

\$20 million convertible note facility signed

Highlights:

- The Company has entered into a Convertible Note Facility with a new Investor for up to \$20 million (before costs)
- The Facility features a binding commitment for \$5 million (before costs), subject to the receipt of shareholder approval
- The Facility provides for further funding of up to \$15,000,000 subject to various conditions and approvals
- The Company will soon call a shareholder meeting to give all shareholders the opportunity to vote on the Facility
- Initial \$5 million commitment offers the Company and shareholders superior terms to other funding opportunities considered
- To offset dilution, all existing shareholders except for the Investor, will be offered Bonus Options and Piggyback Options
- Proceeds will be used for both BNDRY and investor marketing communications to a global audience, and general working capital

7 July 2026 - [Identitii \(ASX:ID8\)](#) ('Identitii', 'the Company') (ASX:ID8) advises it has signed a \$20 million Convertible Security Funding Agreement ("Facility Agreement") with The Blackstone Mercantile Group Ltd. SAC (the "Investor") that provides, subject to the receipt of shareholder approval, a guaranteed \$5 million in funding (before costs) plus access to up to \$15 million in further funding.

The Investor is a capital markets group with experience providing growth capital to listed companies on the NYSE, NASDAQ, Euronext, the London Stock Exchange and Toronto Stock Exchange.

Their intention is not to control the Company. To guarantee this, the parties contractually agreed in the Facility Agreement to cap the Investor's ownership at 19.99%



of the voting power in Identitii, which means the Company cannot convert shares if doing so would cause the Investor to breach the cap.

John Rayment, CEO of Identitii said of the proposed transaction

"We are obviously very excited to share today's news with our shareholders, particularly because we are hopeful this is the last time the Company will need to raise ordinary working capital. We can now focus solely on growing BNDRY and recommit to our goal of achieving cashflow breakeven by the end of next year.

"We have a pipeline of commercial opportunities that have understandably been waiting for the Company to demonstrate balance sheet strength. Today's exciting news should unlock a whole host of those opportunities, as we can now demonstrate the funding support needed to operate BNDRY well into the future."

How the proposed transaction works

The key terms of the Facility Agreement executed by the Investor and the Company today are set out below, with additional detail, including information about the associated risks, in the Notice of Meeting to be released soon.

Step One:

The Company will be calling a General Meeting to give shareholders the opportunity to vote on the proposed transaction. Within ten days of the Notice of Meeting, the Investor will advance the Company the first \$0.5 million of the initial \$5.0 million commitment, which (subject to the approval of Resolutions 1, 2 and 3), will be converted into convertible notes and upon conversion at the issue price (set out below) into shares after the General Meeting, subject to the 19.99% ownership cap.

If the proposed transaction is not approved, the \$0.5 million advance must be repaid in cash to the investor.

Step Two:

At the General Meeting shareholders will be asked to vote on three resolutions relating to the proposed transaction, which must all be approved before the proposed transaction can proceed:

1. The 200-for-1 consolidation of the Company's securities.
2. The issue of convertible notes to the Investor under ASX Listing Rule 7.1.
3. The issue of 92 free Bonus Options for every 100 Shares held by shareholders



registered at the Bonus Options Offer Record Date, with each Bonus Option exercisable at 0.1 cents, upon which entitles the holder to one Share plus one free Piggyback Option also exercisable at 0.1 cents, upon which entitles the holder to one Share (the Offers).

The consolidation will mean that every 200 shares held by a shareholder on the Record Date will be converted into 1 share, with the share price adjusting accordingly. Individual ownership share of the Company and its market capitalisation does not change.

Step Three:

Within 10 days of shareholder approval being obtained for Resolutions 1, 2 and 3, the Investor will advance to the Company the second \$4.5 million of the initial \$5.0 million commitment and be issued 5 million convertible notes.

Out of this advance, the Company must pay \$1.5 million to Fairfax Partners Inc., a marketing and investor relations firm with established reach across the NASDAQ, LSE, Euronext, TSX, CSE and ASX. Fairfax will engage a genuinely global audience, connecting the Company with institutional and retail investors across six major exchanges, while simultaneously positioning BNDRY in the international markets where its next wave of customers and partners will come from.

