

**ISENTRIC LIMITED**  
**(ACN 091 192 871)**

**RIGHTS ISSUE PROSPECTUS**

For a pro rata, non-renounceable rights issue of one (1) New Share at an issue price of 6 cents (\$0.06) for every four (4) Shares held at the Record Date and subscribed for, to raise approximately \$2,035,556, before issue costs and one (1) free attaching option having an exercise price of 9 cents (\$0.09) and expiry date of 31 January 2018 (“New Option”) for every one (1) New Share purchased (“the Offer” or “the Rights Issue”).

Shareholders eligible to participate in the Offer and members of the public may also apply for additional shares and options which are not subscribed (“Shortfall”).

**The Offer is not underwritten.**

**Important Notice**

This document is important and should be read in its entirety. The Prospectus is a “transaction specific prospectus” issued in accordance with section 713 of the Corporations Act. In making representations in this Prospectus, regard has been had to the fact that the Company is a ‘disclosing entity’ for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisors whom potential investor may consult. After reading this Prospectus you have any questions about the New Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. The New Shares and New Options offered under this Prospectus should be considered highly speculative.

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## SUMMARY OF OFFER AND INDICATIVE TIMETABLE

As announced on 22 December 2016, iSentric Limited (ACN 091 192 871) (**the Company** or **iSentric**) intends to raise approximately \$2,035,556 before costs, through the issue of up to 33,925,926 New Shares at an issue price of 6 cents (\$0.06) per New Share. Pursuant to this Prospectus, the Company makes the following Offer:

***A pro rata, non-renounceable rights issue of one (1) New Share at an issue price of 6 cents (\$0.06) for every four (4) Shares held at the Record Date and subscribed for, to raise approximately \$2,035,556, before issue costs and one (1) free attaching option having an exercise price of 9 cents (\$0.09) and expiry date of 31 January 2018 (“New Option”) for every one (1) New Share purchased (“the Offer” or “the Rights Issue”).***

The Offer is not underwritten. New Shares and New Options not subscribed for under the Entitlement Offer will form the Shortfall. Further details of the Offer are set out in Section 1 of this Prospectus.

New Shares offered under this Prospectus are fully paid in the Company and will rank equally with existing Shares. The rights attaching to New Shares and New Options are described in Section 5 of this Prospectus.

### INDICATIVE TIMETABLE\*

| EVENT   | DATE             |
|---|------------------|
| <b>Offer announced and Appendix 3B lodged with ASX and Prospectus lodged with ASIC.</b>                       | 22 December 2016 |
| <b>Notice of Offer sent to Shareholders and Optionholders</b>   | 23 December 2016 |
| <b>Shares quoted ex Rights</b>  | 28 December 2016 |
| <b>Record Date (5.00pm AEDT)</b>  | 29 December 2016 |
| <b>Prospectus and Entitlement and Acceptance Form dispatched to Shareholders</b>                              | 4 January 2017   |
| <b>Closing Date**</b>   | 25 January 2017  |
| <b>New Shares quoted on a deferred settlement basis.</b>  | 27 January 2017  |
| <b>Notification to ASX of Shortfall Offer</b>   | 31 January 2017  |
| <b>Issue date for New Shares and New Options (including Shortfall Offer) Deferred settlement trading ends</b> | 2 February 2017  |
| <b>Commencement of trading of New Shares (Normal trading of Shares resumes)***</b>                            | 3 February 2017  |

\* This timetable is indicative only and subject to change. The Company reserves the right to vary the above dates, subject to the Listing Rules and the Corporations Act.

\*\*The Directors may extend the Closing Date by giving at least 3 Business Days' Notice to ASX prior to the Closing Date. In that event, the date the New Shares are expected to be issued and commence trading on ASX may vary.

\*\*\*Trading of New Options will be subject to the New Options being granted Official Quotation (refer to “Important Information” section of this Prospectus).

## IMPORTANT INFORMATION

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### Understanding this Prospectus

Below is important information in relation to the Offer.

This Prospectus is dated 22 December 2016 and was lodged with ASIC on that date.

Neither ASIC nor ASX take responsibility for the content of this Prospectus. Subject to the requirements of the Corporations Act and the Listing Rules, the Directors of the Company reserve the right to close the Offer earlier than the timetable (summarised above) or vary any of the important dates set out in this Prospectus without prior notice, including extending the closing date of the Rights Issue. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus and this Prospectus will expire on 21 December 2017.

The Company will apply to ASX for the New Shares and New Options to be granted Official Quotation within seven days of the date of this Prospectus. Official Quotation of the New Options will be conditional on there being a sufficient number of holders of the New Options to satisfy the requirements of the ASX for the creation of a new class of listed security. No application monies will be repaid if the New Options offered under this Prospectus are not admitted to official quotation.

This Prospectus should be read in its entirety. The risks associated with investing in the Company are significant and potential investors should carefully consider those risks and seek professional advice before deciding whether to invest. The risks associated with the Offer which the Company has identified are summarised below and set out in further detail in Section 5 of this Prospectus.

If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser. Important capitalised terms and phrases used in this Prospectus are defined in the glossary in Section 10.

### Disclaimer

No person has been authorised to give information or to make any representation in connection with this Prospectus which is not contained in this Prospectus. Any information or representation that is not contained in this Prospectus may not be relied upon as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult. Except as required by law, and only to the extent so required, neither the Company, nor any other person warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Prospectus.

### Overview of the Company

The Company provides software based mobility platforms and services that enable its customers to extend their information technology applications to any mobile device and integrate mobile technology throughout their existing business. iSentric also works with telecommunication network providers to provide mobile OTT (over-the-top) services that leverage their subscriber base to build active communities.

iSentric operates in the mobile services industry through three main divisions:

- Digital Payments – a mobile payment platform that enables consumers to make small financial transactions;
- Enterprise Mobility – a platform that delivers mobile connectivity, messaging and mobile banking to corporate clients;
- Digital Content and Services - an online mobile content aggregation platform and a proprietary game publishing network offering online games, mobile games, news and events.

Further details on investment highlights and current activities can be found on page 1 and detailed in Section 2 of this Prospectus.

After payment of fees and costs, funds raised through the Offer will be applied to funding the development work which iSentric is undertaking with Touch 'n Go in Malaysia to develop their mobile payments platform, and extension of the work being undertaken in developing mobile payments platforms with our financial and telecommunications partners in the Enterprise Mobility and Digital Payment divisions together with the Company's ongoing working capital requirements. The Company will continue to evaluate potential

opportunities which are in line with the Company's direction and present value to the Company (refer also to Section 2 with respect to the Purpose and Effect of the Offer).

## Key Investment Risks

Shareholders and prospective investors should be aware that subscribing for New Shares (including under the Shortfall Offer) in the Company involves a number of risks.

The risk factors set out in Section 5 of this Prospectus, and other general risks applicable to all investments in listed securities, may affect the value of the Shares, now or in the future. Accordingly, an investment in the Company should be considered highly speculative.

In particular, the Company notes the following specific risks:

|  | Further Details       |
|--|-----------------------|
| <p><b>Development Risk</b></p> <p>The Company may not provide the technology solution conforming to the specifications by Touch 'n Go or other partners. There is no assurance that the Company will be able to develop the technology to the specifications required. It is also possible that the cost of developing the technology to the specifications set by Touch 'n Go or other partners may exceed the amount currently budgeted.</p> <p>The time to complete the development and roll out of the technology may take longer than expected leading to the Company requiring additional funding to complete the technology. If so, this will effect the profitability of the Company.</p>  | <b>Section 5.2(a)</b> |
| <p><b>Commercialisation Risk</b></p> <p>The Company's relationships with Touch 'n Go and certain other partners are not governed by a written contract. Whilst the Company has received a purchase order from Touch 'n Go (as disclosed in Section 4.2) and has a previous working relationship with Touch 'n Go, ongoing work outside of that Purchase Order cannot be guaranteed. In relation to the Mobile Wallet development outlined in Section 4.3 iSentric has not executed agreements with its financial and technology partners in relation to that work. Whilst iSentric has a previous working relationship with various financial and telecommunications partners, the capacity to commercialise the Mobile Wallet application cannot be guaranteed at this stage.</p> | <b>Section 5.2(b)</b> |
| <p><b>Competition Risk</b></p> <p>The market for application development is inherently competitive with numerous market players. Other technology developers may develop competing solutions which potential customers select ahead of the Company's solutions. The Company may be required to make further development expenditure to ensure that its products are competitive with competing products in the market.</p> <p>If a competitor arises this may effect the income obtained from the technology, and may also effect the market for future development of new versions and succeeding iterations of the technology.</p>   | <b>Section 5.2(c)</b> |
| <p><b>Market Adoption Risk</b></p> <p>The success of the technology products being developed relies on a base level of adoption of the technology being achieved in the target markets. It may take longer or cost more than expected to build a critical mass on users which will in turn impact upon the profitability of the Company.</p>   | <b>Section 5.2(d)</b> |

|  | Further Details              |
|--|------------------------------|
| <p><b>Failures or disruptions to iSentric’s technology systems and communication networks</b></p> <p>iSentric depends on the constant real-time performance, reliability and availability of its technology system and third-party communication networks. There is a risk that these systems may fail to perform as expected or be adversely impacted by a number of factors, some of which may be outside the control of iSentric, including damage, equipment faults, power failure, fire, natural disasters, computer viruses and external malicious interventions such as hacking or denial-of-service attacks. Events of that nature may cause part or all of iSentric’s technology system and/or the communication networks used by iSentric to become unavailable. iSentric’s operational processes and contingency plans may not adequately address every potential event. This may disrupt transaction flow and adversely impact iSentric’s financial performance and reputation.</p> <p>There is a risk that repeated failures to keep iSentric’s technology available may result in a decline in end-user numbers. This may materially and adversely impact iSentric’s financial performance, including a reduction in revenue from completed transactions and an increase in the costs associated with servicing customers through the disruption, as well as negatively impacting iSentric’s reputation.</p> | <p><b>Section 5.2(e)</b></p> |
| <p><b>Exposure to potential security breaches and data protection issues</b></p> <p>Through the ordinary course of business, iSentric collects a range of confidential information including financial information. Cyber-attacks may compromise or breach the technology platform used by iSentric to protect confidential information. There is a risk that the measures taken by iSentric may not be sufficient to detect or prevent unauthorised access to, or disclosure of, such confidential information. Any data security breaches or iSentric’s failure to protect confidential information could result in the loss of information integrity, or breaches of iSentric’s obligations under applicable laws or agreements, each of which may materially adversely impact the iSentric’s financial performance and reputation.</p>   | <p><b>Section 5.2(f)</b></p> |
| <p><b>Fraudulent activities of third parties</b></p> <p>iSentric is exposed to risks imposed by fraudulent conduct, including the risks associated with end-customers attempting to circumvent iSentric’s system. There is a risk that iSentric and its technology partners such as Touch ‘n Go may be unsuccessful in defeating fraud attempts, resulting in a higher than budgeted cost of fraud and end-customer non-payment. Fraudulent activity may result in iSentric suffering losses due to fraud, a materially adverse impact to iSentric’s reputation and bearing certain costs to rectify and safeguard business operations and iSentric’s systems against fraudulent activity</p>  | <p><b>Section 5.2(g)</b></p> |
| <p><b>Foreign Risk</b></p> <p>The Company’s main assets and operations are located in Malaysia, Indonesia and other Southeast Asian jurisdictions. There can be no assurance that government regulations relating to foreign investment, repatriation of foreign currency, taxation in those jurisdictions will not be amended or replaced in the future to the detriment of the Company’s business and/or projects. As such there is exposure to sovereign risk. There can be no assurance that the systems of government and the political systems in those jurisdictions will remain stable.</p>  | <p><b>Section 5.2(h)</b></p> |

|   | Further Details |
|---|-----------------|
| <p><b>Geopolitical</b></p> <p>Politics on a global, regional or local scale could impact the Company's operations, the Company's access to certain countries and the Company's right to continue operating in a particular country, including Southeast Asia where the Company is based. Acts of terrorism or outbreak of war may disrupt or prevent us from operating its business programs.</p>   | Section 5.2(i)  |
| <p><b>Additional Requirements for Capital</b></p> <p>The Company's capital requirements depend on numerous factors. If the Company is successful in identifying a new opportunity in which it wishes to invest or requires further development of its current offerings, the Company may have insufficient funds to pursue the acquisition of such an interest without the raising of further funds (either through equity or debt or a combination of both).</p> | Section 5.3(a)  |
| <p><b>Economic Factors</b></p> <p>The Company's future possible revenues, operating costs, Share price and returns to Shareholders may be affected by changes in general economic factors.</p>  | Section 5.3(b)  |
| <p><b>Reliance on Key Management</b></p> <p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company may be dependent upon the Company's senior management, key personnel and consultants.</p>  | Section 5.3(c)  |
| <p><b>Currency Fluctuations</b></p> <p>The future value of Shares and options may fluctuate in accordance with movements in foreign currency exchange rates.</p>  | Section 5.3(d)  |
| <p><b>Taxation</b></p> <p>The Company's profitability may be affected by changes in overseas, Australian and State government taxation laws and policies and those in Malaysia, Indonesia and other jurisdictions. There may be tax implications arising from the acquisition of New Shares, any possible receipt of dividends (both franked and un-franked) and the disposal of New Shares.</p>  | Section 5.3(e)  |
| <p><b>Development Risk/Profitability</b></p> <p>The Company's commercial viability will be dependent upon the successful development and operation of the Company's projects and any other activity that the Company may undertake. No assurances can be given that the Company will be able to successfully develop and market its current or future product offerings. Equally, no representation as to future profitability or dividends can be given.</p>     | Section 5.3(f)  |
| <p><b>Regulatory Risks</b></p> <p>The Company's activities will require compliance with various laws relating to the telecommunications, electronic communications, financial services regulation and other matters.</p>  | Section 5.3(g)  |
| <p><b>Uninsured Loss and Liability</b></p> <p>There is a risk that the Company may not be insured against all losses or liabilities that could arise from the Company's operations.</p>   | Section 5.3(h)  |



|  | Further Details |
|--|-----------------|
| <p><b>Stock Market Risks</b></p> <p>The market price of the New Shares may be significantly adversely affected by a variety of factors including (but not limited to) perceptions of, or variations in, general market conditions, operating performance, commodity prices, project and country risk, Board and management strength and expertise and a broad range of other factors which may or may not relate to the Company's operations</p> | Section 5.3(i)  |
| <p><b>Liquidity Risk</b></p> <p>The Shares in the Company have historically traded at low-volume and there is no guarantee that there will be an ongoing liquid market for Shares. Accordingly, there is a risk that, should the market for Shares become illiquid, Shareholders will be unable to realise their investment in the Company.</p>  | Section 5.3(j)  |

