



Prospectus

for an offer of shares in
intelliHR Holdings Limited to raise
\$4.5 million at \$0.30 per share

BROKER TO THE OFFER:



LEGAL ADVISERS:



www.intellihr.com.au

intelliHR Holdings Limited ACN: 600 548 516



IMPORTANT: This is an important document and should be read in its entirety.
An investment in intelliHR Holdings Limited should be considered speculative.

intelligent people management.

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Important Notices

General

This replacement prospectus is dated 20 November 2017 and was lodged with ASIC on that date. It replaces the original prospectus lodged with ASIC on 13 November 2017. intelliHR has applied to the ASX for the admission of intelliHR to the official list of the ASX and for quotation of the Shares the subject of this Offer. Neither ASIC or ASX takes any responsibility for the contents of this replacement prospectus (hereinafter referred to as 'this prospectus') or the merits of the investment to which this prospectus relates. No Shares will be allotted or transferred on the basis of this prospectus after the expiry date. This prospectus expires on 20 December 2018.

No person is authorised to give any information or make representations about the Offer, which is not contained in this prospectus. Information or representations not contained in this prospectus must not be relied on as authorised by the Company, or any other person, in connection with the Offer.

This prospectus provides information for investors to decide if they wish to invest in intelliHR. Read this document in its entirety. Examine the assumptions underlying the financial forecasts and the risk factors that could affect the financial performance of intelliHR. Consider these factors carefully in light of your personal financial circumstances. Seek professional advice from your accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest. The Offer does not take into account the investment objectives, financial situation or needs of particular investors.

Australian Residents Only

The Offer is available to Australian residents in each state and territory of Australia. The distribution of this prospectus in jurisdictions outside Australia may be restricted by law. Seek advice on and observe any restrictions. This prospectus is not an Offer in any place where, or to any person to whom, it would not be lawful to make the Offer.

Defined Terms

Some terms used in this prospectus are defined in the Glossary.

Electronic Prospectus

This prospectus is available electronically at www.intellihr.com.au. The Application Form attached to the electronic version of this prospectus must be used within Australia. Electronic versions of this prospectus should be downloaded and read in their entirety. Obtain a paper copy of the prospectus (free of charge) by telephoning the intelliHR IPO Information Line on 1800 992 481 (within Australia) or +61 1800 992 481 (outside Australia) from 9.00am to 5.00pm (Brisbane time), Monday to Friday (excluding public holidays). Applications for Shares may only be made on the Application Form attached to this prospectus or in its paper copy form downloaded in its entirety from www.intellihr.com.au.

Exposure Period

intelliHR has not processed Application Forms received during the seven day exposure period following lodgement of the original prospectus with ASIC. This exposure period enabled the original prospectus to be examined by market participants. No preference will be given to Application Forms received during the exposure period.

Privacy

If you complete an Application Form you will be giving intelliHR personal information. intelliHR and the share registry collect, hold and use that personal information to assess your application and to communicate and provide services to you as a Shareholder. intelliHR may disclose information to its agents, service providers (such as the share registry) and government bodies. You may access, correct and update the personal information that we hold about you by contacting the share registry.

Currency

Monetary amounts shown in this prospectus are expressed in Australian dollars unless otherwise stated.

Photographs and Diagrams

Photographs used in this prospectus without descriptions are only for illustration. The people shown are not endorsing this prospectus or its contents. Diagrams used in this prospectus may not be drawn to scale. The assets depicted in photographs in this prospectus are not assets of the Company unless otherwise stated.



IMPORTANT NOTICE

This document is important and should be read in its entirety.

Letter from the Chairman

Dear Investor,

On behalf of the Board, it gives me great pleasure to offer you this opportunity to invest in intelliHR Holdings Limited.

intelliHR is an Australian HR technology business which has developed, and is currently marketing, a next-generation cloud-based people management platform. Our aim is for it to become an essential core platform for every business that needs to manage human talent, providing the necessary tools to align, manage and enable a 'people and culture strategy' with a company's broader business strategy. In particular, the intelliHR platform adds value through the automation of traditionally manual HR processes, capturing critical people and performance data not typically available or visible to business today. intelliHR utilises cloud-based tools for real-time collection and reporting of data.

The intelliHR platform offers a fresh alternative to large employers most of whom currently use multiple, poorly integrated software systems. It allows organisations to manage and access information across the entire organisation and gives HR professionals and business leaders essential data and the opportunity to make strategic decisions based on real-time analytics. The Directors have a strong conviction that Software-as-a-Service (SaaS) based systems will become a standard in HR management in the near future. The SaaS model lowers costs by allowing businesses to share computing resources, is more scalable and agile than traditional software models and it is the strong preference, and increasingly the expectation, of employees. intelliHR is well positioned to capitalise on that trend.

Through this prospectus, intelliHR is raising \$4.5 million at an Offer Price of \$0.30 per Share. At the Offer Price, intelliHR has an implied market capitalisation of approximately \$31.2 million. The funds raised by this Offer will provide intelliHR with working capital to support its growth strategy as it moves toward a key milestone of being cash-flow positive.¹ An ASX listing will provide intelliHR with access to equity capital markets, facilitate corporate transactions by the issue of Shares and give employees an opportunity to participate in the ownership of intelliHR.

This prospectus contains detailed information about intelliHR's operations, financial performance, experienced management team and future plans. It also outlines the potential risks associated with this investment. I encourage you to read this document carefully before making your investment decision.

On behalf of my fellow Directors, I look forward to welcoming you as a Shareholder of intelliHR.

Yours faithfully,



Tony Bellas

Chairman

intelliHR Holdings Limited
20 November 2017

¹ intelliHR achieved a net operating cash outflow of \$929,961 for the financial year ended 30 June 2017.



KEY OFFER INFORMATION

What We are Offering

Key Offer Statistics:

Offer Price per Share

\$0.30

Total number of Shares offered under this prospectus

15,000,000

Total number of Shares on issue following the Offer ¹

103,870,596

Amount to be raised under the Offer (before Offer costs)

\$4,500,000

Implied market capitalisation at the Offer Price ^{1, 2}

\$31,161,179

¹ Excludes any options that may be exercised (see section 10.1); at the date of the prospectus there were 15,245,572 options over unissued Shares in intelliHR (representing 12.80% of the capital in intelliHR on admission on a fully-diluted basis)

² Implied market capitalisation is the total number of Shares on issue after the Offer, multiplied by the Offer Price

Important dates

TUESDAY
21
November
2017

Offer
Opens

WEDNESDAY
20
December
2017

Offer
Closes
5.00pm AEDT

TUESDAY
9
January
2018

Anticipated
Date of
Allotment

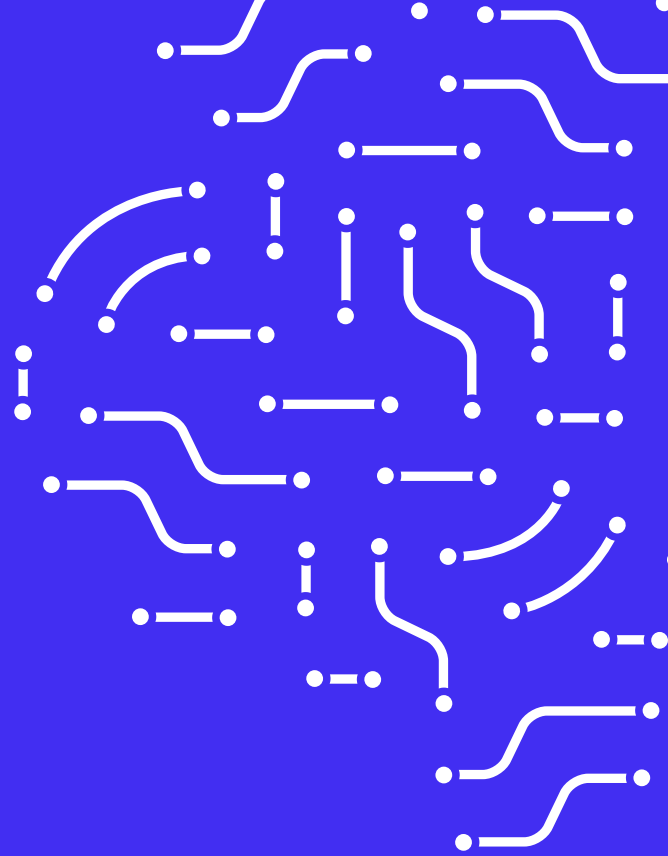
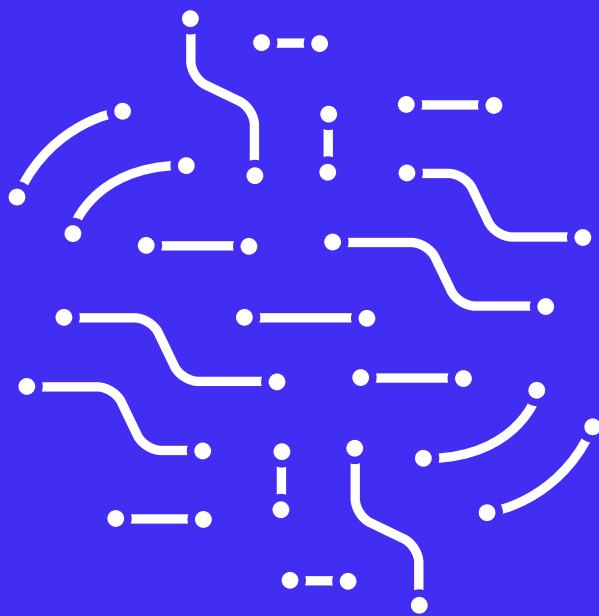
FRIDAY
12
January
2018

Expected
Dispatch
of Holding
Statements

WEDNESDAY
17
January
2018

Anticipated
Commencement
of ASX Trading

All dates are indicative only and are subject to change. intelliHR may vary these dates without notice.



1.0

Investment Overview

1.1 Introduction

Who is intelliHR?	intelliHR is a human resources (HR) technology business, which has developed a cloud-based people management platform (the 'intelliHR platform') designed analytics-first.	Sections 2.1 and 2.2
What the intelliHR Platform does (and doesn't do)	<p>The intelliHR platform is designed to support HR professionals and leadership teams within an organisation, using technology that automates manual HR processes and captures critical people data. The platform gives a real-time understanding of an organisation's human resources and provides tools to create a performance-based culture aligned with the employer's business strategy, and contribute to strategic decision-making with data-driven insights.</p> <p>The intelliHR platform can be delivered worldwide, accessed via the Internet. Its feature set can be broken down into the following categories:</p> <ul style="list-style-type: none">• Real-time analytics• Best practice people management tools• Workflow and compliance automation <p>The intelliHR platform is not a payroll or benefits system, although management's expectation is that intelliHR will develop tools to integrate with common payroll systems over time.</p>	Section 2.3

1.2 intelliHR's Business Model

What is intelliHR's Business Model?	<p>intelliHR's SaaS business model is:</p> <ul style="list-style-type: none">• Customer-centric – directly involve customers in product development to meet their needs and drive long-term, sustainable growth• Disruptive – innovation through leading-edge technology and thought leadership on people, performance and culture• Scalable – industry-agnostic, geographically-expandable to a global market• Subscription-based – recurring revenue on long-term contracts	Section 2.4
How does intelliHR Generate Revenue?	intelliHR generates revenue predominantly by licensing its platform and providing associated services to customers. Access to intelliHR's platform is sold as a licence to use the platform, with recurring monthly operating fees payable by customers on a per staff member basis. intelliHR also generates revenue through the provision of professional services for implementation, system training and on-demand HR consulting support services.	Section 2.4

What is intelliHR's Organic Growth Strategy and Opportunities?

The Directors intend to pursue organic growth of intelliHR's revenue by:

Sections 2.6, 2.7 and 2.8

- Building a reputation as the 'one platform' SaaS solution for all of an organisation's people management needs
- Increasing intelliHR's investment in sales and marketing to accelerate the adoption of the intelliHR platform
- Leveraging both local and international market opportunities and building a beachhead outside of Australia in receptive markets

1.3 Key Strengths and Competitive Advantages

Board and Management Expertise

intelliHR has an experienced executive management team, backed by a Board with a track record of creating shareholder value.

Sections 4.1 and 4.2

Software as a Service

The SaaS model provides ease of implementation and lower ongoing support and maintenance costs. The latest version of the platform is immediately available to customers without the on-premise environment and significant implementation expenses involved in a traditional software model.

Sections 2.3

Sales and Customer Uptake

The intelliHR platform became commercially available in April 2016 and was formally launched at the 2016 Australian Human Resource Institute (AHRI) National Convention in August 2016.

Sections 2.2 and 2.5

At the date of this prospectus, the intelliHR platform has 18 contracted customers representing an employee headcount of about 2,427. Those customers are from a variety of industries, including professional services, financial services, mining, education, not-for-profit, manufacturing and property services.

At the date of this prospectus, intelliHR's qualified sales pipeline is 71 potential customers representing an employee headcount of about 69,785.¹

Revenue Potential across Broad Industry Segments

The intelliHR platform is targeted at organisations of 20 to 5,000 staff members in both the public and private sectors across a broad range of industries. As the platform can also be delivered worldwide, it has a broad and deep addressable market.

Section 2.5 and 3.1

¹ A potential customer qualifies for the sales pipeline after having: (a) been screened by intelliHR's sales team to confirm that the intelliHR platform would satisfy the potential customer's needs; and (b) booked a demo of the intelliHR platform. There is no certainty that qualified customers will be converted to paying customers and intelliHR has insufficient sales history, having launched the intelliHR platform in April 2016, to provide any reasonable estimate of the likely conversion rate.

1.4 Key Risks

Some of the key risks of investing in intelliHR are outlined in the table below. Investors should read section 6 for further information on risks that are important to understand.

Financing Risks	The funds raised under the Offer will be applied primarily to sales and marketing endeavours. There is no certainty that those expenditures will deliver sufficient sales growth to obviate the need for further equity capital. For example, even if intelliHR becomes cash flow positive, the Directors may consider it appropriate to increase expenditure on sales and marketing. As a result, it is likely that intelliHR will require further equity funding in the short to medium term. That funding may be highly dilutionary to Shareholders, depending on the price at which intelliHR seeks to issue new Shares.	Section 6.2
Dependence on Key Personnel	intelliHR depends on the talent and experience of its Personnel, and as such any departure of key Personnel may be materially adverse to intelliHR's prospects. It may be difficult to replace key Personnel or to do so in a timely manner or at a comparable expense.	Section 6.2
Competition	The technology industry is intensely competitive and subject to rapid change. intelliHR may face competitors that are better resourced or develop superior products, particularly those based on new or disruptive technology. intelliHR may also be slower to adopt new technology than potential competitors, each of which would likely be materially adverse to intelliHR's prospects.	Section 6.2
Intellectual Property	As intelliHR's business model is based on commercialisation of a cloud based platform, its ability to protect the intellectual property in the intelliHR platform is important. There may be circumstances where intelliHR's intellectual property cannot be protected or is subject to unauthorised infringement.	Section 6.2
Reliance on Third Party Providers	As the intelliHR platform is cloud-based, intelliHR relies upon third-party service providers for the ongoing availability of its platform. intelliHR's influence over these third parties is limited. Any system failure that causes an interruption to the platform could materially affect intelliHR's business. System failures, if prolonged, could reduce the attractiveness of the platform to existing and potential customers and could damage intelliHR's business reputation and brand name.	Section 6.2

Hacking and Security Breaches

intelliHR may be adversely affected by malicious third party actions that seek to breach security of the platform. Any such 'hacking' of the platform could, among other things, jeopardise the security of customer information stored on the intelliHR platform. If intelliHR's efforts to combat such malicious actions are unsuccessful, or if the platform has actual or perceived vulnerabilities, intelliHR's business reputation and brand name may be harmed, which may result in a loss of customers from the platform (and reduced prospects of securing new customers).

Section 6.2

Reliance on Continual Platform Development

While technological innovation is a key strength of intelliHR, such advantages in the industry can be short-lived. The success of intelliHR will depend on its ability to commercialise and expand the intelliHR platform and grow its customer base while responding to changing technologies and customer demands. Failure or delay to do so may impact the success of intelliHR.

Section 6.2

Limited Operating History

intelliHR has had less than four years of relevant operating history in the development and commercialisation of the intelliHR platform. An investment in intelliHR should be evaluated in light of the risks and difficulties often encountered by emerging companies and particularly by such companies in rapidly-evolving, technology-based environments.

Section 6.2

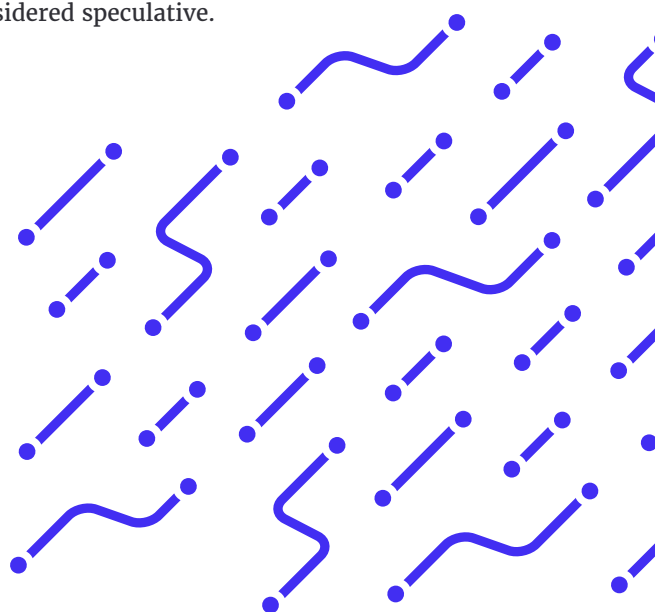
General Risks

intelliHR's business is also subject to general risk factors.

Section 6.3

The specific risks identified above and additional specific and general risks associated with intelliHR are set out in further detail in section 6.

Any investment in intelliHR should be considered speculative.



1.5 Operating & Financial Information

intelliHR's Financial Position

A summary of intelliHR's pro-forma statement of financial position as at 30 June 2017, showing the impact of certain pro-forma adjustments (see section 5.3) as if they had occurred at 30 June 2017, is set out below:

Section 5

PRO-FORMA FINANCIAL INFORMATION AS AT 30 JUNE 2017		
	NOTES	\$
Current Assets:		
Cash and cash equivalents	5.8.3	8,996,485
Trade and other receivables		37,452
Other assets		51,206
TOTAL CURRENT ASSETS		9,085,143
Non-Current Assets:		
Plant and equipment		54,920
Intangible assets		1,480,602
TOTAL NON-CURRENT ASSETS		1,535,522
TOTAL ASSETS		10,620,665
Current Liabilities:		
Trade and other payables		228,894
Provisions		112,436
TOTAL CURRENT LIABILITIES		341,330
Non-Current Liabilities:		
Provisions		9,968
TOTAL NON-CURRENT LIABILITIES		9,968
TOTAL LIABILITIES		351,298
NET ASSETS		10,296,367
Equity:		
Issued capital	5.8.4	11,931,195
Other equity securities	5.8.5	-
Reserves		1,075,146
Accumulated losses	5.8.6	(2,736,974)
TOTAL EQUITY		10,296,367

To fund its operations to date, intelliHR has primarily relied upon seed capital with research and development grants. intelliHR's material operating expenses include development, operation and maintenance of the intelliHR platform, costs associated with sales and marketing, and general corporate and administrative costs.

intelliHR achieved a net loss of \$2,274,704 and net operating cash outflows of \$929,961 for the year ended 30 June 2017.

What are the Intangible Assets on intelliHR's Statement of Financial Position?

The intangible assets represent the costs incurred in the development stage of intelliHR's platform. The Directors and Management apply judgement in the recognition of Development assets.

Section 5.8.2 (m)

How Does intelliHR Expect to Fund its Operations?

The Directors believe that the proceeds from the Offer, in conjunction with existing cash (approximately \$4,234,151 at the date of this prospectus), will be sufficient to carry out its stated business objectives.

Section 2.9

How Will Offer Proceeds be Used?

The Offer proceeds are intended to be used as follows:

Section 2.9

Use of funds:	AMOUNT:
Business development and marketing	\$2,798,869
Platform development and integrations	\$2,630,614
Corporate expenses (including Offer costs) ²	\$1,617,983
Working capital	\$1,686,685
TOTAL	\$8,734,151 ¹

¹ Includes existing cash reserves of approximately \$4,234,151 at the date of this prospectus.

² The Offer costs are set out in Sections 10.4 and 10.5.

The above table is a statement of current intentions of intelliHR based on its current business plan and business conditions. Intervening events and new circumstances have the potential to affect the allocation of funds.

What is intelliHR's Dividend Policy?

The Board does not anticipate paying a dividend in the short to medium term. The Board anticipates that, in the short to medium term, intelliHR will more appropriately re-invest any profits or free cash flow to support growth.

Section 4.6

1.6 Board & Management

intelliHR's Board collectively have significant depth of executive and non-executive board experience in the technology and human resources industries and early stage companies, combined with capital market, financial and commercial expertise.

Board of Directors

Anthony Bellas Independent Non-Executive Chairman

Section 4.1

Robert Bromage Managing Director & Chief Executive Officer

Jeremy Fong Executive Director & Chief Technology Officer

Gregory Baynton Independent Non-Executive Director

Jamie Duffield Independent Non-Executive Director

1.7 Interests & Benefits

Shareholding Structure

The ownership structure of intelliHR immediately prior to and after completion of the Offer is shown in the table below:

Sections 4.3 and 10.1

On the Date of this Prospectus:	SHARES	OPTIONS	OWNERSHIP ¹
Directors	30,812,938	13,467,899	34.67%
Other Existing Shareholders ²	58,057,658	1,777,673	65.33%
TOTAL	88,870,596	15,245,572	100%

On Completion of the Offer:	SHARES	OPTIONS	OWNERSHIP ¹
Directors ³	30,812,938	13,467,899	29.66%
Other Existing Shareholders ²	58,057,658	1,777,673	55.89%
New Investors	15,000,000	Nil	14.44%
TOTAL	103,870,596	15,245,572	100%

¹ Ownership is calculated on ordinary shares only, which excludes the effect of dilution on exercise of options that intelliHR has granted to the Directors and management (see sections 4.3 and 10.1).

² Includes 18,337,744 class A shares which convert to ordinary shares (see section 10.1)

³ Excludes any Shares that may be acquired by the Directors (or their associates) under the Offer.

Benefits Payable to Directors

Mr Bromage, the Managing Director and Chief Executive Officer, receives an annual salary of \$300,000 (excluding superannuation). Mr Fong, the Chief Technology Officer and Executive Director, receives an annual salary of \$250,000 (excluding superannuation). All Non-Executive Directors receive \$30,000 per annum exclusive of superannuation. intelliHR has also granted each Director options to acquire intelliHR Shares.

In addition, the Directors have the benefit of directors' and officers' insurance cover, an indemnity from intelliHR, and other customary rights under a deed of access, insurance and indemnity.

Section 4.3

Related Party Transactions and Benefits Payable to Advisors

Other than the contractual arrangements described above, APRG Pty Ltd (APRG) (an entity controlled by Mr Bromage), provides recruitment services to intelliHR under a client services agreement, pursuant to which APRG receives a fee typical for recruitment services.

Advisers and other service providers are entitled to fees for services as set out in this prospectus.

Section 10.3 and 10.4

Will any Shares be Subject to Disposal Restrictions?

intelliHR anticipates that the holders of shares representing about 40% to 60% of the issued capital in intelliHR will be restricted from selling or otherwise dealing in the Shares held by them for up to 24 months from the date of admission.

[Section 8.2](#)

1.8 Overview of the Offer

What is the Offer?

The Offer is an initial public offer of 15,000,000 Shares in intelliHR at \$0.30 per Share to raise \$4.5 million (before Offer costs).

[Sections 9 and 10.1](#)

The Shares being offered will represent approximately 14.44% of Shares on issue on completion of the Offer.

Why is the Offer being Conducted?

The Offer is being conducted to:

[Section 2.9](#)

- fund investment in sales and marketing
- allow intelliHR to pursue growth opportunities through access to capital markets
- fund further investment in platform development
- increase intelliHR's brand and profile
- create a liquid market for Shares

Where will the Shares be Listed?

