



Limited

**(FORMERLY CALLED LATIN GOLD LIMITED)
ACN 059 457 279**

PROSPECTUS

For an offer of 40,000,000 Shares at an issue price of \$0.20 per Share to raise \$8,000,000 (**Offer**).

This Prospectus is a re-compliance prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy the ASX requirements for re-listing following a change to the nature and scale of the Company's activities.

The Offer is subject to certain conditions precedent, including receiving conditional ASX approval for re-quotation of the Company's Shares on the ASX.

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

The Shares offered by this Prospectus should be considered highly speculative.

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1. CORPORATE DIRECTORY

Directors

Howard Dawson (Non-Executive Chairman)
Michael Higginson (Non-Executive Director)
John Macdonald (Non-Executive Director)

Proposed Directors

Steven Goh (Executive Director and Chief Executive Officer)
Yen-Chang (Charles) Pan (Executive Director)
Andi Zain (Non-Executive Director)
Dmitry Levit (Non-Executive Director)
John Lee (Non-Executive Director)
Dr Yichin Lee (Non-Executive Director)

Proposed Chief Financial Officer

Patrick Wong

Company Secretary

Michael Higginson

Solicitors*

Baker & McKenzie
Level 27, AMP Centre,
50 Bridge Street
Sydney, New South Wales 2000

Investigating Accountant

Stantons International Securities Pty Ltd
Level 2, 1 Walker Avenue
West Perth, Western Australia 6005

ASX Code

LAT (to be changed to **MIG** on 4 July 2014)

Registered Office

13/36 Johnson Street
Guildford, Western Australia 6055

Telephone: +61 8 9378 1188

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Website: www.latingold.com.au

Share Registry*

Advanced Share Registry Limited
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Nedlands, Western Australia 6009

Telephone: +61 (08) 9315 0933

Facsimile: +61 (08) 9262 3723

Auditor*

Stantons International
Level 2, 1 Walker Avenue
West Perth, Western Australia 6005

* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

2. **TIMETABLE***

	Date
Lodge Prospectus with the ASIC and the ASX	30 June 2014
Cleansing Offer Opening Date	1 July 2014
Opening Date	1 July 2014
Closing Date	21 July 2014
Shares issued under Prospectus	22 July 2014
Settlement Date (Shares issued to mig33 Vendors)	22 July 2014
Cleansing Offer Closing Date	23 July 2014
Quotation Date	31 July 2014

* These dates are indicative only and subject to change. The Directors reserve the right to vary these dates, including the Closing Date, without prior notice.

3. IMPORTANT NOTICE

This Prospectus is dated 30 June 2014 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

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

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Shares which are the subject of this Prospectus should be considered highly speculative.

Following the passing by Shareholders of Resolution 11 at the General Meeting, the Offer is being made to Big Build Enterprises Limited (refer Section 5)

3.1 Conditional Offer and Consolidation

In accordance with the terms and conditions of the Placement Agreement (refer Section 10.3), completion of the Offer under this Prospectus is subject to all approvals or consents required from any Government Agency to implement the Offer are obtained (or deemed obtained) on terms reasonably acceptable to the Company and Big Build Enterprises Limited and not withdrawn, including ASX providing a conditional approval letter to the Company confirming that, subject to completion of the Acquisition, the equity securities of the Company will be re-admitted to Official Quotation.

For the Company's equity securities to be re-admitted to Official Quotation, the Company will need to, inter alia, re-complying with Chapters 1 and 2 of the ASX Listing Rules, finalise the Consolidation, raise the minimum subscription (refer Section 5.3) and complete the Acquisition.

Further details of the outstanding conditions precedent to Completion are set in Sections 4.4 and 10.2. If these conditions precedent are not met, the Company will not proceed with the Offer and will repay all application monies received, without interest and in accordance with the Corporations Act.

Unless stated otherwise, all references to securities of the Company as set out in this Prospectus are on the basis that the Consolidation has occurred.

3.2 Exposure Period

In accordance with ASIC class order 00/168 there is no exposure period as the Shares offered by this Prospectus are of the same class as the Company's existing Shares which, at the time of lodgement of this Prospectus, are quoted on the ASX which is a prescribed financial market.

3.3 Web Site – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.latingold.com.au and from the company announcements platform of the ASX website (ASX Code: currently **LAT**, to be changed to **MIG** on 4 July 2014).

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company will only accept an Application Form from Big Build Enterprises Limited.

3.4 Website

Other than as otherwise stated in this Prospectus, no document or information included on the Company's website is incorporated by reference into this Prospectus.

3.5 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7 of this Prospectus.

3.6 Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

4. INVESTMENT OVERVIEW

This Section is a summary only and not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

4.1 The Company

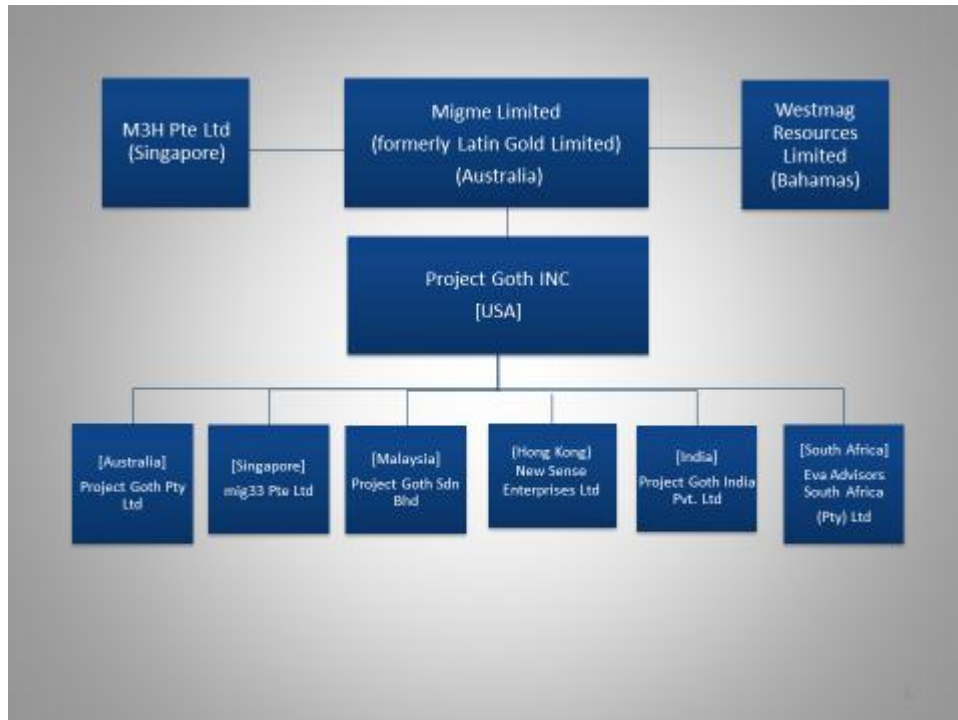
The Company was incorporated as a public company on 17 March 1993 and was admitted to the Official List of the ASX on 6 June 2001.

The Company's initial focus was as a potential manganese oxide producer, but over time evolved into a mineral exploration company. The Company's major exploration interests for some period of time were focussed in Chile and then Peru, however, the Peruvian exploration interests were sold in 2012 with the Company retaining a production royalty.

Since 2012, the Company's activities included the acquisition and exploration of advanced mineral properties. During the latter half of 2013, the Company expanded its search for new projects to cover industrial businesses and, in particular, those within the new technology sector.

As announced by the Company on 23 January 2014, the Company entered into the Agreement to acquire all of the issued capital of PGI and M3H, which together comprised the holding companies for the mig33 business.

On completion of the Acquisition, the corporate structure of the merged group will be as depicted below (upon Completion, all entities within the migme merged group will be 100% owned by migme):



On completion of the Acquisition, the nature of the Company's business will change to become a technology focused social entertainment platform that features miniblog, chat, chatrooms, virtual gifts and games.

On 16 June 2014, the Company entered into the Merger Agreement. The Merger Agreement sets out, inter alia, the detailed terms and conditions of the Acquisition. The Merger Agreement supersedes the Agreement.

