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Company Announcements Office
Australian Securities Exchange
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20 Bond Street
SYDNEY NSW 2000

Stanfield Funds Management Limited enters Share Purchase Agreement to acquire Sprooki Pte Ltd

The Directors of Stanfield Funds Management Limited (“**SFN**” or the “**Company**”) are pleased to announce that, after a period of assessment, the Company has entered into a Share Purchase Agreement (“**SPA**”) for the acquisition of all outstanding shares in Sprooki Pte Ltd (“**Sprooki**”). The SPA will see SFN acquire 100% of the issued capital from the shareholders of Sprooki (“**Vendors**”).

About Sprooki

Based in Singapore and founded by Australian Executives, Sprooki is an award winning B2B location-based mobile engagement platform, which has demonstrated significant growth in Asia since it was **launched in 2013 with the backing of the Prime Minister’s National Research Foundation of Singapore**. Focussed on the world’s largest mobile and ecommerce markets of Asia-Pacific, Sprooki is a mobile-first engagement and commerce platform for retail brands and shopping malls, and has already positioned itself as a primary mover in the region. Sprooki provides many of Asia’s largest malls and retailers with a location-based mobile engagement platform that they can use on a daily basis to win more customers where and when they choose to shop. Integrating consumer behaviour analytics, a cloud-based platform and implementation services, Sprooki has set out to make "mobile first" technology accessible, effective and affordable.

The technology makes big data from consumer behaviour analytics actionable by giving malls and retail groups the ability to engage each customers personally. Sprooki’s platform has the ability to direct shoppers to stores, whilst delivering real-time location-based alerts, promotions and rewards to drive greater shopper engagement and sales conversion.

Sprooki provides a comprehensive and effective mobile engagement "toolkit" with response and conversion rates that are on average five times more effective than other communication platforms. Since commencing operations in 2013, Sprooki's platform has attracted a retail footprint of more than 3,500 retail stores across 70 mall locations in Asia and continues to expand aggressively across the Asia Pacific region.



Sprooki's enterprise clients include Far East Asia Organisation (the largest private property developer in Singapore), Lend Lease Asia Pacific, AsiaMalls, SSI Group, Rustan's and leading brands like Payless, Eu Yang Sang, Old Navy, Zara, Marks and Spencer and Samsonite.

Given the accelerated take up of mobile connectivity and smartphone technologies in Asia, the Sprooki platform is rapidly becoming a "must have" tool for retailers throughout the region. This is mirrored by the latest BI Intelligence* forecasts that estimate that US In-Store Retail Sales triggered by Beacon and Mobile Engagement Technologies is expected to increase from US\$4billion in 2015 to over US\$44 billion in 2016. Furthermore Deloitte** have estimated that the global mCommerce industry will exceed **US\$638b** annually by 2018.

**<http://www.businessinsider.com.au/twitter-ventures-hearst-ventures-softbank-capital-lead-18-million-financing-round-in-beacon-company-swirl-2015-4>*

***<http://www2.deloitte.com/content/dam/Deloitte/au/Documents/consumer-business/deloitte-au-cb-gpor-120115.pdf>*

Share Purchase Agreement

On 20th July 2015, SFN, Sprooki and the Vendors executed the SPA which provides that, subject to a number of conditions precedent, SFN will acquire all of the issued capital of Sprooki from the Vendors.

The purchase price payable by SFN for the acquisition of Sprooki is the issue of the following securities to the Vendors:

- 20,000,000 shares upon completion of the acquisition;
- 10,000,000 performance shares which will automatically convert into ordinary shares upon the achievement of Milestone 1; and
- 10,000,000 performance shares which will automatically convert into ordinary shares upon the achievement of Milestone 2.

Milestones	Number of Shares to be Issued
<p>Milestone 1 means:</p> <p>a) Sprooki achieving SG\$1.4 million in revenue; and</p> <p>b) Sprooki executing and implementing a binding commercial agreement with:</p> <p>i) a retail brand or mall group who is either in the top three in a single major market by revenue or significant presence in at least three markets; or</p> <p>ii) a value added service provider with access to greater than 200,000 existing customers or members and active participation of at least 10% of those existing customers (n.b. this requirement does not need to be satisfied more than once to satisfy both Milestones),</p> <p>in any 12 month period and up to 5 Years from date of execution.</p>	10,000,000