Within seven days of the date of this prospectus, intelliHR will apply for admission to the official list of the ASX and quotation of Shares on the ASX under the code 'IHR'.

['Important Dates' Page 3](#)

Completion of the Offer is conditional on the ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

What Rights and Liabilities Attach to the Shares?

The Shares will rank equally in all respects with the shares held by Existing Shareholders. The rights and liabilities attaching to all shares are detailed in intelliHR's Constitution.

[Sections 8.1](#)

Is the Offer Underwritten?	No, the Offer is not underwritten. If intelliHR does not raise the full amount of \$4.5 million under this Offer, the Offer will not proceed.	
Is there any Brokerage, Commission or Stamp Duty Payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of Shares under the Offer.	Section 9
What are the Tax Implications of Investing in Shares?	The tax consequences of any investment in Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to invest.	Section 9.4
How do I Participate in the Offer?	To participate in the Offer, please complete the Application Form attached to this prospectus and return it to intelliHR with payment of the Application Money before Wednesday, 20 December 2017.	Section 9.1
What is the Minimum Application Size Under the Offer?	Applications under the Offer must be for a minimum of 6,667 Shares (total cost of \$2,000.10).	
When will I Receive Confirmation that my Application has been Successful?	intelliHR expects that initial holding statements will be dispatched by standard post on Friday, 12 January 2018.	
Can the Offer be Withdrawn?	intelliHR may withdraw the Offer at any time before the issue of Shares to successful Applicants. If the Offer does not proceed, Application Monies will be refunded. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offer.	Section 9

Further Questions

If you have any questions about this prospectus or how to apply for Shares, please call the intelliHR IPO Information Line on 1800 992 481 (within Australia) or +61 1800 992 481 (outside Australia) from 9.00am to 5.00pm (Brisbane time), Monday to Friday (excluding public holidays).

If you are unclear or uncertain as to whether intelliHR is a suitable investment for you, you should seek professional guidance from your lawyer, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest in Shares.



IMPORTANT NOTICE

This section is not intended to provide full details of the investment opportunity. Investors must read this prospectus in full to make an informed investment decision. The Shares offered under this prospectus carry no guarantee of return of capital, return on investment, payment of dividends or on the future value of the Shares.



2.0

Company Overview

Intelligent people management.

2.1 Overview of intelliHR

intelligent people management.

intelliHR is a human resources (**HR**) technology business that has developed, and is now commercialising, a human resource management system (**HRMS**).

The intelliHR platform is a cloud-based people management platform with big data collection and analytics capabilities. By increasingly focussing on tools that apply artificial intelligence to large data sets, such as natural language processing, the platform allows statistical processes to identify key information (such as employee sentiment) from a range of data.

intelliHR generates revenue predominantly by licensing its platform and providing associated services to customers. Using a 'software-as-a-service' (**SAAS**) model, access to intelliHR's platform is sold as a licence to use the platform, with recurring monthly operating fees payable by customers on a per staff member basis. intelliHR also generates revenue through professional services for implementation, system training and on-demand HR consulting support services.

Funds raised under the Offer will provide additional working capital to fund increased investment in sales and marketing and new product development (see section 2.9).



2.2 History of intelliHR

A Little About Us

intelliHR was founded in 2013 by Robert Bromage and Jeremy Fong, who have been working together since 2009 developing HR and workforce management software.

The intelliHR platform was developed to address common problems identified by Mr Bromage in a variety of organisations to whom he consulted in his previous role. Those organisations all had two priorities in common: people and performance. However, Mr Bromage found that there was limited people data available to those organisations, making it difficult to track real-time performance and make evidence-based decisions in a timely manner.

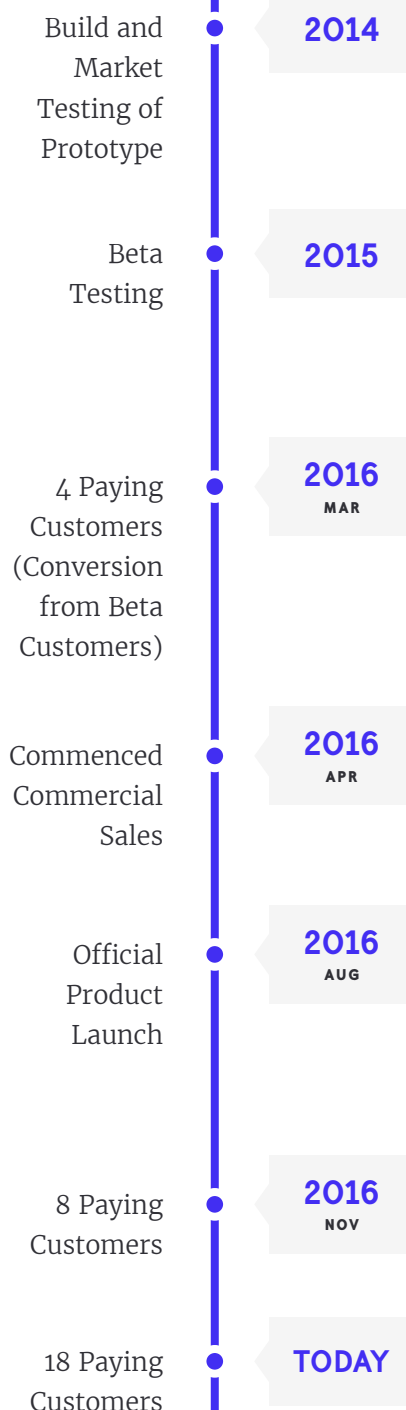
To solve the problem, intelliHR developed an analytics framework for human resources and supporting performance management tools. Development of the platform and beta stage testing occurred in 2015 and early 2016.

The intelliHR platform became commercially available in April 2016 and was formally launched at the 2016 Australian Human Resource Institute (AHRI) National Convention in August 2016.

Today, the intelliHR platform has 18 contracted customers and a qualified pipeline of 71 potential customers representing an employee headcount of about 2,427 and 69,785 respectively.¹ The contracted customers are from a variety of industries, including professional services, financial services, technology, mining, education, not-for-profit, manufacturing and property services.

intelliHR continues to focus on platform development, most recently developing a sentiment analysis tool that applies a natural language processing algorithm to identify positive and negative sentiment in employee text data entered into the platform over time.

¹ A potential customer qualifies for the sales pipeline after having: (a) been screened by intelliHR's sales team to confirm that the intelliHR platform would satisfy the potential customer's needs; and (b) booked a demo of the intelliHR platform. There is no certainty that qualified customers will be converted to paying customers and intelliHR has insufficient sales history, having launched the intelliHR platform in April 2016, to provide any reasonable estimate of the likely conversion rate.



2.3 intelliHR Platform

An Intelligent, People Management Platform

The intelliHR platform automates manual HR processes, provides tools for the effective management of people and business, and visualises people and performance metrics.

In particular, processes that have typically been performed manually and in isolation can now be automated and tracked in real-time by HR professionals and leadership teams.

intelliHR delivers these services via a SaaS model. This model provides benefits to both intelliHR and its customers, including:

- immediate deployment of new features and other updates to all customers, reducing the length of the software development lifecycle
- no on-premise installation required, resulting in a lower total cost of ownership
- vastly improved user experience on any Internet-enabled device
- high scalability through modern, multi-tenant architecture

The three core elements of the intelliHR platform are set out on the following pages:



Real-Time Analytics



Best Practice People Management Tools



Workflow & Compliance Automation

REAL-TIME ANALYTICS

Enable Data-Driven Decision-Making

Our platform's real time analytics tools help organisations uncover relevant insights about their people, performance and culture to lead business transformation.

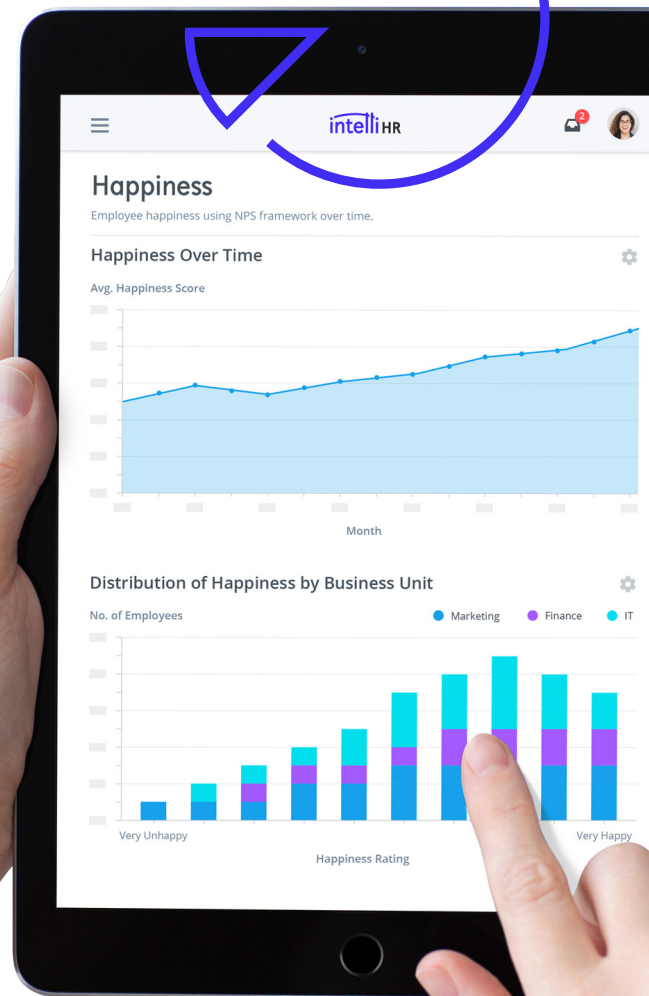
The intelliHR platform provides real-time HR metrics and insight into an organisation's people data. The platform's multidimensional charting and multivariate statistical analysis allows intuitive understanding of complex data relationships. Charts can be easily produced for reporting and source data is available for analysis and can also be exported in standard formats for other uses.

The graphical representation of complex datasets can increase the potential for identifying data relationships, providing important insights into an organisation's employees.

intelliHR is currently developing new artificial intelligence based tools, such as keyword and sentiment analysis to further enhance the insights that the intelliHR platform is able to provide organisations.

REAL-TIME ANALYTICS TOOLS INCLUDE:

- ✓ Organisational Design
- ✓ Performance Management
- ✓ Leadership Discipline
- ✓ Learning & Development
- ✓ Retention
- ✓ Health & Safety



PEOPLE MANAGEMENT

Get the Best Out of Your People

intelliHR's people management tools help organisations engage their employees and realise the benefits of performance and retention.

The intelliHR platform allows customers to design personalised performance systems to direct and manage desired performance outcomes, while positively influencing culture and values-aligned behaviour of employees.

Multiple tools are available for HR professionals and employees, which can be configured to suit a customer's organisational culture and performance outcomes.

Popular intelliHR People Management Tools

Continuous Feedback

The feature helps create interactions that increase engagement and communication by facilitating 'check-ins' or 'one-on-one catch-ups' to guide quality conversations between employees and managers.

Multifunctional Goals

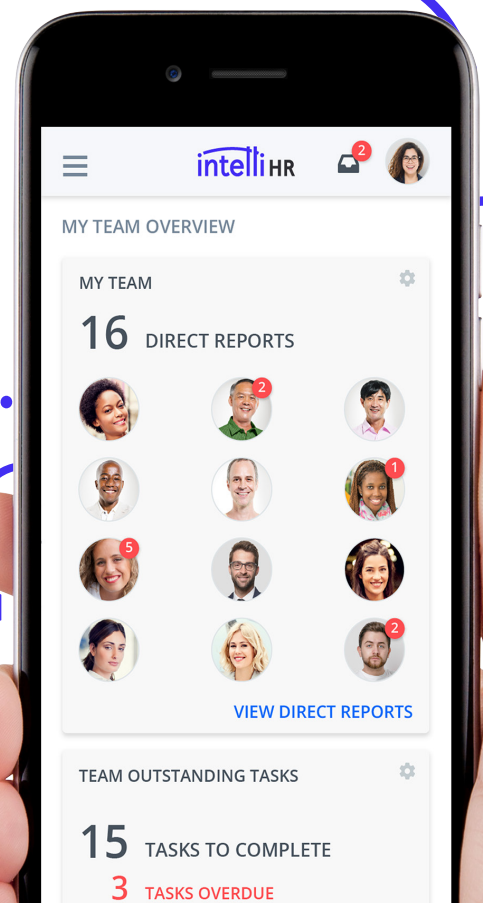
The multifunctional goal feature enables employee initiated, manager directed, shared or top down cascaded goal setting and management processes.

Automated Performance Reports

The automated performance report tool is customisable. The platform manages the administration associated with the performance review, generating and delivering a performance report for the manager and the employee. The tool aims to lift review participation rates and reduce completion timeframes, increasing the value of data generated by the performance review process.

PEOPLE MANAGEMENT TOOLS INCLUDE:

- ✓ Continuous Feedback
- ✓ Goals
- ✓ Performance Monitoring
- ✓ Diary Notes
- ✓ Performance Improvement
- ✓ Performance Reports & Reviews
- ✓ Training Records & Value



WORKFLOW & COMPLIANCE AUTOMATION

Leverage Your Time

Our automation tools help customers automate their manual HR tasks.

The intelliHR platform allows organisations to automate various administration tasks on a secure, Internet and mobile-friendly platform – embedding best practice HR processes into the organisation. The automation of these tasks, such as employee onboarding, aims to increase organisational efficiency and compliance by reducing errors or oversights that occur with a manual administration system and intuitively guides the business step-by-step through compliant processes focussed on the best outcome for the organisation.

A Complete HR Tool Kit Out-of-the-Box

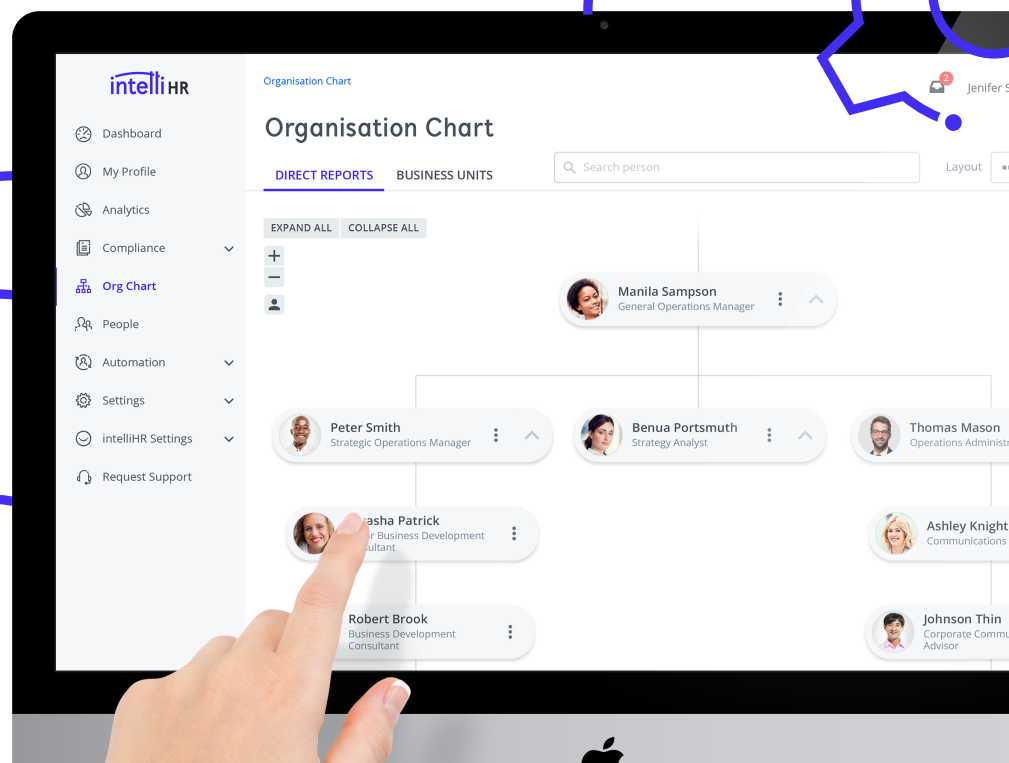
The intelliHR platform comes pre-configured with a default suite of recommended HR workflows and over 60 prebuilt forms and templates covering onboarding, performance monitoring, training value management, business improvement, performance issues management and offboarding processes.

The automation tools available include a programmable workflow schedule manager, single-task issuance and feedback pulses, recurring task issuance, event-triggered actions and approval processes.

Real-time organisation charting, workflow coordination and checklists all aim to reduce administrative burden and improve efficiency.

AUTOMATION TOOLS INCLUDE:

- ✓ Employee Lifecycle
- ✓ Organisational Charting
- ✓ Qualification Management
- ✓ Policy & Compliance
- ✓ Task Notifications & To-Do List
- ✓ Record-Keeping & Access

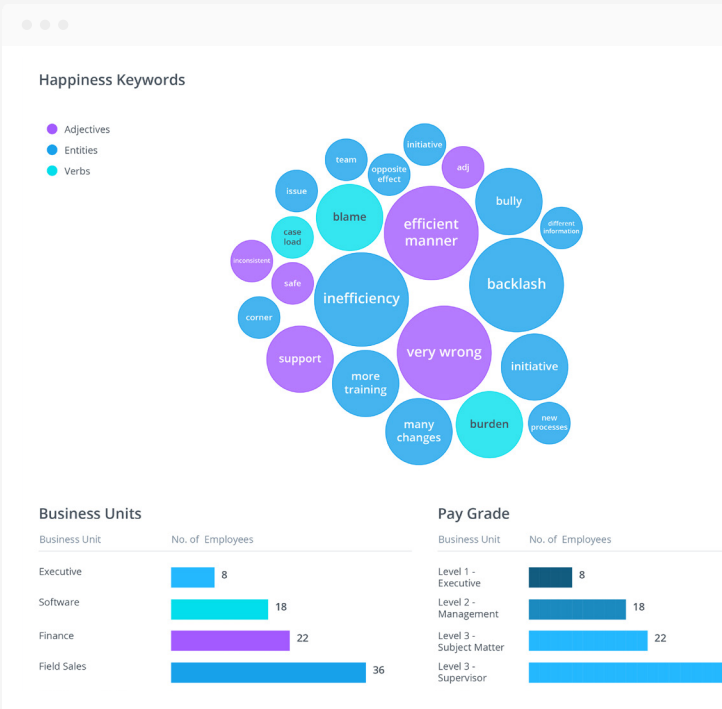


Latest Additions to the intelliHR Platform:



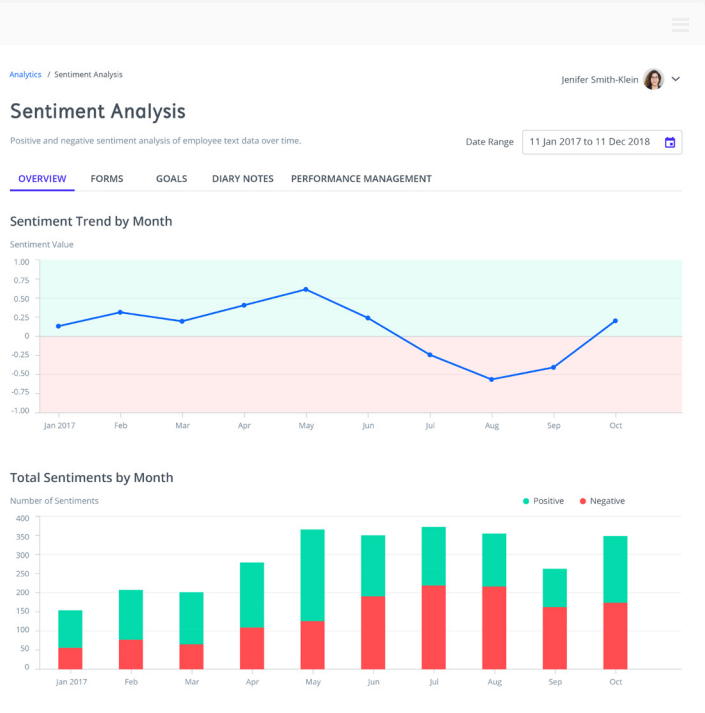
Keyword Analysis

The keyword analysis tool applies a Natural Language Processing algorithm to identify key words or phrases in text that have been entered in to the platform by employees. Words that are frequently used and have significance in the relevant context are identified for HR professionals who can then undertake a more targeted review of qualitative data (such as form feedback).



Sentiment Analysis (Beta)

The sentiment analysis tool applies a Natural Language Processing algorithm to identify positive and negative sentiment in employee text data entered into the platform over time. This allows HR professionals and leadership teams to create a visual trend line of employee sentiment. As work on this tool progresses, intelliHR intends to provide tools that identify links between sentiment, people performance and ultimately an organisation's financial performance.



2.4 Business & Revenue Model

Sustainable Growth Strategy

As a SaaS business model, intelliHR generates revenue by licensing its platform and providing related services to customers. intelliHR seeks to develop long-lasting relationships with clients by entering into contracts for a minimum period of three years. intelliHR generates revenue from customers from the following sources:



Service Initiation Fee:

This is a once-off fee based on size of implementation and time estimated to complete all work and training necessary for customers to be self-sufficient in the intelliHR platform's administration. Service initiation includes implementation, configuration, workflow design customisation and system administrator training.



Service Operating Fee:

This is the key component of the intelliHR revenue model. Customers pay a monthly operating fee calculated on a per-staff member basis. The service fee is paid monthly in advance and only includes current staff members, which are defined as having a current job in the organisation. Past staff members are maintained in the system at no cost to customers. The benefits of the monthly service fee for clients include flexibility and scalability as the organisation's needs change. intelliHR's current service operating fee is \$15 per staff member per month (excluding GST).



On-Demand Consulting Service Fee:

Where requested, intelliHR also generates revenue from charging professional services fees (typically on an hourly basis) for providing non-standard implementation, configuration, training and integration services, including:

- Process design consulting and configuration of configurable areas of the intelliHR platform, including creation and editing of data collection forms, data collection events, data collection schedules, content and reporting formats
- Customisation, extension or modification of the intelliHR platform that requires custom coding and or some form of implementation (i.e building an integration to a 3rd party product or specific customer feature or interface)

intelliHR's fees may be adjusted for specific commercial circumstances where it sees long-term benefits for significant growth of the platform and its business.

2.5 Current Customers & Pipeline

Happy businesses stick with intelliHR

intelliHR targets customers across a wide spectrum of industries and workforce sizes including organisations employing 20 to 5,000 staff.

intelliHR currently delivers the platform to a broad and diverse customer base which includes enterprises operating in the mining, property, technology, financial services, training, professional services, manufacturing, education and not-for-profit industries. Workforces currently on the platform range from 15 to over 1,100 employees and volunteers.