A summary of the material terms of the Agreement is set out in Section 10.1 and a summary of the material terms of the Merger Agreement is set out in Section 10.2 of this Prospectus.

4.2 Mig33

mig33 is an emerging mobile social network, founded in Australia in 2006 by Steven Goh and Mei Lin Ng. The initial product focused on building a chat community, with monetisation sourced from virtual currency payments for gifts, games and avatars.

In 2007, mig33 gained US funding from prominent venture capital investors in Silicon Valley. These investors also injected valuable knowledge and relationships as a result of their investments in other notable social networking companies, including Facebook and Ren Ren. mig33 later moved its core team to California, whilst maintaining a cost competitive Malaysian based customer service centre.

Despite promising initial global growth and the winning of numerous awards, the product was slow to gain traction in the US as this market had not yet seen the introduction of smartphones that allow for mobile chat and social networking. The product was, however, gaining a significant registered user base across South East Asia and Africa.

Consequently, in 2009 mig33 relocated its core team to Singapore to expand its cost competitive operations to Indonesia and to better secure a foothold in the Asian markets. Singapore remains the current headquarters for mig33.

Evolution of Markets and Products

Since inception, mig33 has continued to mature its products and business model. The products offered expanding from private mobile chat based services with SMS and VOIP, to include games, virtual gifts, blogging and a robust social entertainment platform which is now accessible via both the web and mobile (app. and WAP).

In 2014, the product focus will be shifting from being a private chat community to a broader public social entertainment blogging platform model, where all visitors can engage more openly with content, celebrities and friends. This growth strategy focuses on the complementary establishment of artists, media and industry partnerships and expanding business development that will be combined with a viral referral program.

In February 2014, mig33 acquired Asian artist and engagement management group alivenotdead.com, which provided access to over 1,800 artists to the business.

The new public platform also allows users to potentially build their own blog

properties, thereby creating a fan-based economy that's likely to be attractive to advertisers and brands in the future.

The product has 4 critical elements:

- **Platform**

The platform was developed in-house using a range of open source technologies (for example PHP, Python, Java, MYSQL, Hadoop and REDIS) to deliver the dominant proposition around the blogging platform, chat products and the gamified experiences (including games, badges, levels and rewards).

- **Community**

mig33 is a very active and vibrant community that regularly hosts hundreds of meet-up events on a weekly and monthly basis, which may be attended by up to several thousand users.

- **Celebrity artists, media and game developers**

The mig33 platform allows artists to build a fan base audience within the product, where the fan following is likely equivalent or larger compared to their presence on other social networks (eg. like Facebook and Twitter). A big differentiator with mig33 is that the artists can monetise their fans through revenue from virtual gifts and games, which is unlike other social networks where only the platform makes the money.

- **Credits**

mig33 has a prepaid economy where users can buy credits, trade them, and spend them on virtual gifts, games and other services. Users can either buy credits directly from the company, or through multi-level marketing tools in the service.

These four elements have been developed over several years and to date have generated over 3 million monthly active users.

Alivenotdead.com

On 19 February 2014, mig33 announced that it had acquired 100% of the alivenotdead.com business.

alivenotdead.com is an online artist community based in Hong Kong with a regional presence and serves over 1,800 artists. These services include events, social media management and advisory, booking and casting opportunities, promotion and networking.

The acquisition is expected to deliver a significant boost to mig33's entertainment platform, offering fans and artists a way to connect and enabling alivenotdead's fast-growing stable of more than 1,800 artists to engage with, grow and monetise their audiences among mig33's members.

Hong Kong based alivenotdead.com was founded in 2007 with the goal of strengthening artist communities worldwide, allowing artists to connect with and

grow their audience, share their creative works and meet and collaborate with other artists. The community was founded by Patrick Lee, a serial entrepreneur focused on internet and entertainment and co-founder in 2000 of the popular motion picture review site rottentomatoes.com.

FIH Mobile Limited/Big Build Enterprises Limited

On 30 April 2014, the Company announced that the mig33 group, via its holding company PGI had secured a US\$2.2 million investment, from FIH Mobile Limited (FIH Mobile). This investment was by the purchase of existing PGI securities and subscribing to the rights to new shares in PGI.

Subject to the successful completion of the Acquisition and pursuant to this Prospectus, 40,000,000 Shares will be allotted to Big Build Enterprises Limited (a wholly owned subsidiary of FIH Mobile Limited) raising a total of \$8,000,000 for the Company.

FIH Mobile is listed on the main board of the Stock Exchange of Hong Kong Limited, with stock code 2038 and a market capitalisation of over US\$4 billion. FIH Mobile (formerly Foxconn International Holdings Limited) is a vertically integrated manufacturing service provider for the handset industry worldwide, providing a wide range of manufacturing services to its customers in connection with the production of handsets. FIH Mobile's parent company is Foxconn (Far East) Limited and its ultimate holding company is Hon Hai Precision Industry Co Limited (**Hon Hai**). Hon Hai and its subsidiaries (as a group they are commonly known as the Foxconn Technology Group) are the leading global manufacturing service provider in the 3C (computer, communication and consumer electronics) industries.

Hon Hai supplies a large range of global customers and has annual revenues of around US\$132 billion and a market capitalisation of approximately US\$33.7 billion.

The introduction of Big Build Enterprises Limited as a significant Shareholder will provide the Company with the opportunity to substantially accelerate its growth plans. This includes the planned establishment of a development centre in Taiwan, where Hon Hai is based, which will be focused on business development and extending the Company's reach into the mobile telephony network.

In view of FIH Mobile/Big Build Enterprises Limited potential US\$9.6 million investment, FIH Mobile was invited to nominate two Directors to the Board. Both of the nominated Directors, namely Charles Pan and Dr Yichin Lee, are well respected and highly qualified.

Following completion of the Acquisition and Offer, FIH Mobile/Big Build Enterprises Limited will become the Company's largest shareholder, with an interest of 19.90%.

Marketing Plan

mig33 plans to rebrand its name to 'migme' in June 2014, to reflect the shift in product strategy of the business. The marketing plan going forward will focus on achieving growth targets in several key areas including:

- **User base growth**

Growing the key metric, Monthly Active Users, from the existing core of around 3.2 million, the company seeks to create open channels that would be fundamental to the success of the social entertainment platform. This includes creating open channels between other social networks that would both enable users to crossover to other platforms and also use the platform to disseminate compelling content outwards to other social networks for the purpose of attracting new users. The openness of the platform making the product an inviting and welcoming proposition for new users.

- **User engagement**

User engagement is maintained by utilising compelling content and activities. The company will initially provide compelling content – notably games, interactions with celebrities and digital social activities (for example, sharing of voice and video content). To elevate user engagement, the company will encourage users to share their experience and activities with their friends – both within and outside of the platform – to further attract social participation.

- **Monetisation**

Monetisation is maintained by providing products and payment channels, so the revenues can help drive the acquisition of premium content and activities. Designing gamification elements for user participation is a critical element for success in driving user purchases for premium products.

The Company seeks to gain traction on the above elements in staged and coordinated phases, to allow the Company to effectively achieve targeted growth objectives.

Markets

The platform has been tailored for the emerging markets across South East Asia, South Asia, the Middle East and Africa. These regions represent a population of over 3.5 billion people which the company intends to monetise, not through advertising, but through the sale of virtual goods, gifts and games. This business model was in part developed to build on the success of the Chinese based Tencent Holdings (700: HK), which now has a market capitalisation of over US\$120 billion.

Early results indicate that artists and celebrities using mig33 in Indonesia and South Asia are achieving levels of engagement comparable to and exceeding that of their equivalent presence on Facebook and Twitter. With these results, the team is currently focused on broadening and improving the service and growing the user existing base.

A significant attraction of the mig33 business model to the Company was that, even in this early stage of commercialisation, income is being generated through the company's monetisation model which is based around surety of payment through the purchase of mig33 prepaid credits.

