

ASX RELEASE (ASX: AV1)

15 May 2023

ADVERTITAS RAISES \$6.5 MILLION VIA STRONGLY SUPPORTED PLACEMENT

***SHARE PURCHASE PLAN TO RAISE UP TO A FURTHER \$2.5 MILLION
TO BE OFFERED TO ELIGIBLE SHAREHOLDERS***

Highlights:

- **Up to \$9 million of capital to be raised via upsized Placement and Share Purchase Plan**
- **Combined with approximately \$3 million cash reserves (at 31 March 2023) the Company's pro forma cash position would be up to approximately \$12 million following the Placement and successful completion of the Share Purchase Plan**
- **Adveritas has secured \$6.5 million via a strongly supported upsized Placement to existing long-term sophisticated investors and new high quality institutional investors**
- **Up to \$2.5 million further capital to be raised via a Share Purchase Plan, enabling eligible shareholders to participate on the same terms as the Placement**
- **Strong cash balance post-Placement supports continued global growth including a further increase in customer base through marketing and sales initiatives, key product enhancements, and streamlining of onboarding Adveritas' significant pipeline of enterprise clients**
- **Capital raised allows the Company to focus on its key objective of achieving cashflow breakeven**

Adveritas Limited (ASX: AV1) (**Adveritas** or the **Company**) is pleased to announce that it has successfully raised \$6.5 million via a strongly supported and upsized two-tranche share placement (**Placement**) to existing long-term sophisticated investor shareholders and new high quality institutional shareholders.

Under the Placement, Adveritas is issuing 135,416,666 new fully paid ordinary shares (**Shares**) at 4.8 cents per Share in two tranches:

- Tranche 1 is unconditional and comprises the issue of 77,592,746 Shares in accordance with ASX LR 7.1 to raise approximately \$3.7 million (**Tranche 1**)
- Tranche 2 is conditional and comprises the issue of 57,823,920 Shares to raise approximately \$2.8 million subject to shareholder approvals being obtained at a General Meeting of Shareholders (**EGM**) to be held in June 2023 (**Tranche 2**). This tranche includes \$1 million committed by Non-Executive Director, Mark McConnell.

Adveritas will also be offering eligible shareholders the opportunity to purchase up to \$30,000 worth of shares at the same price as the Placement, irrespective of the size of their shareholding, without incurring brokerage or transaction costs (**Offer**). The Offer will be made via a Share Purchase Plan (**SPP**) to raise up to \$2.5 million.

Proceeds from the Placement and the SPP will be used to fund:

- Processes to further streamline onboarding the Company's significant pipeline of enterprise customers;
- Key enhancements to the Company's suite of TrafficGuard products;
- Development of new product features and capabilities; and
- Sales and marketing initiatives to further grow the Company's customer base, including self-serve customers.

Commenting on the successful Placement, Co-founder & CEO Mathew Ratty said:

"I would like to thank shareholders for their strong support, in particular, existing long-term cornerstone investors. I also welcome new high quality institutions that have joined our share register for the first time via this Placement.

"Our strong cash balance will enable Adveritas to continue its growth trajectory, with our last reported Annualised Revenue (Q3 FY23) being up 83% from Q3 FY22¹.

"Our strengthened balance sheet will be used to drive our goal to break even and profitability through a number of strategic initiatives including compression of the enterprise level sales cycle, through streamlining of the onboarding process;

¹ Refer ASX announcement on 28 April 2023.

increasing customer margins; and executing on cross-sell and upsell opportunities already identified in our customer pipeline which is at a record high.

“It is notable that around 95% of our revenue is generated by single-product customers, whilst we have three well-established products in our offering. I am most excited about our cross-sell and upsell opportunity, which has never been greater, with our growth outlook the most exciting it’s ever been in our Company’s history.”

Placement details

Adveritas has raised \$6.5 million via a strongly supported and upsized Placement priced at 4.8 cents per share, which represents a 20% discount to the closing share price on Wednesday 10 May 2023 of 6.0 cents per share.

The Placement will be undertaken in two tranches. Tranche 1 will raise \$3.7 million through the issue of 77,592,746 Shares, and Tranche 2 will raise \$2.8 million through the issue of 57,823,920 Shares, subject to shareholder approvals.

Settlement of Tranche 1 is expected to occur on or about 19 May 2023 and settlement Tranche 2 is expected to occur on or about 30 June 2023 following shareholder approval being obtained at a shareholder meeting to be held in late June 2023.

MST Financial acted as Lead Manager to the Placement, and Automic Markets acted as Corporate Adviser to the Company.

Share Purchase Plan details

Participation under the SPP is optional and will be available exclusively to shareholders of the Company who are registered as shareholders at 5.00pm (Perth time) on Friday, 12 May 2023 (**Record Date**) and whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

The SPP will provide each eligible shareholder with the opportunity to apply for up to \$30,000 worth of shares at the same issue price as the Placement (being 4.8 cents per share).

Adveritas intends to raise up to \$2.5 million under the SPP, and the Company reserves the right, in its absolute discretion, to withdraw, scale-back or accept over subscriptions, subject to compliance with the ASX Listing Rules.

Shares to be issued under the SPP will rank pari passu with existing shares on issue.

Indicative timetable of key dates

Below is an indicative timetable for the SPP:

Record Date for SPP	5.00pm (AWST) on Friday, 12 May 2023
Announce SPP and Lodge Appendix 3B	Monday, 15 May 2023
Dispatch SPP offer booklet to shareholders and release offer booklet on the ASX platform	Tuesday, 23 May 2023
SPP opens	Tuesday, 23 May 2023
SPP closes	5.00pm (AWST) on Tuesday, 6 June 2023
Announcement of results of SPP	Friday, 9 June 2023
Issue of new Shares under the SPP and lodge Appendix 2A	Tuesday, 13 June 2023

All dates and times are indicative and Adveritas reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws. All times and dates are in reference to Australian Western Standard Time (AWST).