Current Customers Include:



TECHNOLOGY



NOT-FOR PROFIT



EDUCATION



PROFESSIONAL SERVICES



PROPERTY SERVICES

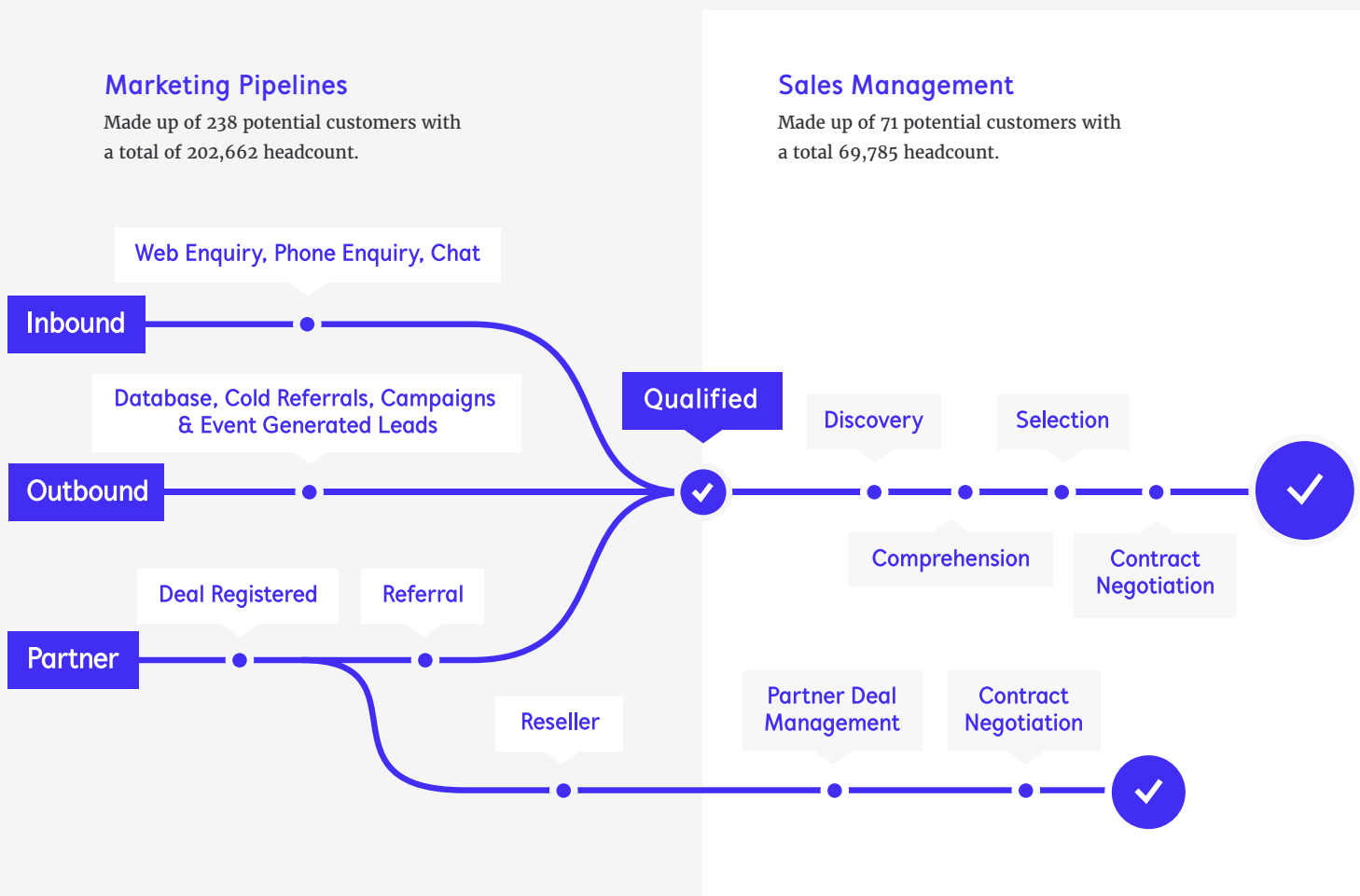


FINANCIAL SERVICES

Customer Generation

At the date of this prospectus, the intelliHR platform has 18 contracted customers and a qualified pipeline of 71 potential customers representing an employee headcount of about 2,427 and 69,785 respectively. ¹ Of the qualified pipeline, 11 potential customers (representing an employee headcount of about 1,739) are at an advanced stage of the sales process. ²

A graphical explanation of the sales pipeline is depicted in the image below:



¹ A potential customer qualifies for the sales pipeline after having: (a) been screened by intelliHR's sales team to confirm that the intelliHR platform would satisfy the potential customer's needs; and (b) booked a demo of the intelliHR platform. There is no certainty that qualified customers will be converted to paying customers and intelliHR has insufficient sales history, having launched the intelliHR platform in April 2016, to provide any reasonable estimate of the likely conversion rate.

² Advanced stage sales includes deals at the 'Selection' and 'Contract Negotiation' stages. At the 'Selection' stage the customer is at a final stage of selecting a software solution, typically with up to 3 vendors. At this stage they generally seek direct comparative information about features, implementation processes, technology roadmap, contract conditions and firm pricing. At the 'Contract Negotiation' stage, intelliHR has been selected as the software solution of choice by the customer. Final pricing and terms are being agreed, compliance and due diligence completed for final contract execution.

2.6 Sales & Marketing

Spreading the Word

intelliHR's ability to grow its customer base (and, therefore, its revenue base) will be reliant on the effectiveness of its sales and marketing strategy as well as its brand and reputation.

intelliHR generates leads for potential customers of the intelliHR platform through personal selling initiatives, digital marketing, industry events and customer referrals. A partner channel was created in July 2017 supporting both reseller and referral arrangements. Currently in a pilot phase, the partner program, when commercially available (in January 2018), will be actively promoted to HR service providers and complementary technology providers.

A key component of the use of funds under the Offer is for intelliHR to resource to achieve the following key sales objectives:

Capability

Build a high activity lead generation and deal closing capability

Scalability

Achieve a scalable and fast replicable sales model by market vertical, local and international geography

Customer Centric

Adapt to changing buyer behaviour away from sales centric to customer centric

Integrate & Differentiate

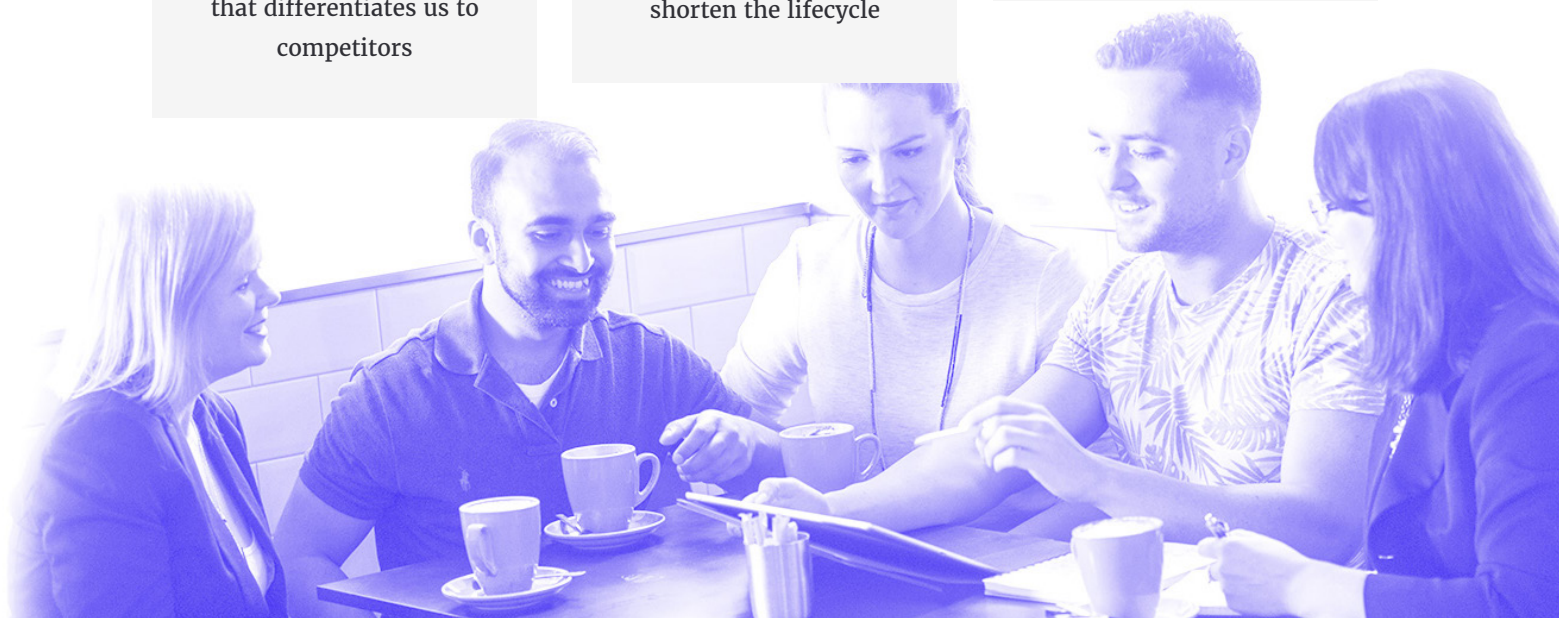
Innovate an integrated sales process and customer success model that differentiates us to competitors

Educate

Control the sales process by better educating customers helping to shorten the lifecycle

Grow Online

Build a strong online presence to attract inbound leads



Use of Sales & Marketing Funds:

Specifically, the Board proposes that the funds from the Offer allocated to intelliHR's sales and marketing initiatives, be directed as follows:

- Increase digital advertising consistent with geographical expansion
- Enhance intelliHR's website capabilities for lead generation and conversion
- Public relations activities and local area events consistent with geographical expansion
- Tradeshow and conference exhibiting including the targeting of chosen market verticals
- Commercial launch of the partner program
- Growing sales and customer service personnel to service geographic, varied distribution channel and market vertical opportunities



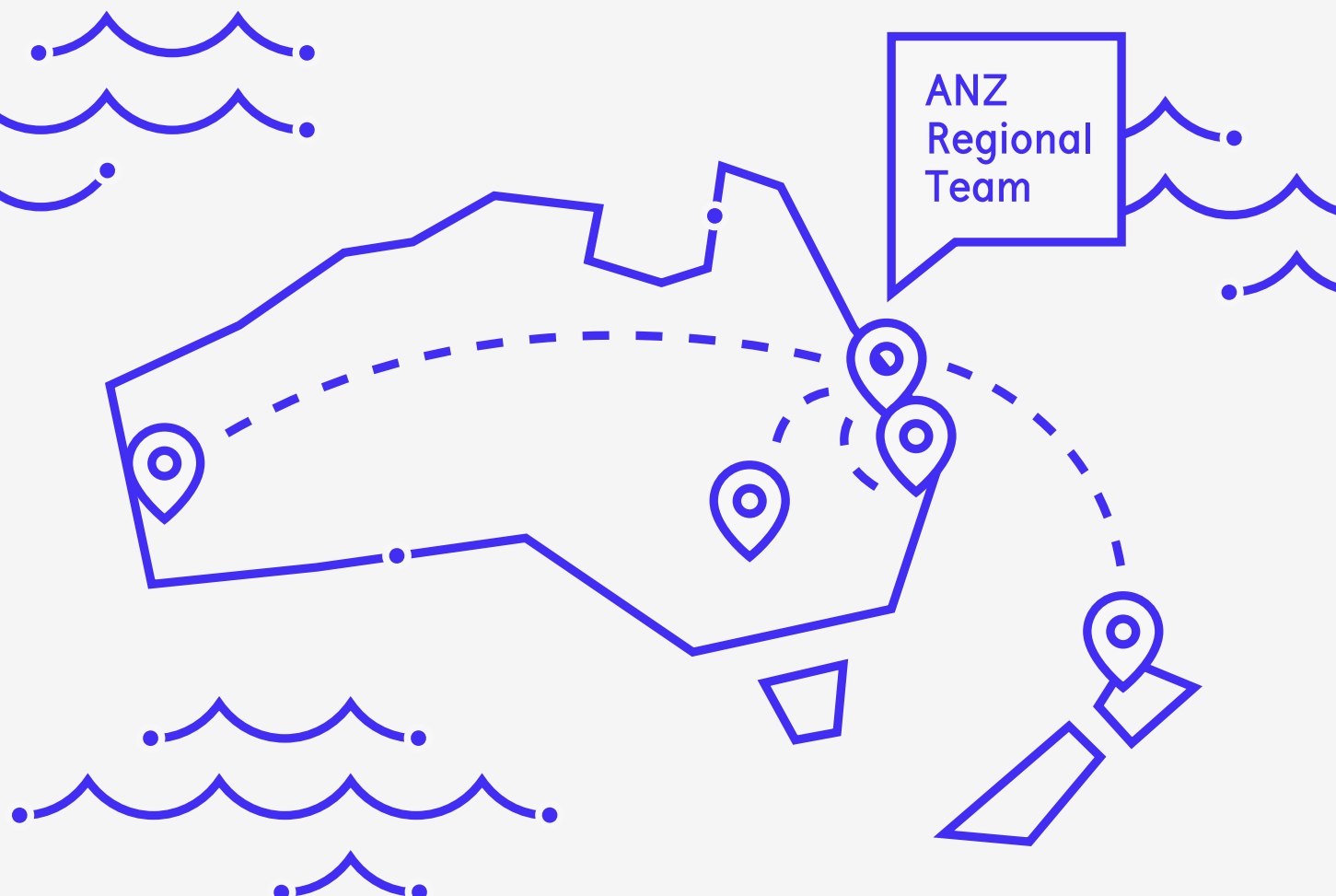
2.7 Geographic Expansion

First Australia, then the World

IntelliHR intends to grow revenue by focussing on geographic expansion within Australia and New Zealand, before seeking to establish an international presence.

intelliHR intends to locate, recruit and train sales and customer service personnel to establish a physical presence in Sydney, Melbourne and Auckland as priority markets.

In particular, the Board intends to apply the proceeds of the Offer to engage key staff and establish a geographical sales and support presence in Sydney and Melbourne within six months after completion of the Offer. A presence in Auckland would be pursued shortly after the Sydney and Melbourne presence has been established, expected to be within 12 months of completion of the Offer.



2.8 Ongoing Platform Development & Integrations

The Leading Edge of Technology

Expand Product Offering

As a SaaS product, intelliHR is committed to continue to improve the platform based on customer needs and feedback. intelliHR has a '2018 technology roadmap' which describes the key platform development projects for 2018, including the addition of a recruitment system and the continued focus on artificial intelligence, through the use of natural language processing and machine learning.

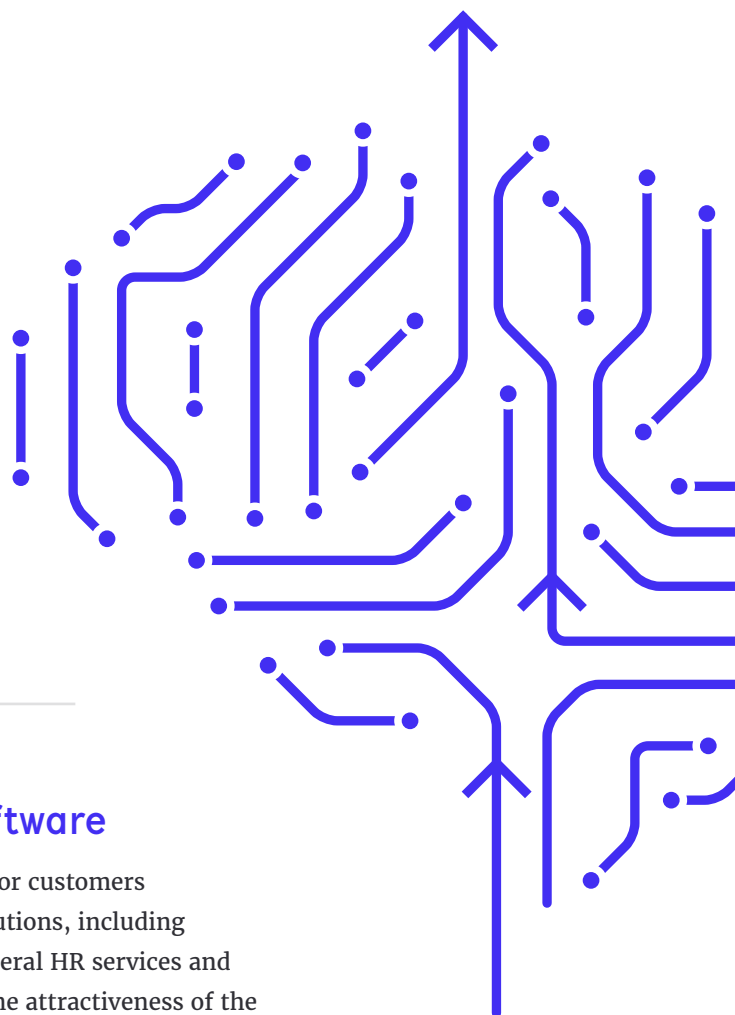
Journey to AI/ Machine Learning

The long term technology road map for intelliHR is incredibly exciting. The following are key projects for current and future investment:

- API Build-Out
- User Experience/User Interface Design
- Payroll System Integrations
- Analytics Feature Expansion
- Recruitment System Feature Build
- Artificial Intelligence/Machine Learning
- Microservices Transition
- Learning & Development Feature Build
- Internationalisation

Integration with Complementary Software

As intelliHR grows its customer base, it will develop tools for customers to access and integrate with a variety of other software solutions, including payroll systems, learning management systems and peripheral HR services and systems. These integration tools are expected to increase the attractiveness of the intelliHR platform for customers already using the software to be integrated.



2.9 Business Funding

To date, intelliHR has funded its operations primarily through seed capital, with some research and development grants.

The funds to be raised under the Offer will provide additional working capital to fund increased investment in sales and marketing, new product development and corporate expenses (including Offer costs). The Directors believe that proceeds from the Offer, in conjunction with existing funding sources, will be sufficient to meet its business needs and carry out its stated objectives.

The following table outlines the use of funds under the Offer:

Use of funds:	AMOUNT
Business Development and Marketing	\$2,798,869
Platform Development and Integrations	\$2,630,614
Corporate Expenses (including Offer Costs) ¹	\$1,617,983
Working capital	\$1,686,685
TOTAL	\$8,734,151 ²

¹ The Offer costs are set out in Sections 10.4 and 10.5.

² Includes existing cash reserves of approximately \$4,234,151 at the date of this prospectus.

The above table is a statement of current intentions as at the date of this prospectus. Intervening events and new circumstances have the potential to affect the allocation of funds. The Board reserves the right to alter the way funds are allocated.

The background is a solid blue color. It features a decorative pattern of white lines and dots. The pattern consists of numerous small, interconnected line segments and dots, some of which form larger, more complex shapes. These shapes resemble stylized circuit traces or a network of nodes and connections. The pattern is distributed across the entire page, with a higher density in the upper left and lower right corners, and a more sparse distribution in the center.

3.0

Industry Overview

Overview of the
HR Software Industry






3.1 Overview of the HR Software Industry



An Industry with Growth Segments

intelliHR operates in the human resources (**HR**) technology market. Software vendors generally approach it with solutions provided for specific sized business – Small, Medium and Large.

With software solutions for targeted sized businesses, HR software platforms can broadly be further categorised into two market segments:

Administrative HR Platforms

-  Payroll
-  Time Keeping
-  Compensation
-  Benefits
-  Core HR

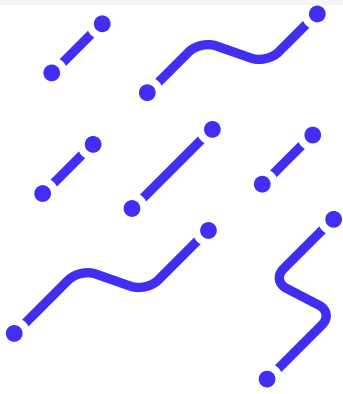
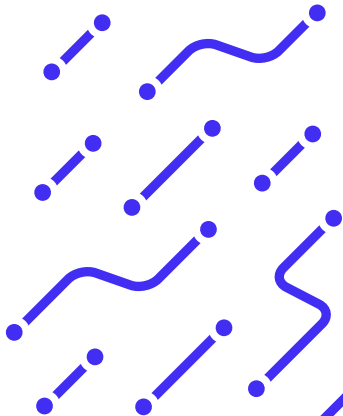
-  intelliHR Integration Point
-  intelliHR Feature

Strategic HR Platforms

-  Recruiting (in development)
-  Performance Management
-  Learning Management
-  Talent Review & Succession
-  Onboarding & Offboarding
-  HR Analytics

intelliHR is focused in the “strategic HR platform” segment and targeting small to medium sized businesses generally employing workforces of 20 to 5,000+. Whilst intelliHR provides a Core HR platform to its customers, it aims to integrate with other administrative HR platforms.

Customers can purchase solutions either using traditional on-premise software license options or cloud Software-as-a-Service (**SaaS**). The intelliHR platform is cloud SaaS. The multi-tenant SaaS business model provides scale and agility, whilst also capitalising on the trend by business to move away from traditional software models to SaaS.



Strategic platforms in the mid-market are fueling growth

With shorter product lifecycles and less initial investment, strategic HR platforms, which are more ‘portable’ both given the cloud-based architecture, and which can be adopted in all market segments, are projected to grow more strongly than administrative HR platforms.¹

For many organisations, implementation of strategic HR platforms follows the implementation of administrative HR platforms.² As the administrative segments are where most organisations have historically focussed their spend – particularly on payroll systems, the segment accounts for a larger share of the market, but tends to show lower growth.³

“HR Technology becomes a Mid-Market differentiator. Organizations with high HR Technology adoption in SMB see greater revenue per employee, higher business outcomes, and are 75% more likely to be viewed as a strategic partner by their business leaders.”

The small and medium enterprise (SME) sector is expected to provide considerable growth in strategic HR platforms, with organisations in that sector often adopting this technology for the first time, or implementing it to replace multiple disparate and less functional systems.

SMEs generally have less complex company structures and less need for customisation, so their needs are more readily serviced by cloud-based HR platforms.

¹ Sierra-Cedar 2017-2018 HR Systems Survey White Paper, 20th Annual Edition (page 28). <https://www.sierra-cedar.com/research/annual-survey/>

² Sierra-Cedar 2017-2018 Survey White Paper (page 12). <https://www.sierra-cedar.com/research/annual-survey/>

³ The Sierra-Cedar 2017-2018 Survey White Paper (page 12) indicated that most organizations start their Human Capital Management application journey by deploying Administrative Applications, primarily in the form of a Payroll solution—over 98% of HR Systems survey respondents have a Payroll solution in place. Most often Payroll solutions are implemented with an HRMS, but some organizations do leverage a Payroll system alone—often in place of an HRMS until their needs expand. Over 92% of surveyed organizations currently have an HRMS in use. For most organizations, the HRMS sits at the heart of their HR and workforce data management needs and shares data with multiple HR applications.

⁴ Sierra-Cedar 2016-2017 HR Systems Survey White Paper, Mid-Market Edition (page 3). <https://www.sierra-cedar.com/research/annual-survey/>

3.2 Size & Growth of the HRMS Market

An Increasingly Relevant Market

The market for HR management software in 2018 is estimated to be approximately USD 24 billion, up significantly from USD 19 billion in 2016.¹

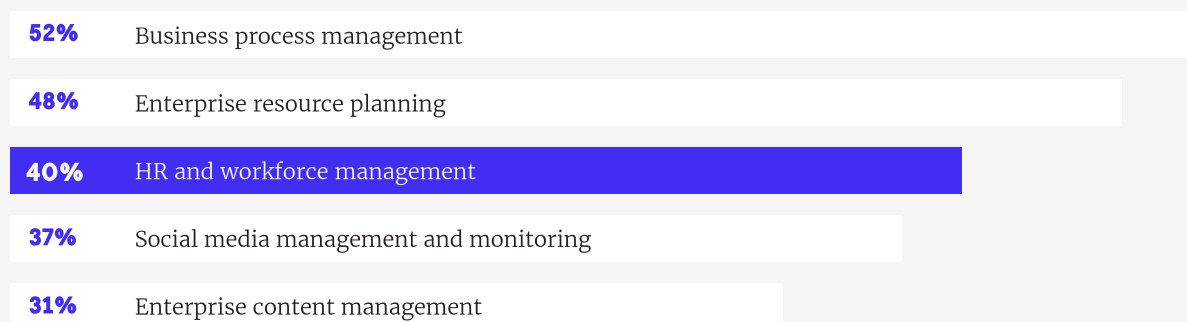
Investment in HR systems ranks high among companies stating that they are planning to deploy and upgrade business software.²

Recent research suggests that the USA leads the world in HRMS adoption rates, with the Asia Pacific region lagging in all but a few categories of HRMS systems.³

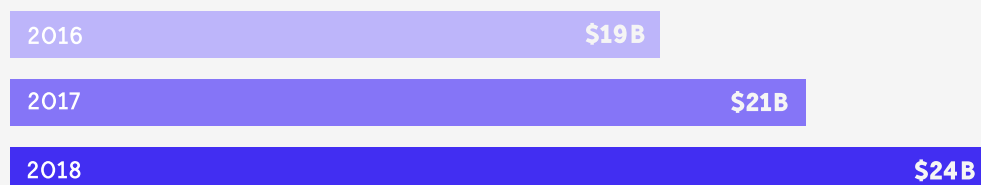
While the contestable market in Australia is only a fraction of the size of the market in North America, intelliHR's experience is that there is a higher proportion of organisations in Australia without many of the tools offered in the intelliHR platform.