### Obtaining a copy of this Prospectus

Additional copies of this Prospectus are available from the registered office of the Company during normal business hours. A copy of the Prospectus can be downloaded from the website of the Company at [www.isentric.com](http://www.isentric.com), or the website of ASX at [www.asx.com.au](http://www.asx.com.au). Any person accessing the electronic version of the Prospectus for the purposes of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Prospectus available on the Company's website does not include an Entitlement and Acceptance Form. Eligible Shareholders wishing to take up their Entitlement should complete the paper copy of the personalised Entitlement and Acceptance Form which accompanies a paper copy of this Prospectus.

The Corporations Act prohibits any person passing onto another person the Application Form unless it is attached to a hard copy of the Prospectus or it accompanies the complete and unaltered version of the Prospectus. Any person may obtain a hard copy of the Prospectus free of charge by contacting the Company (or downloading it from the Company's website).

### Forward-looking statements

This document contains forward looking statements that are not based solely on historical facts but are based on current expectations about future events and results. These forward looking statements are subject to inherent risks and uncertainties. Such risks and uncertainties include factors and risks specific to the operations of the Company, as well as general economic conditions, prevailing interest rates, conditions in the financial markets, government policies and regulations and competitive pressures. As a consequence, actual events or results may differ materially from the expectations expressed or implied in such forward looking statements.

Forward-looking statements in this Prospectus are made only at the date of this Prospectus. Subject to any continuing obligations under applicable law or the Listing Rules, the Company does not in providing this information undertake any obligation to publicly update or revise any of the forward-looking statements for any change in events, conditions or circumstances on which any such statement is based. Accordingly, you are cautioned not to place undue reliance on forward looking statements contained in this document.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Refer to Section 1.13 for treatment of International Shareholders. Applications for New Shares and New Options and Shortfall Securities and Shortfall Options offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or an Application Form which accompanies this Prospectus.

Dear Shareholder

On 22 December 2016, iSentric Limited (ACN 091 192 871) announced its proposal to undertake a non-renounceable Rights Issue to raise approximately \$2,035,556 (before costs of the issue).

The Rights Issue is not underwritten. The funds raised under the Rights Issue will be principally applied to

- Fund the work that iSentric is undertaking with Touch 'n Go Malaysia, in developing a mobile payments platform. Touch & Go is Malaysia's largest operator of toll payments. Touch 'n Go is seeking to expand its existing payments technology and customer based into payments made through mobile phones. iSentric has received a purchase order for core software from Touch 'n Go with a view to developing mobile technology that will expand its payment capability beyond toll and micro payments to general mobile payments by consumers;
- Fund the development of iSentric's mobile payment technology. iSentric has strong relationships with financial institutions who are seeking to develop their mobile banking solutions to mobile payments. As iSentric has previously developed mobile banking solutions for a number of financial customers such as AmBank Group and CIMB Bank, the Company is seeking to leverage these relationships and develop the Company's existing mobile technology into mobile payment solutions. iSentric will also focus on marketing this technology to existing telecommunications partners in both Digital Payments and Digital Services to expand its Digital Payment business. iSentric's goal is to generate revenue from traditional payments made through mobile phones and also in micro payments, facilitated with telecommunication partners. Ultimately, iSentric see this evolving into a Mobile Wallet solution for telecommunications and financial institution partners; and
- Providing working capital to the Company.

Full details of the Rights Issue are included in the Prospectus. I recommend that you read it carefully.

The Prospectus describes, in detail, the Company's offer to Eligible Shareholders of a pro rata, non-renounceable rights issue of (1) New Share at an issue price of at an issue price of 6 cents (\$0.06) for every 4 Shares held at the Record Date and subscribed for, to raise approximately \$2,035,556, before issue costs and 1 free attaching option having an exercise price of 9 cents (\$0.09) and expiry date of 31 January 2018 for every one (1) New Share purchased ("the Offer" or "the Rights Issue").

The Offer is non-renounceable, which means that the entitlements to participate in the Offer are not transferable and therefore cannot be traded on the ASX or any other exchange or transferred privately. Eligible Shareholders who chose not to take up their entitlements under the Offer in full or in part will not receive any value in respect of those entitlements that they do not take up. The Directors reserve the right to place any Shortfall Securities at their discretion within 3 months after the close of the Offer pursuant to Listing Rule 7.2 Exception 3.

A maximum of 33,925,926 New Shares will be issued and the New Shares will rank equally with the Company's existing Shares on issue.

The Closing Date for acceptance and payment is 5.00pm AEDT on 25 January 2016. Further details of the Rights Issue are set out in Section 2 of the Prospectus.

If you have any questions regarding the Rights Issue, please telephone the Company on 1300 420 545 (within Australia) or +61 1300 420 545 (outside Australia).

I thank all our shareholders for their continued support and encourage you to take up your Rights under the Offer to enable you to fully participate in the Company's future growth and success.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'Lim Keong Yew', with a long horizontal stroke extending to the right.

**Lim Keong Yew**  
Chairman

## INVESTMENT HIGHLIGHTS

The Company's intends to utilise the capital raised from the Rights Issue to fund development of its product offering as follows:

### PART A – Mobile Payment Technology

Capital raised will be used to fund the work that iSentric is undertaking with Touch 'n Go Malaysia, in developing a mobile payments platform. Touch 'n Go is Malaysia's largest operator of toll payments. Touch 'n Go is seeking to expand its existing payments technology and customer base to cover payments made through mobile phones. iSentric has received a purchase order from Touch 'n Go for the core software required to develop mobile technology that will expand its payment capability beyond toll and micro payments to general mobile payments.

### PART B – Mobile Wallet Technology

Capital raised will also be used to fund the development of iSentric's mobile payment technology in conjunction with its financial and telecommunications partners. iSentric has strong relationships with financial institutions who are seeking to develop their mobile banking solutions to mobile payments. As iSentric has previously developed mobile banking solutions for a number of financial customers, the Company is seeking to leverage these relationships and develop iSentric's existing mobile technology into mobile payment solutions. iSentric will also focus on marketing this technology to existing telecommunications partners in both Digital Payments and Digital Services to expand its Digital Payment business. iSentric's goal is to generate revenue from traditional payments made through mobile phones and also in micro payments, facilitated with telecommunication partners. Ultimately, iSentric see this evolving into a Mobile Wallet solution for telecommunication and financial institution partners

### PART C - Effect of Rights Issue on Company

#### (a) Share Capital

The effect of the Offer on the capital structure of the Company, assuming that all Entitlements are accepted and no Options are exercised prior to the Record Date, will be as follows:

#### Shares

| Number of Shares on issue prior to the Offer | Number of New Shares to be issued under this Prospectus | Total Shares on issue upon completion of the Offer |
|--|---|--|
| 135,703,703                                  | 33,925,926  | 169,629,629*                                       |

*\*Assuming no existing options are exercised prior to the Record Date.*

#### Listed Options

| Number of Options on issue prior to the Offer | Number of New Options to be issued under this Prospectus | Total Options on issue upon completion of the Offer |
|---|--|---|
| Nil   | 33,925,926   | 33,925,926  |

## Unlisted Options

| Expiry Date      | Exercise Price | Number    |
|------------------|----------------|-----------|
| 9 September 2017 | \$0.20         | 3,000,000 |

### (b) Cash Position

Completion of the Offer will also have the effect of increasing the Company's cash reserves by approximately \$1,998,556 (after deducting estimated costs of the Offer), providing funds to advance the activities and objectives of the Company as set out in Section 4 of this Prospectus.

In the event all of the New Options are exercised, the Company will raise an additional \$3,053,333.

### (c) Market Prices of Existing Shares on ASX

The highest and lowest market sale price of the Company's Shares on the ASX, during the three months immediately preceding the lodgement of this Prospectus with ASIC and the respective dates of those sales are set out below:

Highest: 8.7 cents on 22 September 2016.

Lowest: 6 cents on 8, 20 and 21 December 2016.

The last market sale price prior to the date of lodgement of this Prospectus with ASIC was 6 cents on 21 December 2016.

## MANAGEMENT OVERVIEW

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### **Mr Lim Keong Yew**

*Independent Non-Executive Chairman*

Lim Keong Yew is of Malaysian nationality and has a Bachelor Degree in Computer Science from Queen Mary and Westfield Collie, University of London.

Lim Keong Yew is currently acting as the managing director and chief executive officer of Donaco. Lim Keong Yew is also a director of Malahon Securities Limited, a stock brokerage, founded in 1984 and is a member and participant of Hong Kong Exchange. Lim Keong Yew is also the principal of the Slingshot Group of Companies, investment companies based in Hong Kong.

Lim Keong Yew's relevant experience includes:

- (a) Working as an executive director to M3 Technologies (Asia) Bhd where he was responsible for strategic investments and corporate affairs;
- (b) Working at VXI Capital, China, a company whose business was focused on investing in and restructuring companies in Malaysia, Beijing, Shanghai and Hong Kong; and
- (c) Working as "Project Manager" for Glaxo Wellcome, London, United Kingdom.

Lim Keong Yew has experience in mobile technology and the management of businesses across a number of countries. He will assist the company in managing growth and general management and governance.

### **Mr Terry Cuthbertson**

*Independent Non-Executive Director*

Terry is currently Chairman of Australian Whisky Holdings Limited, Austpac Resources N.L., MNF Group Limited, South American Iron & Steel Corporation Limited, Mint Payments Limited and Malachite Resourced Limited. He was formerly a partner of KPMG Corporate Finance and New South Wales Partner In charge of Mergers and Acquisitions where he coordinated government privatization, mergers, acquisitions and divesture activities and public offerings on the ASX for the New South Wales practice.

### **Mr Kwong Yang Chong**

*Independent Non-Executive Director*

Kwong Yang Chong is of Australian nationality. Kwong Yang Chong is the Chief Financial Officer of Donaco International Limited. He has substantial experience in finance and accounting and is a CPA Australia member. Kwong Yang Chong's relevant experience includes:

- (a) Audit manager at Ernst & Young for ten years;

- (b) Financial controller of a leading commercial advertisement production Group in Malaysia for 10 years;
- (c) Previous corporate finance manager and company secretary of Eaton Industries Pty Ltd; and
- (d) Chief Financial Officer of Donaco International Ltd (an ASX listed company).

Kwong Yang Chong compliance and financial experience will be utilised to monitor performance and management reporting.

**Mr Lee Chin Wee**

*Executive Director*

Lee Chin Wee is a founding shareholder and a director of iSentric.

Lee Chin Wee holds a First Class BEng (Hon) degree in Electrical & Electronic Engineering from University College London, United Kingdom and a Master of Business Administration (MBA) from University of Malaya. Prior to iSentric, Lee Chin Wee worked at Accenture as a Business Consultant focusing on telecommunications billing systems, product development and revenue assurance. Lee Chin Wee has experience in marketing and business development and actively targets growth with existing customers and to establish new partners and customers.

**Mr Raymond Hor**

*Independent Non-Executive Director*

Raymond Hor is an experienced executive with over 17 years experience in the TMT sector across Asia. He has extensive knowledge in technology related business, with experience in systems engineering, R&D and sales and marketing.

After listing two of his own companies as an entrepreneur, Raymond joined Questmark Capital Management Sdn Bhd last year as an Entrepreneur-in-Residence. He was an Executive Director for Redhot Media International Ltd, from 2007 to 2010. He managed the company's business development, M&A and IPO exercise for the AIM listing on the London Stock Exchange. He was also previously the Executive Director and Chief Operating Officer of Mexter Technology Berhad, listed on the Malaysia ACE market, and was in charge of the sales and operations, R&D, as well as corporate development of the company. Currently, he also serves as an advisor to a China-base Education Group for its IPO exercise.