4.3 migme – Key Investment Highlights

The Directors of the Company are of the view that an investment in the Company provides the following non-exhaustive list of key highlights:

Key Investment Highlight	Commentary
Development team and Platform	<ul style="list-style-type: none"> ▪ Experienced development team drawing talent from established markets including Silicon Valley, China and Australia as well as regional talent from South east Asia; ▪ Proven successful platform with over 8 years of history of market acceptance and relevance; ▪ Mobile first platform focused on the next frontier of internet growth across emerging markets stretching from Indonesia to South East Asia, the middle east to Eastern Europe and Africa. ▪ Differentiated platform to Facebook and Twitter and takes its lead from a number of successful emerging market platforms in east Asia; and ▪ Projected growth to be through platform build out, partnerships and/or acquisition.
Regionally respected Shareholding Group	<ul style="list-style-type: none"> ▪ Big Build Enterprises Limited (a subsidiary of FIH Mobile); and ▪ Established regional investors in Indonesia, Hong Kong and Australia.
Experienced management team	<ul style="list-style-type: none"> ▪ Strong technical experience and know how; ▪ Proven record of developing start up enterprises; ▪ International experience in technology markets; and ▪ Established strong relationships with key stakeholders.
Pathway to commercialisation	<ul style="list-style-type: none"> ▪ An established business model already showing growth in monetisation; ▪ Access to a burgeoning south east Asian social entertainment markets; and ▪ Establish business relationships with specialised content providers.

Successful completion of the Acquisition is expected to enable the Company to meet the re-listing requirements imposed by the ASX on the Company, allowing the Company's Shares to trade on the ASX.

Please note, the business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company.

The key risks associated with an investment in the Company are summarised in Section 4.8. Further risks concerning an investment in the Company are set out in Section 7.

4.4 Outstanding Conditions Precedent

Merger Agreement

Following the receipt of Shareholder approval on 19 June 2014 to complete the Acquisition, Completion is conditional upon the satisfaction of the following outstanding conditions precedent by 31 July 2014:

- (a) completion of the Offer;
- (b) the Net Cash Amounts of the merged entities being not less than \$5,000,000 (this condition precedent will be satisfied following completion of the Offer (refer to Section 8 - Investigating Accountants Report));
- (c) PGI preparing a notice to the Internal Revenue Service, in accordance with the requirements of treasury regulation sections 1.1445-2(c) and 1.897-2(h)(2), dated as of the Completion Date, executed by PGI, together with written authorisation for PGI to deliver such notice to the Internal Revenue Service; and
- (d) the Company receiving conditional approval to have its securities re-admitted to the Official List of ASX.

If by 31 July 2014, the outstanding conditions precedent are not satisfied or waived, the Merger Agreement will be at an end and the parties will be released from their obligations under the Merger Agreement.

The Company further agreed to provide M3H with a full-recourse interest free loan of US\$500,000 (**Loan**). The Loan was advanced on 24 January 2014 and is immediately repayable if completion of the Acquisition does not occur by 31 July 2014.

A summary of the Merger Agreement is set out in Section 10.2 of this Prospectus.

Placement Agreement

Following the receipt of Shareholder approval on 19 June 2014 to issue the 40,000,000 Shares to Big Build Enterprises Limited, completion of the Offer is conditional upon the receipt by the Company (on or before 31 July 2014, or such later date as may be otherwise agreed) from ASX of conditional approval to have the Company's securities re-admitted to the Official List of ASX.

A summary of the Placement Agreement is set out in Section 10.3 of this Prospectus.

More detail in respect of mig33's assets, business plan and the financial position of the merged group are set out in Sections 6 and 8 of this Prospectus.

4.5 Effect of the Acquisition

The effect of the Acquisition is that the nature and scale of the activities of the Company will change as the Company proposes to focus on the development and monetisation of the mig33 social networking platform upon completion of the Acquisition. The acquisition of mig33 is an event which requires the Company to re-comply with the requirements of Chapters 1 and 2 of the ASX Listing Rules, including seeking Shareholder approval for the

Acquisition, issuing a prospectus and ensuring that there are a sufficient number of Shareholders with the requisite number of Shares in accordance with those rules.

The effect of the Acquisition is set out in the capital structure table in Section 4.12 and the Investigating Accountant's Report in Section 8, which sets out the pro-forma financial position of the Company as at 31 December 2013.

4.6 Business Model and New Business Development

Following completion of the Acquisition and Offer, the Company intends to continue the development of the mig33 social entertainment platform through the planned release of the optimised web site during July 2014 and the ongoing monetisation of the platform into the emerging markets. In addition, the Company will continue to explore potential acquisitions of complementary businesses that will assist and accelerate the commercial success of the mig33 platform.

The Company will also seek strategic partners that will provide greater access and penetration to both the existing mig33 markets as well as new geographic domains.

4.7 The Objectives

The Company's main objectives on completion of the Offer are:

- reinstating its Shares to trading on the ASX;
- providing a public listing platform to access capital markets and a broader shareholder base;
- acceleration of the marketing of its user platform to increase monthly active users (**MAU**'s) to over 10 million by January 2015; and
- conversion of the use of the platform by the MAU's into revenue for the Company.

4.8 Key Risks

The business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can effectively be managed or mitigated may be limited.

Set out below are specific risks that the Company is exposed to. Further risks associated with an investment in the Company are outlined in Section 7.

(a) Additional requirements for capital

Depending on the success and timing of the monetisation of the migme platform and the growth in MAU's additional funding may be

required for the continued development of the Company's business model. This possible additional capital may also be used take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

The Company may seek to raise further funds through equity or debt financing, joint ventures, revenue sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delays and/or indefinite postponement of further growth in the monetisation of the migme platform and MAU numbers. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

The introduction of FIH Mobile as a Shareholder following completion of the Offer will raise \$8,000,000 for in working and development capital for the Company. These funds will mitigate all short term funding issues.

(b) Operational and Commercialisation Risk

There can be no assurance that the Company's intended goals will lead to profitability and/or commercial viability. Accordingly, the Company may not achieve either short or long term profitability and may suffer losses.

The Company will seek to mitigate this risk by:

- (i) engaging additional experienced and proven engineering/technical personnel to ensure that the Platform operates to the maximum efficiency and reliability engaging additional experienced and proven marketing personnel to ensure that the Platform is promoted as quickly and efficiently as possible to all of the Company's targeted markets; and
- (ii) engaging additional experienced financial personnel to ensure efficient financial control of all revenues, costs and contingencies.

(c) Suspension and re-quotation of Shares on the ASX

The Acquisition constitutes a significant change in the nature and scale of the Company's activities and the Company is required to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the Official List of the ASX.

Trading in the Company's securities will continue to be suspended until the Company satisfies the requirements of Chapters 1 and 2 of the ASX Listing Rules in accordance with the ASX Listing Rule 11.1.3. It is anticipated that this will occur on or around late July 2014 which is anticipated by the Company to be when the issue of Shares under the Offer is completed and all requirements for the re-listing of the Company's Shares have been met. Until such time the Company's

Shares may continue to be suspended from trading on the ASX resulting in the Shares remaining untradeable on a stock market.

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company and you should refer to the additional risk factors in Section 7 of this Prospectus before deciding whether to apply for Shares pursuant to this Prospectus.

4.9 The Offer

The Offer is an offer of securities to Big Build Enterprises Limited, at an issue price of \$0.20 per Share to raise \$8,000,000.

The Company has contracted to pay a commission of 4.5% (exclusive of goods and services tax) for the subscription by Big Build Enterprises Limited of 40,000,000 Shares at an issue price of \$0.20 per (refer Section 10.6).

This Prospectus is a re-compliance prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy the ASX requirements for re-listing following a change to the nature and scale of the Company's activities.

Completion of the Offer under this Prospectus is subject to the following conditions precedent:

- (a)** the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules (including completion of the Consolidation and settlement of the Acquisition);
- (b)** the Company receiving conditional approval for re-quotation of the Company's Shares on the ASX.

If these conditions precedent are not met, the Company will not proceed with the Offer and will repay all application monies received, without interest and in accordance with the Corporations Act.

