



ASX Announcement

New Finance Facility

Supports Global Growth in Splitit's Funded Merchant Business Model

Sydney, Australia, 11 September 2019 – [Splitit Payments Ltd](#) (ASX:SPT) (**Splitit**), a leading global monthly instalment payments solution business, advises that it has signed an agreement with Shaked Partners Fund, L.P. (an Israeli incorporated entity) to provide the Company with an interim finance facility to enable it to continue to grow its funded merchant business model.

The facility is for up to US\$8 million (approximately AU\$11.6 million) and has flexibility to be drawn down in three tranches over the next 11 months, to 10 August 2020, maturing 24 months after each draw down. The facility can be deployed by Splitit in all the markets in which it operates, supporting the Company's global growth plans.

Splitit will use the facility at its discretion to provide funding alternatives to certain approved merchants, whereby the merchant will receive an upfront payment of the full purchase price in exchange for the purchase of a merchant's receivables (being the merchant's entitlements under a customer's instalment plan) by Splitit.

The facility will incur interest at 9.5% per annum payable by Splitit on drawn amounts, with a 1.5% per annum non-utilisation fee payable in certain circumstances. The outstanding balance of the facility is to be secured by a first ranking charge over the shares in Splitit Capital UK Ltd (Splitit's UK incorporated subsidiary) and a bank guarantee for a small portion of the total facility limit.

In addition, as lender Shaked Partners will receive 2,000,000 options in Splitit Payments Ltd with an exercise price of AU\$0.501 per option (**Options**), representing the average closing price of Splitit shares on the ASX over the 10 business days immediately preceding execution of the financing agreement (see Appendix 3B enclosed). The Options may be exercised up until 11 September 2024. The full terms of the Options are set out in Annexure A to this announcement.

Commenting on the new finance facility, Gil Don, Splitit CEO, said:

"This new finance facility is flexible and global. It can be utilised by Splitit to help us serve merchants all over the world, under our funded merchant business model. As an important interim financing solution, it will allow Splitit to be nimble and to provide funding where it is needed most, thereby supporting us to grow on a global level."

About Splitit



Splitit is a payment method solution enabling customers to pay for purchases with an existing debit or credit card by splitting the cost into interest and fee free monthly payments, without additional registrations or applications. Splitit enables merchants to offer their customers an easy way to pay for purchases in monthly instalments with instant approval, decreasing cart abandonment rates and increasing revenue. Serving many of Internet Retailer's top 500 merchants, Splitit's global footprint extends to hundreds of merchants in countries around the world. Headquartered in New York, Splitit has an R&D center in Israel and offices in London and Australia.

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ANNEXURE A

Terms of the Options:

1. **Definitions**

As used herein the following defined terms shall have the meaning ascribed to them in the Financing Agreement or otherwise as follows:

“**Articles**” shall mean the Company’s Articles of Association as in effect as of the date hereof, as amended from time to time in accordance with its terms.

“**Date of Grant**” shall mean the date hereof.

“**Exercise Price**” of an Option shall be AUS\$0.501 (representing the average closing price of an Ordinary Share reported for the 10 business days immediately preceding the date of execution of the Financing Agreement).

“**Holder**” shall mean Shaked Partners Fund L.P., or any transferee to which the Options or any portion thereof are assigned or transferred pursuant to the terms hereof.

“**Financing Agreement**” shall mean that certain Financing Agreement between, among others, the Company and the Holder, including all security documents and other documents and instruments ancillary thereto.

“**Listing Rules**” shall mean the listing rules of the ASX as amended from time to time.

“**Ordinary Shares**” shall mean Ordinary Shares of the Company.

“**Permitted Transferee**” of a transferor shall mean (i) any other entity which controls, is controlled by, or is under common control with, such transferor, or (ii) any entity included in sections (2) to (4) of the First Supplement of the Securities Law, 5728-1968 and any ‘investment basket’ (‘Sal Hashkaot’) comprising the activities of any such entities in connection with the consolidation of any of their investment activity.

“**Trading Day**” means a day on which the Australian Securities Exchange (“**ASX**”) is open for Trading.

