

Appendix 3X

Initial Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

| | |
|-----------------------|--------------------------|
| Name of entity | READCLOUD LIMITED |
| ABN | 44 136 815 891 |

We (the entity) give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

| | |
|----------------------------|---------------|
| Name of Director | Darren Hunter |
| Date of appointment | 3 August 2015 |

Part 1 - Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

| |
|---|
| Number & class of securities |
| 5,500,000 Performance Rights (comprising Class A, Class B, Class C, Class D performance rights) escrowed for 24 months from the date of listing, as follows: |
| <ul style="list-style-type: none">• 1,375,000 Class A performance rights will convert to shares if User targets are met, expiring on 31 December 2018 and 31 December 2019:• 1,375,000 Class B Performance Rights will convert to shares if the Company achieves revenue targets for FY18 and FY19• 1,375,000 Class C Performance Rights will convert to shares if the Company achieves EBITDA targets for FY18 and FY19• 1,375,000 Class D Performance Rights will convert to shares if share price performance conditions are achieved on 31 December 2018 and 31 December 2019. |

+ See chapter 19 for defined terms.

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Part 2 – Director's relevant interests in securities of which the director is not the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

| Name of holder & nature of interest Note: Provide details of the circumstances giving rise to the relevant interest. | Number & class of Securities |
|---|--|
| Hunmar Holdings Pty Ltd (Director and shareholder) | (a) 340,080 Fully Paid Ordinary Share (b) 3,477,706 Fully Paid Ordinary Shares escrowed for 24 months from the date of listing |
| Mr Darren Hunter & Ms Sandra Margate <Hunter Margate S/F A/C> (Joint trustee and beneficiary) | (a) 97,486 Fully Paid Ordinary Shares (b) 112,108 Fully Paid Ordinary Shares escrowed for 24 months from the date of listing. (c) 150,000 Fully Paid Ordinary Shares (d) 75,000 Options exercisable at \$0.30 (30 cents) per Option, on or before 30 November 2020. |

Part 3 – Director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
|---|-----|
| Detail of contract | N/A |
| Nature of interest | N/A |
| Name of registered holder (if issued securities) | N/A |
| No. and class of securities to which interest relates | N/A |

+ See chapter 19 for defined terms.