There is further capacity to increase the adoption rate of the intelliHR platform through additional education of HR professionals on the benefits that such systems provide to an organisation, which will be a key use of funds under the Offer (see section 2.9).

HR Ranks High Among Companies Planning to Deploy and Upgrade Business Software Apps²



HR Management Software Growth¹



¹ TechTarget Business Information, August 2017, Volume 5, Number 4 (page 10). <http://searchdatamanagement.techtarget.com/ezone/Business-Information/HR-metrics-and-analytics-tools-propel-human-resources-into-hyperdrive> (quoting Forrester research: The Global Tech Market Outlook for 2017 to 2018, Forrester Research, Inc., 9 January 2017)

² TechTarget Business Information, August 2017, Volume 5, Number 4 (page 10). <http://searchdatamanagement.techtarget.com/ezone/Business-Information/HR-metrics-and-analytics-tools-propel-human-resources-into-hyperdrive> (quoting TechTarget 2017 IT Priorities Survey of IT Executives, Managers, Analysts, Architects and Engineers).

³ Sierra-Cedar 2017-2018 Survey White Paper (page 27). <https://www.sierra-cedar.com/research/annual-survey/>

3.3 Market Opportunity for IntelliHR

A Rising Demand for Innovation

Migration to Cloud-Based Platforms

As with most software industries, a major industry trend is the move toward cloud-based SaaS products.

In a recent survey conducted by Harvard Business Review Analytic Services, respondents indicated that their organisations had already migrated many of their data activities to the cloud including storage (23%) and enterprise data warehousing (21%), with an expectation of an increase in the migration to cloud based systems in the next 24 months.¹ The key benefits of cloud migration cited by survey participants were reduced costs, more efficient work processes and improved productivity.²

Global Mobility

A PWC report suggests that global businesses find it advantageous to move employees from place to place and that mobility requirements are increasing sharply, with a greater emphasis on short-term assignments, frequent business visits, cross-border commuting, and virtual working.³

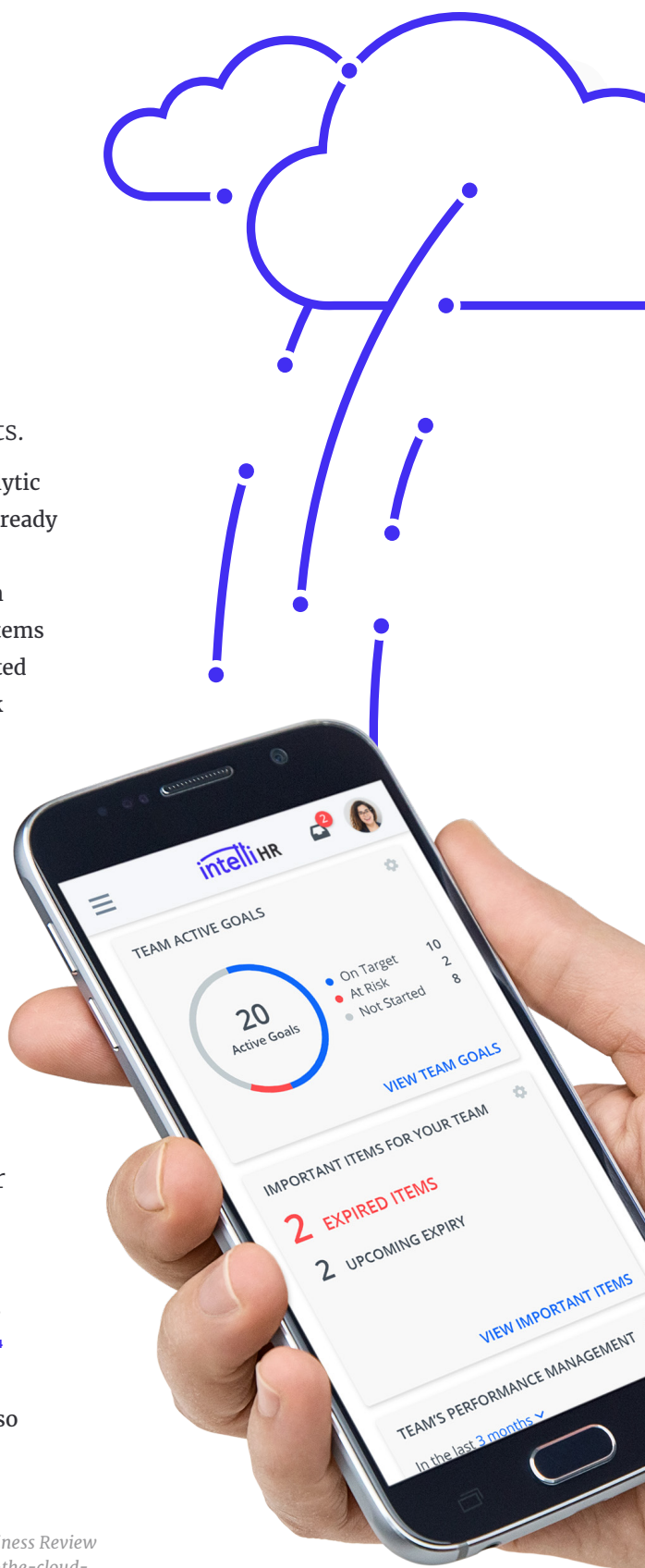
The regulatory environment was also believed to be making it more important for the HR function to know where employees are, along with what type of work employees are undertaking.⁴ Accordingly, technologies to support global mobility are now expected to not only meet the demands of the business, but also satisfy the user experience employees have come to expect.

¹ *To the Cloud and Beyond: Big Data in the Age of Machine Learning*, Harvard Business Review Analytic Services, 4 August 2017 (page 4). <https://hbr.org/sponsored/2017/08/to-the-cloud-and-beyond-big-data-in-the-age-of-machine-learning> (citing Harvard Business Review Analytic Services Survey, April 2017)

² *To the Cloud and Beyond: Big Data in the Age of Machine Learning*, Harvard Business Review Analytic Services, 4 August 2017 (page 6). <https://hbr.org/sponsored/2017/08/to-the-cloud-and-beyond-big-data-in-the-age-of-machine-learning> (citing Harvard Business Review Analytic Services Survey, April 2017)

³ *PwC's Human Resources Technology Survey*, August 2017 (page 15). <https://www.pwc.com/us/en/hr-management/technology/global-hr-technology-survey.html>

⁴ *PwC's Human Resources Technology Survey*, August 2017 (page 15) <https://www.pwc.com/us/en/hr-management/technology/global-hr-technology-survey.html>



Demand for HR Analytics

The need for timely, meaningful, and insightful data and information was identified as a key driver of transformation to the cloud, in a recent industry report.¹ The report stated that organizations looking to take their data analytical capabilities to the next level are seeking ways to: ¹

- apply big data concepts to HR questions
- increase the use of HR analytics (e.g., strategic reports, dashboards, etc.) by HR business partners and leaders
- report insights beyond operational and compliance reports
- blend data from external sources
- select metrics and key performance indicators that matter and distribute them through easy to use dashboards or visualization tools
- leverage data in the cloud to support predictive analytical capabilities.

The report also identified that “regularly reviewing people data, like hidden labor costs and turnover trends, can bring to light issues that’ve held back your business, or opportunities where your people could work more effectively. Yet too few companies have a people analytics function in place bringing these insights to leadership.”²

“HR analytics is the priority that’s most often named when we asked about improved HR technology support, planned implementations, or upgrades. Of twenty-one categories, nearly 44% of endorsements were for improved technology support for HR analytics, followed by performance management (41%), recruiting (41%), and core HR capabilities (37%).”²

¹ PwC’s Human Resources Technology Survey, August 2017 (page 15)
<https://www.pwc.com/us/en/hr-management/technology/global-hr-technology-survey.html>

² PwC’s Human Resources Technology Survey, August 2017 (page 13)
<https://www.pwc.com/us/en/hr-management/technology/global-hr-technology-survey.html>

3.4 Competition

Target markets of HR Software competitors in the Australian Market

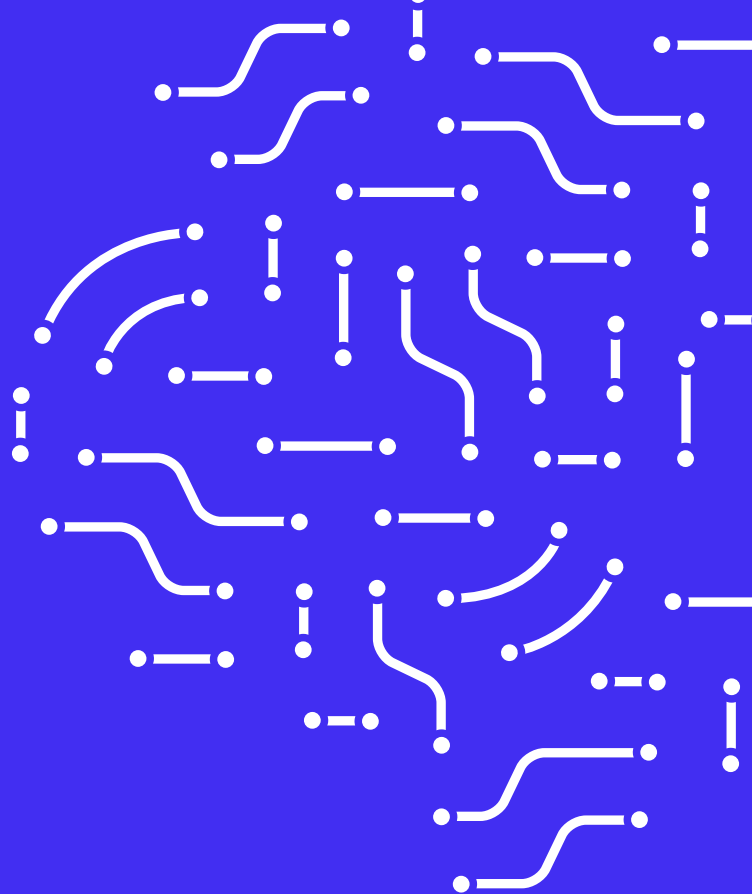
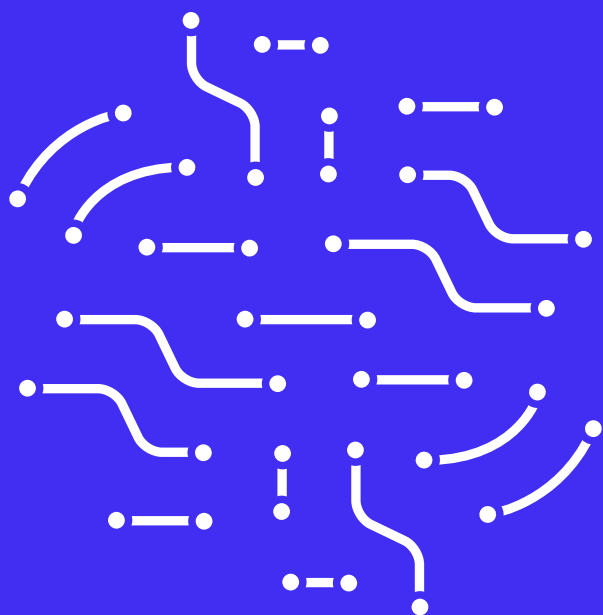
The major source of HR software development for many years has been North America (particularly the United States).

Many of those applications have been developed specifically for the US market – particularly those systems including payroll functionality (which is regulatory specific).

intelliHR considers the HR market, both domestically and internationally, to be highly fragmented. intelliHR’s management views the Company’s direct competition in Australia as including SAP (SuccessFactors), Oracle (Human Capital Management Cloud), Halogen (acquired by Saba Software Inc. in May 2017), Cornerstone, PeopleStreme, ELMO, and PageUp. This high degree of market fragmentation offers significant market share and growth opportunities for emerging HR software providers and innovators like intelliHR.

ORGANISATION TYPE:	AUSTRALIAN:	FOREIGN:
<div>Large</div> <div>Workforces of 5,000+</div>		<div>Workday</div> <div>SAP Success Factors</div> <div>Oracle Peoplesoft</div>
<div>Medium</div> <div>Workforces of 100–5,000</div>	<div>intelliHR</div> <div>PageUp People</div> <div>ELMO</div> <div>PeopleStreme</div>	<div>Cornerstone</div> <div>Halogen (Saba)</div>
<div>Small</div> <div>Workforces of 10–100</div>	<div>Employment Hero</div> <div>Flare HR</div>	<div>BambooHR</div>

* Classification of HRMS platforms based on intelliHR management’s assessment of the primary target markets of the respective platforms



4.0

Key People, Interests & Benefits

An overview of our board
and its people.

4.1 Board of Directors

intelliHR's Board and executive team has a broad background of executive and non-executive board experience in the technology industry, human resources industry, early stage companies, capital markets, finance and commercial expertise.

The Board comprises:



Anthony Bellas

Chairman and Independent Non-Executive Director

Tony Bellas was appointed as Chairman in December 2016. He is chairman of Corporate Travel Management Limited, ERM Power Limited, Shine Corporate Limited, Novonix Limited, State Gas Ltd, and Chairman of Endeavour Foundation.

Mr Bellas has had a commercial career of almost 30 years in both the public and private sectors. After a long career with Queensland Treasury, reaching the position of Deputy Under Treasurer, Mr Bellas moved to the energy industry and was Chief Executive of CS Energy Ltd (which was, at the time, Queensland's largest generator of coal-fired and gas-fired generation) and Ergon Energy Ltd (Queensland's largest electricity distribution company and electricity retailer).

Mr Bellas subsequently became the CEO of the Seymour Group, one of Queensland's largest privately owned investment and development companies, and has developed a board career including both private and public companies.

Mr Bellas is also a Trustee of the Brisbane State High School Foundation.



Robert Bromage

Managing Director and Chief Executive Officer

Robert Bromage was appointed as Managing Director in 2013. He is a HR professional with 20 years' industry experience. As Founder of APRG, an HR consulting business, in 2004, and subsequently intelliHR in 2013, he is an experienced entrepreneur and Managing Director of leading HR businesses.

Previous experience also includes General Management of a niche consulting firm operating in Sydney, Melbourne & Brisbane and also the establishment and management of the Brisbane Banking and Contact Centre Divisions of a global recruitment company. Prior to this, his career commenced in Financial Services with the Bank of Queensland, where he worked for 8 years culminating in Management positions.

Mr Bromage holds a Bachelor of Business (Management), completed through QUT, is an Australian Human Resource Institute Certified Professional (CAHRI), and is an accredited psychometric assessor.



Jeremy Fong

Executive Director and Chief Technology Officer

Jeremy Fong was appointed Chief Technology Officer in 2014 and an Executive Director in 2016.

Mr Fong has a decade of experience helping businesses achieve a strategic advantage through the development of innovative software. He has led greenfield technology projects in diverse industries, such as finance, pharmaceuticals and recruitment. Borrowing from the wealth of knowledge and experience of Silicon Valley, he applies emerging best practices to both technology and team.

Mr Fong holds a Bachelor of Information Technology (UQ).



Gregory Baynton

Independent Non-Executive Director

Greg Baynton was appointed as a Non-Executive Director in December 2016. He has experience in investment banking, merchant banking, infrastructure investment, IPOs, public company directorships, Queensland Treasury, and the Department of Mines and Energy.

Mr Baynton was a founding director of NEXTDC Limited, Asia Pacific Data Centre Limited and Coalbank Limited, and a former director of PIPE Networks Limited. He is currently a non-executive director of Superloop Limited and an executive director of Novonix Limited and State Gas Limited, all of which are ASX-listed. Mr Baynton is also founder and executive director of Orbit Capital Pty Ltd, holder of an Australian financial services licence.

Mr Baynton holds a Bachelor of Business (Accountancy), a Master of Economic Studies (UQ), a postgraduate Diploma in Applied Finance and Investment (SIA) and an MBA in New Venture Management (QUT).

He is currently a Fellow of the Governance Institute of Australia and was a Fellow of the Australian Institute of Company Directors for over a decade.



Jamie Duffield

Independent Non-Executive Director

Jamie Duffield was appointed as a Non-Executive Director in December 2016.

He has significant commercial operations, sales and business development experience in the enterprise technology industry and is a founding partner and the current Chief Executive Officer of Revolution IT, a business focussed on enterprise-level application and software testing, understanding how technology and build quality enhances customer relationships and drives profitability. Mr Duffield is a member of the Australian Institute of Company Directors (MAICD).

4.2 Senior Management

In addition to Mr Bromage and Mr Fong (see section 4.1), intelliHR's senior management includes:



Suzanne Yeates

Company Secretary and Chief Financial Officer

Suzanne Yeates is a Chartered Accountant and is the Founder and Principal of Outsourced Accounting Solutions.

She has been working with public companies for over 20 years in various roles and provides both CFO and Company Secretarial services to a number of public and private companies in Australia.

4.3 Directors' Interests in intelliHR

Executive Director Remuneration

intelliHR has entered into services agreements with key executives Robert Bromage (Managing Director and Chief Executive Officer) and Jeremy Fong (Chief Technology Officer and Executive Director). Mr Bromage is entitled to an annual total fixed remuneration of \$300,000 (excluding superannuation). Mr Fong is entitled to an annual total fixed remuneration of \$250,000 (excluding superannuation). Refer to section 8.3 for detailed summaries of these agreements.

Non-Executive Director Remuneration

The Constitution of intelliHR provides that the Directors may be paid, as remuneration for their services (excluding the salary of an Executive Director), a sum set from time to time by intelliHR's Shareholders in general meeting, with that sum to be divided among the Directors as they agree. The maximum aggregate amount which will be approved by intelliHR's Shareholders for payment to the Directors is \$300,000 per annum.

The current Non-Executive Directors' fees are \$30,000 per annum, exclusive of any superannuation that must be paid. Non-Executive Directors do not receive any additional fees for participation on Board committees.

Non-Executive Directors may be paid such additional or special remuneration as the Directors decide is appropriate where a Non-Executive Director performs extra services or makes special exertions for the benefit of intelliHR. This may include, for example, acting as a representative of a Board committee.

There are no retirement benefit schemes for Directors other than statutory superannuation contributions.

Interests in Securities

Details of the relevant interests of the Directors in Shares are set out in the table below.

Director:	At the Date of this Prospectus:		On Completion of the Offer ²	
	SHARES	OWNERSHIP ¹	SHARES	OWNERSHIP ¹
Anthony Bellas	1,383,678	1.56%	1,383,678	1.33%
Robert Bromage	21,029,475	23.66%	21,029,475	20.25%
Jeremy Fong	3,378,945	3.80%	3,378,945	3.25%
Gregory Baynton	3,638,798	4.09%	3,638,798	3.50%
Jamie Duffield	1,382,042	1.56%	1,382,042	1.33%

¹ The voting power of each Director is calculated on an undiluted basis (excluding options).

² Does not include Shares that may be taken up by the relevant Director under the Offer. The Directors are entitled to participate in the Offer and may elect to subscribe for Shares in the Offer.

At the date of this prospectus, intelliHR has on issue 15,245,572 options to acquire Shares, which have been granted to Directors and management under the terms the ESOP (summarised in section 8.6). ⁴ Details of the options granted to Director are set out in the table below.

Director:	OPTIONS GRANTED	GRANT DATE	EXERCISE PRICE	EXPIRY DATE	VESTING
Anthony Bellas	2,080,944	16.12.2016	\$0.01	01.12.2021	Quarterly from grant date
Robert Bromage ³	3,895,543	23.11.2016	\$0.20	01.12.2021	Quarterly from grant date
Jeremy Fong	2,110,000	23.11.2016	\$0.01	01.12.2021	Quarterly from grant date
	1,219,524	05.01.2017	\$0.04	01.12.2021	Quarterly from grant date
Gregory Baynton	1,845,000	16.12.2016	\$0.01	01.12.2021	Quarterly from grant date
	235,944	05.01.2017	\$0.04	01.12.2021	Quarterly from grant date
Jamie Duffield	2,080,944	16.12.2016	\$0.01	01.12.2021	Quarterly from grant date

³ If Mr Bromage ceases to be employed by intelliHR other than as a result of redundancy or termination without cause: (a) all options will vest immediately; (b) the exercise price of the options will increase to \$2.00; and (c) the options will expire one month after Mr Bromage's employment ceases.

Under the terms of the ESOP, each Director or their nominated holder must not dispose of any interest in the options and the Shares issued on exercise of the options for a period of three years from the grant date of the options. ⁴

⁴ Options granted to Mr Bromage are on like terms to the ESOP but have been granted under a separate agreement due to his ineligibility for the startup tax concession for employee share schemes.

Deeds of Access & Indemnity

intelliHR has entered into standard deeds of indemnity and access with the Directors. Pursuant to those deed, intelliHR has undertaken, consistent with the Corporations Act, to indemnify each Director in certain circumstances and to maintain directors' and officers' insurance cover in favour of the Director for seven years after the Director ceases to be a Director.

intelliHR has further undertaken with each Director to maintain a complete set of the Company's board papers and to make them available to the Director for seven years after the Director ceases to be a Director.

4.4 Corporate Governance

The following sections explain how the Board will oversee the management of intelliHR's business.

The main policies and practices adopted by intelliHR, which will take effect on admission to the official list of the ASX, are summarised below. In addition, a governance framework is contained in the Constitution of intelliHR (see section 8.1 for a summary of the Constitution). Details of intelliHR's key policies and practices and the charters for the Board and each of its committees are available on intelliHR's website at www.intellihr.com.au.

Responsibilities of the Board

Responsibility for intelliHR's corporate governance rests with the Board. The Board's governing principle in meeting this responsibility is to act honestly, conscientiously and justly, in accordance with the law, in the interests of Shareholders, employees and other stakeholders.

The Board monitors the operational and financial position and performance of intelliHR and oversees its business strategy, including approving the strategic goals of intelliHR and considering and approving an annual business plan. The Board is committed to maximising performance, generating appropriate levels of Shareholder value and financial return, and sustaining the growth and success of intelliHR. In conducting intelliHR's business in accordance with these objectives, the Board seeks to ensure that intelliHR is properly managed to protect and enhance Shareholder interests, and that intelliHR, its Directors, officers and personnel operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing intelliHR, including adopting relevant internal controls, risk management processes, and corporate governance policies and practices which it believes are appropriate for intelliHR's business and which are designed to promote the responsible management and conduct of intelliHR.

Board Composition

The Chairman is responsible for leadership of the Board and for the efficient organisation and conduct of the Board. The Chairman should facilitate the effective contribution by all Directors and promote constructive and respectful relations between Directors and between the Board, management and consultants. Otherwise, the Board must comprise members with a broad range of experience, expertise, skills and contacts relevant to intelliHR and its business.

It is also the Board's policy that there should be a majority of independent, Non-Executive Directors. The Board considers a Director to be independent if he or she is independent of management and is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgment. The Board will consider the materiality of any given relationship on a case-by-case basis. The Board reviews the independence of each Director in light of interests disclosed to the Board from time to time.

The Board is currently made up of five Directors, three of whom are independent Non-Executive Directors, namely Messrs Bellas, Baynton and Duffield.

Board Charter

The Board has adopted a charter that formally recognises its responsibilities, functions, power and authority and composition (**Board Charter**). The Board Charter further defines other matters it considers are important for effective corporate governance, including:

- a detailed definition of 'independence'
- a framework for the identification of candidates for appointment to the Board and their selection (including undertaking appropriate background checks)
- a framework for individual performance review and evaluation
- training to be made available to Directors
- procedures for meetings of the Board and its committees including frequency, agenda, minutes and private discussion of management issues among non-executive Directors
- a code of ethics and values
- a code for securities transactions designed to ensure fair and transparent trading by Directors and employees
- communications with Shareholders and the market

The purpose of the Board Charter is to institutionalise good corporate governance and to build a culture of best practice both in intelliHR's internal practices and its dealings with others. The Board Charter will be made available on intelliHR's website at www.intellihr.com.au.