**Tim Monger**

*Independent Non-Executive Director*

Tim Monger is a Principal of Odyssey Capital Partners and Odyssey Capital Funds Management Ltd.

Tim Monger is a Chartered Accountant and holds a BComm from the University of New South Wales. He is also an associate of the Institute of Chartered Accountants Australia and a Senior Fellow at FINSIA.

**Sean Tham**

*Chief Executive Officer*

Sean Tham obtained his Bachelor of Engineering and Bachelor of Commerce degrees at the University of Melbourne in 2003. He founded Arte Mobile Technology Pte Ltd which has digital media business in Indonesia connecting to all major telecommunications providers. He is currently responsible for overseeing and managing the overall company strategic direction, organizing operations, ensuring profitability and sustainable growth for the Company.

Details of the Directors' interests and benefits are set out in Sections 7.4 to 7.7.



## SECTION 1 DETAILS OF THE OFFER

This Section provides details of the Offer made under this Prospectus. Before deciding whether to apply for New Shares under this Prospectus, you should read this Prospectus in its entirety.

### 1.1. Entitlement Offer

The Offer being made in this Prospectus comprises a pro rata renounceable rights issue ("Entitlement Offer"), as follows:

| <b>Entitlement Offer Details</b> |   |
|----------------------------------|---|
| <b>New Shares:</b>               | A maximum of 33,925,926 fully paid ordinary shares in the Company to be issued. New Shares will rank equally with existing Shares. The terms and conditions of the New Shares are set out in Section 6.   |
| <b>New Options:</b>              | Each subscriber for New Shares will receive one (1) free attaching Option for every New Share subscribed for, having an exercise price of 9 cents (\$0.09) and expiry date of 31 January 2018.  |
| <b>Fractions:</b>                | Calculation of any Eligible Shareholder's fractional entitlements will be rounded up to the nearest whole number.   |
| <b>Price:</b>                    | 6 cents (\$0.06) per New Share.   |
| <b>Entitlement:</b>              | Eligible Shareholders are offered the right to subscribe for one (1) New Share for every four (4) Shares they hold at the Record Date.  |
| <b>Eligible Shareholders:</b>    | Shareholders of the Company registered on the Company's share register at the Record Date and residing in Australia and New Zealand. Please refer to Section 1.5 for further information about eligibility.   |
| <b>No Rights Trading</b>         | The rights of Eligible Shareholders to subscribe for their entitlement are non-renounceable and may not be traded on the ASX  |
| <b>How to apply:</b>             | Eligible Shareholders wishing to subscribe for New Shares need to complete an Entitlement and Acceptance Form and submit it to the Company, together with payment prior to the Closing Date. See Section 8 for more details on how to apply.  |
| <b>Opening Date:</b>             | The Entitlement Offer will open on 4 January 2016.  |
| <b>Closing Date*:</b>            | The last day to subscribe for New Shares under the Entitlement Offer is 5:00 pm (AEDT) on 25 January 2016.  |
| <b>Shortfall</b>                 | Any New Shares and New Options not applied for by Eligible Shareholders under the Entitlement Offer shall form Shortfall Securities and be allotted pursuant to the Shortfall Offer. The Directors reserve the right to place any Shortfall Securities at their discretion within 3 months after the close of the Offer pursuant to Listing Rule 7.2 Exception 3. |

\* The Board reserves the right to close the Offer early or extend the Closing Date should it consider it necessary to do so.

## **1.2. No trading of Entitlements**

The Entitlement Offer is non-renounceable and Eligible Shareholder's rights to subscribe for their Entitlement to New Shares under this Prospectus are not able to be sold, traded or transferred. Any part of your Entitlement that is not accepted by you will lapse.

## **1.3. Shortfall Offer**

Any New Shares and New Options not applied for by Eligible Shareholders under the Entitlement Offer shall form the Shortfall Securities. Eligible Shareholders can apply for additional New Shares in excess of their pro rata entitlement ("Shortfall Offer") by completing the relevant section on their Entitlement and Acceptance Form and specifying the number of additional New Shares (and by implication, New Options) they wish to subscribe for. The issue of any Shortfall Securities under the Shortfall Offer will be dependent on the number of Shortfall Securities available.

Applications for Shortfall Securities must be accompanied by payment in full for the price of the Shortfall Securities applied for.

### **Shortfall Securities**

#### *Allocation of Shortfall Securities amongst applicants under the Shortfall Offer*

Allocation of any Shortfall Securities to Eligible Shareholders who have submitted applications under the Shortfall Offer amongst those applicants will be considered and determined by the Directors at their discretion. The Directors reserve the right to place any Shortfall Securities at their discretion within 3 months' after the close of the Offer pursuant to Listing Rule 7.2 Exception 3.

#### *Takeover law requirements*

It is the responsibility of each Eligible Shareholder to ensure that it will not breach the takeovers provisions under the Corporations Act (the 20% threshold) by applying for additional New Shares under the Shortfall Offer. These provisions are set out in section 606 of the Corporations Act. No Eligible Shareholder will be permitted to acquire additional New Shares under the Shortfall Offer to the extent the Company considers (acting reasonably) that doing so would result in a contravention of the takeovers limits in section 606 of the Corporations Act.

#### *No certainty regarding allocations*

As a consequence of the arrangements described above, there can be no guarantee of the number of additional New Shares and New Options available to Eligible Shareholders under the Shortfall Offer. Eligible Shareholders who apply for Shortfall Securities under the Shortfall Offer will be bound to accept any lesser number of additional New Shares allocated to them in accordance with the allocation procedure described above. If you do not receive all of the additional New Shares and New Options you applied for, any excess application monies will be returned to you without interest.

## **1.4. No Minimum Subscription**

There is no minimum subscription and the Offer is not underwritten. However, the Company has received firm commitment letters, confirming that:

- (a) iSentric CEO Sean Tham will subscribe for a minimum of 1,666,667 New Shares (equating to \$100,000);
- (b) iSentric Director Raymond Hor will subscribe for a minimum of 833,334 New Shares (equating to \$50,000); and
- (c) Chau King Hong Claude will subscribe for a minimum of 1,166,667 New Shares (equating to \$70,000);
- (d) Fung Ka Yiu will subscribe for a minimum of 10,000,000 New Shares (equating to \$600,00);
- (e) Lau Ka Tik will subscribe for a minimum of 1,166,667 New Shares (equating to \$70,000);
- (f) Chan Chong Chi will subscribe for a minimum of 4,333,334 New Shares (equating to \$260,000); and
- (g) Woo Yee Foo will subscribe for a minimum of 8,333,334 New Shares (equating to \$500,000).

Altogether, the firm commitment letters received by the Company guarantee a subscription level of at least \$1.65 million.

#### **1.5. Eligibility of Shareholders for the Offer**

The Entitlement Offer is made only to those Shareholders whose registered address is in Australia or New Zealand as at 5.00 pm (AEDT time) on the Record Date (“Eligible Shareholders”) or who is eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

Shareholders whose registered address is not in Australia or New Zealand, or who become registered holders of Shares in the Company after the Record Date, are not eligible to participate in the Entitlement Offer.

An Entitlement and Acceptance Form setting out Eligible Shareholders’ Entitlements accompanies the hard copy of this Prospectus distributed to Eligible Shareholders.

Eligible Shareholders who do not take up their Entitlement in full may, as a result of this Rights Issue, have their percentage shareholding in the Company diluted.

Eligible Shareholders are also invited to apply for additional New Shares and New Options under the Shortfall Offer, by completing the section of the personalised Entitlement and Acceptance Form which deals with the Shortfall Securities. Section 8.3 of this Prospectus provides further information regarding Applications for Shortfall Securities.

#### **1.6. Public Offer**

Members of the public who are not Eligible Shareholders whose registered address is in Australia may subscribe for New Shares and New Options under the Shortfall Offer pursuant to this Prospectus by submitting a properly completed Application Form. Members of the public whose registered address is not in Australia, may not subscribe for New Shares and New Options under the Shortfall Offer. The Entitlements of Eligible Shareholders will be satisfied in full prior to any Shortfall Securities being allotted to members of the public in respect of such Applications. Upon

Entitlements of Eligible Shareholders being satisfied in accordance with valid applications, any Shortfall Securities will be allotted between Eligible Shareholders who have applied for additional New Shares under the Shortfall Offer and members of the public who submit a valid Public Offer Application Form.

The allocation of any Shortfall Securities to members of the public who have submitted a valid Public Offer Application Form will be at the discretion of the Board.

A Public Offer Application Form will be included in the Prospectus and is available on the Company's website ([www.isentric.com](http://www.isentric.com)). Applications must be submitted prior to the Closing Date together with payment in full for the number of Shortfall Securities applied for.

#### **1.7. Custodians and Nominees**

The Offer is being made to all Eligible Shareholders. The Company is not required to determine whether or not any Eligible Shareholder is acting as a nominee or the identity or residence of any beneficial owners of Shares.

Where any registered holder that qualifies as an Eligible Shareholder is acting as a nominee for a foreign person, that registered holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

Any person in the United States or any person that is, or is acting for the account or benefit of a U.S. person with a holding through a nominee may not participate in the Offer and the nominee must not take up any Entitlement or send any materials to the United States or to any person that is, or is acting for the account or benefit of, a U.S. Person.

#### **1.8. Eligible Shareholder Entitlements**

The Entitlement of each Eligible Shareholder is shown on the personalised Entitlement and Acceptance Form.

#### **1.9. Closing Date and Payment for New Shares**

The Closing Date for acceptance of Entitlement and Acceptance Forms and Application Forms is 5:00pm (AEDT) on 25 January 2017.

Cheques must be drawn in Australian currency on an Australian bank and made payable to 'iSentric Limited Rights Issue' and crossed 'Not Negotiable'. Shareholders are asked not to forward cash or postal notes by mail. Receipts for payment will not be issued.

Eligible Shareholders may submit payments for New Shares applied for using BPAY®. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form. If you make payment by BPAY®, you do not need to return your Entitlement and Acceptance Form.

*Cheques will be returned if New Shares are not issued or Application for New Shares is not accepted.*

### **1.10. Allotment of New Shares**

New Shares and New Options will be allotted and issued as soon as practicable after the issue of this Prospectus, in accordance with Listing Rules and indicative timetable as set out in page (i) of this Prospectus. Holding statements for all New Shares and New Options allotted shall be dispatched as soon as practicable in accordance with the Listing Rules after the Closing Date.

Until the allotment and issue of the New Shares and New Options under this Prospectus, application monies will be held by the Company in trust in a separate bank account maintained for that purpose only. Any interest earned on application monies will be for the benefit of the Company and will be retained by the Company irrespective of whether allotment takes place.

### **1.11. ASX Quotation**

On or within 7 days of the date of this Prospectus the Company will make application for the New Shares and the New Options issued pursuant to the Offer to be granted quotation on the Official List of the ASX.

Official Quotation of the New Options will be conditional upon there being a sufficient number of holders of the New Options to satisfy the requirements of the ASX for the creation of a new class of listed security. No application monies will be repaid if the New Options offered under this Prospectus are not admitted to official quotation

If ASX does not grant Official Quotation of the New Shares within 3 months after the date of the Prospectus then the New Shares and New Options will not be allotted and Application monies will be repaid in full without interest.

Quotation of the New Shares, the New Options on the Official List of the ASX does not in any way indicate an endorsement by the ASX of the Company, the Company's projects or the New Shares and New Options. The ASX takes no responsibility for the contents of this Prospectus.

### **1.12. CHESS System**

The Company participates in the Clearing House Electronic Subregister System ("CHESS"). ASX Settlement and Transfer Corporation Pty Limited (ACN 008 504 532) ("ASTC"), a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHESS, Shareholders will not receive certificates for their New Shares but will receive a statement of their holdings indicating the allotment of their New Shares pursuant to their acceptance of the Offer made under this Prospectus.

Shareholders who are broker-sponsored will receive a CHESS statement from ASTC.

Shareholders registered under the Issuer Sponsored subregister will receive a statement from Link Market Services Limited.

A CHESS statement or Issuer Sponsored Statement will routinely be sent to Shareholders at the end of any month in which the balance of their shareholding or option-holding changes. Shareholders may also request a statement at any other time, although a charge may be made for this additional service.

### **1.13. International Shareholders**

This Offer does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Shareholders who do not have a registered address in Australia or New Zealand are not eligible to participate in the Offer. The laws of jurisdictions outside of Australia and New Zealand may restrict the distribution of this Prospectus. Anyone who comes into possession of this Prospectus outside Australia or New Zealand should seek advice on and observe any such restrictions. A failure to comply with those restrictions may constitute a violation of applicable securities laws.

The Company is of the view that it is unreasonable to extend the Rights Issue to Shareholders with registered addresses outside Australia or New Zealand, having regard to:

- the small number of Shareholders with registered addresses outside Australia and New Zealand;
- the number and value of the New Shares which would be offered to ineligible Shareholders; and
- the cost of complying with the legal requirements and requirements of the regulatory authorities, in the respective overseas jurisdictions.