The Company retains \$3.5 million in net proceeds from the initial commitment, being the \$0.5 million from Step One, plus the remaining \$3.0 million from this Step Three.

Step Four:

Repayment of the entire initial \$5.0 million commitment is intended to be made in shares, subject always to the 19.99% ownership cap, under the following conditions:

The Company will repay the Investor via the conversion of convertible notes into shares at a conversion price of \$0.375, which is expected to be a discount to the post-consolidation share price. This dilution is intended to be partially offset by the Offers (the subject of Resolution 3), under which Bonus Options are issued for nil consideration to existing shareholders and, on exercise at 0.1 cent (together with the Piggyback Options issued), entitle them to Shares.

The Company grants the Investor a six-month exclusive funding period from the date of the General Meeting. During this period, and unless absolutely necessary, the Company will not place any new securities to any party other than the Investor.



Immediately following the Consolidation and before the Investor is issued any shares, the Company will issue the Bonus Options to those shareholders that were shareholders on the Bonus Options Offer Record Date.

Step Five:

After the six-month exclusive period, the Investor and the Company can agree to advance the Company a further \$10 million in funding, to be repaid in shares at a conversion price of \$0.375 per share, and then a subsequent \$5 million to be repaid in shares at a conversion price of \$0.50 per share. These additional investments are not guaranteed and would be made via the issue of additional convertible notes, which may require additional shareholder approvals, if they are to be issued more than 3 months following the upcoming general meeting.

Bonus options are key to managing dilution

The Investor conversion at \$0.375 per share is expected to represent a discount to the post-consolidation share price and is one of the costs of the proposed transaction. The Company understands that without a mechanism expected to offset dilution, offering a discount as proposed would not be in the best interests of existing shareholders.

The proposed issue of Bonus Options plus Piggyback Options is a key reason the Board is recommending the proposed transaction.

Any such intrinsic value is intended to assist in reducing the dilution that existing Shareholders may experience as a result of the issue and conversion of the Convertible Notes. It is not intended to provide Shareholders with a profit, or to allow Shareholders to benefit from any future increase in the Share price, and there is no assurance as to the value (if any) that the Options will have. A Shareholder who does not exercise their Options may not obtain the benefit of any intrinsic value those Options may have.

For the avoidance of doubt, the Investor will not be entitled to convert any Convertible Notes into Shares until one Business Day after the Bonus Options Offer Record Date which consequently means that the Investor will not be entitled to participate in the Bonus Options Offer, and consequently the Piggyback Offers.

Global reach for Identitii and BNDRY

[Fairfax Partners](#) will act as the Company's fully embedded communications department, combining infrastructure, ongoing management and investor & product marketing under one roof, with a direct line to the Company's strategy. That structure means Fairfax isn't



just reporting on milestones, it's actively working to help Identitii achieve them.

With established reach across the NASDAQ, LSE, Euronext, TSX, CSE and ASX, Fairfax engages a genuinely global audience, connecting the Company with institutional and retail investors across six major exchanges, while simultaneously positioning BNDRY in the international markets where its next wave of customers and partners will come from.

Other alternative funding sources considered

The Board carefully evaluated a range of alternative funding sources prior to entering into the Facility Agreement for the proposed transaction with the Investor.

A traditional placement was considered, however current global market conditions and the Company's limited daily trading volumes would require a significant share price discount, with the need for additional attaching options likely, therefore creating further shareholder dilution and potential stock overhang.

Floating-rate convertible note facilities were also assessed. The Board believes floating conversion structures introduce meaningful dilution risk without an offset mechanism, should the Company's share price decline in the drawdown period.

The proposed transaction is the best available funding opportunity for the Company at this point in time. The fixed conversion price provides certainty, the issue of Bonus Options and Piggyback Options limits dilutive impact, and the structure preserves the opportunity to access capital beyond the initial tranche.

Ends

This announcement has been approved and authorised to be given to ASX by the CEO of Identitii Limited.

About Identitii

Identitii exists to help organisations build trust, protect their businesses and customers, and prevent financial crime through better use of financial data. In a world where financial ecosystems are increasingly complex and interconnected, Identitii invests in technologies that make financial data more secure, more intelligent and easier to utilise. We build solutions that deliver real-world impact for businesses and their communities.

For more information visit: www.identitii.com



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