“**Options**” means 2,000,000 Options.

“**Option Shares**” shall mean 2,000,000 Ordinary Shares, as may be adjusted in accordance with these terms (in which case the number of Option Shares into which each Option is exercisable hereunder shall be adjusted accordingly).

2. **Right to Purchase; Exercise Period**

- (a) Right to Purchase Option Shares. The Holder shall be entitled, from time to time and in one or more tranches, to exercise the Options and purchase the Option Shares in consideration for the product of the Exercise Price multiplied by the number of Options exercised. Each Option will entitle the Holder to purchase one Option Share.
- (b) Exercise Period. The Holder may exercise part or all of the Options until the lapse of five (5) years following the Date of Grant (the “**Exercise Period**”).
- (c) Termination

- (i) If, despite timely and due satisfaction in full of all conditions set out under the Financing Agreement for the extension of all Loans, Lender shall fail to extend any Loan to the Company, then the Options shall thereupon be automatically cancelled; provided that, such termination and cancellation shall occur only if the reason for the failure to extend all such Loans as aforesaid is because (i) one or more of the limited partners of Lender shall not contribute capital to Lender, causing Lender to be unable to extend to the Company such Loans in accordance with the provisions of the Financing Agreement, or (ii) Holder shall cease to engage in lending activities.
- (ii) If: (I) the Options are exercised (in whole or in part) during the Withdrawal Period and prior to (x) extension of Loans at the Maximum Loan Amount by Lender to the Borrower, or (y) termination of Holder's commitment to extend any Loans in each case – pursuant to the provisions of the Financing Agreement, whichever is earlier (the "**Restricted Period**", and the Option Shares issued upon such exercise, the "**Restricted Option Shares**"), and thereafter (II) the Options shall be cancelled as aforesaid (or such termination and cancellation would have become effective had the Options not been exercised in full before then, as the case may be) in accordance with the provisions of sub-clause (i) above, then Holder shall refund the Company with an amount reflecting the capital gain of Holder attributed to the acquisition of the Restricted Option Shares, net of all related expenses and taxes (the "**Refund Amount**"). In case Holder shall sell any Restricted Option Shares during the Restricted Period, then an amount equal to the applicable Refund Amount out of the consideration paid to Holder for such Restricted Option Shares shall be deposited and held in a separate account of Holder until expiration of the Restricted Period.
- (iii) In the event of partial failure to extend the Loans to the Company under the circumstances set out in sub-clause (i) above, the Options shall not be cancelled as aforesaid, but rather the number of the Options shall decrease on a pro-rata basis, such that the ratio of (x) the number of Options existing immediately after giving effect to such decrease to (y) 2,000,000 (subject to the adjustments provided for herein) shall be equal to the ratio of the amount of all Loans actually made available to the Company by Lender during the Withdrawal Period to the Maximum Loan Amount ("**Partial Termination**"). The provisions of sub-clause (ii) above shall apply pro-ratably to Partial Termination, *mutatis mutandis*.

3. **Method of Exercise; Payment**

- (a) **Mechanism of Exercise.** The Options may be exercised by the Holder, in whole or in part, at any time and from time to time during the Exercise Period, by providing a duly executed Notice of Exercise in the form attached hereto as **Exhibit A** (the "**Notice of Exercise**"), at the principal office of the Company. Subject to the provisions of Section 3(b) below, concurrently with the delivery of the Notice of Exercise, the Holder shall pay the Company the Exercise Price due with respect to each Option Share underlying the exercised portion of the Options, in cash, by wire transfer or certified, cashier's or other check, or any other method approved in advance by the Company.
- (b) **Net Exercise.** In lieu of payment of the Exercise Price to the Company, as set forth in Section 3(a) above, the Holder may exercise the Options, in whole or in part, into the number of Ordinary Shares calculated pursuant to the following formula, by providing a written Notice of Exercise, specifying the number of Options the Holder desires to exercise:

$$X = \frac{Y(A-B)}{A}$$

A

Where

X = the number of Ordinary Shares to be issued to the Holder

Y = the number of Ordinary Shares to which the Holder is entitled upon the relevant exercise event of the Options (excluding such portion of the Option Shares already issued)

A = the closing price or last sale price of an Ordinary Share reported for the business day immediately preceding the date on which Holder delivers its Notice of Exercise to the Company (the "**Fair Market Value**")

B = the Exercise Price

Upon completion of the above calculation, if X is a negative number, then X shall be deemed to be 0 (zero).