This Prospectus also contains a Cleansing Offer for the purpose of removing secondary trading restrictions on the sale of Shares issued as consideration under the Merger Agreement and Placement Agreement. Further details of the Cleansing Offer are set out in Section 5.2.

The Shares offered under this Prospectus will rank equally with the existing Shares on issue.

The key information relating to the Offer and references to further details are set out below.

4.10 Purpose of the Offer

The purpose of the Offer is to provide additional funds to enable the Company to:

- (a)** accelerate the marketing of the Company's social network platform to increase MAU's to 10 million by January 2015;

- (b) provide funds to establish additional offices throughout South East Asia and also a development centre in Taiwan to further develop the monetisation of the social network platform;
- (c) provide funds for the continued development and enhancement of the platform including the potential acquisition of "bolt on" platforms which will assist the marketing of the social network platform and the targeted increase in MAU's to 10 million by January 2015; and
- (d) further develop and refine the migme social network platform.

4.11 Use of Funds

The table below sets out the intended application of the Company's funds (including funds raised pursuant to the Offer) over a two year period commencing from the date of re-quotation of the Company's securities on the ASX. Income is not shown in this table.

Allocation of funds	Year 1 \$	Year 2 \$	Total \$
Opening cash ¹	14,227,000	8,239,500	
Expenses of the offer ²	437,500	-	437,500
Creditors & Administration	2,000,000	800,000	2,800,000
Engineering of Platform	1,700,000	3,500,000	5,200,000
Market Development	350,000	700,000	1,050,000
Establishment of Regional Offices	500,000	400,000	900,000
Sales and Marketing	500,000	800,000	1,300,000
Infrastructure	500,000	500,000	1,000,000
Closing cash	8,239,500	1,539,500	

(1) For further details, refer to note 3 in the Investigating Accountant's Report set out in Section 8 of this Prospectus.

(2) Refer to Section 11.6 of this Prospectus for further details.

The table above is a statement of current intentions of the Board 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 reserves the right to alter the way funds are applied on this basis.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve these objectives.

4.12 Capital Structure

The capital structure of the Company following completion of the Offer (assuming full subscription) and issue of all securities pursuant to the passing by Shareholders of all Resolutions at the General Meeting, is as summarised below:

Capital Structure	Shares
SHARES	
Shares on issue pre Consolidation	323,152,868
Post 1 for 5 Consolidation of Shares ¹ - Resolution 3 of the General Meeting	64,630,574
Issue of Shares to Vendors - Resolution 2 of the General Meeting	147,001,367
Issue of Shares under this Prospectus ² - Resolution 11 of the General Meeting	40,000,000
TOTAL SHARES	251,631,941
OPTIONS	
Options to be issued to S Goh - Resolution 12 of the General Meeting	7,500,000
Options to be issued to key employees and consultants - Resolution 12 of the General Meeting	7,500,000
TOTAL OPTIONS	15,000,000

Notes:

1. Approximate only - the actual number will be subject to rounding.
2. Assumes that the Offer is fully subscribed.

4.13 Change in Nature and Scale of Activities

As outlined in more detail in Sections 10.1 and 10.2 of this Prospectus, the Company has entered into the Agreement and Merger Agreement to acquire the mig33 business (to be renamed migme) through the acquisition of all of the issued capital of PGI and M3H.

Completion of the Acquisition requires the Company to re-comply with the requirements of Chapters 1 and 2 of the ASX Listing Rules. This Prospectus is a re-compliance prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy the ASX requirements for re-listing following a change to the nature and scale of the Company's activities..

The Company's Shares will remain suspended from Official Quotation from the date of the General Meeting and will not be reinstated until the ASX approves the Company's re-compliance with Chapters 1 and 2 of the ASX Listing Rules.

There is a risk that the Company may not be able to meet the requirements of the ASX for re-quotations of its Shares on the ASX. In the event the Company does not receive conditional approval for re-quotations on the ASX then the Company will not proceed with the Offer and will repay all application monies received.

4.14 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Acquisition and the issue of securities pursuant to the Offer (assuming full subscription) are set out in the respective tables below.

As at the date of this Prospectus (on a pre-Consolidation basis)

Shareholder	Shares	%
Sunshore Holdings Pty Ltd	48,920,329	15.14%

Following completion of the Acquisition and Offer (on a post Consolidation basis)

Shareholder	Shares	%
Big Build Enterprises Limited	50,074,756	19.90%
Steven Goh ¹	21,739,367	8.64%

Note:

1. Mr Steven Goh is a Proposed Director. Following the passing by Shareholders of Resolution 12 at the General Meeting, Mr Goh (or nominee) is to be issued 7,500,000 Options.

The Company will announce to the ASX details of its top 20 Shareholders (following completion of the Acquisition and Offer) prior to the Shares commencing trading on the ASX.

4.15 Restricted Securities

Subject to the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules, certain securities on issue will be classified by the ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of reinstatement to Official Quotation. During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid, which may impact on the ability of a Shareholder to dispose of Shares in a timely manner.

The Company will announce to the ASX full details (quantity and duration) of the securities required to be held in escrow prior to the Shares commencing trading on the ASX.

4.16 Financial Information

Following the change in the nature and scale of its activities, the Company will be focused on developing and commercialising the mig33 social media platform. Therefore, the Company's past operational and financial historical performance will not be of significant relevance to future activities.

As a result, the Company is not in a position to disclose any key financial ratios other than its balance sheet which is included in the Investigating Accountant's Report set out in Section 8 of this Prospectus.

The initial funding for the Company's future activities will be generated from the offer of Shares pursuant to this Prospectus and existing cash reserves. The Company may need to raise further funding from equity raisings in the future to further develop and commercialise the social media platform. The Company may also consider alternative forms of debt or quasi-debt funding if required.

4.17 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

4.18 Dividend Policy

It is anticipated that significant expenditure will be incurred in the further development and commercialisation of the mig33 social media platform. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least the two year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

4.19 Directors and Key Personnel

(a) Howard Dawson (Non-Executive Chairman)

Howard Dawson was appointed to the Board in December 2003. Mr Dawson had an 11 year career as a geologist before entering the securities industry as a research analyst in 1987. Over the subsequent 16 years he fulfilled a number of complimentary roles within the securities industry including research, corporate advisory, business development, senior management and board positions for firms including Hartley Poynton, McIntosh Securities, Merrill Lynch and ABN AMRO Morgan's Limited. Mr Dawson is currently Chairman of the audit committee and is responsible for capital raisings, risk identification and the independent technical and financial overview of promoted projects. He has a Bachelor of Science (Geology) and is a Senior Fellow of FINSIA and a member of the AIG. As well as being Chairman of migme he is also Chairman and Managing Director of Discovery Capital Limited, a public unlisted investment company.

(b) Michael Higginson (Non-Executive Director to resign upon completion of the Acquisition)

Mr Higginson holds a Bachelor of Business degree with majors in finance and administration. Mr Higginson was formerly an executive officer with the Australian Securities Exchange. He has over 25 years expertise in public company administration, corporate finance and law, corporate governance, capital raisings, ASX Listing Rules and company secretarial duties.

Mr Higginson has held board, company secretarial and senior management positions with a number of resource exploration companies.

(c) John Macdonald (Non-Executive Director to resign upon completion of the Acquisition)

Mr Macdonald has a Bachelor of Science, is a Geologist by training and also holds a Graduate Diploma in Business Finance. Mr Macdonald commenced his career as an exploration geologist before moving into the securities industry with CIBC Eyre's Reed where he spent 15 years as a mining analyst and subsequently head of the research department. During that period, John gained extensive experience across the full range of minerals and bulk commodities as well as a strong understanding of project exploration and development. For the past 12 years Mr Macdonald has been involved in independent mining and resource research and is currently principal of Green Leader Equities Research.

(d) Steven Goh (Proposed Executive Director and Chief Executive Officer)

Mr Goh has a Bachelor of Commerce and MBA from the University of Western Australia. He achieved considerable success in the late 1990's by developing Sanford Securities, Australia's first online stock broking company. This operation grew to 160,000 customers with over \$2.4 billion in customer assets, before being taken over in 2003. Mr Goh is Managing Director and Chief Executive Officer of PGI and is recognised as an authority on contemporary information technology issues and serves on a number of advisory panels throughout the Asian region. Mr Goh is a discharged bankrupt, effective March 2007. Mr Goh's bankruptcy arising as a result of Mr Goh being the guarantor of a family members business.