Accordingly, this Offer will not be made to International Shareholders. This Prospectus is sent to International Shareholders for information purposes only. In order for a Shareholder to participate in the Offer, the Shareholder must be resident in Australia or New Zealand at the Record Date.

In particular, this Prospectus does not constitute an offer for sale of the New Shares or any right to a security into the United States or to U.S. persons. The New Shares have not been, and will not be, registered under the U.S. Securities Act and must not be offered or sold within the United States or to U.S. persons unless they are registered under the U.S. Securities Act or an exemption from the registration required of the U.S. Securities Act is available.

Eligible Shareholders holding Shares on behalf of persons who are resident outside Australia and New Zealand are responsible for ensuring that participation in the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form or payment by BPAY® will constitute a representation that there has been no breach of such regulations. Shareholders who are nominees are therefore advised to seek independent advice as how they should proceed. Where the Offer has been dispatched to a Shareholder domiciled outside Australia or New Zealand and where the country's securities code or legislation prohibits or restricts in any way the making of the offers contemplated by this Prospectus, the Prospectus is provided for information purposes only.

#### **Position of Option Holders**

The terms of the Options that are on issue as at the date of this Prospectus do not entitle holders to participate in the Offer.

In order to participate in the Offer, a holder of Options must, to the extent eligible under the terms of such Options, promptly exercise the Options so that, upon exercise, shares are allotted on or before 29 December 2016.

Where a pro-rata issue is made (except a bonus issue) to the holders of underlying securities, the new exercise price of the Option is equal to the old exercise price of the Option, less a value attributed to the right as calculated in accordance with the following formula:

$$\frac{E\{P-(S+D)\}}{N+1}$$

where:

“E” = the number of Shares into which one Option is exercisable;

Note: E is one, unless the number has changed because of a bonus issue.

“P” = the average market price per Share (weighted by reference to volume) during the 5 trading days ending on the day before the ex- rights date or ex entitlements date (calculated in accordance with Listing Rule 6.2.2.2);

“S” = the subscription price for a security under the pro rata issue;

“D” = the dividend due but not yet paid on existing Shares (except those to be issued under the pro rata issue);

“N” = the number of Shares with rights or entitlements that must be held to receive a right to one new security.

#### 1.14. Issue Expenses

The estimated expenses of the Offer including professional fees, registry services and printing and postage are approximately \$45,165.

#### 1.15. Application of Funds Raised

The purpose of the Offer is to raise funds for the Mobile Payment Technology, Mobile Wallet Technology and for working capital to progress with other opportunities, as follows:

| Use of Funds   | Amount (\$)        |
|--|--------------------|
| Development costs for Mobile Payment technology in conjunction with Touch 'n Go                              | \$757,000          |
| Development costs for Mobile Wallet in conjunction with iSentric's financial and telecommunications partners | \$500,000          |
| Working Capital  | \$733,421          |
| Costs of the Offer   | \$45,165           |
| <b>TOTAL</b>   | <b>\$2,035,556</b> |

Shareholders are strongly urged to read Sections 2 and 3 of this Prospectus carefully so as to better understand the purpose of the Offer, how the funds to be raised under the Offer will be applied, the key assumptions involved and the potential impact the new funding will have on the Company's future growth and enterprise value.

## SECTION 2 PURPOSE AND EFFECT OF THE OFFER

### 2.1. Purpose of the Offer

This Rights Issue is being undertaken principally to provide funds to meet budgeted and anticipated expenditure associated with Mobile Payment Technology, Mobile Wallet Technology which is described further in Section 4, together with meeting current working capital requirements and providing for future evaluation and examination of product offerings, opportunities and projects as identified by the Board from time to time as presenting value and being in line with the Company's direction.

The proceeds of the Offer are planned to be used in accordance with the table set out below\*:

| Use of Funds   | Amount (\$)        |
|--|--------------------|
| Development costs for Mobile Payment technology in conjunction with Touch 'n Go                              | \$757,000          |
| Development costs for Mobile Wallet in conjunction with iSentric's financial and telecommunications partners | \$500,000          |
| Working Capital  | \$733,421          |
| Costs of the Offer   | \$45,165           |
| <b>TOTAL</b>   | <b>\$2,035,556</b> |

\* The Board reserves the right to alter this budget as a result of a change in circumstances or intervening events.

Please note that the development of the Mobile Payment technology or Mobile Wallet technology above may continue notwithstanding that less than \$1,257,0000 is raised.

The above is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board may determine to alter the way funds are applied as it considers necessary and appropriate having regard to the circumstances at the time.

### 2.2. EFFECT OF THE OFFER ON THE COMPANY

#### (a) Share Capital

The effect of the Offer on the capital structure of the Company, assuming that all Entitlements are accepted and no Options are exercised prior to the Record Date, will be as follows:

#### Shares

| Number of Shares on issue prior to the Offer | Number of New Shares to be issued under this Prospectus | Total Shares on issue upon completion of the Offer |
|--|---|--|
| 135,703,703                                  | 33,925,926  | 169,629,629*                                       |

\*Assuming no existing options are exercised prior to the Record Date.



### Listed Options

| Number of Options on issue prior to the Offer | Number of New Options to be issued under this Prospectus | Total Options on issue upon completion of the Offer |
|---|--|---|
| Nil   | 33,925,926   | 33,925,926  |

### Unlisted Options

| Expiry Date      | Exercise Price | Number    |
|------------------|----------------|-----------|
| 9 September 2017 | \$0.20         | 3,000,000 |

#### (b) Cash Position

Completion of the Offer will also have the effect of increasing the Company's cash reserves by approximately \$1,990,391 (after deducting estimated costs of the Offer), providing funds to advance the activities and objectives of the Company as set out in Section 4 of this Prospectus.

In the event all of the New Options are exercised, the Company will raise an additional \$3,053,333.

#### (c) Market Prices of Existing Shares on ASX

The highest and lowest market sale price of the Company's Shares on the ASX, during the three months immediately preceding the lodgement of this Prospectus with ASIC and the respective dates of those sales are set out below:

Highest: 8.7 cents on 27 September 2016.

Lowest: 6 cents on 8, 20 and 21 December 2016.

The last market sale price prior to the date of lodgement of this Prospectus with ASIC was 6 cents on 21 December 2016.

#### (a) New Class of Securities – New Options

The Rights Issue will have the effect of creating a new class of securities issued by the Company, being the New Options.

#### (b) Effect of Offer on Control

If all Eligible Shareholders take up their full Entitlements, there would be no significant effect on the control of the Company, as the Offer is made pro-rata and in that case no rights would lapse or revert to the Shortfall Offer as described at Section 1.3.

As the Company does not propose to apply to ASIC for the approval of the appointment of a nominee for the purposes of section 615 of the Corporations Act, no person will be permitted to acquire New Shares or New Options under the Rights Issue to the extent that such acquisition results in that person:

- (i) increasing their relevant interest in the Company from less than 20% to a relevant interest exceeding 20% of the issued share capital of the Company on a post Rights Issue basis (*20% Threshold*);
- (ii) increasing their relevant interest in the Company from a relevant interest between 20% and 90% except to the extent that person has held voting power in the Company in the 6 months before the acquisition of at least 19%, and the resultant acquisition would not result in an increase in that person's voting power in the Company being more than 3 percentage points higher than they had 6 months prior to the acquisition in compliance with Item 9 of Section 611 of the Corporations Act (*3% Creep Rule*).

As the Rights Issue has no minimum subscription and is not underwritten and there is no guarantee that the Directors can place any or all of the Shortfall Securities remaining after close of the Offer, where the Entitlement component of the Offer is not well subscribed, the Rights Issue may result in one or more substantial shareholders increasing their voting power in the Company (but subject to the 20% Threshold and 3% Creep Rule).

The current substantial shareholders of the Company, as at the date of this Prospectus, according to substantial holding notices lodged with the Company, are as follows:

| <b>Substantial Shareholder</b> | <b>No. of shares</b> | <b>% of current issued capital</b> |
|--------------------------------|----------------------|------------------------------------|
| Lim Keong Yew                  | 28,487,366           | 21.0%                              |
| Na Chun Wee                    | 16,528,121           | 12.2%                              |

## SECTION 3 STATEMENT OF FINANCIAL POSITION AND PRO-FORMA CAPITAL STRUCTURE

Set out below is a pro forma Statement of Financial Position for the Company after taking into account the effect of the Offer. This statement is based on the audited accounts of the Company as at 30 June 2016, lodged with the ASX on 21 October 2016.

The pro forma Consolidated Statement of Financial Position illustrates the effect of the Offer based upon the following assumptions and qualifications:

- (a) there being no material changes to the Company's Statement of Financial Position since 30 June 2016;
- (b) the Offer being fully subscribed resulting in the Company issuing an additional 33,925,926 New Shares raising a total of \$2,035,5656;
- (c) the costs of the Offer being \$45,165; and
- (d) the activities of the Company since 30 June 2016 not being recognised in the pro forma Statement of Financial Position.

| <b>iSentric Limited and Controlled Entities</b>               |                                   |   |                          |
|---|-----------------------------------|---|--------------------------|
| <b>ACN: 091 192 871</b>                                       |                                   |   |                          |
| <b>PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b> |                                   |   |                          |
|   | <b>30 June 2016<br/>(AUDITED)</b> | <b>Adjustments for<br/>Rights Issue</b> | <b>Pro-Forma Balance</b> |
| <b>ASSETS</b>   |                                   |   |                          |
| <b>Current Assets</b>   |                                   |   |                          |
| Cash and cash equivalents                                     | 691,051                           | 1,990,391                               | 2,681,442                |
| Trade and other receivables                                   | 3,508,709                         |   | 3,508,709                |
| <b>Total Current Assets</b>                                   | <u>4,199,760</u>                  |   | <u>6,190,151</u>         |
| <b>Non-Current Assets</b>                                     |                                   |   |                          |
| Plant and equipment   | 241,488                           |   | 241,488                  |
| Intangible Assets   | 17,336,239                        |   | 17,336,239               |
| Deferred Tax Asset  | 448,785                           |   | 448,785                  |
| <b>Total Non-Current Assets</b>                               | <u>18,026,512</u>                 |   | <u>18,026,512</u>        |
| <b>TOTAL ASSETS</b>   | <u>22,226,272</u>                 |   | <u>24,216,663</u>        |
| <b>LIABILITIES</b>  |                                   |   |                          |
| <b>Current Liabilities</b>                                    |                                   |   |                          |
| Trade and other payables                                      | 1,824,816                         |   | 1,824,816                |
| <b>Total Current Liabilities</b>                              | <u>1,824,816</u>                  |   | <u>1,824,816</u>         |
| <b>TOTAL LIABILITIES</b>                                      | <u>1,824,816</u>                  |   | <u>1,824,816</u>         |
| <b>NET ASSETS</b>   | <u>20,401,456</u>                 |   | <u>22,391,847</u>        |
| <b>EQUITY</b>   |                                   |   |                          |
| Contributed equity  | 18,001,394                        | 1,990,391                               | 19,991,785               |
| Foreign currency translation reserve (losses)                 | 125,834                           |   | 125,834                  |
| Retained earnings   | 2,274,228                         |   | 2,274,228                |
| <b>TOTAL EQUITY</b>   | <u>20,401,456</u>                 |   | <u>22,391,847</u>        |

**4.1. Background**

The Company provides software based mobility platforms and services that enable its customers to extend their information technology applications to any mobile device and integrate mobile technology throughout their existing business. iSentric also works with telecommunication network providers to provide mobile OTT (over-the-top) services that leverage their subscriber base to build active communities.

iSentric operates in the mobile services industry through three main divisions:

- (a) Digital Payments – a mobile payment platform that enables consumers to make small financial transactions;
- (b) Enterprise mobility – a platform that delivers mobile connectivity, messaging and mobile banking to corporate clients;
- (c) Digital Content and Services - an online mobile content aggregation platform and a proprietary game publishing network offering online games, mobile games, news and events.

**4.2. Mobile Payment Technology**

Capital raised will be used to fund the work that iSentric is undertaking with Touch 'n Go Malaysia, in developing a mobile payments platform. Touch 'n Go is Malaysia's largest operator of toll payments. Touch 'n Go is seeking to expand its existing payments technology and customer based into payments made through mobile phones. iSentric has received a purchase order from Touch 'n Go for mobile application management services and software worth RM2,850,992 (A\$877,298). iSentric has an ongoing working relationship and will continue to work with Touch 'n Go with a view to developing mobile technology that will expand its payment capability beyond toll and micro payments to general mobile payments by consumers.

**4.3. Mobile Wallet Technology**

Capital raised will also be used to fund the development of iSentric's mobile payment technology in conjunction with its financial and telecommunications partners. iSentric has strong relationships with financial institutions who are seeking to develop their mobile banking solutions to mobile payments. iSentric has previously developed mobile banking solutions for a number of financial customers, and intends to market this new mobile payment technology to that existing client base. iSentric also intends to market this technology to existing telecommunications partners in both Digital Payments and Digital Services to expand its Digital Payment business. iSentric's goal is to generate revenue from traditional payments made through mobile phones and also in micro payments, facilitated with telecommunication partners. Ultimately, iSentric see this evolving into a Mobile Wallet solution for telecommunication and financial institution partners.