(c) Issuance of Option Shares; Partial Exercise

- (i) The Company represents that it has reserved and shall at all times keep reserved, so long as any Options remains outstanding, out of its authorized share capital, the maximum number of Ordinary Shares issuable upon exercise of the Options.
- (ii) Subject to Section 3(c)(iii) below, within 5 business days following the date on which a Notice of Exercise is delivered to the Company, and, upon exercise of any Options in accordance with Section 3(a) above, payment of the Exercise Price for each Option exercised, the Company will allot and issue to Holder such number of the Option Shares underlying the exercised Options (the "**Exercised Shares**") and will, at the same time, issue a cleansing notice under section 708A(5) of the Corporations Act 2001 (Cth) ("**Corporations Act**").
- (iii) If the Company is not permitted to issue a cleansing notice under section 708A(5) of the Corporations Act, the Company shall issue a prospectus on the date that the Exercised Shares are issued under Section 3(c)(ii) above (in which case the date for issuing those Exercised Shares may be extended to not more than 15 business days after the receipt of the relevant Notice of Exercise, to allow the Company time to prepare that prospectus), in accordance with the requirements of section 708A(11) of the Corporations Act.
- (iv) Application will be made by the Company to ASX for official quotation of the Exercised Shares issued within one (1) Trading Day from the date of issue.
- (v) Upon issuance of the Exercised Shares the Company shall provide Holder with duly executed updated Register of Shareholders, and a holding statement reflecting the shareholdings in the Company will be provided to the Holder promptly following such issuance.
- (vi) Furthermore, unless all Options have been fully exercised, a holding statement representing the unexercised portion of the Options shall also be issued to the Holder or its assignee within such time.

4. Taxes; Option Shares

- (a) The Company undertakes to pay all fees and expenses of the Holder, if any, attributable to the the issuance of the Options and the Option Shares, including VAT (but excluding taxes levied on income/capital gain attributed to the Holder in respect thereof, if any), payable upon grant of the Options and/or issuance of the Option Shares.
- (b) The Options are and the Option Shares issuable upon the exercise of the Options will, upon issuance or transfer, as applicable, in accordance with the provisions contained herein and in the Articles, be fully paid and non-assessable, and free from all liens and charges or any third party rights (including, but not limited to, preemptive rights and rights of first refusal) imposed on the Company in connection with the issuance or transfer, as applicable, thereof (except taxes regarding the income attributed to the Holder, if any) and such issuance will not trigger any anti-dilution protection adjustments.

5. Participation in New Issues. As per ASX Listing Rules, there are no participation rights or

entitlements inherent in the Options and Holder will not be entitled to participate in new issues of capital offered to shareholders during the currency of the unexercised Options prior to any exercise thereof. The Company will ensure that, for the purposes of determining entitlements to any such issue, the record date will be at least ten (10) business days after the issue is announced, in order to allow the Holder the opportunity to exercise the unexercised Options prior to the date for determining entitlements to participate in any such issue.

6. **Adjustments.** The number of Ordinary Shares purchasable upon the exercise of the Options and the Exercise Price set forth above shall be subject to adjustment, from time to time, upon the occurrence of the following events:

(a) If the Company makes a bonus issue of shares or other securities to existing shareholders (other than an issue in lieu of, or in satisfaction of, dividends or by way of dividend reinvestment):

- (i) the number of Option Shares which must be issued on the exercise of the Options will be increased by the number of shares which the Holder would have received if the Holder had exercised the Options before the record date for the bonus issue; and
- (ii) no change will be made to the aggregate Exercise Price payable hereunder in respect of all Options issuable pursuant hereto.

