr> </tbody> </table>	Number	+Class	302,604,314	Ordinary fully paid shares
Number	+Class					
302,604,314	Ordinary fully paid shares					

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	60,520,863 Options exercisable at \$0.02 each 3 years from issue.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable

Part 2 – Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Renounceable
13	Ratio in which the +securities will be offered	One new share for every four shares held, accompanied by one attaching option for every share subscribed for and issued.
14	+Class of +securities to which the offer relates	Ordinary fully paid shares.
15	+Record date to determine entitlements	7 October 2019
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Rounded down to the next whole number
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All countries other than Australia, New Zealand and Malaysia.
19	Closing date for receipt of acceptances or renunciations	24 October 2019
20	Names of any underwriters	None

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21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Lead Manager: CPS Capital Group Pty Limited
23	Fee or commission payable to the broker to the issue	Lead Manager to be paid the following: (a) 2.5 million Quoted Options; (b) \$30,000; (c) 1% of the total amount raised under the issue; (d) 5% of any shortfall shares placed by the Lead Manager
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	None
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not Applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	No later than 10 October 2019
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not Applicable
28	Date rights trading will begin (if applicable)	4 October 2019
29	Date rights trading will end (if applicable)	17 October
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Security holders need to provide instructions to their stockbroker regarding the Entitlements they wish to sell on ASX. Further information is set out in the prospectus.
31	How do +security holders sell part of their entitlements through a broker and accept for the balance?	Security holders should complete their personalised Entitlement and Acceptance Form for the number of Shares they wish to take up and follow the steps set out in the prospectus. Subsequently, they should provide instructions to their stockbroker regarding the proportion of their Entitlement they wish to sell on ASX.

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- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- Security holders may elect to transfer all or a proportion of their Entitlement to another person other than on ASX by forwarding a completed standard renunciation and transfer form (obtainable from the Company's share registry) accompanied by the applicable transferee's cheque for the shares they wish to subscribe for. Further information is set out in the prospectus.**
- 33 +Despatch date
- 1 November 2019**

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) +Securities described in Part 1
- (b) All other +securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

Questions 38 to 42 - Not Applicable

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Quotation agreement

- 1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:
(Company secretary)

Date: **2 October 2019**

Print name: **Kim Hogg**

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before date of issue or agreement to issue	222,714,501
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	-
“A”	222,714,501

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Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	33,407,175
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p>Note:</p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	2,500,000 Quoted Options agreed to be issued to the Lead Manager in conjunction with the rights issue
“C”	2,500,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	33,407,175
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	<2,500,000>
Total [“A” x 0.15] – “C”	30,907,175 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

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Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	222,714,501
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	22,271,450
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	19,368,950 3 May 2019
“E”	19,368,950
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	22,271,450
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	<19,368,950>
Total [“A” x 0.10] – “E”	2,902,500 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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