#### **4.4. Future Opportunities**

The Board continues to be committed to evaluating and assessing various investment opportunities and new product development opportunities in the digital payments, enterprise mobility and digital content and services fields.

**5.1. Introduction**

This Section identifies the areas the Directors regard as the major risks associated with an investment in the Company. Potential investors should be aware that an investment in the Company involves many risks, which may be higher than the risks associated with an investment in other companies. Accordingly, the New Shares to be issued under this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Shares in the Company.

The following summary, which is not exhaustive, represents some of the major risk factors potential investors need to be aware of as they may in the future materially affect the financial performance of the Company and the value of New Shares to be issued under this Prospectus. Potential investors should read the whole of this Prospectus in order to appreciate such matters and the manner in which the Company intends to operate before any decision is made to apply for New Shares.

There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. There is also a range of more specific risks associated with the Company's business and its involvement in the oil and gas exploration and production industry. These risk factors are largely beyond the control of the Company and its directors because of the nature of the proposed business of the Company.

**5.2. Specific risks****(a) Development Risk**

The Company may not provide the technology solution conforming to the specifications by Touch 'n Go or other partners. There is no assurance that the Company will be able to develop the technology to the specifications required. It is also possible that the cost of developing the technology to the specifications set by Touch 'n Go or other partners may exceed the amount currently budgeted.

The time to complete the development and roll out of the technology may take longer than expected leading to the Company requiring additional funding to complete the technology. If so, this will effect the profitability of the Company.

**(b) Commercialisation Risk**

The Companies relationships with Touch 'n Go and certain other partners are not governed by a written contract. Whilst the Company has received a purchase order from Touch 'n Go (as disclosed in section 4.2) and has a previous working relationship with Touch 'n Go, ongoing work outside of that Purchase Order cannot be guaranteed. In relation to the Mobile Wallet development outlined in Section 4.3 iSentric has not executed agreements with its financial and technology partners in relation to that work. Whilst iSentric has a previous working relationship with various financial and

telecommunications partners, the capacity to commercialise the Mobile Wallet application cannot be guaranteed at this stage.

(c) ***Competition Risk***

The market for application development is inherently competitive with numerous market players. Other technology developers may develop competing solutions which potential customers select ahead of the Company's solutions. The Company may be required to make further development expenditure to ensure that its products are competitive with competing products in the market.

If a competitor arises this may effect the income obtained from the technology, and may also effect the market for future development of new versions and succeeding iterations of the technology.

(d) ***Market Adoption Risk***

The success of the technology products being developed relies on a base level of adoption of the technology being achieved in the target markets. It may take longer or cost more than expected to build a critical mass on users which will in turn impact upon the profitability of the Company.

(e) ***Failures or disruptions to iSentric's technology systems and communication networks***

iSentric depends on the constant real-time performance, reliability and availability of its technology system and third-party communication networks. There is a risk that these systems may fail to perform as expected or be adversely impacted by a number of factors, some of which may be outside the control of iSentric, including damage, equipment faults, power failure, fire, natural disasters, computer viruses and external malicious interventions such as hacking or denial-of-service attacks. Events of that nature may cause part or all of iSentric's technology system and/or the communication networks used by iSentric to become unavailable. iSentric's operational processes and contingency plans may not adequately address every potential event. This may disrupt transaction flow and adversely impact iSentric's financial performance and reputation.

There is a risk that repeated failures to keep iSentric's technology available may result in a decline in end-user numbers. This may materially and adversely impact iSentric's financial performance, including a reduction in revenue from completed transactions and an increase in the costs associated with servicing customers through the disruption, as well as negatively impacting iSentric's reputation.

(f) ***Exposure to potential security breaches and data protection issues***

Through the ordinary course of business, iSentric collects a range of confidential information including financial information. Cyber-attacks may compromise or breach the technology platform used by iSentric to protect confidential information. There is a risk that the measures taken by iSentric may not be sufficient to detect or prevent unauthorised access to, or disclosure of, such confidential information. Any data security breaches or

iSentric's failure to protect confidential information could result in the loss of information integrity, or breaches of iSentric's obligations under applicable laws or agreements, each of which may materially adversely impact the iSentric's financial performance and reputation.

(g) ***Fraudulent Activities of Third Parties***

iSentric is exposed to risks imposed by fraudulent conduct, including the risks associated with end-customers attempting to circumvent iSentric's system. There is a risk that iSentric and its technology partners such as Touch 'n Go may be unsuccessful in defeating fraud attempts, resulting in a higher than budgeted cost of fraud and end-customer non-payment. Fraudulent activity may result in iSentric suffering losses due to fraud, a materially adverse impact to iSentric's reputation and bearing certain costs to rectify and safeguard business operations and iSentric's systems against fraudulent activity

(h) ***Foreign Risk***

The Company's assets and undertakings are located in Malaysia, Indonesia and elsewhere in Southeast Asia. There can be no assurance that government regulations relating to financial technology such as mobile payment and mobile wallet technology may not be increased in a manner that effects the cost of development or profitability of the technology. Furthermore, there is no guarantee that government regulations relating to foreign investment, repatriation of foreign currency, taxation in these jurisdictions will not be amended or replaced in the future to the detriment of the Company's business and/or products. As such there is exposure to sovereign risk. There can be no assurance that the systems of government and the political systems in Southeast Asia will remain stable.

Additionally, operations in Indonesia are subject to risk of key infrastructure unavailability such as access roads and utilities which could have a materially adverse effect upon the Company's operations and which are outside of the Company's control. There may also be increased risk of natural disaster affecting operations, such as an earthquake or cyclonic activity.

(i) ***Geopolitical***

Politics on a global, regional or local scale could impact the Company's operations, the Company's access to certain countries and the Company's right to continue operating in a particular country. Acts of terrorism or outbreak of war may disrupt or prevent the Company from operating its business programs.

### **5.3. Risk factors specific to the Company**

(a) ***Additional Requirements for Capital***

The Company's capital requirements depend on numerous factors. If the Company is successful in identifying a new opportunity in which it wishes to invest, or requires further development of its current offerings, the Company may have insufficient funds to pursue the acquisition of such an interest without the raising of further funds (either through equity or debt or a combination of both).



There can be no assurance that such funding will be available on satisfactory terms or at all. Any inability to obtain finance will adversely affect the business and financial condition of the Company and its performance. Existing shareholders may be diluted if additional funds are raised by equity securities.

(b) ***Economic Factors***

The Company's future possible revenues, operating costs, Share price and returns to Shareholders may be affected by changes in factors such as:

- local and world economic conditions;
- inflation or inflationary expectations;
- currency movements;
- interest rates;
- supply and demand;
- levels of tax, taxation law and accounting practice;
- government legislation or intervention;
- industrial disruption; and
- natural disasters, social upheaval or war in Malaysia, Indonesia or elsewhere in Southeast Asia has an increased prevalence of geological disasters such as earthquakes which may have an adverse effect on the Company's operations in the region.

These factors are beyond the control of the Company and its Directors.

(c) ***Reliance on Key Management***

The responsibility of overseeing the day-to-day operations and the strategic management of the Company is substantially dependent upon the Company's senior management, key personnel and consultants. There can be no assurance given that there will be no detrimental impact on the Company if one, or a number of, those employees or consultants cease their employment or engagement with the Company.

(d) ***Currency Fluctuations***

The future value of the Company's Shares and options may fluctuate in accordance with movements in foreign currency exchange rates.

(e) ***Taxation***

The Company's profitability may be affected by changes in overseas (particularly Malaysian), Australian and State government taxation laws and policies.

There may be tax implications arising from the acquisition of Securities, any possible receipt of dividends (both franked and un-franked) and the disposal of Securities. All prospective investors should carefully consider these tax implications and if uncertain

as to the relevant taxation issues, obtain further advice from a qualified professional adviser. Tax liabilities are the responsibility of each individual investor and the Company will not be responsible for any tax or related penalties incurred by investors.

(f) ***Development Risk/Profitability***

The Company's commercial viability will be dependent upon the successful development and operation of the Company's projects and any other activity that the Company may undertake. No assurances can be given that the Company will be able to successfully develop and market its current or future product offerings. Equally, no representation as to future profitability or dividends can be given.

(g) ***Regulatory***

The Company's activities will require compliance with various laws relating to the protection and rehabilitation of the environment, health and safety, culture and heritage and other matters.

In addition the Company is required to obtain numerous government permits, leases, licences and approvals in respect of the Company's oil and gas exploration and production operations.

There is a risk that the Company may not obtain or may lose permits, leases, licences or approvals, essential to the Company's operations.

The Company cannot predict how existing, or future laws and regulations may be interpreted by enforcement agencies or court rulings, whether additional laws and regulations will be adopted, or the effect such changes may have on the Company's business or financial condition.

(h) ***Uninsured Loss and Liability***

Exploration for and development of oil and gas assets involves hazards and risks that could result in us incurring losses and liabilities to third parties. There is a risk that the Company may not be insured against all losses or liabilities that could arise from the Company's operations. If the Company incurs losses or liabilities which are not covered by the Company's insurance policies, the funds available for exploration and development will be reduced and the value and/or tenure of the Company's assets may be at risk.

(i) ***Stock Market Risks***

The market price of the Company's shares may be significantly adversely affected by a variety of factors including (but not limited to) perceptions of, or variations in, general market conditions, operating performance, commodity prices, project and country risk, Board and management strength and expertise and a broad range of other factors which may or may not relate to the Company's operations.

(j) **Liquidity Risk**

The Shares in the Company have historically traded at low-volume and there is no guarantee that there will be an ongoing liquid market for Shares. Accordingly, there is a risk that, should the market for Shares become illiquid, Shareholders will be unable to realise their investment in the Company.

**5.4. General Risks**

There are risks involved with any investment in listed shares. The value of the New Shares, once listed on the ASX, may rise or fall depending upon a range of factors and share conditions which are unrelated to the Company's future financial performance. Share market conditions are affected by many factors including, but not limited to:

- economic conditions in both Australia and internationally;
- investor sentiment and local and international share market conditions;
- changes in interest rates and the rate of inflation;
- changes in competing product prices;
- changes to government regulation, policy or legislation;
- changes in exchange rates; and
- the nature of competition in the industry in which the Company operates.

Some of these risks can be mitigated by the use of contingency plans and safeguards. However, many are outside the control of the Company and cannot be mitigated.

Like all businesses, the Company is affected by general economic conditions including the level of interest rates, inflation and consumer spending. Any prolonged downturn in economic activity could be expected to have a negative impact on the Company. As a company having a smaller market capitalisation, the market in the Company's securities may suffer periods of illiquidity.

**5.5. Other Risk Factors**

Other risk factors include those normally found in conducting business including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the Company's business or trade.

Before any decision is made to subscribe for New Shares, the above matters, and all other matters described in this document must be carefully considered. The New Shares and New Options to be allotted pursuant to this Prospectus should be regarded as speculative in nature and carry no guarantee with respect to the payment of dividends, return of capital or their market value.

Investment in the Company is regarded as speculative and neither the Company nor any of its Directors guarantees that any specific objective of the Company will be achieved or that any particular performance of the Company or its securities, including the New Shares and New Options offered by this Prospectus will be achieved.

The above list of risk factors should not to be taken as exhaustive of the risks faced by the Company or the Shareholders. The above factors, and others not specifically referred to above, may in the future materially affect the Company's financial performance and the value of the Shares.

**6.1. Rights attaching to the Shares**

The rights attaching to ownership of the Shares arise from a combination of:

- the Constitution; and
- in certain circumstances, the Corporations Act, the Listing Rules, the ASX Settlement Operating Rules and the general law.

The following is a summary of the more significant rights attaching to the Shares. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of the Shareholders.

Further details of the rights attaching to Shares are set out in the Constitution of the Company, a copy of which can be inspected at the Company's registered office during normal business hours.

**6.2. Variation of rights**

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of shareholders vary or cancel the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up may be varied or cancelled with the consent in writing of the holders of three-quarters of the Issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

**6.3. Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders.

- each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and
- on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

**6.4. General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

#### **6.5. Dividends**

The Directors may from time to time declare a dividend to be paid to shareholders entitled to the dividend. The dividend shall (subject to the Company's Constitution and to the rights of any preference shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividends) be payable on all shares in accordance with the Corporations Act. The Directors may from time to time pay to the shareholders such interim dividends as they may determine. Dividends shall be payable only out of profits. A determination by the Directors as to the profits of the Company shall be conclusive. Dividends shall not carry interest as against the Company.

#### **6.6. Winding-up**

If the Company is wound up and the surplus assets are insufficient to repay the whole of the paid up capital, the surplus assets must be distributed so that, as nearly as may be, the losses are borne by the members in proportion to the capital paid up or which ought to have been paid up on the shares held by them at the commencement of the winding up. If in a winding up the assets available for distribution among the members are more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess must be distributed among the members in proportion to the capital paid up or which ought to have been paid up on the shares held by them at the commencement of the winding up.