Board Committees

The Board may from time to time establish appropriate committees to assist in the discharge of its responsibilities. Prior to admission to the ASX, the Board proposes to establish an Audit and Risk Management Committee. Other committees may be established by the Board as and when required. Membership of Board committees will be determined by the needs of intelliHR, the skills and experience of individual Directors, relevant legislative and other requirements.

The purpose of the Audit and Risk Management Committee committee is to advise on the establishment and maintenance of a framework of internal control and appropriate ethical standards for the management of the Group. The Audit and Risk Management Committee's charter provides that the committee should consist of a majority of independent Non-Executive Directors and should be chaired by an independent chairman who is not Chairman of the Board. Its current members are:

- Gregory Baynton (Chairman)
- Anthony Bellas
- Jamie Duffield

The committee performs functions relevant to risk management and internal and external reporting and reports to the Board following each meeting. The committee's responsibilities include:

- Board and committee structure to facilitate a proper review function by the Board;
- internal control framework including management information systems;
- corporate risk assessment and compliance with internal controls;
- internal audit function and management processes supporting external reporting;
- review of financial statements and other financial information distributed externally;
- review of the effectiveness of the audit function;
- review of the performance and independence and independence of the external auditors;
- review of the external audit function to ensure prompt remedial action by management, where appropriate, in relation to any deficiency in or breakdown of controls;
- assessing the adequacy of external reporting for the needs of shareholders; and
- monitoring compliance with the Company's code of ethics.

Meetings are held at least four times each year. A broad agenda is laid down for each regular meeting according to an annual cycle. The committee invites the external auditors to attend each of its meetings.

Corporate Governance Policies

Securities Trading Policy

A securities trading policy (**Trading Policy**) has been adopted by the Board to provide guidance to Directors, employees of intelliHR, and other parties who may have access to price sensitive information, where they are contemplating dealing in intelliHR's securities or the securities of entities with whom intelliHR may have dealings. The Trading Policy is designed to ensure that any trading in intelliHR's securities is in accordance with the law.

Any non-compliance with the Trading Policy will be regarded as an act of serious misconduct. The Trading Policy is available on intelliHR's website www.intellihr.com.au.

Continuous Disclosure Policy

The Board has adopted a continuous disclosure policy (**Disclosure Policy**), which outlines procedures to be implemented by the Board to ensure intelliHR complies with its continuous disclosure obligations to keep the market fully informed of any information which may have a material effect on the price or value of intelliHR's shares.

The Board is responsible for determining, in conjunction with management, if information will have a material effect on the price or value of intelliHR's securities. The Disclosure Policy provides a framework for the Board and management to internally identify and report information which may need to be disclosed and sets out practical processes to ensure any identified information is adequately disclosed. The Disclosure Policy also sets out the exceptions to the disclosure requirements.

Continuous disclosure announcements will be made available on intelliHR's website www.intellihr.com.au.

Diversity Policy

intelliHR is committed to promoting diversity among the Board, employees, consultants and senior management, and believes a diverse workforce is key to its success.

Although intelliHR does not have a diversity policy in place, it is committed to fostering a corporate culture that embraces diversity, facilitates opportunities for employment that are free from bias, discrimination and harassment, and aims to promote an inclusive environment where employees feel they are valued. In particular, intelliHR has an equal employment opportunity policy in place that aims to remove discrimination from recruitment practices and the workplace generally (including promotion, job progression, performance management and remuneration).

4.5 Compliance with ASX Corporate Governance Principles and Recommendations

The ASX document, 'Third Edition Principles of Good Corporate Governance and Best Practice Recommendations' (**Guidelines**) were published by the ASX Corporate Governance Council with the aim of enhancing the credibility and transparency of Australia's capital markets. intelliHR's corporate governance charter has been drafted in light of the Guidelines.

The Board has assessed intelliHR's current practice against the Guidelines and outlines its assessment below:

Principle 1: Lay Solid Foundations for Management and Oversight

Principles & Recommendations:		COMPLIANCE	COMPLY
1.1	Establish the functions expressly reserved to the Board and those delegated to management, and disclose those functions.	<p>The Board is responsible for overall corporate governance of intelliHR.</p> <p>The role of the Board and delegation to management have been formalised in the Board Charter which outlines the main corporate governance practices in place for intelliHR. The Board and each Director are committed to the Board Charter. The conduct of the Board is also governed by intelliHR's Constitution, and where there is inconsistency with that document, the Constitution prevails to the extent of the inconsistency.</p> <p>The Board Charter will be reviewed and amended from time to time as appropriate taking into consideration practical experience gained in operating as a listed company.</p>	Complies
1.2	Undertake appropriate checks before appointing a person as a director, and provide Shareholders with all material information relevant to a decision on whether or not to elect or re-elect a Director.	intelliHR has completed police checks, insolvency and banned director searches in relation to the existing Directors. intelliHR will conduct appropriate checks for future appointments.	Complies

1.3	Have a written agreement with each Director and senior executive setting out the terms of their appointment.	intelliHR has entered into written agreements with each Director and senior executive.	Complies
1.4	The Company Secretary should be accountable directly to the Board on all matters to do with the proper functioning of the Board.	This is consistent with the Board Charter and corporate structure of intelliHR. The Company Secretary has a direct relationship with the Board in relation to these matters and operates independently of the executive.	Complies
1.5	Establish a diversity policy and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them, for reporting against in each reporting period.	The Board has not adopted a diversity policy. However, the Board is committed to fostering a corporate culture that embraces diversity. It is the Board's intention to continue to consider matters of diversity in the course of its recruitment and retention on the basis of merit.	Does not Comply
1.6	Have a process for periodically evaluating the performance of the Board, its committees and individual directors, and disclose that process and, at the end of each reporting period, whether such performance evaluation was undertaken in that period.	The Board Charter provides for regular performance reviews to be conducted.	Complies intelliHR intends to evaluate performance of the Board and disclose for each reporting period whether an evaluation has been undertaken.

1.7	Have a process for periodically evaluating the performance of intelliHR's senior executives, and disclose that process and, at the end of each reporting period, whether such performance evaluation was undertaken in that period.	<p>The Board's broad function is to formulate strategy and set financial targets for intelliHR, monitor the implementation and execution of strategy and performance against financial targets, appoint and oversee the performance of executive management, and generally take an effective leadership role in relation to intelliHR.</p> <p>The Chairman annually assesses the performance of Directors and senior executives, and the Chairman's performance is assessed by the other Directors.</p>	Complies
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Principle 2: Structure the Board to Add Value

Principles & Recommendations:	COMPLIANCE	COMPLY
<p>2.1 The Company should have a nomination committee, which has at least three members, a majority of independent directors and is chaired by an independent director.</p> <p>The functions and operations of the nomination committee should be disclosed.</p>	intelliHR has not established a nomination committee. Given the limited scale of intelliHR's operations, the Board considers that the role of such a committee is most effectively handled by the Board (with Directors the subject of any deliberations excluding themselves).	Does not Comply
<p>2.2 Have and disclose a Board skills matrix, setting out what the Board is looking to achieve in its membership.</p>	intelliHR has established charter rules for the Nomination and Remuneration Committee as a guide for Board deliberations. Together, the Directors have a broad range of experience, expertise, skills, qualifications and contacts relevant to intelliHR and its business.	<p>Does Not Presently Comply</p> <p>However the Board intends to formalise a skills matrix.</p>

2.3	Disclose the names of the directors that the Board considers to be independent directors, and an explanation of why the Board is of that opinion if a factor that impacts on independence applies to a director, and disclose the length of service of each director.	<p>Tony Bellas (appointed December 2016) is an independent Non-Executive Director.</p> <p>Gregory Baynton (appointed December 2016) is an independent Non-Executive Director.</p> <p>Jamie Duffield (appointed December 2016) is an independent Non-Executive Director.</p> <p>The Board does not consider Robert Bromage (appointed July 2014) and Jeremy Fong (appointed October 2016) to be independent Directors for the purposes of the Guidelines. Robert Bromage is a founding Shareholder of intelliHR and Managing Director. Jeremy Fong is an Executive Director.</p>	Complies
2.4	A majority of the Board should be independent directors.	intelliHR currently has a five member Board, of whom three (Messrs Bellas, Baynton and Duffield) are independent Non-Executive Directors.	Complies
2.5	The chairman of the Board should be an independent director and should not be the CEO.	The Chairman, Mr Bellas, is a Non-Executive Director and is independent.	Complies
2.6	There should be a program for inducting new directors and providing appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.	This is consistent with the Board Charter and processes implemented by intelliHR.	Complies

Principle 3: Act Ethically & Responsibly

Principles & Recommendations:	COMPLIANCE	COMPLY
3.1 Have a code of conduct for the Board, senior executives and employees, and disclose that code or a summary of that code.	intelliHR has adopted a code of conduct, which sets out a framework to enable Directors to achieve the highest possible standards in the discharge of their duties and to give a clear understanding of best practice in corporate governance.	Complies

Principle 4: Safeguard Integrity in Corporate Reporting

Principles & Recommendations:	COMPLIANCE	COMPLY
4.1 The Company should have an audit committee, which consists of only non-executive directors, a majority of independent directors, is chaired by an independent chairman who is not chairman of the Board, and has at least three members. The functions and operations of the audit committee should be disclosed.	intelliHR has established an Audit and Risk Management Committee to assist and report to the Board. The Audit and Risk Management Committee consists of three independent Non-Executive Directors, being Gregory Baynton (committee Chair), Tony Bellas and Jamie Duffield.	Complies
4.2 The Board should, before approving financial statements for a financial period, receive a declaration from the CEO and CFO that, in their opinion, the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company, formed on the basis of a sound system of risk management and internal controls, operating effectively.	This is consistent with the approach to be adopted by the Audit and Risk Management Committee and Board.	Complies

4.3	The Company's auditor should attend the AGM and be available to answer questions from security holders relevant to the audit.	intelliHR's auditor will be requested to attend the AGM and Shareholders will be entitled to ask questions in accordance with the Corporations Act and these Guidelines.	Complies
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Principle 5: Make Timely and Balanced Disclosure

Principles & Recommendations:		COMPLIANCE	COMPLY
5.1	Have a written policy for complying with continuous disclosure obligations under the Listing Rules, and disclose that policy or a summary of it.	intelliHR has a written continuous disclosure policy which is designed to ensure that all material matters are appropriately disclosed in a balanced and timely manner and in accordance with the requirements of the ASX Listing Rules.	Complies

Principle 6: Respect the Rights of Security Holders

Principles & Recommendations:		COMPLIANCE	COMPLY
6.1	Provide information about the Company and its governance to investors via its website.	The Board Charter and other applicable policies are available on intelliHR's website at www.intellihr.com.au .	Complies
6.2	Design and implement an investor relations program to facilitate effective two-way communication with investors.	intelliHR aims to ensure that all Shareholders are well informed of all major developments affecting the Company and that the full participation by Shareholders at intelliHR's AGM is facilitated.	Does not Presently Comply However, intelliHR is consulting with its advisers to implement an effective program.

6.3	Disclose the policies and processes in place to facilitate and encourage participation at meetings of security holders.	intelliHR intends to facilitate effective participation in the AGM, as well as the ability to submit written questions ahead of the AGM. intelliHR intends to adopt appropriate technologies to facilitate the effective communication and conduct of general meetings.	intelliHR has not disclosed a formal policy or process, but has however engaged a recognised and reputable share registry service provider to further these objectives.
6.4	Give security holders the option to receive communications from, and send communications to, the Company and its share registry electronically.	intelliHR will instruct its share registry to facilitate this option for investors, as well as future Shareholders at appropriate times.	Complies

Principle 7: Recognise & Manage Risk

Principles & Recommendations:	COMPLIANCE	COMPLY
7.1 The Board should have a risk committee which is structured so that it consists of a majority of independent directors, is chaired by an independent director, and has at least three members. The functions and operations of the risk committee should be disclosed.	intelliHR has a combined Audit and Risk Management Committee, which consists of a majority of independent directors. The functions and operations of the committee are established under the charter.	Does not Comply to the extent that intelliHR does not have a separate risk committee. However, the Board has formed the view that the Audit and Risk Management Committee is appropriately structured and independent from the Chairman and executive to effectively fulfil its role.
7.2 The Board or a committee of the Board should review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound, and disclose, in relation to each reporting period, whether such a review has taken place.	The Board Charter establishes the role of the Audit and Risk Management Committee. The committee will establish the risk management framework.	Does not Presently Comply – to the extent that the Audit and Risk Management Committee is newly formed and has not conducted an annual review.

7.3	Disclose if the Company has an internal audit function, how the function is structured and what role it performs, or if it does not have an internal audit function, that fact and the processes the Company employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Due to the limited scale of intelliHR's operations currently, the costs of an independent internal audit function would be disproportionate to the risk it seeks to mitigate. intelliHR has an external auditor, an experienced chief financial officer and the Audit and Risk Management Committee will monitor and evaluate material or systemic issues.	Does not Comply Does not comply due to the nature and scale of operations, however the Board believes it and the audit and risk management committee have adequate oversight of the existing operations.
7.4	Disclose whether the Company has any material exposure to economic, environmental and social sustainability risks and, if so, how it manages those risks.	The Board does not believe intelliHR has any material exposure to those risks.	Complies

Principle 8: Remunerate Fairly & Responsibly

Principles & Recommendations:

COMPLIANCE

COMPLY

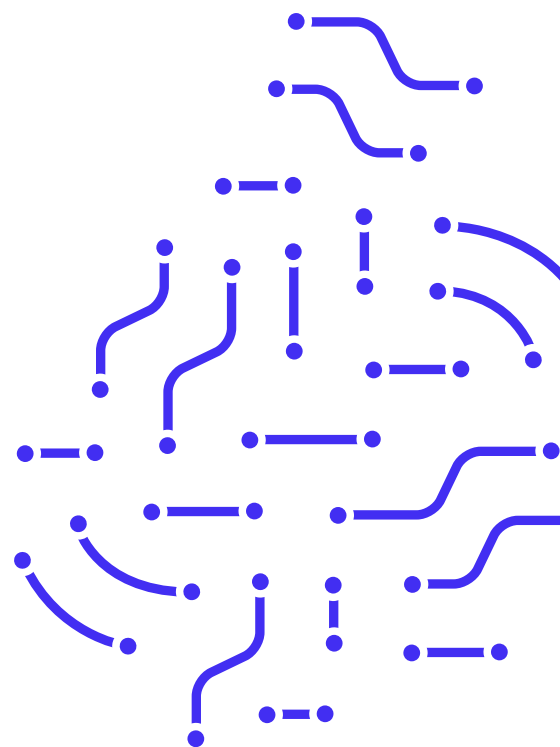
8.1	The Board should have a remuneration committee which is structured so that it consists of a majority of independent directors, is chaired by an independent director, and has at least three members. The functions and operations of the remuneration committee should be disclosed.	The Board considers a remuneration committee unnecessary. The Board believes it can adequately deal with the matters typically within the purview of a remuneration committee.	Does not Comply
8.2	The policies and practices regarding the remuneration of non-executive directors, and the remuneration of executive directors and other senior executives, should be separately disclosed.	intelliHR intends to adopt remuneration policies which comply with the Guidelines including separately disclosing the remuneration of Non-Executive Directors, and the remuneration of Executive Directors and other senior executives. No Director or senior executive is involved directly in deciding their own remuneration.	Does not Presently Comply However, intelliHR intends to disclose these policies and practices in its future annual reports.

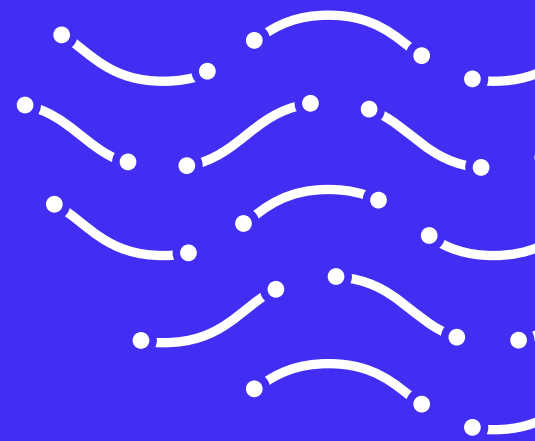
8.3	<p>If the Company has an equity-based remuneration scheme, it should have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme, and disclose that policy or a summary of it.</p>	<p>intelliHR operates an ESOP and performance rights plan. In accordance with intelliHR's Trading Policy participants are not permitted to enter into transactions which limit economic risk without written clearance.</p>	Complies
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4.6 Dividend Policy

The Board does not anticipate paying a dividend in the short to medium term. The Board anticipates that, in the short to medium term, intelliHR will more appropriately re-invest any profits or free cash flow to support growth.

The payment of dividends by intelliHR depends upon the availability of distributable earnings, and intelliHR's franking credit position, operating results, available cash flows, financial condition, taxation position, future capital requirements, general business and financial conditions, and other factors the Directors consider relevant. The Directors give no assurances about the payment of dividends, the extent of payout ratios or the future level of franking of dividends.





5.0

**Historical &
Pro-forma Financial
information**

5.1 Introduction

This section sets out the historical and pro-forma financial information of intelliHR. The basis for preparation and presentation of this information is also set out below.

The financial information has been prepared by management and adopted by the Board. The Board is responsible for the inclusion of all financial information in this prospectus. BDO Audit Pty Ltd has prepared an Investigating Accountant's Report in respect of the historical and pro-forma financial information. A copy of the report is contained in section 7 of this prospectus.

The historical and pro-forma financial information has been prepared in accordance with the recognition and measurement criteria of the Australian Accounting Standards and the significant accounting policies set out in section 5.8 below. The historical and pro-forma financial information is presented in an abbreviated form insofar as it does not include all the disclosures and notes required in an annual financial report prepared in accordance with the Australian Accounting Standards and the Corporations Act.

5.2 Historical Financial Information

The historical financial information for intelliHR set out below comprises:

- The audited consolidated Statements of Financial Position as at 30 June 2015, 30 June 2016 and 30 June 2017;
- The audited consolidated Statements of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2015, 30 June 2016 and 30 June 2017;
- The audited consolidated Statements of Cashflows for the year ended 30 June 2015, 30 June 2016 and 30 June 2017; and
- Selected notes to the audited consolidated Statement of Financial Position,

(the **Historical Financial Information**).

5.3 Pro-forma Historical Financial Information

The pro-forma historical financial information provided in this prospectus comprises of the Pro-forma Statement of Financial Position as at 30 June 2017 showing the impact of the pro-forma adjustments as if they had occurred at 30 June 2017 (the **Pro-forma Historical Financial Information**).

The Pro-Forma Historical Financial Information has been derived from the audited Statement of Financial Position as at 30 June 2017 adjusted for the following transactions as if they had occurred at 30 June 2017:

- (i) The issue of 18,337,744 class A shares to sophisticated investors at an issue price of \$0.22 per Class A share. Costs associated with this issue were \$170,153;
- (ii) The issue of 5,178,272 Shares in intelliHR, on the exercise of 5,178,272 options by Directors and employees, at exercise prices ranging from \$0.004 to \$0.04 per Share;
- (iii) The issue of 15,000,000 Shares at an issue price of \$0.30 per Share to raise \$4,500,000 cash (before expenses of the Offer). All Shares issued pursuant to this prospectus will be issued as fully paid;

- (iv) Total cash costs expected to be incurred in connection with the preparation of the prospectus and ASX listing of Shares of \$415,174. Of these costs it is estimated that \$220,286 will be classified as share issue costs in equity, relating to the issue of new Shares. The remaining costs of \$194,888 will be charged to profit or loss, relating to the listing of existing shares; and
- (v) The issue of 18,337,744 Shares in intelliHR, on conversion of 18,337,744 class A shares on intelliHR's admission to the official list of the ASX,
(the Pro-forma Transactions).

5.4 Historical Statements of Profit or Loss and Other Comprehensive Income

	YEAR ENDED 30 JUNE 2017 (\$)	YEAR ENDED 30 JUNE 2016 (\$)	YEAR ENDED 30 JUNE 2015 (\$)
Revenue			
Revenue from continuing operations	79,022	14,473	11,283
Other revenue	1,922	18,234	32
TOTAL	80,944	32,707	11,315
Expenses			
Employee benefits expense	719,298	43,523	-
Directors remuneration	646,786	-	-
Depreciation and amortisation expense	520,073	118,549	3,334
Marketing expense	268,749	-	-
General and administrative expense	200,742	118,283	9,764
LOSS BEFORE INCOME TAX	(2,274,704)	(247,648)	(1,783)
Tax expense	-	-	-
Loss for the year	(2,274,704)	(247,648)	(1,783)
OTHER COMPREHENSIVE INCOME	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(2,274,704)	(247,648)	(1,783)

5.5 Historical Statements of Financial Position

	YEAR ENDED 30 JUNE 2017 (\$)	YEAR ENDED 30 JUNE 2016 (\$)	YEAR ENDED 30 JUNE 2015 (\$)
Current Assets			
Cash and cash equivalents	1,011,542	452,384	91,579
Trade and other receivables	37,452	7,724	5,136
Other assets	51,206	44,576	-
TOTAL CURRENT ASSETS	1,100,200	504,684	96,715
Non-Current Assets			
Plant and equipment	54,920	-	-
Intangible assets	1,480,602	1,277,518	542,654
TOTAL NON-CURRENT ASSETS	1,535,522	1,277,518	542,654
TOTAL ASSETS	2,635,722	1,782,202	639,369
Current Liabilities			
Trade and other payables	228,894	83,792	67,132
Provisions	112,436	55,393	11,691
TOTAL CURRENT LIABILITIES	341,330	139,185	78,823
Non-Current Liabilities			
Provisions	9,968	4,474	1,647
TOTAL NON-CURRENT LIABILITIES	9,968	4,474	1,647
TOTAL LIABILITIES	351,298	143,659	80,470
NET ASSETS	2,284,424	1,638,543	558,899
Equity			
Issued capital	3,751,364	1,687,168	578,633
Reserves	1,075,146	218,757	-
Accumulated losses	(2,542,086)	(267,382)	(19,734)
TOTAL EQUITY	2,284,424	1,638,543	558,899

5.6 Historical Statements of Cash Flow

	YEAR ENDED 30 JUNE 2017 (\$)	YEAR ENDED 30 JUNE 2016 (\$)	YEAR ENDED 30 JUNE 2015 (\$)
Cash Flows from Operating Activities			
Receipts from customers	111,730	50,761	28,558
Payments to suppliers & employees	(1,043,041)	(211,330)	(20,271)
Interest received	1,350	966	32
NET CASH USED IN OPERATING ACTIVITIES	(929,961)	(159,603)	8,319
Cash Flows from Investing Activities			
Payments for development of intangible assets	(837,761)	(744,259)	(408,848)
Payments for plant & equipment	(67,127)	-	-
Proceeds from sale of plant & equipment	2,000	-	-
Research & development tax incentive refund	327,811	156,132	48,566
NET CASH USED IN INVESTING ACTIVITIES	(575,077)	(588,127)	(360,282)
Cash Flows from Financing Activities			
Proceeds from share issues	2,064,196	1,108,535	224,999
Proceeds from loans received from related parties	-	-	205,231
NET CASH PROVIDED BY FINANCING ACTIVITIES	2,064,196	1,108,535	430,230
Net increase in cash held	559,158	360,805	78,267
Cash and cash equivalents at the beginning of the financial year	452,384	91,579	13,312
CASH & CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	1,011,542	452,384	91,579

5.7 Pro-forma Statement of Financial Position

		AUDITED HISTORICAL FINANCIAL INFORMATION 30 JUNE 2017 \$	REVIEWED PRO-FORMA FINANCIAL INFORMATION 30 JUNE 2017 \$
	NOTES		
Current Assets			
Cash and cash equivalents	5.8.3	1,011,542	8,996,485
Trade and other receivables		37,452	37,452
Other assets		51,206	51,206
TOTAL CURRENT ASSETS		1,100,200	9,085,143
Non-Current Assets			
Plant and equipment		54,920	54,920
Intangible assets		1,480,602	1,480,602
TOTAL NON-CURRENT ASSETS		1,535,522	1,535,522
TOTAL ASSETS		2,635,722	10,620,665
Current Liabilities			
Trade and other payables		228,894	228,894
Provisions		112,436	112,436
TOTAL CURRENT LIABILITIES		341,330	341,330
Non-Current Liabilities			
Provisions		9,968	9,968
TOTAL NON-CURRENT LIABILITIES		9,968	9,968
TOTAL LIABILITIES		351,298	351,298
NET ASSETS		2,284,424	10,269,367
Equity			
Issued capital	5.8.4	3,751,364	11,931,195
Other equity securities	5.8.5	-	-
Reserves		1,075,146	1,075,146
Accumulated losses	5.8.6	(2,542,086)	(2,736,974)
TOTAL EQUITY		2,284,424	10,629,367

5.8 Notes to and Forming Part of the Financial Information

The following is a summary of the material accounting policies adopted by intelliHR in the preparation of the financial information. The accounting policies have been consistently applied unless otherwise stated. The financial information is in compliance with the recognition and measurement requirements of the Australian Accounting Standard.