(e) Andi Zain (Proposed Non-Executive Director)

Mr Zain has a Bachelor of Business Administration from GS Fame, Indonesia and a Master of Business Administration and Post Graduate Diploma in International Finance & Law, both from Monash University in New South Wales. He has 15 years' experience in building internet and mobile businesses in South East Asia and launched the first content provider and ringtone service in Indonesia. Mr Zain is a former board member of the publicly listed SkyBee Tbk (IDX:SKYB). Currently, he is a director of several technology based companies and runs ideabox, a tech start up incubator in partnership with Indosat, a mobile carrier in Indonesia. Mr Zain is also a founder of MobileMonday Indonesia, a networking forum of 400 mobile centric companies in Indonesia.

(f) Dmitry Levit (Proposed Non-Executive Director)

Mr Levit has a Master in Science in International Management from St Petersburg State University in Russia and a MBA from INSEAD in Singapore. He is a partner of Digital Media Partners which is a venture capital firm within the technology sector. He has extensive experience in the emerging markets internet space and has previously held a variety of business development and investment roles with Yahoo and IDG Ventures in South East Asia.

(g) John Lee (Proposed Non-Executive Director)

Mr Lee holds a degree in Finance & Operations Management from the New York University Stern School of Business and a BA in Political Science from the University of Michigan. He is currently CEO of a mobile games platform company based in Singapore. He has previously had multiple executive roles in privately held and publicly listed games companies in both the United States and Asia. He also was a venture capitalist at Softbank Venture Capital and has had consulting roles with McKinsey & Company and Deloitte & Touche in their technology services divisions.

(h) Yen-Chang (Charles) Pan (Proposed Executive Director)

Mr Yen-Chang has had an 18 year business career and is currently the special assistant to the Chairman and Chief Investment Director of FIH Mobile, part of the Hon Hai Group which is the leading global manufacturing service provider in the 3C (computer, communication and consumer electronics) industries.

Prior to joining FIH Mobile, Mr Yen-Chang was general Manager between 2008 and 2012 of Orange Capital, part of France Telecom. Mr Yen-Chang has a Master of Business from the University of California and is currently based in Shenzhen, China.

(i) Yichin Lee (Proposed Non-Executive Director)

Dr Lee is currently managing partner of FCC Partners Inc. and the Senior Advisor and Taiwan Chief Representative of Booz & Co. He was formerly CEO of GigaMedia Limited, a NASDAQ listed company and remains a Director of several NASDAQ listed companies. Dr Lee has over 20 years of strategy management and corporate experience across China and has a Master of Science and PhD from Stanford University.

(j) Patrick Wong (Proposed Chief Financial Officer)

Patrick is mig33's Chief Financial Officer and has over 15 years' experience working with start-up companies. Patrick has also worked at KPMG and IdeaLab in Silicon Valley where he participated in venture financing and public financing. Patrick was most recently CFO at mid-sized multinational training company Landmark Enterprises in the US and Singapore where, during his tenure, he raised over US\$20 million to fund the restructuring, recapitalisation and growth of the company. As a result of his involvement, revenues increased at that company by 80% to US\$90 million upon his departure in 2012.

4.20 Corporate Governance

To the extent applicable, commensurate with the Company's size and nature, the Company has adopted *The Corporate Governance Principles and Recommendations (2nd Edition)* as published by the ASX Corporate Governance Council (**Recommendations**).

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined in Section 9.2 of this Prospectus and the Company's compliance and departures from the Recommendations are set out in Section 9.3 of this Prospectus.

In addition, the Company's full Corporate Governance Plan may be requested from the Company Secretary on +61 42 999 5000.

4.21 Disclosure of Interests

Directors are not required under the Company's Constitution to hold any Shares. Details of the Directors' and Proposed Directors' remuneration and relevant interests in the securities of the Company as at the date of this Prospectus are set out in the table below:

Interests at the date of this Prospectus (pre-Consolidation)

Director	Remuneration for year ended 30 June 2013	Proposed remuneration for year ended 30 June 2014	Shares
<u>Existing Directors</u>			
Howard Dawson	\$107,121	\$100,000	6,235,800
Michael Higginson	\$53,380	\$60,000	nil
John Macdonald	\$22,500	\$25,000	nil
<u>Proposed Directors</u>			
Steven Goh	Nil	Nil	Nil
Andi Zain	Nil	Nil	Nil
Dmitry Levit	Nil	Nil	Nil
John Lee	Nil	Nil	Nil
Yen-Chang (Charles) Pan	Nil	Nil	Nil
Yichin Lee	Nil	Nil	Nil

Interests upon completion of the Acquisition and Offer (post Consolidation)

Director	Proposed Remuneration for year ended 30 June 2014	Proposed remuneration for year ended 30 June 2015	Shares
<u>Existing Directors</u>			
Howard Dawson	\$100,000	\$50,400	1,247,160
<u>Proposed Directors</u>			
Steven Goh	Nil	US\$220,000	21,739,367
Andi Zain	Nil	\$18,000	2,666,319
Dmitry Levit	Nil	\$18,000	11,240,174
John Lee	Nil	\$18,000	3,999,479
Yen-Chang (Charles) Pan	Nil	\$18,000	Nil
Yichin Lee	Nil	\$18,000	Nil

4.22 Agreements with Directors or Related Parties

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

Proposed Executive Director's Service Agreement – Steven Goh

For full details of Mr Goh's service agreement, please refer to Section 10.4

Mr Goh is currently Chief Executive Officer of PGI.

In accordance with the terms and conditions of his employment agreement, his salary is US\$18,333 per month and whilst the term of the agreement is open ended, it can be terminated by either party. If PGI terminates the agreement without due cause (as that term is defined in the agreement), a severance package equivalent to 6 month's salary is payable to Mr Goh.

As part of the agreement, Mr Goh is entitled to standard employee benefits which include a health benefits plan and 2 weeks annual leave.

Following completion of the Acquisition, it is intended that Mr Goh's contract will be assigned to the Company.

Following Completion, Mr Goh (or nominee) will be issued 7,500,000 Options to purchase Shares in the Company at an exercise price of \$0.20 per Share. The terms and conditions of the Options are set out in Section 11.3.

5. DETAILS OF THE OFFER

5.1 The Offer

Pursuant to this Prospectus and in accordance with the Placement Agreement, the Company invites an application from Big Build Enterprises Limited for 40,000,000 Shares at an issue price of \$0.20 per Share.

The maximum amount which may be raised under this Prospectus is \$8,000,000.

The Shares offered under this Prospectus will rank equally with the existing Shares on issue, the terms and conditions of which are set out in Section 11.1.

5.2 Cleansing Offer

Another purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company prior to the Cleansing Offer Closing Date (including prior to the date of this Prospectus). The Company proposes to remove any secondary sale restrictions on those Shares issued as consideration under the Merger Agreement and the Placement Agreement.

Relevantly, section 708A (11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a)** the relevant securities are in a class of securities that are quoted securities of the body;
- (b)** either:
 - (i)** a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii)** a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c)** the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

Applications for Shares under the Cleansing Offer must be made using the Cleansing Offer Application Form.

5.3 Minimum subscription

If the minimum subscription to the Offer of \$8,000,000 has not been raised within four (4) months after the date of this Prospectus, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

There is no minimum subscription under the Cleansing Offer.

5.4 Oversubscriptions

There will be no oversubscriptions in respect of the Offer.

5.5 Applications

Application for Shares under the Offer can only be made by Big Build Enterprises Limited using the Application Form.

The Application for Shares under the Offer will be for a minimum of 40,000,000 Shares and payment for the Shares must be made in full at the issue price of \$0.20 per Share.