(b) If the Company makes an issue of shares pro rata to existing shareholders (except a bonus issue) the Exercise Price will be reduced according to the following formula (provided that in no event the new Exercise Price shall exceed the old Exercise Price):

$$\text{New Exercise Price} = O - \frac{E [P - (S + D)]}{N + 1}$$

O = the old Exercise Price.

E = the number of underlying Option Shares into which the Options are exercisable.

P = average market price (as defined in the Listing Rules) per share weighted by reference to volume of the underlying shares during the 5 Trading Days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying shares (except those to be issued under the pro rata issue).

N = the number of shares with rights or entitlements that must be held to receive a right to one new share.

(c) If there is any reorganisation of the issued share capital of the Company, the rights of the Holder will be varied to the extent necessary to comply with the ASX Listing Rules which apply to the reorganisation at the time of the reorganisation.

(d) No fractional shares shall be issued or transferred, as applicable, upon the exercise of the Options, and the number of Ordinary Shares to be issued or transferred, as applicable, shall be rounded to the nearest whole share.

7. **Notice of adjustments.** Whenever the number of Option Shares or the Exercise Price is adjusted pursuant to Section 6 above, the Company shall give written notice of the adjustment to the Holder



in accordance with the ASX Listing Rules and provide Holder with a duly executed new Options, if required, and/or an amendment to these Option terms, as the case may be.

8. **Quotation.** The Company will not apply for quotation of the Options.
9. **Rights as Option holder and Shareholder:** Without derogating from any provision of the Financing Agreement, the Holder shall not be entitled, in its capacity as an Option holder, to vote or receive dividends or be deemed the holder of the Option Shares or any other securities of the Company which may at any time be issuable on the exercise of the unexercised Options for any purpose. Furthermore, other than expressly set forth in the Financing Agreement, in these Option terms or in the Articles, nothing contained herein shall be construed to confer upon the Holder, as such, any of the rights of a shareholder of the Company until the Holder becomes a shareholder of the Company. Without limiting the Holder's rights hereunder, upon the exercise of the Options in full or in part, the Holder shall be entitled to all of the rights and privileges to which a holder of such class of Option Shares is entitled in respect of the portion of the Option Shares issued to such Holder and shall be entitled to join any shareholders' agreement and/or any investors' rights agreement, if applicable for the holders of such class of Option Shares.

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

Splitit Payments Ltd

ARBN

629 557 982

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 | Unlisted options (Options) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 2,000,000 Options |
| 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) | Each Option will convert into one fully paid ordinary share (Share). The Options are exercisable at \$0.501 AUD per Option, expiring on 10 September 2024. The Options are issued in consideration for services to be provided under a financing agreement as announced on 11 September 2019. |

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?	No. The Shares issued upon exercise of the Options will rank equally with all existing Shares on issue.
	<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 	
5	Issue price or consideration	Nil.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The Options are issued in consideration for services to be provided under a financing agreement as announced on 11 September 2019.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i> , and comply with section 6i	No.
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	2,000,000 Options
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil.

+ See chapter 19 for defined terms.

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	N/A						
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.	N/A						
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	N/A						
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	7.1: 1,004,974 7.1A: N/A						
7	+Issue dates 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. Cross reference: item 33 of Appendix 3B.	11 September 2019						
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>211,297,116</td> <td>Fully paid ordinary shares</td> </tr> </tbody> </table>	Number	+Class	211,297,116	Fully paid ordinary shares		
Number	+Class							
211,297,116	Fully paid ordinary shares							
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>5,368,699</td> <td>Fully paid ordinary shares (escrowed to 22 January 2020)</td> </tr> <tr> <td>90,867,346</td> <td>Fully paid ordinary shares (escrowed to 29 January 2021)</td> </tr> </tbody> </table>	Number	+Class	5,368,699	Fully paid ordinary shares (escrowed to 22 January 2020)	90,867,346	Fully paid ordinary shares (escrowed to 29 January 2021)
Number	+Class							
5,368,699	Fully paid ordinary shares (escrowed to 22 January 2020)							
90,867,346	Fully paid ordinary shares (escrowed to 29 January 2021)							