#### **6.7. Change to Capital Structure**

The Company may, subject to the Corporations Act and the Listing Rules:

- increase its share capital by the issue of new shares of such amount as is specified in a resolution;
- consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares;
- sub-divide all or any of its shares into shares of smaller amount than is fixed by the Constitution, but so that in the sub-division the proportion between the amount paid and the amount (if any) unpaid on each such share of a smaller amount is the same as it was on the case of the share from which the share of a smaller amount is derived; and
- cancel shares that, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person or have been forfeited and reduce its share capital by the amount of the shares so cancelled.

#### **6.8. Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.

## **6.9. Rights attaching to New Options**

The following are the terms of the Options to be issued pursuant to this Prospectus.

### **6.9.1. Entitlement**

- (a) Each New Option entitles the Option holder to subscribe for, and be allotted, one ordinary Share in the capital of the Company.
- (b) Shares issued on the exercise of New Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

### **6.9.2. Exercise of New Option**

- (a) The New Options are exercisable at any time from the date of issue.
- (b) The final date and time for exercise of the New Options is 5pm (AEDT) on 31 January 2018.
- (c) The exercise price of each New Option is 9 cents (\$0.09).
- (d) Each New Option is exercisable by the Option holder signing and delivering a notice of exercise of New Option together with the exercise price in full for each Share to be issued upon exercise of each New Option to the Company's Share Registry.
- (e) Remittances must be made payable to 'iSentric Limited' and cheques should be crossed 'Not Negotiable'.
- (f) All New Options will automatically lapse on the earlier of the:
  - (i) receipt by the Company of notice from the Option holder that the Option holder has elected to surrender the New Option; and
  - (ii) expiry of the final date and time for exercise of the New Option as set out in paragraph (b).
- (g) In the event of liquidation of the Company, all unexercised New Options will lapse.
- (h) For every New Option that is exercised, the Option holder will receive 1 Share.

### **6.9.3. Quotation**

- (a) Subject to the requirements of the Listing Rules, the Company intends to apply to the ASX for Official Quotation of the New Options. The Company gives no assurance that such quotation will be granted.
- (b) If the Shares of the Company are quoted on the ASX, the Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of all Shares issued on the exercise of any New Options within 10 Business Days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.

#### **6.9.4. Participation in Securities Issues**

Subject to paragraph 6.9.5 below, the Option holder is not entitled to participate in new issues of securities without exercising the New Options.

#### **6.9.5. Participation in a Reorganisation of Capital**

- (a) In the event of any reconstruction or reorganisation (including consolidation, subdivision, reduction or return of the capital of the Company), the rights of an Option holder will be changed in accordance with the Listing Rules of the ASX applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the terms of the New Options do not result in any benefit being conferred on the Option holder which is not conferred on Shareholders of the Company.
- (b) In any reorganisation as referred to in paragraph 6.9.5, New Options will be treated in the following manner:
  - (i) in the event of a consolidation of the share capital of the Company, the number of New Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
  - (ii) in the event of a subdivision of the share capital of the Company, the number of New Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
  - (iii) in the event of a return of the share capital of the Company, the number of New Options will remain the same and the exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;
  - (iv) in the event of a reduction of the share capital of the Company by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled the number of New Options and the exercise price of each New Option will remain unaltered;
  - (v) in the event of a pro-rata cancellation of shares in the Company, the number of New Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each New Option will be amended in inverse proportion to that ratio; and
  - (vi) in the event of any other reorganisation of the issued capital of the Company, the number of New Options or the exercise price or both will be reorganised (as appropriate) in a manner which will not result in any benefits being conferred on the Option holder which are not conferred on shareholders.



#### 6.9.6. Adjustments to Exercise Price of New Options

- (a) Adjustments to the number of Shares over which New Options exist and/or the exercise price may be made as described in paragraph 6.9.5(a) to take account of changes to the capital structure of the Company by way of pro-rata bonus and cash issues.
- (b) The method of adjustment for the purpose of paragraph (a) shall be in accordance with the Listing Rules of the ASX from time to time, which, under Listing Rules 6.22.2 and 6.22.3, currently provide:

- (c) **Pro Rata Cash Issues**

Where a pro-rata issue is made (except a bonus issue) to the holders of underlying securities, the exercise price of a New Option may be reduced according to the following formula:

$$O' = \frac{O - E[P-(S+D)]}{N + 1}$$

where:

- O' = the new exercise price of the New Optio.
- O = the old exercise price of the New Option.
- E = the number of underlying securities into which one New Option is Exercisable.
- P = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex rights date or ex entitlements date.
- S = the subscription price for a security under the pro-rata issue.
- D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro-rata issue).
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

- (d) **Pro-Rata Bonus Issues**

If there is a bonus issue to the holders of the underlying securities, on the exercise of any New Options, the number of Shares received will include the number of bonus Shares that would have been issued if the New Options had been exercised prior to the record date for bonus issues. The exercise price will not change.

- (e) **Takeovers and Schemes of Arrangement**

If during the currency of any New Options and prior to their exercise a takeover offer or a takeover announcement (within the meaning of the Corporations Act) is made to holders of Shares then within 10 Business Days after the Company becomes aware of the offer, the Company must forward a notice notifying the Option holder of the offer and from the date of such notification, the Option holder has 60 days within which to

exercise the New Options notwithstanding any other terms and conditions applicable to the New Options. If the New Options are not exercised within 60 days after notification of the offer, the New Options may be exercised at any other time according to their terms of issue.

If an offer for shares in the Company is made to Shareholders pursuant to a scheme of arrangement which has been approved in accordance with the Corporations Act, the Option holder will be entitled to exercise New Options within the period notified by the Company.

#### **6.9.7. Transfers**

The New Options are freely transferable.

#### **6.9.8. Notices**

Notices may be given by the Company to the Option holder in the manner prescribed by the Constitution of the Company for the giving of notices to Shareholders and the relevant provisions of the Constitution of the Company will apply with all necessary modification to notices to be given to the Option holder.

#### **6.9.9. Rights to Accounts**

The Option holder will be sent all reports and accounts required to be laid before Shareholders in general meeting and all notices of general meeting of Shareholders, however, if the Option holder is not a Shareholder, the Option holder will not have any right to attend or vote at these meetings.

**7.1.      The Company is a Disclosing Entity**

The Company is a disclosing entity for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure requirements. As a listed company, the Company is required to comply with all applicable continuous disclosure and reporting requirements in the Listing Rules.

The ASX maintains records of company announcements for all companies listed on the ASX. The Company's announcements may be viewed on the ASX's website at [www.asx.com.au](http://www.asx.com.au).

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at an office of ASIC.

**7.2.      Section 713 Prospectus**

This Prospectus has been issued under the provisions of section 713 of the Corporations Act. Section 713 enables disclosing entities to issue prospectuses in relation to securities in a class of securities that has been quoted on the ASX at all times in the 12 month period preceding the date of the prospectus, or options to acquire such securities. Copies of documents lodged at ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, an office of ASIC.

The New Shares to be issued under this Prospectus are in a class of securities that has been continuously quoted on the ASX in the 12 month period preceding the date of this Prospectus. Further, the New Options constitute options to acquire continuously quoted securities of a body.

As the New Shares form part of the same class as the Company's existing Shares and the New Options are options to acquire Shares that form part of the same class as the Company's existing Shares, ASIC Corporations (Exposure Period) Instrument 2016/74 allow the Company to accept Entitlement and Acceptance Forms and Application Forms upon the lodgement of this Prospectus with ASIC.

The level of disclosure that applies to this Prospectus requires that it must contain all the information investors and their professional advisers would reasonably require to make an informed assessment of:

- (a)      the effect of the offer on the Company; and
- (b)      the rights and liabilities attaching to the securities being offered.

The Prospectus must contain this information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in the Prospectus. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospectus of the issuing company. Accordingly, this Prospectus does not contain the same level of disclosure as a prospectus of an unlisted company or an initial public offering prospectus.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that the Company has complied with the general and specific requirements of ASX as

applicable from time to time throughout the 12 months before the date of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company. Information that is already in the public domain has not been reported in this Prospectus, other than that which is considered necessary to make the Prospectus complete.

### **7.3. Right to Obtain Copies of Documents**

The Company will provide a copy of any of the following documents, free of charge, to any person who requests a copy of the document before the Closing Date:

- (a) the annual financial report of the Company for the year ended 30 June 2016, being the annual financial report most recently lodged by the Company with the ASIC; and
- (b) any continuous disclosure notices (that is, documents in which the ASX was notified of information relating to the Company) given by the Company after 21 October 2016, being the date of lodgement of the 30 June 2016 annual financial report and before lodgement of a copy of this Prospectus with the ASIC. These documents are:

|            |                                |
|------------|--------------------------------|
| 22/12/2016 | Market Update and Rights Issue |
| 25/11/2016 | Results of Meeting             |
| 31/10/2016 | Commentary on Appendix 4C      |
| 31/10/2016 | Appendix 4C - quarterly        |

The Company may make further announcements to ASX from time to time. Copies of announcements are released by ASX on its website ([www.asx.com.au](http://www.asx.com.au)), and will also be made available on the Company website ([www.isentric.com](http://www.isentric.com)). Copies of announcements can also be obtained from the Company on request. Prospective investors are advised to refer to ASX's website or the Company website for updated releases about events or matters affecting the Company.

The annual financial report and the continuous disclosure notices referred to above have been identified for the purposes of section 713(4) of the Corporations Act and are not taken to form part of the content of this Prospectus.

The Company's Constitution and the consents referred to in Section 7.10 are also available for inspection for a period of 12 months after the date of this Prospectus during normal business hours at the Company's office at:

iSentric Limited  
Level 10, 50 Pitt Street  
SYDNEY NSW 2000

#### **7.4. The Board of Directors, Interests of Directors**

Details of the interests of each Director in securities of the Company immediately before lodgement of the Prospectus with ASIC are set out in the table below. The table does not take into account any securities the Directors may acquire under the Offer. Certain Directors have confirmed to the Company that they intend to subscribe for rights under the Offer as detailed at Section 1.4. The Director profiles are set out on page 2 of this Prospectus and contain details of the Board's experience and expertise.

*Relevant Interests of Directors (including indirect interest)*

| <b>Director</b>   | <b>Number of Shares</b> | <b>Number of Options held</b>   |
|-------------------|-------------------------|---|
| Lim Keong Yew     | 28,487,366              | Nil   |
| Lee Chin Wee      | 4,692,844               |   |
| Raymond Hor       | 1,790,309               |   |
| Terry Cuthbertson | 189,795                 | 100,000 unlisted options at an exercise price of \$0.20 expiring 9 September 2017 |
| Tim Monger        | 600,000                 |   |

#### **7.5. Payments and Benefits to Directors**

Except as set out in this Prospectus, no person has paid or agreed to pay any amount, or provided or agreed to provide any benefit to:

- (a) any Director in order to induce them to become, or to qualify as, a Director; or
- (b) any Director for services provided by him in connection with:
  - (i) the formation or promotion of the Company, or
  - (ii) the Offer.

The remuneration paid or payable to each Director for the last two years (including cash and non-cash benefits) is set out in Section 7.7 below.

#### **7.6. Executive Service Agreements**

Executives have service agreements that are capable of termination within 3 months. In the event of termination or resignation, employees are entitled to their statutory entitlements to annual leave and long-service leave, if applicable. There are no service agreements with any of the Directors.

#### **7.7. Remuneration of Directors**

The compensation for directors is set based on advice from external advisors with reference to fees paid to other non-executive directors of comparable companies. None of the directors receive performance-related compensation. Directors' fees cover all main board activities. The maximum aggregate remuneration of non-executive Directors fees has been set at \$500,000.

The following table shows the annual remuneration paid to both executive and non- executive directors and company secretary for the last two financial years ended 30 June 2015 and 30 June 2016:

Total remuneration paid or payable to the Directors for the year ended 30 June 2016 is set out below:

| Director          | Short term employee benefits |                         | Total          |
|-------------------|------------------------------|-------------------------|----------------|
|                   | Director's Fee               | Director's Remuneration |                |
|                   | \$                           | \$                      |                |
| Lim Keong Yew     | 30,000                       | -                       | 30,000         |
| Lee Chin Wee      | -                            | 67,113                  | 67,113         |
| Terry Cuthbertson | 30,000                       | -                       | 30,000         |
| Raymond Hor       | 30,006                       | -                       | 30,006         |
| Tim Monger        | 23,000                       | -                       | 23,000         |
| <b>Total</b>      | <b>143,006</b>               | <b>67,113</b>           | <b>210,119</b> |

Total remuneration paid or payable to the Directors for the year ended 30 June 2015 is set out below:

| Key Management    | Short term employee benefits |                         | Total          |
|-------------------|------------------------------|-------------------------|----------------|
|                   | Director's Fee               | Director's Remuneration |                |
|                   | \$                           | \$                      |                |
| Lim Keong Yew     | 25,000                       | -                       | 25,000         |
| Lee Chin Wee      | -                            | 203,025                 | 203,025        |
| Terry Cuthbertson | 28,000                       | -                       | 28,000         |
| <b>Total</b>      | <b>53,000</b>                | <b>203,025</b>          | <b>256,025</b> |

No Share-based payments or long term benefits were paid to directors or officers in the last two financial years.