In accordance with the terms and conditions of the Placement Agreement, the Company confirms receiving from Big Build Enterprises Limited US\$7,495,200, being the US dollar equivalent as at 20 June 2014, of the \$8,000,000 pursuant to the Offer. These funds will be held in trust pending satisfaction of the conditions precedent set out in Section 10.3 of this Prospectus

The Company reserves the right to close the Offer early.

5.6 Re-compliance with Chapters 1 and 2 of the ASX Listing Rules

The Company's Shares are currently suspended from trading and will continue to be suspended from trading and will not be reinstated to Official Quotation until the ASX approves the Company's re-compliance with Chapters 1 and 2 of the ASX Listing Rules, which will not occur until completion of the Acquisition.

In the event that the Company does not receive conditional approval for re-quotation on the ASX, it will not proceed with the Offer and will repay all application monies received, without interest.

5.7 ASX listing

Application for Official Quotation by the ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus.

If the Shares are not admitted to Official Quotation by the ASX before the expiration of 3 months after the date of issue of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that the ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

5.8 Issue

Subject to the minimum subscription to the Offer being reached, completion of the Acquisition and the ASX granting conditional approval for the Company to be admitted to the Official List, the issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for Big Build Enterprises Limited in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and Big Build Enterprises Limited waives the right to claim interest.

5.9 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

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

5.10 Not underwritten

The Offer is not underwritten.

5.11 Commissions payable

The Company has contracted to pay a commission of 4.5% (exclusive of goods and services tax) for the subscription by Big Build Enterprises Limited of 40,000,000 Shares at an issue price of \$0.20 per (refer Section 10.6).

6. COMPANY OVERVIEW UPON COMPLETION OF THE ACQUISITION

Upon completion of the Acquisition, the main operating office of the Company will be re-located to the existing mig33 head office in Singapore. mig33 already has operating offices in Singapore and Kuala Lumpur and through the acquisition of alivenotdead, Hong Kong. It is intended that these offices will all be retained.

migme, being the merged entity of PGI, M3H and the Company will accelerate the marketing of its social media platform with a MAU target of 10 million persons by January 2015.

To have the best opportunity to achieve this target the Company plans to launch an updated version of the platform in early July 2014 and will engage additional marketing personnel to ensure the maximum penetration of the platform into the targeted markets is achieved in the shortest time frame possible.

The Company also intends to establish an additional new office in Taiwan in conjunction with the support of FIH Mobile Limited and this office will serve as a business development centre and to extend the Company's reach into the mobile telephony network.

This business plan will continue the shift of migme from being a private chat community to a broader public social entertainment blogging platform model, where all visitors can engage more openly with content, celebrities and friends.

This growth strategy will continue to focus on the complementary establishment of artists, media and industry partnerships and expanding business development that will be combined with a viral referral program.

It is intended that the over 1,800 artists already on the alivenotdead network will be leveraged into this strategy.

The introduction of Big Build Enterprises Limited as a significant Shareholder will provide the Company with the opportunity to reinforce the planned acceleration of its growth plans.

7. RISK FACTORS

7.1 Introduction

The Shares offered under this Prospectus are considered speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Shares and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to migme's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Company specific

Refer to Section 4.8 for details of the specific risks the Company is exposed to.

7.3 Industry specific

The mig33 social entertainment platform has a limited operating history and the potential of its business model is unproven. No assurances can be given that the Company will achieve commercial viability through the successful implementation of its business plans.

Accordingly, there is no guarantee that the proposed marketing and pricing strategies will be successful to achieve a sizeable take up rate by users of its products and/or market share.

In addition, there is the risk that the mig33 social entertainment platform may not function as intended, including with respect to its stated scalability and coping with increasing numbers of users or client numbers. This may lead to mig33's reputation suffering amongst users and customers as well as potential claims for redress.

Risks relating to the Company's business and industry

If the Company fails to retain existing users or add new users, or if users decrease their level of engagement with the Company, the Company's revenue, financial results and business may be significantly harmed.

The size of the Company's user base and users' level of engagement are critical to the success (or otherwise) of the Company. The Company's financial performance has been and will continue to be significantly determined by its success in adding, retaining and engaging active users.

The Company anticipates that its active user growth rate will decline over time as the size of its active user base increases and as higher market penetration rates are achieved. To the extent its active user growth rate slows, its business

performance will become increasingly dependent on its ability to increase levels of user engagement and monetisation in current and new markets.

If users and potential users do not perceive the Company's products to be useful, reliable and trustworthy, the Company may not be able to attract or retain users or otherwise maintain or increase the frequency and duration of their engagement.

There is no guarantee that the Company will not experience an erosion of its active user base and/or its user engagement levels. A decrease in user retention, user growth and/or user engagement could render the Company less attractive to developers and advertisers, which may have a material and adverse impact on the Company's financial performance.

Any number of factors could potentially negatively affect user retention, user growth and user engagement, including:

- users increasingly engaging with competing products;
- failure to introduce new and/or improved products and services, or if new and/or improved products and services are not favourably received;
- failure to successfully provide a compelling user experience as a result of the decisions made with respect to the frequency, prominence and size of advertisements and other commercial content displayed;
- failure to continue to develop products for mobile devices that users find engaging, that work with a variety of mobile operating systems and networks and that achieve a high level of market acceptance;
- failure to grow and monetise the Company's merchant channel;
- changes in user sentiment about the quality or usefulness of the Company's products and/or concerns related to privacy and data sharing, safety, security or other factors;
- failure to manage and prioritise information to ensure users are presented with content that is interesting, useful and relevant to them;
- adverse changes in our products that are mandated by legislation, regulatory authorities, or litigation, including settlements or consent decrees;
- technical or other problems prevent the Company from delivering its products in a rapid and reliable manner that adversely affect the user experience;
- the adoption of policies or procedures by the Company related to areas such as data sharing and/or user data that are perceived negatively by both users and the general public;
- failure to provide adequate customer service to users, developers and/or advertisers;

- the Company, its platform developers or other companies in the same industry are the subject of adverse media reports or other negative publicity; and
- the Company's current and/or future products, such as the Miniblog Platform, reduce user activity on mig33 by making it easier for users to interact and share on third party websites.

Should such risks or uncertainties materialise, or should the Company's underlying assumptions and/or projections prove incorrect, then the Company's financial performance and/or achievements may vary materially from those described in relevant forward looking statements as being expected, anticipated, intended, planned, believed, sought, estimated or projected.

Risks relating to the Company's operations

Future operations of the Company may be affected by various factors including:

- unanticipated operational and technical difficulties encountered;
- failure of operating equipment, fire, accidents, industrial disputes and other force majeure events;
- risk that development and/or operating costs prove to be greater than expected or that the proposed developments or acquisitions may not be achieved;
- failure to achieve market penetration, user retention, user growth and/or user engagement;
- the supply and cost of skilled labour; and
- the prevention and/or restriction of market penetration or user access by reason of political unrest, outbreak of hostilities and inability to obtain consents or approvals.

Notwithstanding the experience, knowledge and careful evaluation the Company brings to its activities, there is no assurance that commercial viability will be achieved.

Other factors such as technical difficulties, adverse changes in government policy and/or legislation or lack of access to sufficient funding or markets may prevent the Company from operating successfully.

Failure to deal with growth

The Company's business has the potential to grow rapidly. If that occurs and the Company fails to properly manage that growth, then that failure could harm its business. Any failure to meet user demand properly could adversely affect the business, including demand for products and services, revenue, customer satisfaction and public perception.

Risks associated with jurisdictional expansion

The Company's social entertainment platform has been constructed so as to be capable of being utilised in multiple overseas jurisdictions. As the Company is seeking to expand into overseas markets, it may require a physical presence in other jurisdictions/markets which will result in an associated increase in overheads and development and marketing costs. There is the risk that any jurisdictional expansion will be unsuccessful, or that even if there is demand for the Company's products and services in that market, that the costs of doing business in that market, including the costs of establishing a new base in-country, overseas regulatory compliance and the potential duplication of running costs for the Company, are such that the Company's profitability and available working capital will be adversely impacted.

