

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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

MOTORCYCLE HOLDINGS LIMITED

ABN

29 150 386 995

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 | Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <p>As announced to ASX on 4 October 2017, the Company will issue 17,393,750 fully paid ordinary shares (Rights Issue Shares) pursuant to a pro rata renounceable entitlement offer (Rights Issue).</p> <p>The Company will also issue 6,363,637 fully paid ordinary shares (Consideration Shares) to the sellers as part of the consideration for the acquisition of Cassons Pty Limited (Acquisition), also announced to ASX on 4 October 2017.</p> |

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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)	Fully paid ordinary shares
4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <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 	Yes.
5	Issue price or consideration	\$3.85 per share.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>Proceeds from the issue of the Rights Issue Shares will be used (in conjunction with debt and the issue of the Consideration Shares (see below)) to fund the Acquisition.</p> <p>The Consideration Shares are being issued to the sellers as part of the consideration for the Acquisition.</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	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	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
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	N/A
7	<p>+Issue dates</p> <p>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.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	<p>Rights Issue Shares</p> <p>The proposed issue date is Friday, 27 October 2017.</p> <p>Consideration Shares</p> <p>The Consideration Shares will be issued upon Completion of the Acquisition,</p>

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8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		61,707,387, including the Rights Issue Shares and Consideration Shares.	Ordinary fully paid shares
	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		Nil	N/A
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Same dividend entitlements as apply to all ordinary shares	

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Renounceable
13	Ratio in which the ⁺ securities will be offered	11 New Shares for 24 Existing Shares
14	⁺ Class of ⁺ securities to which the offer relates	Fully paid ordinary shares
15	⁺ Record date to determine entitlements	7.00 pm (Sydney time) on Monday, 9 October 2017
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Fractional Entitlements to New Shares will be rounded down to the nearest whole New Share.

18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	All countries other than Australia and New Zealand unless the Company in its discretion agrees to extend the Rights Issue to other countries in which it is entitled to do so
19	Closing date for receipt of acceptances or renunciations	5.00 pm (Sydney time) on Friday, 20 October 2017.
20	Names of any underwriters	Morgans Corporate Limited
21	Amount of any underwriting fee or commission	The underwriting fee is 2.00% of the Offer Proceeds and the management fee is 0.75% of the Offer Proceeds.
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	A handling fee of 1% of the application amount is payable by the underwriter, subject to a maximum handling fee of \$150.00.
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	Wednesday, 11 October 2017.
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)	Friday, 6 October 2017
29	Date rights trading will end (if applicable)	Friday, 13 October 2017

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+ See chapter 19 for defined terms.

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| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | Security holders can sell their entitlements in full through their broker by following the instructions on their Entitlement and Acceptance Form under the section 'Sale of your Entitlement rights in fully b your Stockbroker/Agent'. |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | Security holders can sell part of their entitlements through their broker by following the instructions on their Entitlement and Acceptance Form under the section 'Sale of your Entitlement rights in party by your Stockbroker/Agent and take up the balance'. |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | Security holders can transfer all or part of their entitlement to another person by completing a Standard Renunciation Form from the Company's share registry or their stockbroker and returning it to the share registry along with the Entitlement and Acceptance Form completed by the transferee in accordance with the instructions on the Entitlement and Acceptance Form under the section marked 'Disposal of your Entitlement rights held on the Issuer sponsored sub-register'. |
| 33 | ⁺ Issue date | Friday, 27 October 2017. |

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

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or

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+ See chapter 19 for defined terms.

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 N/A
- 39 +Class of +securities for which quotation is sought N/A
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? N/A
- 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)	N/A	
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	Number	+Class
		N/A	

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: 4 October 2017

Print name: Lisa Dalton
Company Secretary

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