Further details of the remuneration of Directors is set out in the Remuneration Report set out in the Annual Report 2015/2016 of the Company.

## 7.8. Interests of, and Issue of Payments and Benefits to, Advisors and Experts

Except as set out in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory, expert or any other capacity in connection with the preparation and distribution of this Prospectus, promoters of the Company (together, "Prescribed Persons") holds, or at any time in the past two years held, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired in connection with the formation or promotion of the Company or the Offer; or
- (c) the Offer.

Except as set out in this Prospectus, no amounts have been paid or agreed to be paid to any Prescribed Person and no benefit has been given or agreed to be given to any Prescribed Person for services provided by a Prescribed Person in connection with:

- (a) the formation or promotion of the Company; or

(b) the Offer.

GrilloHiggins Lawyers will receive the sum of approximately \$25,000 (excluding GST and disbursements) from the Company for the provision of legal services to the Company in connection with the Rights Issue. In the 2 years prior to the date of this Prospectus, GrilloHiggins Lawyers has not received legal fees in respect of any services provided to the Company.

#### **7.9. Litigation**

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against us.

#### **7.10. Consents**

GrilloHiggins Lawyers has given and as at the date of this Prospectus has not withdrawn its consent to be named as the Company's solicitors in relation to the Rights Issue. GrilloHiggins Lawyers has not authorised or caused the issue of any part of this Prospectus.

**8.1. What Existing Shareholders may do**

The number of New Shares and New Options to which Eligible Shareholders are entitled under the Rights Issue ('your Entitlement') is shown on the accompanying Entitlement and Acceptance Form.

As an Existing Shareholder, you may:

- take up your Entitlement in full;
- take up your Entitlement in full and apply for Shortfall Securities;
- take up part of your Entitlement; or
- do nothing and allow your Entitlement to lapse.

**8.2. Taking up all of your Entitlement**

If you wish to take up all of your Entitlement complete the accompanying Entitlement and Acceptance Form for New Shares and New Options in accordance with the instructions set out in the form. Forward your completed Entitlement and Acceptance Form together with your cheque in Australian currency drawn on and payable at an Australian bank for the amount shown on the form to reach the Company's Share Registry, Link Market Services Limited, no later than 5.00pm (AEDT) on 25 January 2017 at the address set out below:

iSentric Limited  
c/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

Cheques should be made payable to "iSentric Limited Rights Issue" and crossed "Not Negotiable". Alternatively, a BPAY® option is also available. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form.

If you are accepting all or part of your Entitlement and payment is being made by BPAY®, you are not required to return the Entitlement and Acceptance Form. Your BPAY® payment must be received by no later than 5.00pm (AEDT) on 25 January 2017.

**8.3. Taking up Shortfall by Shareholder**

If there is a Shortfall and you are an Eligible Shareholder and you wish to take up additional New Shares complete the additional New Shares section of the Entitlement and Acceptance Form in accordance with the instructions set out in the Entitlement and Acceptance Form. In order to apply for New Shares under the Shortfall Offer you must be an Eligible Shareholder and must have first taken up your Entitlement in full.

Forward your completed Entitlement and Acceptance Form together with your cheque in Australian currency drawn on and payable at an Australian bank for the amount shown on the



form to reach the Company's Share Registry, Link Market Services Limited, no later than 5.00pm (AEDT) on 25 January 2017 at the address set out below:

iSentric Limited  
c/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

Cheques should be made payable to "iSentric Limited Rights Issue" and crossed "Not Negotiable".

Alternatively, a BPAY® option is also available. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form. If you are accepting all or part of your Entitlement and payment is being made by BPAY®, you are not required to return the Entitlement and Acceptance Form. Your BPAY® payment must be received by no later than 5.00pm (AEDT) on 25 January 2017.

#### **8.4. Taking up Shortfall under Public Offer**

Members of the public in Australia who wish to apply for Shortfall Offer may do so by completing the Public Offer Application Form which accompanies this Prospectus by inserting the number of Shortfall Securities they wish to apply for and forwarding the completed Public Offer Application Form together with their cheque or bank draft, for the total amount payable to the following address by no later than 5:00pm (AEDT) on 25 January 2017:

iSentric Limited  
c/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

Cheques should be made payable to "iSentric Limited Rights Issue" and crossed "Not Negotiable".

#### **8.5. Consequences of doing nothing – Entitlement not taken up**

You will receive no benefit if you do not take up your Entitlement or sell your Rights. It is therefore important that you consider taking action either to take up your Entitlement in accordance with the above instructions and the instructions on the back of the Entitlement and Acceptance Form.

#### **8.6. Applications and Payment**

If your Entitlement and Acceptance Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted by the Company. The Company's decision as to whether to accept the application or how to construe, amend or complete it, shall be final, but no Applicant will be treated as having offered to purchase more New Shares than indicated by the amount of the cheque for application monies.

You are urged to lodge your Application as soon as possible. Entitlement and Acceptance Forms must not be circulated to prospective investors unless attached to a copy of this Prospectus.

Cheques must be drawn in Australian currency on an Australian bank and made payable to 'iSentric Limited Rights Issue' and crossed 'Not Negotiable'. Please do not forward cash or postal notes by mail. Receipts for payment will not be issued.

Eligible Shareholders may submit payments for New Shares applied for using BPAY®. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form. If you make payment by BPAY®, you do not need to return your Entitlement and Acceptance Form.

#### **8.7. Enquiries**

If you have any queries about your Entitlement please contact the Company between the hours of 8.30am and 5.00pm (AEDT), Monday to Friday:

Ph: 1300 420 545 (within Australia)

Ph: +61 1300 420 545 (outside Australia)

Alternatively, contact your stockbroker or other professional adviser.

#### **8.8. Personal Information and Privacy Act**

Eligible Shareholders have already provided certain personal information to the Company and its share registry. If Eligible Shareholders apply for New Shares and New Options, the Company and its share registry may update that personal information or collect new information. Such information will be used to assess the Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration.

Your personal information may be used and disclosed to persons inspecting the registers, regulatory bodies, print service providers, mail houses retained for Company purposes and Company's share registry.

If you do not provide the information requested in the Entitlement and Acceptance Form, the Company may not be able to process the Application or administer your holding of Shares appropriately.

Under the *Privacy Act 1998 (Cth)*, you may access, correct and update personal information held by, or on behalf of the Company or its share registry by contacting the Company as follows:

iSentric Limited  
Attention: Company Secretary  
Level 10, 50 Pitt Street  
SYDNEY NSW 2000  
Ph: +612 9538 0802  
Email: enquiry@isentric.com

**SECTION 9      DIRECTORS AUTHORISATION**

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The Directors of the Company have authorised the issue of this Prospectus on behalf of the Company.

This Prospectus has been signed by a Director for and on behalf of the Directors, in accordance with section 351 of the Corporations Act.

A handwritten signature in black ink, appearing to read 'Tim Monger', with a large, stylized loop at the bottom.

**Mr Tim Monger**

Independent Non-Executive Director

## SECTION 10 GLOSSARY

In this Prospectus the following terms have the meanings ascribed to them below, unless the context otherwise requires.

| TERM                                | DEFINITION  |
|-------------------------------------|---|
| <b>Applicant(s)</b>                 | Person(s) who submit an Application   |
| <b>Application</b>                  | A valid application made to subscribe for a specified number of New Shares (including Shortfall Securities where applicable) pursuant to this Prospectus  |
| <b>Application Form</b>             | The form which is attached to this Prospectus which is not personalised and which is to be used by persons other than Eligible Shareholders to apply for Shortfall Offer  |
| <b>ASIC</b>                         | Australian Securities and Investments Commission  |
| <b>ASTC</b>                         | ASX Settlement and Transfer Corporations Pty Ltd  |
| <b>ASX</b>                          | Australian Securities Exchange Limited  |
| <b>Board</b>                        | The board of Directors at iSentric Limited  |
| <b>Business Day</b>                 | A day that is not a Saturday, Sunday or public holiday or bank holiday in Sydney.   |
| <b>CHESS</b>                        | Clearing House Electronic Subregister System  |
| <b>Closing Date</b>                 | The date the Offer closes, being 5.00pm (AEDT) on 25 January 2017, unless extended by the Company   |
| <b>Company</b>                      | iSentric Limited (ACN 120 973 775)  |
| <b>Constitution</b>                 | The constitution of the Company   |
| <b>Contingent Resources</b>         | Those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from known accumulations, but for which the applied project or projects are not yet considered mature enough for commercial development because of one or more contingencies |
| <b>Corporations Act</b>             | <i>Corporations Act 2001</i> (Cth)  |
| <b>Despatch Date</b>                | 4 January 2016  |
| <b>Digital Content and Services</b> | The business division of the Company that relates to an online content aggregation platform and a proprietary game publishing network offering online games, mobile games, news and events  |
| <b>Digital Payments</b>             | The business division of the Company that relates to provision of a mobile platform that allows users to make small financial transactions  |
| <b>Directors</b>                    | The directors of iSentric Limited   |
| <b>Eligible Shareholder</b>         | A Shareholder entitled to participate in the Offer as described in Section 1.5  |
| <b>Enterprise Mobility</b>          | The business division of the Company relating to a platform that delivers mobile connectivity, messaging and mobile banking to corporate clients  |

| <b>TERM</b>                            | <b>DEFINITION</b>  |
|--|--|
| <b>Entitlement</b>                     | The entitlement of a Shareholder to participate in the Offer   |
| <b>Entitlement Offer</b>               | The offer for the Entitlement made in accordance with this Prospectus  |
| <b>Entitlement and Acceptance Form</b> | The form described as such accompanying this Prospectus (for Eligible Shareholders only)   |
| <b>Ex-rights Date</b>                  | 28 December 2016   |
| <b>International Shareholder</b>       | A holder of Shares having a registered address outside Australia or New Zealand  |
| <b>Issue</b>                           | The issue of New Shares and New Options in accordance with this Prospectus   |
| <b>Issue – Sponsored Statement</b>     | Issued sponsored holding statement to be issued by CHES  |
| <b>Listing Rules</b>                   | The official listing rules of the ASX  |
| <b>Lodgement Date</b>                  | 22 December 2016   |
| <b>Mobile Wallet</b>                   | A secure platform that allows for digital payments through a digital wallet that can be reloaded through billing from telecommunications providers or mobile banking   |
| <b>New Shares</b>                      | Shares issued under this Prospectus  |
| <b>Offer</b>                           | The Offer in accordance with this Prospectus, further details of which are set out in Section 1 of this Prospectus   |
| <b>Official List</b>                   | Has the meaning given to the term 'official list' in the Listing Rules   |
| <b>Official Quotation</b>              | Has the meaning given to the term 'quotation' in the Listing Rules   |
| <b>Prescribed Persons</b>              | Prescribed Persons has the meaning given to it in Section 7.8  |
| <b>Prospectus</b>                      | This Prospectus dated 22 December 2016   |
| <b>Public Offer</b>                    | The offer of Shortfall Offer to members of the general public who are resident in Australia and who are not Eligible Shareholders  |
| <b>Public Offer Application Form</b>   | The form described as such accompanying this Prospectus (for members of the general public only)   |
| <b>Rights</b>                          | A pro rata, non-renounceable rights issue of one (1) New Share at an issue price of at an issue price of 6 cents (\$0.06) for every four (4) Shares held at the Record Date and subscribed for, to raise approximately \$2,035,556, before issue costs and one (1) free attaching option having an exercise price of 9 cents (\$0.09) and expiry date of 31 January 2018 for every one (1) New Share purchased |
| <b>Record Date</b>                     | 29 December 2016   |
| <b>Section</b>                         | A section under this Prospectus.   |
| <b>Shareholder</b>                     | A register holder of Shares appearing on the Company's share register  |
| <b>Shares</b>                          | Ordinary fully paid shares in the capital of the Company   |
| <b>Share Registry</b>                  | Link Market Services Limited   |

| <b>TERM</b>                            | <b>DEFINITION</b>   |
|--|---|
| <b>Shortfall</b>                       | The New Shares and New Options which are not applied for by an Eligible Shareholder as part of their Entitlement or applied for by the holder of the Rights.                |
| <b>Shortfall Offer</b>                 | The offer of the New Shares and New Options forming the Shortfall to Eligible Shareholders, members of the public to be issued under and in accordance with this Prospectus |
| <b>Shortfall Securities</b>            | The New Shares and New Options forming the Shortfall which are to be issued to applicants for pursuant to the Shortfall Offer.  |
| <b>Statement of Financial Position</b> | The statement on the financial position of the Company.   |
| <b>Touch 'n Go</b>                     | Touch 'n Go Sdn Bhd (GST Reg. No: 001580257280) (a company registered in Malaysia)  |
| <b>US Person</b>                       | The meaning given in Regulation S under the US Securities Act   |
| <b>US Securities Act</b>               | The United States Securities Act of 1933, as amended.   |

## CORPORATE DIRECTORY

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### Registered Office

iSentric Limited  
Level 10, 50 Pitt Street  
Sydney NSW 2000, Australia  
Ph: +612 9538 0802  
Email [enquiry@isentric.com](mailto:enquiry@isentric.com)