Business model to initially focus on growing market share

As with other social entertainment developers, the Company's business model is initially focused on maximising sales and market share, rather than profitability. This will require expenditure on marketing and business development. Only once the Company has achieved its market penetration and customer dependence objectives will its focus shift to maximising profitability. Accordingly, the Company may not achieve significant profitability in the short term, or may suffer losses.

Attraction and retention of key employees

The Company's ability to effectively execute its growth strategy depends upon the performance and expertise of key employees, including those with valuable technological skills and specialist knowledge of the Company's underlying products, services and markets. The departure of certain key employees and any delay in their replacement could hamper the Company's ability to achieve its strategic growth objectives and financial performance goals. As the Company grows it will need to make additional key appointments to finalise its executive team and will also need to expand its technical sales support team. There is no guarantee that the Company will be able to attract and retain appropriately qualified personnel.

Availability of IT staff in the market

The Company is reliant upon employees with specialist IT skills in order to develop and maintain its products and services. Any shortage of availability of these skills in the IT employment market could impair the development of the Company's products and business and the rate of such development. Such shortage could also cause wage inflation, which may impact on the Company's profitability.

Reliance on third party IT service provision

The Company utilises equipment, software and services provided by third parties to deliver its social entertainment platform. Significant or extended disruption of the Company's platform caused by supplied equipment, software or service failure may reduce the Company's ability to generate revenue, impact consumer service levels and damage the Company's brand. This could adversely affect the Company's ability to attract and retain users, generate new business and cause it to suffer financial loss. Any

mitigation of this loss via redress from third party suppliers may not be immediately available, if at all.

Reliance on core information technology and other systems

The availability of the Company's social entertainment platform is dependent upon the performance, reliability and availability of its IT and communication systems. This includes its core technologies such as computer servers and back-end processing systems. These systems may be adversely affected by a number of factors including major events such as acts of terrorism or war, a breakdown in utilities such as electricity and fibre optic cabling and even pandemics. Events of that nature may cause one or more of those core technologies to become unavailable. There are also internal and external factors that may adversely affect those systems and technologies such as natural disasters, misuse by employees or contractors or other technical issues. The Company's disaster recovery plans may not adequately address every potential event and its insurance policies may not cover loss or damage suffered as a result of a system failure.

Any damage to, or failure of, the Company's key systems can result in disruptions in the Company's ability to operate its social entertainment platform. Such disruptions have the potential to reduce the Company's ability to generate revenue, attract and/or retain users, impact user service levels and damage the Company's brand. This could adversely affect the Company's ability to generate new business and cause it to suffer financial loss.

Security breaches

A malicious attack on the Company's systems, processes or people from external or internal sources could put the integrity and privacy of customers' data and business systems used to run the social entertainment platform at risk. The impact of loss or leakage of customer or business data could include costs for rebates, potential service disruption, litigation and brand damage resulting in reduced or falling revenues. The Company follows best practice in relation to security policies, procedures, automated and manual protections, encryption systems and staff screening to minimise this risk.

Shortage of funding

The Company will hold a minimum of \$5 million in cash following completion of the Acquisition, which will be used to accelerate the Company's business, marketing and growth plans. However, if the Company incurs unexpected costs or is unable to generate sufficient operating income further funding may be required. Any additional funding through Share issues is dependent upon market conditions at the time. Debt financing may not be available to support the scope and extent of proposed developments. If available, it may impose restrictions on operating activities or anticipated expansion of the Company's operations.

Protection of intellectual property

The Company's intellectual property includes its software development, knowledge base of business operations, including user, industry and market behaviours, customer records and the experience of its management team

and workforce. The Company maintains strict security and monitoring its software code and customer records, including protection and restriction on physical access. The Company encourages employee retention and through the use of competitive long-term employment contracts, confidentiality, non-competition and invention agreements.

The Company has trademarks in place to protect its proprietary rights. However it does not have any patents in place to protect its intellectual property. Accordingly, the Company cannot be certain that the unauthorised use or access of intellectual property relevant to the Company's business will not be undertaken by third parties to the detriment of the Company, its operations and business. In addition, there can be no guarantee that unauthorised use or copying of the Company's software, data, specialised technology or algorithms will be prevented. Any unauthorised use, access or copying of the Company's intellectual property could impact adversely on the Company's margins and revenue.

mig33 Vendors may sell their Shares

Some mig33 Vendors may elect to sell their Shares which are not subject to escrow restrictions by ASX immediately following completion of the Acquisition. If one or more mig33 Vendors elect to sell a sufficiently large number of Shares, then this may negatively impact the price of Shares and decrease the realisable value of existing Shareholders' investment in the Company.

Legal environment

The legal system in the emerging markets in which the Company operates and/or intends to operate, may be less developed than more established countries and this could result in the following risks:

- political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation or in an ownership dispute;
- a higher degree of discretion held by various government officials or agencies;
- the lack of political or administrative guidance on implementing applicable rules and regulations, particularly in relation to intellectual property rights and taxation;
- inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or
- relative inexperience of the judiciary and court in matters affecting the Company.

Risks relating to operating in other jurisdictions

The Company's is targeting emerging markets that inherently are subject to emerging legal and political systems, when compared with the systems in place in Australia.

Possible sovereign risks include, without limitation, changes in legislation, a shift in political attitude, changes in economic and social conditions, political instability, the imposition of operating restrictions, government participation, changes to taxation rates and/or concessions, working conditions, rates of exchange, exchange control, licensing, duties or imposts, repatriation of income or return of capital and changes in the ability to enforce legal rights.

The Company's activities are subject to applicable local laws, regulations and to the relevant conditions applying in each jurisdiction in which the Company operates or intends to operate. Failure to comply with these conditions may cause the Company to suffer significant damage through loss of opportunity and/or the imposition of penalties and fines.

Changes in government and/or statutory changes in jurisdictions in which the Company operates, or intends to operate, may affect the Company's business and its operations.

Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares.

Contractual risks

The ability of the Company to achieve its objectives will also be dependent on the performance by the counterparties to any agreements that the Company has entered into or may enter into. If any counterparty defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy. Legal action can be costly. Furthermore, certain contracts to which either the Company is a party may be governed by laws of jurisdictions outside Australia. There is a risk that the Company may not be able to seek legal redress that it could expect under Australian law; and generally there can be no guarantee that a legal remedy will ultimately be granted on the appropriate terms.

International operations

International sales and operations are subject to a number of risks, including:

- potential difficulties in enforcing agreements and collecting receivables through foreign local systems;
- potential difficulties in protecting intellectual property;
- increases in operating costs; and
- restrictive governmental actions.

Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

Exchange rate risks

Exchange rates fluctuate and are affected by many factors beyond the control of the Company.

To comply with Australian reporting requirements the income, expenditure and cash flows of the Company will need to be accounted for in Australian dollars. This will result in the income, expenditure and cash flows of the Company being exposed to the fluctuations and volatility of the rate of exchange between other currencies and the Australian dollar, as determined in international markets.

This will result in the Company being exposed to exchange rate risk, which may have an adverse impact on the profitability and/or financial position of the Company.

Subsidiary risk

PGI and M3H are companies incorporated in Delaware, USA and Singapore respectively.

On completion of the Acquisition, PGI and M3H will become wholly owned subsidiaries of the Company.

The Company's rights to participate in a distribution of PGI's and M3H's assets and/or the assets of their subsidiaries in the event of liquidation, re-organisation or insolvency is generally subject to prior claims of that entity's creditors, including trade creditors.

Reliance on key management

The responsibility of overseeing the day-to-day operations and the strategic management of the Company and its controlled entities depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these senior management, key personnel or employees cease their involvement or employment with the Company or its controlled entities.

Additional requirements for capital

The continued operations of the Company are dependent on its ability to obtain financing through debt and equity financing, or generating sufficient cash flows from future operations. There is a risk that the Company may not be able to access capital from debt or equity markets for future acquisitions or developments, which could have a material adverse impact on the Company's business and financial condition.

Insurance risks

The Company maintains insurance for certain activities within ranges of coverage that it believes to be consistent with industry practice and having regard to the nature of activities being conducted. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. In addition, there remains the risk that an insurer defaults in the payment of a legitimate claim by the Company.