5.8.1 Basis of Preparation

Going Concern

The financial information has been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. The Group achieved a net loss of \$2,274,704 and net operating cash outflows of \$929,961 for the year ended 30 June 2017. As such, the Group's ability to continue to adopt the going concern assumption will depend upon a number of matters including the successful closure of its initial public offering, its subsequent successful raising in the future of necessary funding and the successful development and commercialisation of the Group's software platform.

Reporting Basis and Conventions

The financial information has been prepared on an accruals basis and is based on historical costs, except for certain financial instruments measured at fair value.

5.8.2 Accounting Policies

a. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

b. Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 5.8.2 (J) for further discussion on the determination of impairment losses.

c. Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment 3 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

d. Development Costs

Expenditure during the research phase of a project is recognised as an expense when incurred.

Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Capitalised development costs are amortised on a straight-line basis over three years, which given the constant and rapid development of the project, management considers to represent the useful life of the project.

e. Trade and Other Payables

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided to intelliHR prior to the end of the financial period that are unpaid and arise when intelliHR becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30–60 days of recognition.

f. Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the present value amounts required to settle the obligation at the end of the reporting period.

g. Employee Benefits

Short-Term Employee Benefits

Provision is made for intelliHR's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

intelliHR's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Other Long-Term Employee Benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates

that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

intelliHR's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where intelliHR does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

h. Issued Capital

Ordinary Shares are classified as equity. Costs directly attributable to the issue of new Shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit.

i. Share-Based Payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, options or performance rights over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is determined using a Binomial model that takes into account the exercise price, the term of the performance right, the impact of dilution, the share price at grant date and expect price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the performance right.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made.

An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Share based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined that the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded in the share based payments reserve.

j. Impairment of Assets

At the end of each reporting period, intelliHR assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information, including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

k. GST

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

l. Revenue and Other Income

Revenue is recognised when it is probable that the economic benefit will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised using the effective interest method, which, for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax.

m. Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial information based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key Judgements – Recognition of Development Costs

For the purpose of measurement, AASB 138 allows costs incurred in the development stage to be capitalised if certain requirements are met, including:

- It is technically feasible that the intangible asset will be completed so that it will be available for use;
- It is the intention to complete the intangible asset and use it;

- It can be demonstrated that it is probably that the intangible asset will generate future economic benefits;
- There are adequate resources to complete the development of the intangible asset;
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Key Judgements – Share Based Payments

The Group measures the cost of equity settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Binomial model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions, including share price volatility, interest rates and vesting periods would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact the profit or loss and equity.

5.8.3 Cash and Cash Equivalents

Reconciliation of Movements in Pro-Forma Cash and Cash Equivalents

	REFERENCE	(\$)
Cash and cash equivalents at 30 June 2017		1,011,542
Proceeds from the issue of Class A shares	5.3(i)	3,864,151
Proceeds from the exercise of options	5.3(ii)	35,966
Proceeds from the issue of Shares	5.3(iii)	4,500,000
Payment of estimated costs with respect to this prospectus	5.3(iv)	(415,174)
PRO-FORMA CASH AND CASH EQUIVALENTS		8,996,485

5.8.4 Issued Capital

Reconciliation of Movements in Pro-Forma Issued Capital

	REFERENCE	NO# OF SHARES
Shares on issue at 30 June 2017		65,354,580
Issue of Shares on the exercise of options	5.3(ii)	5,178,272
Issue of Shares pursuant to this prospectus	5.3(iii)	15,000,000
Issue of shares on conversion of Class A shares	5.3(v)	18,337,774
PRO-FORMA SHARES ON ISSUE		103,870,596

Reconciliation of movements in Pro-Forma issued capital	REFERENCE	(\$)
Issued capital at 30 June 2017		3,751,364
Proceeds from the exercise of options	5.3(ii)	35,966
Proceeds from Shares issued pursuant to this prospectus	5.3(iii)	4,500,000
Payment of estimated costs with respect to this prospectus	5.3(iv)	(220,286)
Transfer from other equity securities reserve on conversion of Class A shares	5.3(v)	3,864,151
PRO-FORMA ISSUED CAPITAL		11,931,195

5.8.5 Other Issued Capital

	REFERENCE	NO# OF SHARES
Reconciliation of Movements in Pro-Forma Other Issued Capital		
Class A shares on issue at 30 June 2017		-
Issue of Class A shares	5.3(i)	18,337,744
Transfer to issued capital on conversion of Class A shares	5.3(v)	(18,337,744)
PROFORMA CLASS A SHARES ON ISSUE		-

	REFERENCE	(\$)
Reconciliation of movements in Pro-Forma Other Issued Capital		
Other issued capital at 30 June 2017		-
Issue of Class A shares	5.3(i)	4,034,304
Costs of issuing Class A shares	5.3(i)	(170,153)
Transfer to issued capital on conversion of Class A shares	5.3(v)	(3,864,151)
PRO-FORMA OTHER ISSUED CAPITAL		-

5.8.6 Accumulated Losses

	REFERENCE	NO# OF SHARES
Reconciliation of Movements in Pro-Forma Accumulated Losses		
Accumulated losses at 30 June 2017		(2,542,086)
Payment of estimated issue costs with respect to this prospectus	5.3(iv)	(194,888)
TOTAL		(2,736,974)

5.8.7 Commitments

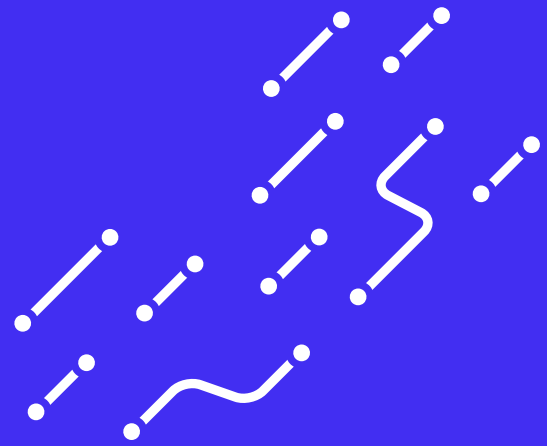
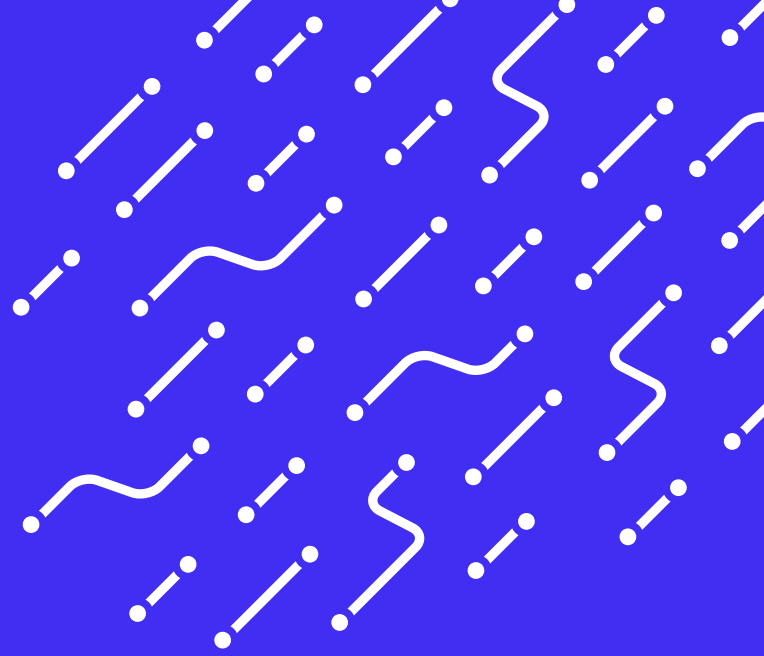
At 30 June 2017, the Group did not have any commitments.

5.8.8 Contingent Liabilities

At 30 June 2017, the Group did not have any contingent liabilities.

5.8.9 Subsequent Events

The Directors are not aware of any other significant changes in the state of affairs of intelliHR or events subsequent to 30 June 2017 that would have a material impact on the historical or pro-forma financial information.



6.0

Risk Factors

Factors governing success
& associated risks.

6.1 Introduction

This section identifies the major risks the Board has identified regarding an investment in intelliHR. The intelliHR business is subject to risk factors, both specific to its business activities, and risks of a general nature. Individually, or in combination, these might affect the future operating performance of intelliHR and the value of an investment in intelliHR. There can be no guarantee that intelliHR will achieve its stated objectives or that any forward looking statements will be achieved. An investment in intelliHR should be considered in light of relevant risks, both general and specific. Each of the risks set out below could, if it eventuates, have a material adverse impact on intelliHR's prospectus, and the market price of the Shares.

Before deciding to invest in intelliHR, potential investors should:

- a. read the entire prospectus;
- b. consider the assumptions underlying any forward looking statements;
- c. review these factors in light of their personal circumstances; and
- d. seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

6.2 Specific Investment Risks

Financing risks

The funds raised under the Offer will be applied primarily to sales and marketing endeavours. There is no certainty that those expenditures will deliver sufficient sales growth to obviate the need for further equity capital. For example, even if intelliHR becomes cash flow positive, the Directors may consider it appropriate to increase expenditure on sales and marketing. As a result, it is likely that intelliHR will require further equity funding in the short to medium term. That funding may be highly dilutionary to Shareholders, depending on the price at which intelliHR seeks to issue new Shares. While debt funding may be available to intelliHR in the future, the availability of such funding, which be dependent on intelliHR's financial performance. In addition to dilution, if intelliHR is unsuccessful in obtaining funds when required, it may need to delay planned business activities, and potentially forgo growth opportunities.

Dependence Upon Key Personnel

intelliHR depends on the talent and experience of its Personnel, and as such any departure of key Personnel may be materially adverse to intelliHR's prospects. It may be difficult to replace key Personnel or to do so in a timely manner or at a comparable expense. Additionally, if any key Personnel were to leave to work for or establish a competitor, this could further impact intelliHR's prospects. intelliHR has sought to mitigate this risk with equity incentives, but these incentives cannot remove the risk altogether.

Competition

The technology industry is intensely competitive and subject to rapid change. intelliHR may face competitors that are better resourced or develop superior products, particularly those based on new or disruptive technology. intelliHR may also be slower to adopt new technology than potential competitors, each of which would likely be materially adverse to intelliHR's prospects.

In particular, the SaaS model is intensely competitive and, given the short timeframes with which products can be brought to market under a SaaS model, service providers' offerings are evolving quickly.

Internet and SaaS businesses have generally low barriers to entry. Current or new competitors may adopt certain aspects of intelliHR's business model without great financial expense, thereby reducing intelliHR's ability to differentiate its services.

Competition may arise from a number of sources, both in Australia and abroad. It may include companies that have greater capital resources and closer customer relationships than intelliHR. Competition may also arise from companies with developed processes, systems, and technology or customers may seek to develop their own equivalent analytical platforms.

Any significant competition or failure to keep pace with technological change may adversely affect intelliHR's ability to attract customers or meet its business objectives.

Intellectual property

The intellectual property in the intelliHR platform is critical to its commercialisation. There may be circumstances where intelliHR's intellectual property cannot be protected or is subject to unauthorised infringement. Notwithstanding that intelliHR may have legal rights in respect of any infringement, those rights may be costly and time consuming to enforce.

intelliHR has trade secrets and other intellectual property which are important assets. It is therefore reliant on a combination of confidentiality agreements with its consultants and third parties with whom it operates, in addition to domain name intellectual property right protections in order to protect the intelliHR brand. Given the nature of the product, intelliHR does not have any patent protection of its intellectual property. If intelliHR fails to protect its intellectual property, competitors may gain access to its technology which may adversely impact the business. In addition, third parties may make claims against intelliHR for infringement of their intellectual property rights. Defending such actions may be costly to intelliHR and divert the time and resources of Board and key management personnel, resulting in detriment to intelliHR. The intellectual property rights of a third party may also prevent intelliHR from utilising its own intellectual property rights, requiring intelliHR to rebrand at significant cost to intelliHR.

Reliance on third party providers

As the intelliHR platform is cloud-based, intelliHR relies upon data centres and other third-party service providers for the ongoing availability of its platform. intelliHR's influence over these third-parties is limited. Any system failure that causes an interruption to the platform could materially affect intelliHR's business. System failures, if prolonged, could reduce the attractiveness of the platform to existing and potential customers and could damage intelliHR's business reputation and brand name.

The intelliHR platform may contain defects and bugs when first introduced to a particular customer or as new versions are released. These defects or bugs could interrupt or delay the provision of services to customers and could ultimately damage intelliHR's business reputation.

intelliHR's platform is also subject to risks associated with computer viruses, physical or electronic break-ins, loss of data from physical damage or from failures by third party service providers or operating systems and similar disruptions, as well as to damage from the inadvertent introduction onto its systems of incorrect programming language by its employees.

Limited operating history

intelliHR has had less than four years of relevant operating history in the development and commercialisation of the intelliHR platform. An investment in intelliHR should be evaluated in light of the risks and difficulties often encountered by emerging companies and particularly by such companies in rapidly evolving, technology based environments. As there is limited operating history, there is low visibility and predictability of demand for the intelliHR platform. As such, no assurances can be given that intelliHR will achieve a level of sales sufficient to avoid a further capital raising being necessary in the short term.

Reliance on Continual Platform Development

intelliHR's ability to grow its customer base and generate revenue will dependent in part upon its ability to continually develop and innovate the intelliHR platform to ensure it is a market leader in the industry. This may involve introducing significant changes to the existing intelliHR platform, including technologies with which there is little or no prior development or operating experience. If the modified platform does not attract customers, intelliHR may fail to generate sufficient revenue or operating profit to justify the investment.

Hacking and security breaches

intelliHR may be adversely affected by malicious third party actions that seek to breach security of the platform. Any such 'hacking' of the platform could, among other things, jeopardise the security of customer information stored on the intelliHR platform. If intelliHR's efforts to combat such malicious actions are unsuccessful, or if the platform has actual or perceived vulnerabilities, intelliHR's business reputation and brand name may be harmed, which may result in a loss of customers from the platform (and reduced prospects of securing new customers). intelliHR hosts infrastructure on Amazon Web Services (**AWS**) in Sydney, Australia. IT security and protection of customer data is critical to intelliHR's success. intelliHR employs a rigorous approach to security management and implements security controls which include: (a) industry-standard encrypted connection via HTTPS/SSL to protect data in transit; (b) defense-in-depth information assurance strategy using security groups to segment network; (c) staff access to production infrastructure protected by multi-factor authentication (MFA) and strict separation of responsibilities; and (d) staff access to customer data only granted on an as-needed basis in order to provide services to customers.

Growth Management

There is a risk that intelliHR may not be able to manage rapid growth of its business. Commercial sales may not fund sufficient revenue for growth and, potentially, continued operations. intelliHR's capacity to properly implement and management business growth may affect its financial performance.

Speculative Nature of Investment

Any potential investor should be aware that subscribing for Shares involves various risks. The Shares to be issued pursuant to the Offer carry no guarantees with respect to the payment of dividends, return of capital or market value. The success of intelliHR is dependent on the commercialisation of its products and market adoption of those products. An investment in intelliHR should therefore be considered speculative in nature.

6.3 General Investment Risks

Share Market Investments

Before the Offer there has been no public market for the Shares. It is important to recognise that, once the Shares are quoted on ASX, their price might rise or fall and they might trade at prices below or above the Offer Price. There can also be no assurance that an active trading market will develop for the Shares.

Factors affecting the price at which the Shares are traded on ASX could include domestic and international economic conditions. In addition, the prices of many listed entities' securities are affected by factors that might be unrelated to the operating performance of the relevant company. Those fluctuations might adversely affect the price of the Shares.

General Economic Conditions

intelliHR's operating and financial performance is influenced by a variety of general economic and business conditions including the level of inflation, interest rates and government fiscal, monetary and regulatory policies. Prolonged deterioration in general economic conditions, including an increase in interest rates, could be expected to have a corresponding adverse impact on intelliHR's operating and financial performance.

Accounting Standards

Australian accounting standards are set by the Australian Accounting Standards Board (AASB) and are outside the Directors' and intelliHR's control. Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in intelliHR's financial statements.

Taxation Risks

Changes to the rate of taxes imposed on intelliHR (including in overseas jurisdictions in which intelliHR operates now or in the future) or tax legislation generally may affect intelliHR and its Shareholders. In addition, an interpretation of Australian taxation laws by the Australian Taxation Office that differs to intelliHR's interpretation may lead to an increase in intelliHR's taxation liabilities and a reduction in Shareholder returns.

Personal tax liabilities are the responsibility of each individual investor. intelliHR is not responsible either for taxation or penalties incurred by investors.

6.4 Cautionary Statement

Statements contained in this prospectus may be forward-looking statements.

Forward-looking statements can be identified by the use of forward-looking terminology such as, but not limited to, 'may', 'will', 'expect', 'anticipate', 'estimate', 'would be', 'believe', or 'continue' or the negative or other variations of comparable terminology. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. The Directors' expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis, including without limitation, based on the examination of historical operating trends, data contained in intelliHR's records and other data available from third parties. There can be no assurance, however, that their expectations, beliefs or projections will give the results projected in the forward looking statements. Investors should not place undue reliance on these forward looking statements.



7.0

Investigating Accountant's Report



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To The Directors
intelliHR Holdings Limited
C/ Mr R Bromage
Chief Executive Officer
BY EMAIL: robert@intellihr.com.au

10 November 2017

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT ON INTELLIHR HOLDINGS LIMITED HISTORICAL AND PRO FORMA HISTORICAL FINANCIAL INFORMATION

Introduction

We have been engaged by intelliHR Holdings Limited (“the company”) to report on the historical financial information and pro forma historical financial information of intelliHR Holdings Limited for inclusion in the public document dated on or about 10 November 2017 and relating to the issue of 15,000,000 shares in intelliHR Holdings Limited (“the document”).

Expressions and terms defined in the document have the same meaning in this report.

Scope

Historical financial information

You have requested BDO Audit Pty Ltd to review the following historical financial information included in the Prospectus:

- A. The audited consolidated statements of profit or loss and other comprehensive income of intelliHR Holdings Limited for the years ended 30 June 2015, 30 June 2016 and 30 June 2017;
- B. The audited consolidated statements of financial position of intelliHR Holdings Limited as at 30 June 2015, 30 June 2016 and 30 June 2017;
- C. The audited consolidated statements of cash flows of intelliHR Holdings Limited for the years ended 30 June 2015, 30 June 2016 and 30 June 2017; and
- D. Selected notes to the audited consolidated statement of financial position.

Hereafter referred to as “the historical financial information”.

The historical financial information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the company’s adopted accounting policies.

The historical financial information has been extracted from the audited financial reports of intelliHR Holdings Limited for the years ended 30 June 2015, 30 June 2016 and 30 June 2017, which were audited by BDO Audit Pty Ltd in accordance with the Australian Auditing Standards. BDO Audit Pty Ltd issued an unmodified audit opinion on the financial report including a paragraph relating to the material uncertainty on going concern.



The historical financial information is presented in the public document in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Pro forma historical financial information

You have requested BDO Audit Pty Ltd to review the pro forma historical statement of financial position as at 30 June 2017 (hereafter referred to as the “Pro Forma Historical Financial Information”) of IntelliHR Holdings Limited (the responsible party) included in the public document.

The pro forma historical financial information has been derived from the historical financial information of IntelliHR Holdings Limited Pty Ltd, after adjusting for the effects of pro forma adjustments described in section 5.3 of the public document. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the event(s) or transaction(s) to which the pro forma adjustments relate, as described in section 5.3 of the public document, as if those event(s) or transaction(s) had occurred as at the date of the historical financial information. Due to its nature, the pro forma historical financial information does not represent the company’s actual or prospective financial position, financial performance, and/or cash flows.

Directors’ responsibility

The directors of IntelliHR Holdings Limited are responsible for the preparation of the historical financial information and pro forma historical financial information, including the selection and determination of pro forma adjustments made to the historical financial information and included in the pro forma historical financial information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of historical financial information and pro forma historical financial information that are free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the financial information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.



Conclusions

Historical financial information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the historical financial information, as described in section 5.2 of the public document, and comprising the historical statement of financial position as at 30 June 2017 is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in section 5.8.1 of the document.

Pro forma historical financial information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the pro forma historical financial information, as described in section 5.3 of the public document, and comprising the pro forma historical statement of financial position as at 30 June 2017 are not presented fairly in all material respects, in accordance with the stated basis of preparation as described in section 5.8.1 of the public document.

Restriction on use

Without modifying our conclusions, we draw attention to section 5.1 of the public document, which describes the purpose of the financial information, being for inclusion in the public document. As a result, the financial information may not be suitable for use for another purpose.

Consent

BDO Audit Pty Ltd has consented to the inclusion of this independent limited assurance report in the public document in the form and context in which it is included.

Liability

The liability of BDO Audit Pty Ltd is limited to the inclusion of this report in the public document. BDO Audit Pty Ltd makes no representation regarding, and takes no responsibility for, any other statements, or material in, or omissions from, the public document.

General advice warning

The report has been prepared, and included in the document to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to take the place of professional advice and investors should not make specific investment decisions in reliance on information contained in this report. Before acting or relying on any information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.

Independence or Disclosure of Interest

BDO Audit Pty Ltd does not have any interest in the outcome of proposed listing, or any other interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. BDO Audit Pty Ltd will receive normal professional fees for the preparation of this report.



