

## **Completion of 1st Tranche of Placement and Cleansing Statement**

**15 September 2020**

**ASX Announcement**

Founders First Limited (ASX: FFL) ("**Founders First**" or "**the Company**") is pleased to announce that, further to the announcement of 7 September 2020 regarding the placement to raise a total of approximately A\$7.5 million (before costs) from institutional, sophisticated and professional investors ("**Placement**"), it has completed the issue and allotment of 13.47 million fully paid ordinary shares ("**Tranche 1 Placement Shares**") under tranche one of the Placement.

Under the Placement, the Company received firm commitments to subscribe for a total of approximately 21.47 million new shares at \$0.35 per share ("**Placement Shares**"). The tranche one Placement Shares were issued without a disclosure document in accordance with section 708 of the Corporations Act 2001 (Cth) ("**Act**") under the Company's existing ASX Listing Rule 7.1 placement capacity and raised A\$4.713 million (before costs).

The remaining 8 million Placement Shares ("**Tranche 2 Placement Shares**") will be issued subject to the Company obtaining the required shareholder approvals at the Company's annual general meeting, anticipated to be held in mid-November 2020.

Upon approval, the Tranche 2 Placement Shares will raise an additional A\$2.8 million (before costs). The Tranche 1 and Tranche 2 Placement Shares will rank equally with existing ordinary shares from the date of issue and will be issued at the same price.

A cleansing statement in respect of the Tranche 1 Placement Shares is set out below and an Appendix 2A is enclosed.

### **Cleansing Statement**

The Company hereby notifies ASX under section 708A(5)(e) of the Act that:

- a) today, 15 September 2020, the Company completed the issue and allotment of 13,465,721 fully paid ordinary shares;
- b) the Company issued the shares without disclosure under Part 6D.2 of the Act;
- c) the Company provides this notice under section 708A(5)(e) of the Act;
- d) as at the date of this notice, the Company has complied with the provisions of Chapter 2M and section 674 of the Act as they apply to the Company;

- e) for the purposes of section 708A(7) and (8) of the Corporations Act, the Company wishes to disclose that the Company is currently engaged in discussions with several craft beverage businesses regarding potential investments or acquisitions, which, if binding terms are agreed, may result in material transactions for the Company. A detailed announcement will be made if and when such discussions become binding or complete in accordance with the Company's continuous disclosure obligations; and
- f) other than as set out in this announcement, there is no information that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules and that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
  - i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
  - ii) the rights and liabilities attaching to the shares.

*\* Unless specified otherwise, all amounts are in AUD and are provided on an unaudited basis.*

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This announcement has been authorised and released by Managing Director, Mark Haysman

**Company Secretary:**

Andrew Syme

**About Founders First**

Founded in 2017, Founders First (ASX:FFL) is aiming to build the world's strongest craft beverage collective through supporting and growing independent craft brewery and distillery businesses. FFL has invested in select craft beverages and is accelerating the brands growth through equity and debt funding whilst providing access to FFL's leading team of liquor industry professionals providing functional excellence to craft operators. Founders First focus is on allowing founders to play to their strengths while the FF team of industry experts supports by covering their gaps constraining growth and profitability.

[foundersfirst.group/](http://foundersfirst.group/)