



Knosys Limited ABN 96 604 777 862
Suite 9.08, Level 9, 2 Queen St
Melbourne Vic 3000
www.Knosys.it
(ASX: KNO)

ASX Announcement
29 May 2018

Knosys Limited to raise \$4 Million

KNO has received firm commitments to raise \$1.37 million (before costs) in an oversubscribed share placement to sophisticated investors. The Placement will be followed by a rights issue to raise approximately \$2.65 million (before costs) from existing and new shareholders on the same terms.

Placement:

Knosys (ASX: KNO) (KNO or the Company) welcomes the expansion of its shareholder base by the inclusion of a number of sophisticated investors as a result of a \$1.37 million oversubscribed share placement (the Placement). The Lead Manager to the Placement was Blue Ocean Equities. Completion of the Placement is expected to occur no later than 31 May 2018.

The Placement was conducted using the Company's existing Listing Rules 7.1 and 7.1A placement capacity of 11,352,408 shares and 8,234,939 shares respectively and the issue price represented a discount of ~11.9% to the 15-day VWAP. The Placement will result in the issue of 19,587,347 fully paid ordinary shares at \$0.07 per share to raise \$1.37 million before costs.

Rights Issue:

The Company is also pleased to announce its intention to undertake a non-renounceable rights issue entitling shareholders to subscribe for 7 new shares for every 19 shares held at the same issue price as the Placement of \$0.07 per share (the Rights Issue). If fully subscribed, the Rights Issue will raise approximately \$2.65 million (before costs). The Rights Issue will have a record date which will allow the investors under the Placement to participate in the Rights Issue. As Lead Manager, Blue Ocean Equities will manage the Rights Issue including the placement of any shortfall shares under the Rights Issue to microcap institutions and sophisticated investors who have expressed interest in investing in the Company. Further details about the Rights Issue including an indicative timetable will be advised shortly.

Application of Funds:

The funds raised from the Placement will be used to repay the holders of convertible notes maturing on 31 May 2018. Funds raised in the subsequent Rights Issue will be used to accelerate investment in the Company's sales, marketing, and customer success teams in order to drive APAC customer and revenue growth. KNO Chief Executive Officer, Mr. John Thompson said "We are delighted to have received strong demand for the Placement from our new and existing sophisticated investors. The Board also considered it important to allow existing shareholders the same opportunity to invest further in the Company's growth hence the inclusion of the Rights Issue."

"The funds raised from this capital raising will enable the Company to exploit its recent successful contract announcements with Singtel and Optus by recruiting additional business development and marketing employees. These additional employees will focus primarily on making sales of our leading software platform, KnowledgeIQ. We will also commence a broader digital marketing campaign and sponsorship of industry conferences during the year to build brand awareness of Knosys. Our growth



aspirations include expansion into Singapore with the opening of a local office to enable us to better engage with customers and partners and grow our sales footprint in the APAC region. We intend to continue to invest in ongoing product innovation focusing on integrations and enhancements to simplify usage and drive adoption of the Knosys software platform.”

ABOUT KNOSYS

The Knosys KnowledgeIQ platform is an enterprise-grade, knowledge management solution that enables companies through a machine learning approach to discover and deliver personalised information to staff and customers to transform productivity and engagement.

The solution is the #1 used app in the life of an information worker being available on their desktop, tablet or smartphone. It drives productivity and optimizes processes by incorporating process wizards, decision guidance, collaboration & feedback while at the same time learning based on user behaviors, patterns and profiles. It also acts as the single knowledge hub from which all digital engagement solutions such as chatbots, web sites, self-service kiosks can consume relevant information interact with end customers in a consistent manner.

For more information please visit: www.knosys.it

For further information please contact:

John Thompson, CEO

Knosys Limited

T: +61 3 9046 9700

E: cosec@knosys.it