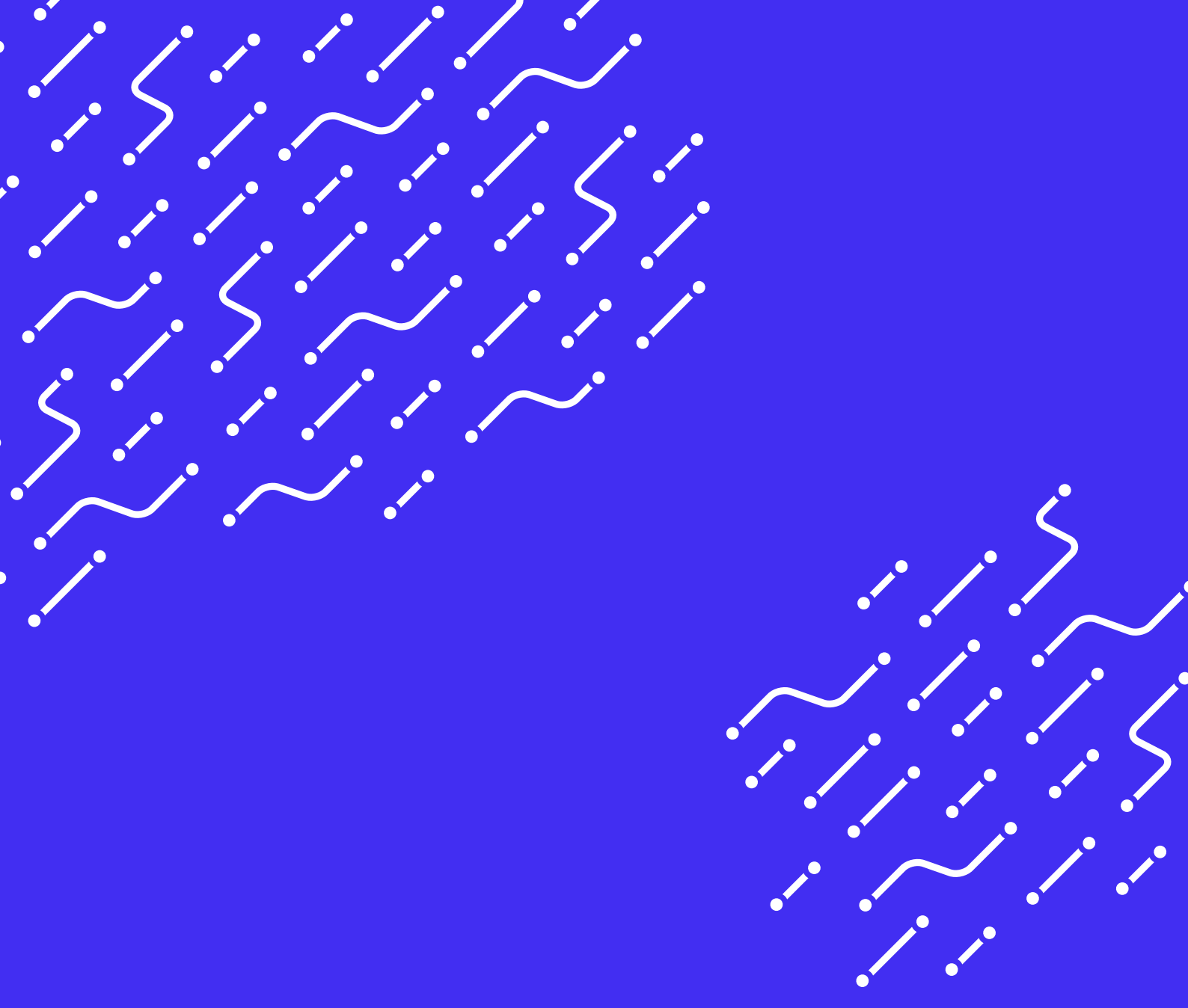
BDO Audit Pty Ltd are auditors of IntelliHR Holdings Limited and from time to time BDO Audit Pty Ltd also provides IntelliHR Holdings Limited with certain other professional services for which normal professional fees are received.

Yours faithfully,

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'D P Wright', is written over a light blue rectangular background.

D P Wright
Director



8.0

**Material
Agreements**

8.1 Constitution

The following is a summary of the provisions of intelliHR's Constitution. This summary is not exhaustive, nor does it constitute a definitive statement of a Shareholder's rights and obligations.

Shares

The Directors are entitled to issue and cancel Shares in the capital of intelliHR, grant options over unissued shares and settle the manner in which fractions of a Share are to be dealt with. The Directors may decide the persons to whom, and the terms on which, Shares are issued or options are granted as well as the rights and restrictions that attach to those Shares or options.

The Constitution also permits the issue of preference shares on terms determined by the Directors.

intelliHR may also sell a Share that is part of an unmarketable parcel of shares under the procedure set out in the Constitution.

Variation of Class Rights

The rights attached to any class of Shares may, unless their terms of issue state otherwise, only be varied with the consent in writing of members holding at least three-quarters of the Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of Shares of that class.

Share Certificates

Subject to the requirements of the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules, intelliHR need not issue share certificates if the Directors so decide.

Calls

The Directors may, from time to time, call upon Shareholders for unpaid monies on their shares. The Directors must give Shareholders notice of a call at least 30 business days before the amount called is due, specifying the time and place of payment. If a call is made, Shareholders are liable to pay the amount of each call by the time and at the place specified.

A call is taken to have been made when a Directors' resolution passing the call is made or on any later date fixed by the Board. A call may be revoked or postponed at the discretion of the Directors.

Forfeiture and Lien

intelliHR may forfeit Shares to cover any call, or other amount payable in respect of Shares, which remains unpaid following any notice to that effect sent to a Shareholder. Forfeited Shares become the property of intelliHR and the Directors may sell, reissue or otherwise dispose of the Shares as they think fit.

A person whose Shares have been forfeited may still be required to pay intelliHR all calls and other amounts owing in respect of the forfeited Shares (including interest) if the Directors so determine.

intelliHR has a first and paramount lien for unpaid calls, instalments and related interest and any amount it is legally required to pay in relation to a Shareholder's Shares. The lien extends to all distributions relating to the Shares, including dividends.

intelliHR's lien over Shares will be released if it registers a transfer of the Shares without giving the transferee notice of its claim.

Share Transfers

Shares may be transferred by any method permitted by the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules or by a written transfer in any usual form or in any other form approved by the Directors. The Directors may refuse to register a transfer of Shares where it is not in registrable form, intelliHR has a lien over any of the Shares to be transferred or where it is permitted to do so by the Listing Rules or the ASX Settlement Operating Rules.

General Meetings

Each Shareholder, Director and auditor is entitled to receive notice of and attend any general meeting of intelliHR. Two Shareholders must be present to constitute a quorum for a general meeting and no business may be transacted at any meeting except the election of a chair and the adjournment of the meeting, unless a quorum is present when the meeting proceeds to business.

Voting Rights

Subject to any rights or restrictions attached to any Shares or class of shares, on a show of hands each Shareholder present has one vote and, on a poll, one vote for each fully paid Share held, and for each partly paid Share, a fraction of a vote equivalent to the proportion to which the Share has been paid up. Voting may be in person or by proxy, attorney or representative.

Remuneration of Directors

Each Director is entitled to remuneration from intelliHR for his or her services as decided by the Directors but the total amount provided to all Directors for their services as Directors must not exceed in aggregate in any financial year the amount fixed by intelliHR in general meeting (see section 4.3). The remuneration of an executive Director must not include a commission on, or a percentage of, profits or operating revenue.

Remuneration may be provided in the manner that the Directors decide, including by way of non-cash benefits. There is also provision for Directors to be paid extra remuneration (as determined by the Directors) if they devote special attention to the business of intelliHR or otherwise perform services which are regarded as being outside of their ordinary duties as Directors or, at the request of the Directors, engage in any journey on intelliHR's business.

Directors are also entitled to be paid all travelling and other expenses they incur in attending to intelliHR's affairs, including attending and returning from general meetings or Board meetings, or meetings of any committee engaged in intelliHR's business.

Interests of Directors

A Director who has a material personal interest in a matter that is being considered by the Board must not be present at a meeting while the matter is being considered nor vote on the matter, unless the Corporations Act allows otherwise.

Election and Retirement of Directors

There must be a minimum of three Directors and a maximum of 12 Directors unless intelliHR in general meeting resolves otherwise.

Where required by the Corporations Act or Listing Rules, intelliHR must hold an election of directors each year. No Director, other than the managing director, may hold office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or re-

elected. A Director appointed to fill a casual vacancy, who is not a managing Director, holds office until the conclusion of the next annual general meeting following his or her appointment. If there would otherwise not be a vacancy, and no Director is required to retire, then the director who has been longest in office since last being elected must retire.

If a number of Directors were elected on the same day, the Directors to retire is (in default of agreement between them) determined by ballot.

Dividends

If the Directors determine that a final or interim dividend is payable, it is (subject to the terms of issue on any Shares or class of Shares) paid on all Shares proportionate to the amount for the time being paid on each Share. Dividends may be paid by cash, electronic transfer or any other method as the Board determines.

The Directors have the power to capitalise and distribute the whole or part of the amount from time to time standing to the credit of any reserve account or otherwise available for distribution to Shareholders. The capitalisation and distribution must be in the same proportions which the Shareholders would be entitled to receive if distributed by way of a dividend.

Subject to the Listing Rules, the Directors may pay a dividend out of any fund or reserve or out of profits derived from any source.

Proportional Takeover Bids

intelliHR may prohibit registration of transfers purporting to accept an offer made under a proportionate takeover bid unless a resolution of intelliHR has been passed approving the proportional takeover bid under the provisions of the Constitution.

The rules in the Constitution relating to proportional takeover bids cease on the third anniversary of the adoption of the Constitution, or the renewal of the rules, unless renewed by a special resolution of Shareholders.

Indemnities and Insurance

intelliHR must indemnify current and past Directors and other executive officers (Officers) of intelliHR on a full indemnity basis and to the fullest extent permitted by law against all liabilities incurred by the Officer as a result of their holding office in intelliHR or a related body corporate.

intelliHR may also, to the extent permitted by law, purchase and maintain insurance, or pay or agree to pay a premium for insurance, for each Officer against any liability incurred by the Officer as a result of their holding office in intelliHR or a related body corporate.

8.2 Mandatory Restriction Agreements

As a condition of Listing, ASX will classify certain Shares as restricted securities.

intelliHR anticipates that Shares which will represent between 40% and 60% of the Shares on issue following completion of the Offer) will be subject to escrow for 10 to 24 months from the date of intelliHR's listing on the ASX. intelliHR will have greater than 20% free float on completion of the Offer.

The escrow agreements will restrict the applicable Shareholder from disposing of, creating any securities

interest in or transferring effective ownership or control of, the escrow Shares, subject to customary exclusions in respect of control transactions for intelliHR.

8.3 Executive service contracts

Chief Executive Officer

intelliHR has entered into an executive services agreement with Robert Bromage in his role as Chief Executive Officer of intelliHR. Either party may terminate the agreement with six months' notice. intelliHR has the right to terminate immediately with cause. On termination, Mr Bromage is entitled to be paid his accrued and untaken annual leave and any accrued and untaken long service leave (if so entitled) calculated as at the last day of employment.

Mr Bromage's total fixed remuneration (TFR) comprises salary of \$300,000 per annum plus statutory superannuation. In addition, Mr Bromage is entitled to a performance-based short-term incentive with a maximum annual benefit of 50% of TFR, which is assessed annually and is payable in cash, shares or performance rights at the discretion of the board. Performance is assessed against a set of key performance indicators. Mr Bromage is also entitled to a performance-based long-term incentive with a maximum annual benefit of 50% of TFR, which is assessed over a three year period and is payable in shares or performance rights at the discretion of the board. Performance is assessed against a financial metric that aligns with shareholders' interests.

Mr Bromage's agreement otherwise contains standard terms and conditions for agreements of this nature, including confidentiality, restraint on competition and retention of intellectual property.

Chief Technology Officer

intelliHR has entered into an executive services agreement with Jeremy Fong in his role as Chief Technology Officer of intelliHR. Either party may terminate the agreement with six months' notice. intelliHR has the right to terminate immediately with cause. On termination, Mr Fong is entitled to be paid his accrued and untaken annual leave and any accrued and untaken long service leave (if so entitled) calculated as at the last day of employment.

Mr Fong's total fixed remuneration (TFR) comprises salary of \$250,000 per annum plus statutory superannuation. In addition, Mr Fong is entitled to a performance-based short-term incentive with a maximum annual benefit of 50% of TFR, which is assessed annually and is payable in cash, shares or performance rights at the discretion of the board. Performance is assessed against a set of key performance indicators. Mr Fong is also entitled to a performance-based long-term incentive with a maximum annual benefit of 50% of TFR, which is assessed over a three year period and is payable in shares or performance rights at the discretion of the board. Performance is assessed against a financial metric that aligns with shareholders' interests.

Mr Fong's agreement otherwise contains standard terms and conditions for agreements of this nature, including confidentiality, restraint on competition and retention of intellectual property.

Details on the options issued Messrs Bromage and Fong are set out in section 4.3.

8.4 Customer Contracts

intelliHR has a standard form licence and service agreement for contracting with its customers. Pursuant to those contracts, intelliHR grants customers a non-exclusive, non-transferable licence to access and use the intelliHR platform. The particular scope of the licence is specific to each contract. The contracts contain standard terms and include warranties, disclaimers and indemnity provisions in favour of intelliHR. The contracts also ensure that ownership of all intellectual property subsisting in the platform is retained by intelliHR.

The contracts contain minimum service requirements which place obligations on intelliHR to meet basic levels of service and provide remedies for customers in circumstances where it fails to meet the appropriate levels of service. The contract also contains minimum levels of support to be provided by intelliHR to its customers.

This is a summary only and the provisions of each contract are not fully described.

8.5 AWS Customer Agreement

intelliHR stores its data using cloud services provided by Amazon Web Services, Inc. (**AWS**). The terms of this arrangement are contained in the AWS customer agreement, a standard form agreement entered into between AWS and its customers (**AWS Customer Agreement**).

The term of the AWS Customer Agreement is indefinite. The agreement can be terminated for convenience by intelliHR giving notice to AWS and closing its account for all services for which AWS provides an account closing mechanism. In AWS' case, termination by convenience can occur on 30 days' prior written notice. AWS may also terminate the agreement immediate upon notice on the occurrence of certain events.

The services provided pursuant to the AWS Customer Agreement may also be suspended at any time if, amongst other things, AWS determines that intelliHR's use of its services pose a security threat, subject AWS, their affiliates or any third party to liability or if intelliHR is in breach of the agreement (including breach of terms of payment).

Under the AWS Customer Agreement, all intellectual property rights in intelliHR's (or its customers') content (being software, including machine images, data, text, audio, video or images) are and remain the property of intelliHR. intelliHR consents to AWS' use of its content to the extent necessary to allow AWS to perform its obligations under the agreement.

The terms of the AWS Customer Agreement are subject to change from time to time. The full terms and conditions are contained on Amazon's website.

8.6 Employee Share Option Plan

intelliHR has adopted an employee share option plan (**ESOP**), that takes advantage of the 'start-up' tax concessions which have favourable tax treatment for employees.

Eligibility Criteria

The ESOP will be open to eligible participants (including full-time and part time employees, executives, Directors and consultants) of intelliHR or any of its subsidiaries who the Board designates as being eligible.

Grant of Options

All options are to be offered to participants for no consideration. The offer must be in writing and specify, amongst other things, the number of options for which the participants may apply, the period within which the options may be exercised and any conditions to be satisfied before exercise, the option expiry date (as determined by the Board) and the exercise price for the options.

Exercise

The options may be exercised, subject to any exercise conditions, by the participant giving a signed notice to the Company and paying the exercise price in full.

Lapse

The options shall lapse upon the earlier of the date specified by the Board or events contained in the ESOP rules in certain circumstances.

Rights of Participants

Once Shares are allotted upon exercise of the options, the participant will hold the Shares free of restrictions. The Shares will rank for dividends declared on or after the date of issue but will carry no right to receive any dividend before the date of issue.

Should intelliHR undergo a reorganisation or reconstruction of capital or any other such change, the terms of the options will be correspondingly changed to the extent necessary to comply with the Listing Rules. In the event of a change of control, the Board shall have discretion to deal with the options, including allowing accelerated vesting or the issue of options in the substituted corporation. A holder of options is not entitled to participate in a new issue of Shares or other securities made by the Company to Shareholders merely because he or she holds options.

Assignment

The options are not transferable or assignable without the prior written approval of the Board.

Administration

The ESOP will be administered by the Board which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to the Listing Rules, if applicable) in addition to those set out in the ESOP.

Termination and Amendment

The ESOP may be terminated or suspended at any time by the Board. The ESOP may be amended at any time by the Board except where the amendment reduces the rights of the holders of options.

Restriction on Disposal

A participant must not dispose of any interest in an option or share issue on exercise of an option granted under the ESOP until the end of the three year period commencing on the date of the grant of the option.

Outstanding Options

Further details on the options issued pursuant to the ESOP are set out in section 10.1.

8.7 Performance Rights Plan

Prior to the date of this prospectus, intelliHR adopted a performance rights plan (**Rights Plan**).

Eligibility Criteria

The Rights Plan will be open to eligible participants (including employees and consultants) of intelliHR or any of its subsidiaries who the Board designates as being eligible. No Director may be designated an eligible participant for the purposes of the plan.

Grant of Performance Rights

Performance rights will be offered to eligible participants for no consideration under the Rights Plan. The offer must be in writing and specify, amongst other things, the number of performance rights for which the participants may accept, the date on which the performance rights vest and any conditions to be satisfied before vesting, and any other terms attaching to the rights.

Vesting of Performance Rights

The performance rights vest, subject to the satisfaction of any vesting conditions or any other conditions contained in the offer, by the participant giving a signed notice to intelliHR.

Lapse

Unvested performance rights shall lapse upon the earlier of the date specified by the Board or the events contained in the Rights Plan rules, including termination of employment or resignation, redundancy, death or disablement.

Rights of Participants

Performance rights issued under the Rights Plan do not entitle the holder to notice of, or to vote at, or attend Shareholders' meetings, or to receive any dividends declared by intelliHR.

Should intelliHR undergo a reorganisation or reconstruction of capital or any other such change, the terms of the rights will be correspondingly changed to the extent necessary to comply with the Listing Rules. In the event of a change of control, the Board shall have discretion to deal with the performance rights, including allowing accelerated vesting of the rights.

Quotation

Performance rights will not be quoted on the ASX. intelliHR will apply for official quotation of any Shares issued under the Rights Plan in accordance with the Listing Rules and having regard to any disposal restrictions.

Assignment

Performance rights are not transferable or assignable without the prior written approval of the Board.

Administration

The Rights Plan will be administered by the Board which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to the Listing Rules) in addition to those set out in the plan.

Termination and Amendment

The Rights Plan may be terminated or suspended at any time by the Board. To the extent permitted by the Corporations Act and the Listing Rules, the Board retains the discretion to vary the terms and conditions of the Rights Plan except where the amendment would have the effect of materially adversely affecting or prejudicing the rights of any participant holding performance rights.

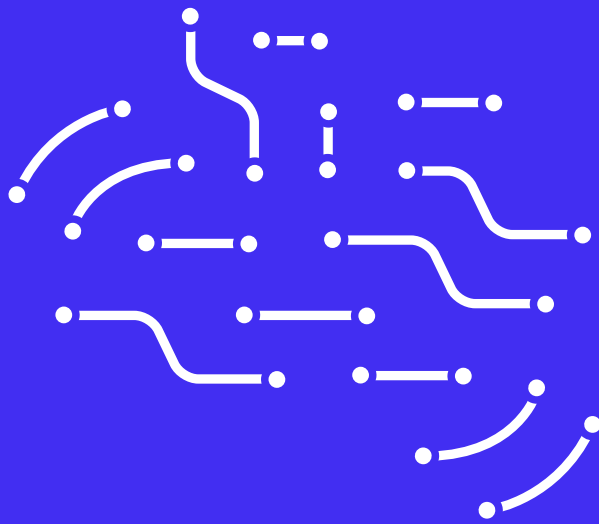
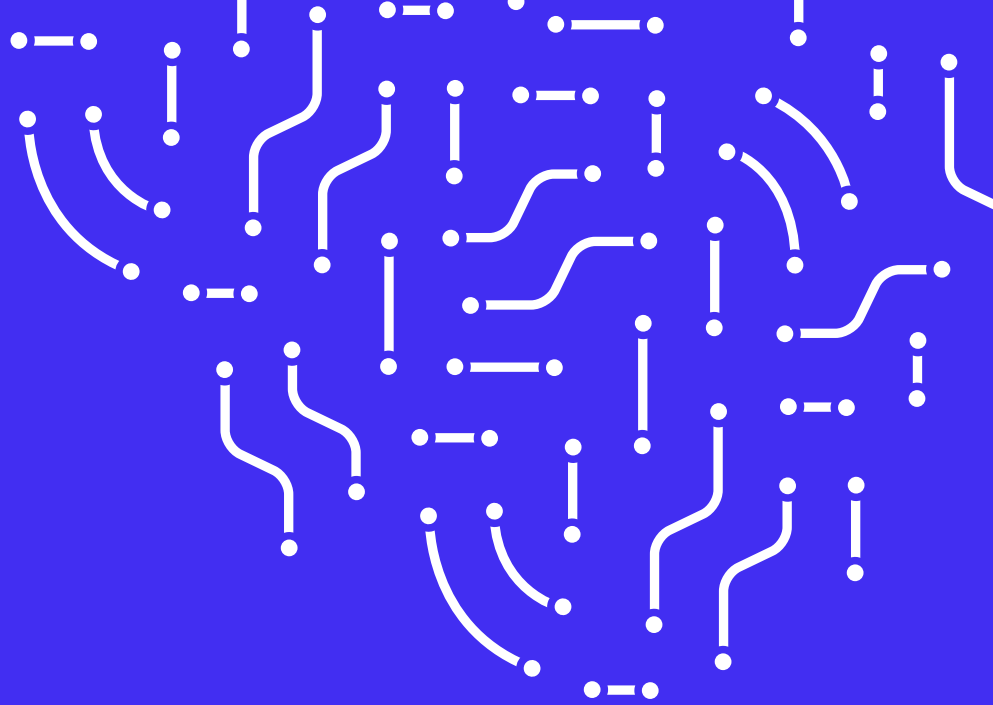
Outstanding Performance Rights

As at the date of this prospectus, no performance rights have been granted by intelliHR under the Rights Plan, but the Board reserves the right to grant such performance rights from time to time (subject to obtaining any required approvals).

8.8 Documents Available for Inspection

Copies of the following documents are available for inspection during normal office hours at the registered office of intelliHR for 13 months after the date of this prospectus:

- a. the Constitution of intelliHR ; and
- b. the consents to the issue of this prospectus.



9.0

Details of the Offer

9.1 How to Apply

Applications may only be made on the Application Form attached to or accompanying this prospectus or in its paper copy form as downloaded in its entirety from www.intellihr.com.au or online, via the 'apply for intelliHR shares' link on the intelliHR website. In either case, Application Forms must be completed in accordance with the instructions on the Application Form.

Applications must be for no less than 6,667 Shares (\$2,000.10).

If you have any questions about how to complete the Application Form, you should call the intelliHR IPO Information Line on 1800 992 481 (within Australia) or +61 1800 992 481 (outside Australia) from 9.00am to 5.00pm (Brisbane time), Monday to Friday (excluding public holidays).



Paper Applications

Paper copy Application Forms must be sent, with payment in Australian currency, to be received by 5.00pm (Sydney time) on the Closing Date (Wednesday, 20 December 2017) to:

BY POST:

intelliHR Holdings Limited

C/- Link Market Services Limited
Locked Bag A14,
Sydney South NSW 1235

OR

BY DELIVERY:

intelliHR Holdings Limited

C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

(do not use this address for mailing purposes)

Cheques or bank drafts must be made payable to 'intelliHR Holdings Limited' and should be crossed and marked 'Not Negotiable'.



Apply Online and Pay by BPAY®

If you are applying online, you must complete your application by making a BPAY® payment using the details provided when you complete your online Application Form. If you do not make a BPAY® payment, your application will be incomplete and will not be accepted. BPAY® payments must be received by no later than 5.00pm (Sydney time) on the Closing Date (Wednesday, 20 December 2017).

PLEASE NOTE: If you apply using a paper Application Form, you cannot pay for Shares using BPAY®. Instead you must pay by cheque, bank draft or money order.

9.2 Allocation of Shares

intelliHR may allocate all, or a lesser number, of Shares for which an application has been made, accept a late application or decline an application.

Where applications are scaled back, there may be a different application of the scale-back policy to each Applicant. Where no allocation is made to a particular Applicant or the number of Shares allocated is less than the number applied for by an Applicant, surplus Application Money is returned to that Applicant. No interest is paid on refunded Application Money. Any interest earned on Application Money is the property of intelliHR. Successful Applicants are given written notice of the number of Shares allocated to them as soon as possible after the Closing Date. It is the responsibility of Applicants to confirm the number of Shares allocated to them before trading in Shares. Applicants who sell Shares before they receive notice of the Shares allocated to them do so at their own risk.

If intelliHR's application for admission to ASX is denied, or for any reason this Offer does not proceed, all Application Money is refunded in full without interest.

9.3 Withdrawal

intelliHR may withdraw the Offer, at any time before the allotment of Shares. If the Offer does not proceed, the Application Money is refunded. No interest is paid on any Application Money refunded as a result of the withdrawal of the Offer.