<p>Milestone 2 means:</p> <p>a) Sprooki achieving SG\$4.2 million in revenue; and</p> <p>b) Sprooki executing and implementing a binding commercial agreement with:</p> <p>i) a retail brand or mall group who is either in the top three in a single major market by revenue or significant presence in at least three markets; or</p> <p>ii) a value added service provider with access to greater than 200,000 existing customers or members and active participation of at least 10% of those existing customers (n.b. this requirement does not need to be satisfied more than once to satisfy both Milestones),</p> <p>in the 12 month period to 30 June 2017, or in any subsequent 12 month period and up to 5 years from date of execution.</p>	10,000,000
Total	20,000,000

In addition, SFN will issue the following securities in consideration of services provided in connection with the transaction and will not exceed:

- 6,000,000 (but not less than 3,000,000) shares to Boardroom Capital (and/or its nominees);
- 2,000,000 options (“**Options**”) to Boardroom Capital (and/or its nominees), each exercisable at the offer price under its prospectus and expiring within 3 years; and
- 3,200,000 Options to brokers and promoters, as determined by Boardroom Capital.

Conditions Precedent

Completion of the SPA is subject to a number of conditions, including the following:

- a) SFN successfully completing capital raisings to raise not less than \$2,700,000;
- b) SFN obtaining all required shareholder and regulatory approvals;
- c) SFN and Sprooki completing their respective due diligence;
- d) SFN re-complying with Chapters 1 and 2 of the ASX Listing Rules (if required);
- e) SFN having cash resources and assets net of all liabilities of at least \$2,500,000 at completion;
- f) Sprooki obtaining third party consents;
- g) SFN entering into employment agreements with Michael Gethen (Managing Director) and Claire Mula (Executive Director); and
- h) the Vendors procuring the conversion of Sprooki convertible securities into shares and any new shareholders agreeing to the SPA as Vendors.

If completion does not occur by the end date, 16th November 2015, then SFN must advance A\$300,000 to Sprooki by way of a convertible note. This note would be provided on the same terms as the previous note announced to the ASX on the 21st May 2015 which bears 6% interest per annum and



matures after a period of 18 months, or alternatively is convertible by the Company into shares in Sprooki at a conversion price of S\$27.97 per share.

Capital raisings

SFN will seek to raise at least \$2,700,000 in connection with the acquisition of Sprooki via one or more capital raisings. The Company will prepare and issue a prospectus for the purpose of raising funds.

Board changes

Under the SPA, Sprooki will be entitled to nominate 2 persons to the Board of Directors from completion of the transaction, and 3 existing Directors will step down. Sprooki may appoint additional Directors as each Milestone is satisfied.

Due Diligence and Risk Factors

The Company will undertake a due diligence process in relation to the acquisition. Whilst this process is undertaken to identify or eliminate material risks in relation to the acquisition, it should be noted that following completion of the SPA, SFN will be subject to the usual risks associated with information technology companies.

Re-compliance with Chapters 1 and 2

Following execution of the SPA, the Company may be required to re-comply with Chapters 1 and 2 of the ASX Listing Rules prior to being able to settle the purchase. SFN will call a meeting of shareholders, at which the shareholders will be asked to vote on the proposal to acquire Sprooki. If the shareholders approve the transaction to acquire Sprooki, and ASX has determined that the Company must re-comply with Chapters 1 and 2 of the ASX Listing Rules, the Company's shares will be suspended from trading on the ASX from the date of the meeting until the requirements of Chapters 1 and 2 of the ASX Listing Rules have been satisfied.

Proposed Timetable

	Date*
Despatch of Notice of Meeting	27 August 2015
Lodgement of Prospectus	27 August 2015
Meeting of Shareholders to Approve Acquisition	28 September 2015
Results announced and suspension of Company's Shares from trading on ASX	28 September 2015
Closure of Prospectus offer	8 October 2015
Satisfaction of all Requirements of Chapters 1 & 2 (if required)	22 October 2015
Reinstatement to Trading on ASX	27 October 2014



*The above dates are indicative only and are subject to change. The Company will keep shareholders updated on the timing of the implementation of the transaction as it progresses.

Indicative Capital Structure

The table below reflects \$2,700,000 will be raised at \$0.35 for the purposes of the indicative capital structure.

	Pre-completion	Post-completion
Existing shares	16,158,387	16,158,387
Shares to be issued under \$2,700,000 capital raisings	-	7,715,000
Shares issued to adviser	-	6,000,000
Shares issued to Vendors	-	20,000,000
Total Shares	16,158,387	49,873,387
Existing options	9,440,000	9,440,000
Options issued to creditors under DOCA (on or about 4 August 2015)	302,651	302,651
Performance shares issued to Vendors	-	20,000,000
Options issued to advisers	-	5,200,000
Fully diluted share capital	25,901,038	84,481,038

*The above table is indicative only and is subject to change.

Stephen Hewitt-Dutton
Company Secretary