Full details of the SPP will be set out in the SPP offer booklet that will be despatched to Eligible Shareholders on or around Tuesday, 23 May 2023.

This announcement is authorised for lodgement by the Board of Adveritas Limited.

- ENDS -



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About Adveritas



Adveritas Ltd (ASX:AVI) creates innovative software solutions that leverage big data to drive business performance. Adveritas' ad fraud prevention software, TrafficGuard, is its first available software as a service. Early adopters of TrafficGuard include LATAM super-app, Rappi and APAC super-app, GO-JEK. Both businesses are well funded with \$2 billion and \$12 billion valuations respectively, and conducting aggressive user acquisition advertising for fast growth. In both cases, TrafficGuard was chosen after a rigorous procurement process that saw the effectiveness of our solution evaluated against a range of competing solutions.

For more information, see <https://www.adveritas.com.au/>

About TrafficGuard



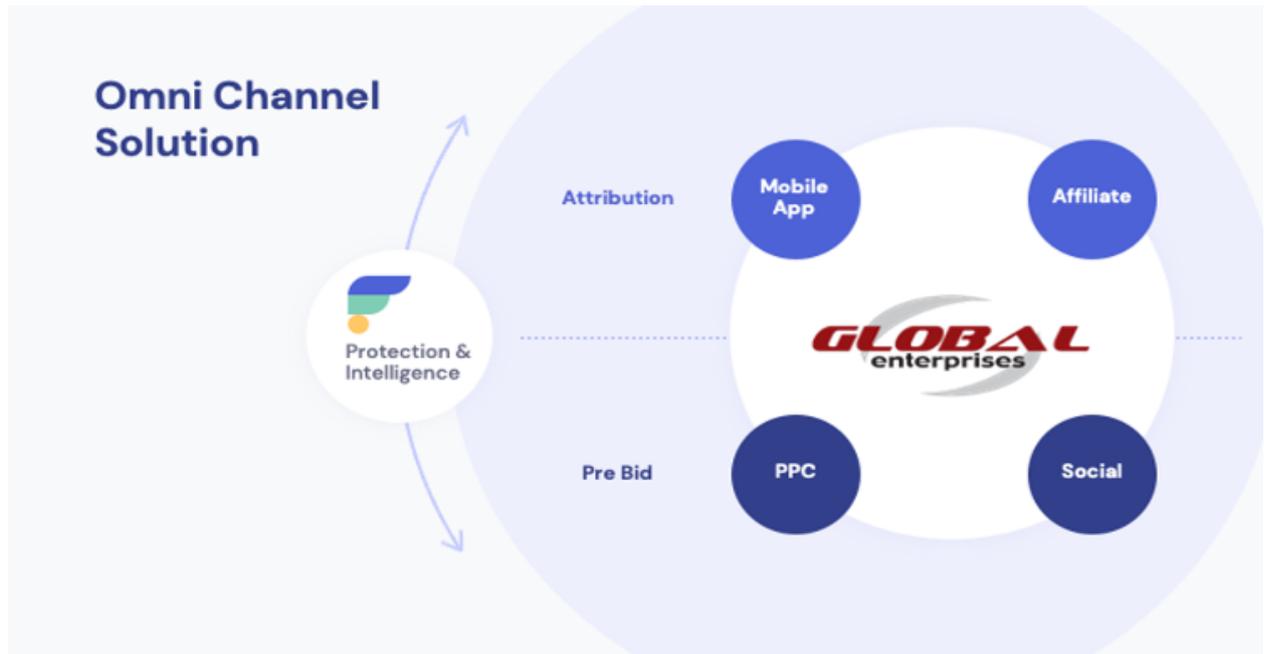
TrafficGuard is an omnichannel ad verification platform helping enterprises and SMBs combat fraud across Google PPC, Mobile app user acquisition campaigns, Affiliate platforms and Social Media. TrafficGuard drives superior advertising performance by verifying advertising engagement as they occur, proactively blocking invalid traffic from infiltrating search campaigns – helping ad spend to reach more real users and protecting the integrity of data that marketers, agencies, designers and developers rely on day in, day out to drive performance improvements.

Trusted by global brands TrafficGuard is a multiple award winning fraud prevention product recognised by The Drum, the Martech Breakthrough Awards, voted the

Most effective anti-fraud solution by Mobile Marketing and is the only PPC verification vendor admitted to the Google Cloud Marketplace globally.

For more information, find us at www.trafficguard.ai

More on TrafficGuard's omni channel solution:



Mobile App install verification: This is the Company's flagship product, with enterprise level clients paying material contract amounts - as high as \$180k per annum for significant global clients. This product ensures clients are not paying for misattributed or fake installs of their apps - essentially allowing them to scale with confidence across digital media and advertising partners.

Google PPC verification: This service is scaling quickly since the Company first launched the offering in late 2020 and now has over 4,500 sign ups to this offering. Any company using Google Ad words is a target customer, with USD \$147 billion spent globally on Google ads per annum.

Affiliate Verification: This service is designed to mitigate affiliate misattribution and ensure clients are paying for real conversions to their website.

Social Verification: A new channel offering, starting with Meta's Facebook, with a planned product pipeline to rollout to Tik Tok, Reddit, LinkedIn and other channels in 2023 due to increasing demand from both current and prospective clients.