	<p>The following Unlisted Options (Options) (exercisable at NIS 0.01 (subject to vesting conditions) and escrowed to 29 January 2021:</p> <ul style="list-style-type: none"> – 470,076 Options expiring 31 December 2020; – 199,410 Options expiring 9 January 2022 – 783,283 Options expiring 31 December 2022; – 783,283 Options expiring 15 March 2023 – 3,724,452 Options expiring 4 November 2023 – 783,283 Options expiring 31 January 2024 – 69,129 Options expiring 12 February 2024 – 167,505 Options expiring 25 February 2024 – 229,721 Unlisted Options expiring 1 March 2024 – 308,421 Options expiring 15 March 2025 – 183,989 Options expiring 1 May 2024 – 459,973 Options
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+ See chapter 19 for defined terms.

	expiring 7 July 2024
	– 98,376 Options expiring 8 July 2024
	– 153,147 Options expiring 17 September 2024
	– 61,153 Options expiring 15 August 2024
	– 69,129 Options expiring 11 December 2024
	– 69,129 Options expiring 17 December 2024
	– 69,129 Options expiring 12 February 2025
	– 167,505 Options expiring 25 February 2025
	– 229,720 Options expiring 1 March 2025
	– 308,422 Options expiring 15 March 2024
	– 183,989 Options expiring 1 May 2025
	– 61,152 Options expiring 15 May 2025
	– 98,375 Options expiring 8 July 2025
	– 153,147 Options expiring 17 September 2025

	<ul style="list-style-type: none"> – 69,129 Options expiring 11 December 2025 – 69,129 Options expiring 17 December 2025 – 167,504 Options expiring 25 February 2026 – 153,679 Options expiring 17 September 2026
18,000,000	Options (exercisable at \$0.30; expiring 22 January 2022; escrowed to 29 January 2021; subject to vesting conditions)
3,000,000	Options (exercisable at \$0.40; expiring 22 January 2022; escrowed to 29 January 2021; subject to vesting conditions)
8,000,000	Options (exercisable at \$0.20; expiring 31 December 2023; escrowed to 29 January 2021; subject to vesting conditions)
2,000,000	Options (exercisable at \$0.501; expiring 10 September 2024)
18,000,000	Performance Rights (escrowed to 29 January 2021; subject to vesting conditions)

+ See chapter 19 for defined terms.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
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12	Is the issue renounceable or non-renounceable?	N/A
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13	Ratio in which the +securities will be offered	N/A
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14	+Class of +securities to which the offer relates	N/A
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15	+Record date to determine entitlements	N/A
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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
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17	Policy for deciding entitlements in relation to fractions	N/A
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18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
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19	Closing date for receipt of acceptances or renunciations	N/A
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20	Names of any underwriters	N/A
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21	Amount of any underwriting fee or commission	N/A
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22	Names of any brokers to the issue	N/A
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23	Fee or commission payable to the broker to the issue	N/A
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24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
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	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	*Issue date	N/A

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

+ See chapter 19 for defined terms.

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 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)

- 38 Number of +securities for which +quotation is sought
- 39 +Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?
- If the additional +securities do not rank equally, please state:
- 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
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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

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42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)

Number	+Class

+ See chapter 19 for defined terms.

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, we 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:

Date: 11 September 2019

Print name: Charly Duffy

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+ See chapter 19 for defined terms.

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 the +issue date or date of agreement to issue	269,655,661
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 <p><i>Note:</i></p> <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> 	377,500 Shares issued under the SPP on 24 June 2019.
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	N/A
“A”	270,033,161
Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>

+ See chapter 19 for defined terms.

Multiply “A” by 0.15	40,504,974
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><i>Note:</i></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> 	<p>37,500,000 Shares issued on 24 May 2019</p> <p>2,000,000 Options issued on 11 September 2019</p>
“C”	39,500,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	40,504,974
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	39,500,000
<p>Total [“A” x 0.15] – “C”</p>	<p>1,004,974</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

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>	N/A
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	N/A
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"> • <i>This applies to equity securities – 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>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</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	N/A

+ See chapter 19 for defined terms.

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>	N/A
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	N/A
Total [“A” x 0.10] – “E”	N/A <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.