9.4 Taxation Considerations

The taxation consequences of an investment in intelliHR depend upon the investor's particular circumstances. Investors should make their own enquiries about the taxation consequences of an investment in intelliHR. If you are in doubt as to the course you should follow, you should consult your accountant, stockbroker, lawyer or other professional adviser.

9.5 Foreign Selling Restrictions

No action has been taken to register or qualify the Shares or the Offer in any jurisdiction outside Australia, or otherwise to permit a public offering of the Shares outside Australia.

The prospectus does not constitute an offer or invitation in any jurisdiction where, or to any person to whom, the offer or invitation would be unlawful. The distribution of this prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this prospectus should seek advice on and observe any of those restrictions. Any failure to comply with the restrictions may constitute a violation of applicable securities laws.

Each Applicant warrants and represents that: (a) the Applicant is an Australian citizen or resident in Australia, is located in Australia at the time of the application and is not acting for the account or benefit of any person in the United States or any other foreign person; and (b) the Applicant will not offer or sell the Shares in the United States or in any other jurisdiction outside Australia or to a United States person, except in transactions exempt from registration under the US Securities Act 1933 as amended, and in compliance with all applicable laws in the jurisdiction in which the Shares are offered and sold.



10.0

**Additional
Information**

10.1 Corporate information

intelliHR Holdings Limited was incorporated in Queensland on 4 July 2014 as a proprietary company limited by shares and was converted into a public company on 13 January 2017.

intelliHR is the holding company of intelliHR Systems Pty Ltd ACN 167 233 310 (**intelliHR Systems**), which was incorporated on 13 December 2013. intelliHR Systems is the operating entity which conducts the business of supplying the intelliHR platform to clients, while intelliHR owns the intellectual property which it licences to intelliHR Systems.

The capital structure of intelliHR on admission is summarised in the table below:

Capital Structure of intelliHR on Admission:	SHARES ²	OPTIONS ³	OWNERSHIP ¹
Directors ⁴	30,812,938	13,467,899	29.66%
Other Existing Shareholders	58,057,658	1,777,673	55.89%
New Investors	15,000,000	Nil	14.44%
TOTAL	103,870,596	15,245,572	100%

¹ Ownership is calculated on Shares only, which excludes the effect of dilution on exercise of options that intelliHR has granted to Directors and management (see options table below).

² The rights attaching to Shares in intelliHR are set out in the Constitution and summarised in section 8.1. At the date of this prospectus, intelliHR has 18,337,744 class A shares on issue. The class A shares have the same rights as ordinary Shares, however, in the event of an initial public offer of Shares in intelliHR, the class A shares will convert to ordinary shares on a one-for-one basis immediately on the admission of intelliHR to official list of ASX.

³ The table below shows a detailed breakdown of the options that have been granted at the date of this prospectus.

⁴ Excludes any Shares that may be acquired by the Directors (or their associates) under the Offer.

The details of options granted by intelliHR at the date of this prospectus is set out below:

GRANT DATE	NUMBER	EXERCISE PRICE	VESTING	EXPIRY
23/11/2016	2,587,784	\$0.01	1/16th every 3 months	01/12/2021
23/11/2016	3,895,543	\$0.20	1/16th every 3 months	01/12/2021
16/12/2016	6,006,888	\$0.01	1/16th every 3 months	01/12/2021
05/01/2017	1,455,468	\$0.04	1/16th every 3 months	01/12/2021
09/01/2017	88,889	\$0.04	1/16th every 3 months	01/12/2021
30/01/2017	24,000	\$0.04	1/16th every 3 months	01/12/2021
01/04/2017	144,000	\$0.04	1/16th every 3 months	01/12/2022
11/08/2017	1,043,000	\$0.02	1/16th every 3 months	11/08/2022

Mr Bromage will be the only substantial shareholder in intelliHR on its admission to ASX, with a relevant interest in 21,029,475 Shares (representing voting power of 20.25% in intelliHR).

10.2 Interests of Directors

The interests of the Directors in intelliHR are set out in section 4.3. Other than as set out in that section or elsewhere in this prospectus:

- a. no Director or proposed Director of intelliHR has, or has had in the two years before lodgement of this prospectus, any interest in the formation or promotion of intelliHR, or the Offer of Shares, or in any property proposed to be acquired by intelliHR in connection with information or promotion of the Offer of the Shares; and
 - b. no amounts have been paid or agreed to be paid and no benefit has been given or agreed to be given, to any Director or proposed Director of intelliHR either to induce him or her to become, or to qualify him or her as a Director, or otherwise for services rendered by him or her in connection with the promotion or formation of intelliHR or the Offer of Shares.
-

10.3 Related Party Transactions

intelliHR sources recruitment services from a number of providers, including APRG Pty Ltd, an entity controlled by Mr Bromage. APRG Pty Ltd receives a fee for any placements, comparable with the fees charged by other providers (i.e. a percentage of the employees salary). Having regard to the quantum of the fees, the Board considers the arrangement is on arm's length terms. While Mr Bromage has delegated authority from the Board to make certain employee appointments without approval of the Board, any appointment that would result in a fee to APRG Pty Ltd must be approved by a subcommittee of the Board that excludes Mr Bromage.

10.4 Interests of Experts and Advisers

Except as set out in this prospectus, no person named in this prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this prospectus:

- a. has any interest or has had any interest during the last two years, in the formation or promotion of intelliHR, or in property acquired or proposed to be acquired by intelliHR in connection with its formation or promotion, or the Offer of the Shares; and
- b. no amount has been paid or agreed to be paid, and no benefit has been given, or agreed to be given, to any of those persons in connection with the services provided by the person in connection with the formation or promotion of intelliHR, or the Offer of the Shares.

Morgans Corporate Limited has acted as broker to the Offer. Morgans Corporate Limited will be paid a fixed fee of \$45,000 (plus GST) for its role, plus an additional fee of 3% of the funds raised under the Offer.

McCullough Robertson has acted as legal adviser to intelliHR in relation to the Offer and has been involved in undertaking due diligence enquiries and providing legal advice on the Offer. McCullough Robertson will be paid an amount of \$85,000 (excluding GST) for these services. Further amounts may be paid to McCullough Robertson in accordance with normal time-based charges.

BDO Audit Pty Ltd has acted as Investigating Accountant to the Offer and has prepared the Investigating Accountant's Report in section 7 and performed work on due diligence enquiries. BDO Audit Pty Ltd will be paid an estimated fee of \$12,000 (excluding GST) for these services. Further amounts may be paid to

BDO Audit Pty Ltd in accordance with their normal time-based charges. BDO Audit Pty Ltd has also acted as auditor to intelliHR. BDO Audit Pty Ltd will be paid an estimated fee of \$40,000 (excluding GST) for the audit of the financial report for the years ended 30 June 2015, 30 June 2016 and 30 June 2017. Further amounts may be paid to BDO Audit Pty Ltd in accordance with their normal time-based charges.

10.5 Expenses of the Offer

The total estimated expenses of the Offer payable by the Company including ASX and ASIC fees, broker fees, accounting fees, legal fees, share registry fees, printing costs, public relations costs and other miscellaneous expenses are estimated to be \$415,174.

10.6 Consents to Statements

None of the parties referred to below has made any statement that is included in this prospectus or any statement on which a statement made in this prospectus is based, except as specified below. Each of the parties referred to below, to the maximum extent permitted by law, expressly disclaims, and takes no responsibility for, any part of this prospectus, other than the reference to its name and a statement included in this prospectus with the consent of that party, as specified below.

Morgans Corporate Limited has given, and has not withdrawn, its written consent to be named as broker to the Offer in the form and context in which it is named.

McCullough Robertson has given, and has not withdrawn, its written consent to be named as lawyers to intelliHR in the form and context in which it is named.

BDO Audit Pty Ltd has given, and has not withdrawn, its written consent to be named as Investigating Accountant, in the form and context in which it is named and for the inclusion of its Investigating Accountant's Report in section 7 in the form and context in which it is included. BDO Audit Pty Ltd has also given, and not withdrawn, its consent to be named as the auditor of intelliHR in the form and context in which it is named.

Link Market Services Limited has given, and not withdrawn, its written consent to be named as share registrar in the form and context in which it is named.

10.7 Authorisation

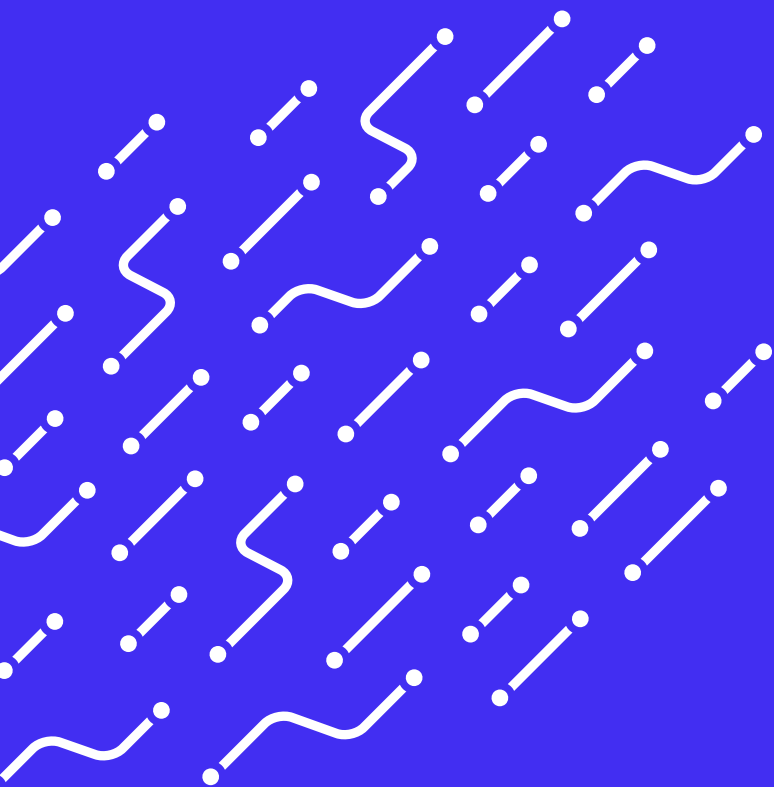
This prospectus is issued by intelliHR. Each Director has consented to the lodgement of the prospectus with ASIC.

Dated 20 November 2017

A handwritten signature in blue ink, reading "Anthony Bellas". The signature is fluid and cursive, with the first name "Anthony" and the last name "Bellas" clearly distinguishable.

Anthony Bellas
Chairman





11.0

Glossary & Directory

11.1 Glossary

Application means an application made to subscribe for Share offered under this prospectus.

Application Form means an application form attached to this prospectus or available online at www.intelliHR.com.au.

Application Money means the money received by intelliHR under the Offer, being the Offer Price multiplied by the number of Shares applied for.

ASIC means Australian Securities and Investments Commission.

ASX means the Australian Securities Exchange, as operated by ASX Limited ABN 98 008 624 691.

ASX Settlement means ASX Settlement Pty Ltd ACN 008 504 532.

ASX Settlement Operating Rules means the operating rules of ASX Settlement and, to the extent that they are applicable, the operating rules of each of the ASX and ASX Clear Pty Limited ACN 48 001 314 503.

Board means the board of directors of intelliHR.

Closing Date means the date on which the Offer closes, being Wednesday, 20 December 2017, or another date nominated by intelliHR.

Company or intelliHR means intelliHR Holdings Limited ACN 600 548 51 and, where the context requires, intelliHR Systems.

Constitution means intelliHR's constitution.

Corporations Act means Corporations Act 2001 (Cth).

Directors means the directors of intelliHR.

Existing Shareholders means the holders of Shares and, where the context requires class A shares before the date of this prospectus.

Group means intelliHR and its subsidiaries.

HR means human resources.

HRMS means human resources management system.

IPO means an initial public offering.

intelliHR Systems means intelliHR Systems Pty Ltd ACN 167 233 310, a fully owned subsidiary of intelliHR.

Listing The commencement of trading in Shares on the official list of the ASX.

Listing Rules means the official listing rules of the ASX.

Offer means the invitation by intelliHR to subscribe for newly issued Shares under this prospectus.

Offer Price means \$0.30 per Share.

Personnel means employees and professional services contractors of intelliHR.

prospectus means this document (including the electronic form of this prospectus), being a replacement prospectus lodged with ASIC on 20 November 2017.

SaaS means Software as a Service.

Shares means fully paid ordinary shares in intelliHR.

Shareholder means the registered holder of Shares and, where the context requires class A shares in intelliHR.

11.2 Directory

Company:

intelliHR Holdings Limited (ASX:IHR)

Level 32, 12 Creek Street
Brisbane QLD 4000
www.intellihr.com.au

Directors:

Anthony Bellas (Chairman)
Robert Bromage
Jeremy Fong
Gregory Baynton
Jamie Duffield

Company Secretary:

Suzanne Yeates

Share Registry:

Link Market Services Limited

Level 15, 324 Queen Street
Brisbane QLD 4000
www.linkmarketservices.com.au

Broker to the Offer:

Morgans Corporate Limited

Level 29, 295 Ann Street
Brisbane QLD 4000
www.morgans.com.au

Auditor:

BDO Audit Pty Ltd

Level 10, 12 Creek Street
Brisbane QLD 4000
www.bdo.com.au

Investigating Accountant:

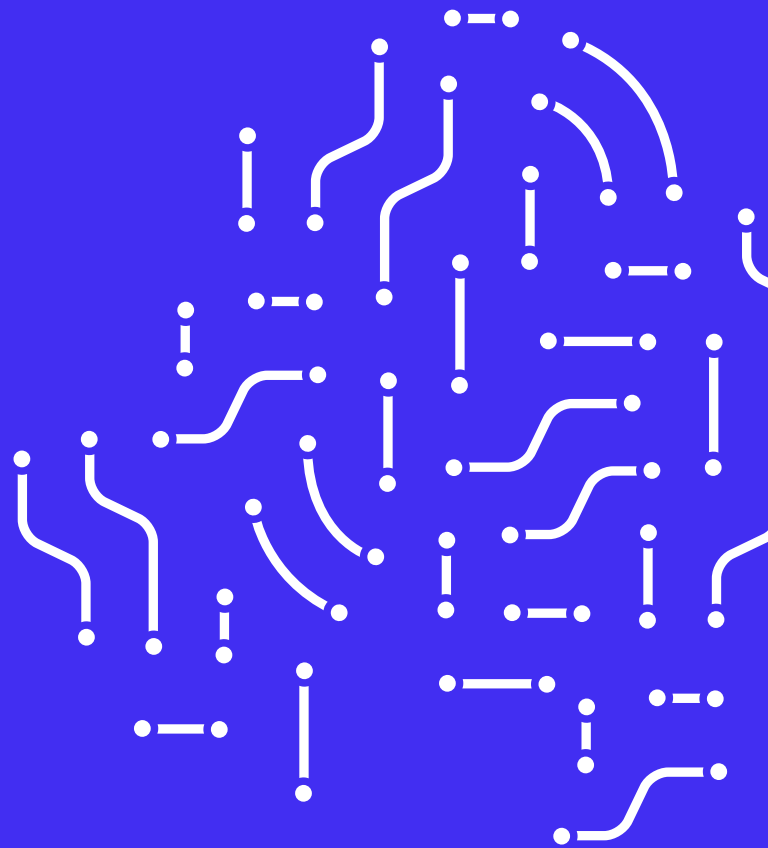
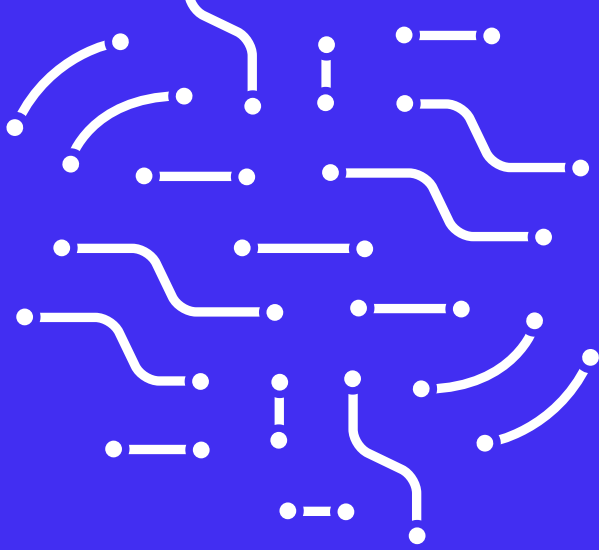
BDO Audit Pty Ltd

Level 10, 12 Creek Street
Brisbane QLD 4000
www.bdo.com.au

Lawyers to the Offer:

McCullough Robertson

Level 11, Central Plaza Two
66 Eagle Street
Brisbane QLD 4000
www.mccullough.com.au



12.0

Application
Form

Public Offer Application Form

Broker Code

Adviser Code

This is an Application Form for Shares in intelliHR Holdings Limited under the Public Offer on the terms set out in the prospectus dated 20 November 2017. You may apply for a minimum of 6,667 Shares and multiples of 1,667 thereafter. This Application Form and your cheque or bank draft must be received by 5.00pm (AEDT) on 20 December 2017.

If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The prospectus contains information relevant to a decision to invest in Shares and you should read the entire prospectus carefully before applying for Shares.

Shares applied for:

Price Per Share:

Application Monies:

A

×

A\$0.30

B

A\$

(minimum 6,667, thereafter in multiples of 1,667)

Please Complete Your Details Below: (refer overleaf for correct forms of registrable names)

Applicant #1: Surname/Company Name

C

Title

First Name

Middle Name

Joint #2: Surname/Company Name

Title

First Name

Middle Name

Designated account e.g. <Super Fund> (or Joint Applicant #3)

TFN/ABN/Exemption Code:

First Applicant

Joint Applicant #2

Joint Applicant #3

TFN/ABN type – if NOT an individual, please mark the appropriate box

☐

Company

☐

Partnership

☐

Trust

☐

Super Fund

Please Complete Address Details:

PO Box/RMB/Locked Bag/Care of (c-)/Property Name/Building Name (if applicable)

E

Unit Number/Level

Unit Number/Level

Unit Number/Level

Suburb/City or Town

State

Postcode

Email Address (only for purpose of electronic communication of shareholder information)

CHESS HIN (if you want to add this holding to a specific CHESS holder, write the number here)

F

X

PLEASE NOTE: that if you supply a CHESS HIN but the name and address details on your Application Form do not correspond exactly with the registration details held at CHESS, your Application will be deemed to be made without the CHESS HIN and any Shares issued as a result of the Offer will be held on the issuer sponsored sub-register.

Telephone Number where you can be contacted during Business Hours

Contact Name (PRINT)

G

Cheques or bank drafts should be made payable to “intelliHR Holdings Limited” in Australian currency and crossed “Not Negotiable”.

Cheque or Bank Draft Number

BSB

Account Number

Total Amount

A\$



LODGEMENT INSTRUCTIONS

You must return your application so it is received before 5:00pm (Sydney time) on 20 December 2017 to:
Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235.

IHR IPO001



Guide to the Application Form

Please complete all relevant white sections of the Application Form in BLOCK LETTERS, using black or blue ink. These instructions are cross-referenced to each section of the form.

The Shares to which this Application Form relates are intelliHR Holdings Limited Shares. Further details about the shares are contained in the prospectus dated 20 November 2017 issued by intelliHR Holdings Limited. The prospectus will expire 13 months after the date of the prospectus. While the prospectus is current, intelliHR Holdings Limited will send paper copies of the prospectus, any supplementary document and the Application Form, free of charge on request.

The Australian Securities and Investments Commission requires that a person who provides access to an electronic application form must provide access, by the same means and at the same time, to the relevant prospectus. This Application Form is included in the prospectus.

The prospectus contains important information about investing in the Shares. You should read the prospectus before applying for Shares.

- | | |
|---|---|
| <p>A Insert the number of Shares you wish to apply for. The Application must be for a minimum of 6,667 Shares and thereafter in multiples of 1,667. You may be issued all of the Shares applied for or a lesser number.</p> <p>B Insert the relevant amount of Application Monies. To calculate your Application Monies, multiply the number of Shares applied for by the issue price. Amounts should be in Australian dollars. Please make sure the amount of your cheque or bank draft equals this amount.</p> <p>C Write the full name you wish to appear on the register of Shares. This must be either your own name or the name of a company. Up to three joint Applicants may register. You should refer to the table below for the correct registrable title.</p> <p>D Enter your Tax File Number (TFN) or exemption category. Business enterprises may alternatively quote their Australian Business Number (ABN). Where applicable, please enter the TFN or ABN for each joint Applicant. Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of TFN(s) and ABN(s) is not compulsory and will not affect your Application. However, if these are not provided, intelliHR Holdings Limited will be required to deduct tax at the highest marginal rate of tax (including the Medicare Levy) from payments.</p> | <p>E Please enter your postal address for all correspondence. All communications to you from intelliHR Holdings Limited and the Share Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.</p> <p>F If you are already a CHESS participant or sponsored by a CHESS participant, write your Holder Identification Number (HIN) here. If the name or address recorded on CHESS for this HIN is different to the details given on this form, your Shares will be issued to intelliHR Holdings Limited's issuer sponsored subregister.</p> <p>G Please enter your telephone number(s), area code and contact name in case we need to contact you in relation to your Application.</p> <p>H Please complete the details of your cheque or bank draft in this section. The total amount of your cheque or bank draft should agree with the amount shown in section B.</p> <p>Make your cheque or bank draft payable to “intelliHR Holdings Limited” in Australian currency and cross it “Not Negotiable”. Your cheque or bank draft must be drawn on an Australian bank. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.</p> <p>If you receive a firm allocation of Shares from your Broker make your cheque payable to your Broker in accordance with their instructions.</p> |
|---|---|

Lodgement Instructions

This Application Form and your cheque or bank draft must be mailed or delivered so that it is received before 5.00pm (AEDT) on 20 December 2017 at:

Mailing Address
intelliHR Holdings Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Hand Delivery
intelliHR Holdings Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138
(do not use this address for mailing purposes)

Personal Information Collection Notification Statement

Personal information about you is held on the public register in accordance with Chapter 2C of the Corporations Act 2001. For details about Link Group's personal information handling practices including collection, use and disclosure, how you may access and correct your personal information and raise privacy concerns, visit our website at www.linkmarketservices.com.au for a copy of the Link Group condensed privacy statement, or contact us by phone on +61 1800 502 355 (free call within Australia) 9am–5pm (Sydney time) Monday to Friday (excluding public holidays) to request a copy of our complete privacy policy.

Correct Forms of Registrable Names

Note that ONLY legal entities are allowed to hold Shares. Applications must be in the name(s) of natural persons or companies. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms below.

Individual		Correct Form	Incorrect Form
Use given names in full, not initials	✓	Mr John Alfred Smith	✗ J A Smith
Company		Correct Form	Incorrect Form
Use company's full title, not abbreviations	✓	ABC Pty Ltd	✗ ABC P/L or ABC Co
Joint Holdings		Correct Form	Incorrect Form
Use full and complete names	✓	Mr Peter Paul Tranche & Ms Mary Orlando Tranche	✗ Peter Paul & Mary Tranche
Trusts		Correct Form	Incorrect Form
Use trustee(s) personal name(s)	✓	Mrs Sue Smith <Sue Smith Family A/C>	✗ Sue Smith Family Trust
Deceased Estates		Correct Form	Incorrect Form
Use executor(s) personal name(s)	✓	Ms Jane Smith <Est John Smith A/C>	✗ Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18)		Correct Form	Incorrect Form
Use the name of a responsible adult with an appropriate designation	✓	John Alfred Smith <Peter Smith>	✗ Master Peter Smith
Partnerships		Correct Form	Incorrect Form
Use the partners' personal names	✓	Mr John Smith and Mr Michael Smith <John Smith and Son A/C>	✗ John Smith and Son
Clubs, Unincorporated Bodies & Business Names		Correct Form	Incorrect Form
Use office bearer(s) personal name(s)	✓	Mr Michael Smith <ABC Tennis Association A/C>	✗ ABC Tennis Association
Superannuation Funds		Correct Form	Incorrect Form
Use the name of the trustee or the fund	✓	XYZ Pty Ltd <Super Fund A/C>	✗ XYZ Pty Ltd Superannuation Fund