### Website

[www.isentric.com](http://www.isentric.com)

### Directors

Lim Keong Yew (Non Executive Chairman)  
Terry Cuthbertson (Non Executive Director)  
Lee Chin Wee (Executive Director)  
Raymond Hor (Non Executive Director)  
Tim Monger (Non Executive Director)  
Kwong Vang Chong (Non Executive  
Independent Director)

### Company Secretary

Gary Stewart

### Chief Executive Officer

Sean Tham

### ASX Code

Shares: ICU

### Principal Legal Adviser

GrilloHiggins Lawyers  
Level 4, 114 William Street  
Melbourne VIC 3000

### Auditor

MNSA Pty Ltd\*  
Level 1, 284 George Street  
Sydney NSW 2000, Australia

### Share Registry

Link Market Services Limited\*  
Locked Bag A 14  
Sydney South NSW 1235

Ph: (02) 8280 7454 (within Australia)  
Ph: +61 2 8280 7454 (outside Australia)  
Fax: (02) 9287 0303  
Email: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)

Website: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

*\*This entity has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus. Its name is included for information purposes only.*

**SRN/HIN:**

**Entitlement Number:**

**Number of Eligible Shares held as at the Record Date, 7:00pm (AEDT) on 29 December 2016:**

**Entitlement to New Shares (on a 1 New Share for 4 basis):**

**Amount payable on full acceptance at A\$0.06 per Share:**

**Offer Closes 5:00pm (AEDT): 25 January 2016**

**ENTITLEMENT AND ACCEPTANCE FORM**

As an Eligible Shareholder you are entitled to acquire 1 New Share for every 4 Existing Shares that you hold on the Record Date, at an Offer Price of A\$0.06 per New Share. You may also apply for New Shares in excess of your Entitlement, at the Offer Price. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

**IMPORTANT:** The Offer is being made under the Prospectus dated 22 December 2016. The Prospectus contains information about investing in the New Shares. Before applying for New Shares, you should carefully read the Prospectus. This Entitlement and Acceptance Form should be read in conjunction with the Prospectus.

If you do not have a paper copy of the Prospectus, you can obtain a paper copy at no charge, by calling the iSentric Limited Offer Information Line on 1300 420 545 (within Australia) or +61 1300 420 545 (from outside Australia).

**PAYMENT OPTIONS**

If you wish to take up all or part of your Entitlement (as shown above), or take up all of your Entitlement and apply for additional New Shares, you have two payment options detailed below.

**OPTION 1: PAYING BY BPAY®**

If paying by BPAY®, refer to the instructions overleaf. **You do NOT need to return the acceptance slip below if you elect to make payment by BPAY®.** Payment must be received via BPAY® before 5:00pm (AEDT) on 25 January 2016. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY® you will be deemed to have completed an Application Form for the number of Shares subject of your application payment.

**OPTION 2: PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER**

If paying by cheque, bank draft or money order, complete and return the acceptance slip below with your Application Monies. No signature is required on the acceptance slip. The acceptance slip with your Application Monies must be received by the Registry before 5:00pm (AEDT) on 25 January 2016.



**Billers Code:** 232504  
**Ref:**

**Telephone & Internet Banking – BPAY®**

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au  
 ® Registered to BPAY Pty Ltd ABN 69 079 137 518

See overleaf for details and further instructions on how to complete and lodge this Entitlement and Acceptance Form.

**THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.**

*Please detach and enclose with payment*



SRN/HIN:

Entitlement Number:

|  |   |   |   |   |
|--|---|---|---|---|
| <p><b>A</b> Number of New Shares accepted (being not more than your Entitlement shown above)</p> <div style="border: 1px solid black; width: 100px; height: 20px; margin-top: 5px;"></div> | + | <p><b>B</b> Number of additional New Shares</p> <div style="border: 1px solid black; width: 100px; height: 20px; margin-top: 5px;"></div> | = | <p><b>C</b> Total number of New Shares accepted (add Boxes A and B)</p> <div style="border: 1px solid black; width: 100px; height: 20px; margin-top: 5px;"></div> |
|--|---|---|---|---|

**D PLEASE INSERT CHEQUE, BANK DRAFT OR MONEY ORDER DETAILS** – Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to “iSentric Limited Rights Issue Offer” and crossed “Not Negotiable”.

|   |   |   |   |  |
|---|---|---|---|--|
| Drawer  | Cheque Number   | BSB Number  | Account Number  | Amount of Cheque   |
| <div style="border: 1px solid black; width: 100%; height: 20px;"></div> | <div style="border: 1px solid black; width: 100%; height: 20px;"></div> | <div style="border: 1px solid black; width: 100%; height: 20px;"></div> | <div style="border: 1px solid black; width: 100%; height: 20px;"></div> | <div style="border: 1px solid black; width: 100%; height: 20px; text-align: center;">A\$</div> |

**E CONTACT DETAILS** – Telephone Number      Telephone Number – After Hours      Contact Name

|  |  |   |
|--|--|---|
| <div style="border: 1px solid black; width: 100%; height: 20px; text-align: center;">( )</div> | <div style="border: 1px solid black; width: 100%; height: 20px; text-align: center;">( )</div> | <div style="border: 1px solid black; width: 100%; height: 20px;"></div> |
|--|--|---|



# ISENTRIC LIMITED

The Entitlement Offer to which this Entitlement and Acceptance Form relates is not being made to investors located or resident outside of Australia and New Zealand. In particular the Entitlement Offer is not being made to any person in the U.S. or to a U.S. person. The Prospectus and Entitlement and Acceptance Form do not constitute an offer or invitation to acquire Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

## ACCEPTANCE OF ENTITLEMENT OFFER

By either returning the Entitlement and Acceptance Form with payment to the Registry, or making payment received by BPAY®:

- you represent and warrant that you have read and understood the Prospectus and that you acknowledge the matters, and make the warranties and representations;
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of iSentric Limited.

## HOW TO APPLY FOR NEW SHARES

### 1. IF PAYING BY BPAY® (AVAILABLE TO SHAREHOLDERS WITH AN AUSTRALIAN BANK ACCOUNT ONLY)

If you elect to make payment using BPAY® you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information on paying by BPAY®: [www.bpay.com.au](http://www.bpay.com.au)

Work out the total amount payable by you. To calculate the total amount, multiply the number of New Shares you wish to apply for by A\$0.06.

Refer overleaf for the Biller Code and Reference Number. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

### 2. IF PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

Complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Entitlement and Acceptance Form.

#### A. Acceptance of New Shares

Enter into section A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

#### B. Application for Additional New Shares

You can apply for more New Shares than your Entitlement. Please enter the number of **additional** New Shares above your Entitlement for which you wish to apply into Box B. Your Application for additional New Shares may not be successful (wholly or partially). The decision of iSentric Limited on the number of New Shares to be allocated to you will be final. No interest will be paid on any Application Monies received or returned.

#### C. Total Number of New Shares Subscribed for

To calculate total number of New Shares subscribed for, add Box A and Box B and enter this in Box C.

#### D. Cheque, bank draft or money order details

Enter your cheque, bank draft or money order details in section D. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "iSentric Limited Rights Issue Offer" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque or money order for the incorrect amount, iSentric Limited may treat you as applying for as many New Shares and Additional New Shares as your cheque, bank draft or money order will pay for.

#### E. Contact details

Enter your contact telephone number where we may contact you regarding your acceptance of New Shares, if necessary.

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## 3. HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM

A reply paid envelope is enclosed for your use. No postage stamp is required if it is posted in Australia. Alternatively, if you have lost the reply paid envelope, or you have obtained the Prospectus electronically, your completed Entitlement and Acceptance Form with the payment for New Shares may be mailed to the postal address, or delivered by hand to the delivery address, set out below. **If paying by BPAY® you do not need to complete or return the Entitlement and Acceptance Form.** You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

#### Mailing Address

iSentric Limited  
C/- Link Market Services Limited  
GPO Box 3560  
Sydney NSW 2001

#### Hand Delivery

iSentric Limited  
C/- Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138 **(Please do not use this address for mailing purposes)**

Make sure you send your Acceptance Slip and application payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5:00pm (AEDT) on 25 January 2016. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. iSentric Limited reserves the right not to process any Acceptance Slips and cheques received after the Closing Date.

**If you require further information on how to complete this Entitlement and Acceptance Form, please contact the iSentric Limited Offer Information Line on 1300 420 545 (within Australia) or +61 1300 420 545 (from outside Australia) between 8:30am and 5:30pm (AEDT) Monday to Friday.**

## Shortfall Application Form

This is an Application Form for Shares in iSentric Limited ("The Company") under the terms set out in the Prospectus dated 22 December 2016. Shortfall New Shares are allotted at the Directors' discretion. The Company cannot guarantee the availability of Shortfall New Shares for all or any of the applications. This Application Form and your cheque or bank draft must be received by the Share Registry by **5:00pm (AEDT) on 25 January 2016**.

**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**      at **A\$0.06**      **B** A\$

**PLEASE COMPLETE YOUR DETAILS BELOW** (refer overleaf for correct forms of registrable names)

Applicant

Surname/Company Name

**C**

Title

First Name

Middle Name

Joint Applicant #2

Surname

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

**D**

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

Street Number

Street Name

Suburb/City or Town

State

Postcode

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

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

**F** **X**

*Please note: that if you supply a CHES HIN but the name and address details on your Application Form do not correspond exactly with the registration details held at CHES, your Application will be deemed to be made without the CHES 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 "iSentric Limited Rights Issue" in Australian currency and crossed "Not Negotiable".

Cheque or Bank Draft Number

BSB

Account Number

**H**      -     

Total Amount **A\$**

**LODGEMENT INSTRUCTIONS**

You must return your application so it is received before 5:00pm (AEDT) on 25 January 2016 to:

Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235.

**ICU IPO001**



# Your 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 Shortfall Application Form relates are iSentric Limited Shares. Further details about the shares are contained in the Prospectus 22 December 2016 issued by iSentric Limited.

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 Shortfall 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.

- A** Insert the number of Shares you wish to apply for. You may be issued all of the Shares applied for or a lesser number.
- 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.
- 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.
- 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, iSentric Limited will be required to deduct tax at the highest marginal rate of tax (including the Medicare Levy) from payments.
- E** Please enter your postal address for all correspondence. All communications to you from iSentric 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.
- F** If you are already a CHES participant or sponsored by a CHES participant, write your Holder Identification Number (HIN) here. If the name or address recorded on CHES for this HIN is different to the details given on this form, your Shares will be issued to iSentric Limited's issuer sponsored subregister.
- G** Please enter your telephone number(s), area code and contact name in case we need to contact you in relation to your Application.
- H** Please complete the details of your cheque or bank draft in this section. The total amount should agree with the amount shown in section B.  
  
Make your cheque or bank draft payable to "iSentric Limited Rights Issue" 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.

## 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 25 January 2016 at:

iSentric Limited Share Offer  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

iSentric Limited Share Offer  
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](http://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.

| Type of Investor   | Correct Form of Registration   | Incorrect Form of Registration                     |
|--|--|--|
| <b>Individual</b><br>Use given names in full, not initials   | Mrs Katherine Clare Edwards  | K C. Edwards                                       |
| <b>Company</b><br>Use Company's full title, not abbreviations  | Liz Biz Pty Ltd  | Liz Biz P/L or Liz Biz Co.                         |
| <b>Joint Holdings</b><br>Use full and complete names   | Mr Peter Paul Tranche & Ms Mary Orlando Tranche                                | Peter Paul & Mary Tranche                          |
| <b>Trusts</b><br>Use the trustee(s) personal name(s)   | Mrs Alessandra Herbert Smith<br><Alessandra Smith A/C>                         | Alessandra Smith Family Trust                      |
| <b>Deceased Estates</b><br>Use the executor(s) personal name(s)  | Ms Sophia Garnet Post & Mr Alexander Traverse Post<br><Est Harold Post A/C>    | Estate of late Harold Post or Harold Post Deceased |
| <b>Minor (a person under the age of 18 years)</b><br>Use the name of a responsible adult with an appropriate designation | Mrs Sally Hamilton<br><Henry Hamilton>   | Master Henry Hamilton                              |
| <b>Partnerships</b><br>Use the partners' personal names  | Mr Frederick Samuel Smith & Mr Samuel Lawrence Smith<br><Fred Smith & Son A/C> | Fred Smith & Son                                   |
| <b>Long Names</b>  | Mr Hugh Adrian John Smith-Jones  | Mr Hugh A J Smith Jones                            |
| <b>Clubs/Unincorporated Bodies/Business Names</b><br>Use office bearer(s) personal name(s)                               | Mr Alistair Edward Lilley<br><Vintage Wine Club A/C>                           | Vintage Wine Club                                  |
| <b>Superannuation Funds</b><br>Use the name of the trustee of the fund   | XYZ Pty Ltd<br><Super Fund A/C>  | XYZ Pty Ltd Superannuation Fund                    |

Put the name(s) of any joint Applicant(s) and/or account description using < > as indicated above in designated spaces at section C on the Application Form.