Competition

There is a risk that the Company will not be able to continue to compete in the competitive industry in which it operates. The potential exists for the nature and extent of the competition to change rapidly, which may cause loss to the Company.

The Company is and will be competing against a number of significant global IT companies for users, user growth, user engagement, advertisements, commercial content and revenue. In addition, the emergence of new competitors in the market, or technological developments providing an alternative to the Company's products and services could adversely impact the Company's market share and cause downward price pressure on the Company's margins and revenue. Existing and new providers of social entertainment platforms may respond aggressively to the Company's products and services and seek to regain market share and revenue, which could also impact adversely the Company's margins and revenue

7.4 General risks

Share Market

There are general risks associated with any investment and the share market. The price of the Company's securities on the ASX may rise and fall depending on a range of factors beyond the Company's control and which are unrelated to the Company's financial performance.

These factors may include movements on international stock markets, interest rates and exchange rates, together with domestic and international economic conditions, inflation rates, investor perceptions, changes in government policy, commodity supply and demand, government taxation and royalties, war, global hostilities and acts of terrorism.

There is no assurance that the price of the Shares will increase following completion of the Acquisition and the Company's re-quotations on ASX, even if the Company's revenues and/or earnings increase.

Government policies and legislation

The Company's businesses and performance are affected generally by the fiscal or other policies (including taxation) that are adopted by government both in Australia and in the other jurisdictions in which the Company operates. Any change in regulation or policy may adversely affect the performance or financial position of the Company, either on a short-term or long-term basis. The Company may also be adversely affected by the pace or extent of such change.

General Economic conditions

The Company's business is affected by general economic conditions. A deterioration in economic conditions could lead to reductions in personal and business spending and other potential revenues which could be expected to have a corresponding adverse impact on the Company's operating and financial performance.

Market risk and interest rate volatility

From time to time, the Company may borrow money and accordingly will be subject to interest rates which may be fixed or floating. A change in interest rates would be expected to result in a change in the interest cost to the Company and, hence, may affect its financial performance.

Liquidity risk

There is no guarantee that there will be an ongoing liquid market for the Company's securities. Accordingly, there is a risk that, should the market for the Company's securities become illiquid, Shareholders will be unable to realise their investment in the Company.

Risk of Shareholder dilution

In the future, the Company may elect to issue Shares to engage in fundraisings and also to fund, or raise proceeds, for acquisitions the Company may decide to make. While the Company will be subject to the constraints of the Listing Rules regarding the percentage of its capital it is able to issue within a 12 month period (other than where exceptions apply), Shareholders may be diluted as a result of such issues of Shares and fundraisings.

Litigation

Litigation brought by third parties including but not limited to customers, partners, suppliers, business partners or employees could negatively impact the business, particularly in the case where the impact of such litigation is greater than or outside the scope of the Company's insurance.

Force majeure events

Events may occur within or outside Australia that could impact upon the global and Australian economies, the operations of the Company and the price of the Shares. Such events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the demand for the Company's products and services and its ability to conduct business. The Company will have only a limited ability to insure against some of these risks.

Investment Speculative

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

8. INVESTIGATING ACCOUNTANT'S REPORT

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20 June 2014

The Directors
Migme Limited
(formerly called Latin Gold Limited)
13/36 Johnson Street
GUILDFORD WA 6055

Dear Sirs

RE: INVESTIGATING ACCOUNTANT'S REPORT

1. Introduction

This report has been prepared at the request of the Directors of Migme Limited (“Migme” or “the Company”) (previously called Latin Gold Limited) for inclusion in a Prospectus to be dated on or around 24 June 2014 (“the Prospectus”) relating to the proposed placement to Big Build Enterprises Limited, a subsidiary of FIH Mobile Limited (“FIH”), a Cayman Island registered company but a Hong Kong listed company, by Migme of 40,000,000 post consolidated shares (assumes a 1 for 5 consolidation of capital as noted below) at 20 cents each to raise a gross \$8,000,000. In effect the deemed capital raising is approximately US\$7,400,000 but the settlement is the issue of the 40,000,000 post consolidated shares at 20 cents each. A total of 15,000,000 post consolidated share options exercisable at 20 cents each and with an expiry date of 31 July 2017, are also to be issued. 7,500,000 of these options are to be issued to Steven Goh a proposed new director of the Company and 7,500,000 options to key employees and/or consultants of the Company.

2. Basis of Preparation

This report has been prepared to provide investors with information on the unaudited historical results, the unaudited condensed statement of financial position (balance sheet) of Migme and the unaudited pro-forma statement of financial position of Migme as noted in Appendix 2. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial reports in accordance with the Corporation Act 2001. This report does not address the rights attaching to the securities to be issued in accordance with the Prospectus, nor the risks associated with the investment. Stantons International Securities has not been requested to consider the prospects for Migme, the securities on offer and related pricing issues, nor the merits and risks associated with becoming a shareholder and accordingly, has not done so, nor purports to do so. Stantons International Securities accordingly takes no responsibility for those matters or for any matter or omission in the Prospectus, other than responsibility for this report. Risk factors are set out in the Investment Overview Section and Section 7 of the Prospectus.

3. Background

Migme was listed on the Australian Securities Exchange (“ASX”) on 6 June 2001 as a potential manganese oxide producer but over time evolved into a mineral exploration company. Its major exploration interests for some period of time were focussed in Chile and then Peru, however the Peruvian exploration interests were sold in 2012 with the Company retaining a production royalty. The Company is effectively changing its nature and scale of activities as noted below.

On 23 January 2014, the Company announced that it has entered into a Heads of Agreement (“HOA”) (dated 20 January 2014) to acquire via a merger with Project Goth, Inc. (“PGI”) (and its subsidiaries), that owns 100% of the mig33 social entertainment platform with offices and servers in Singapore, Malaysia, Indonesia, and Silicon Valley, through the issue of 735,006,836 pre consolidated shares (to be approximately 147,001,367 post consolidated shares). In terms of the HOA Migme will;

- a) acquire all the issued shares in PGI (of all classes). The acquisition is to be by way of a merger under Delaware (USA) law between PGI and a special purpose Delaware subsidiary of Migme set up for this purpose (called Mig33 Company Inc.) and the split of the consideration is noted below;
- b) acquire all of the convertible notes in PGI currently on issue (to 20 January 2014), as well as additional convertible notes which PGI intends to issue after the date of the HOA and as set out in Schedule 1 to the HOA (13,622,854 PGI Notes), except for PGI convertible notes which are held by M3H Pte Limited (“M3H”);
- c) acquire all of the shares in M3H for a deemed \$1, a Singaporean based company that has borrowed monies via convertible notes and who has then on lent funds to PGI (in the form of convertible notes);
- d) In addition, Migme will acquire all of the convertible notes in M3H on issue as at 20 January 2014, as well as additional convertible notes which M3H intends to issue after the date of the HOA as set out in Schedule 1 to the HOA (“M3H Notes) (54,672,480 M3H Notes”);
- e) Migme will substitute itself as the issuer for all of PGI’s current issued options and warrants, as well as additional options which PGI intends to issue after the date of the HOA as set in Schedule 1 to the HOA (as at 19 June 2014, 15,744,590 options and warrants issued or to be issued under the PGI Employees Share and Options Scheme- ESOP). This figure may alter subsequent to 19 June 2014). For clarification, any obligations of Migme pursuant to this clause will be satisfied through the 735,006,836 pre-consolidated shares to be issued to PGI and associated entities.

The purchase price for the PGI Shares, the PGI Notes and the M3H Notes is the new issue of fully paid Migme Shares and the number allocated is as set out in Schedule 1 to the HOA. The Company agreed that for each share, Notes and warrants/share options in or to be issued by PGI, the PGI holders of securities will receive shares in Migme on the basis of three Migme shares for each security held (assumes warrants/options are exercised first- i.e assumes on a fully diluted basis). In terms of the HOA the allocation was deemed to be as follows (subsequently altered as noted elsewhere in this report):

	PGI (fully diluted)	3 for 1 conversion (Migme pre-consolidated shares as consideration)	Amount \$
Common shares	3,605,627	10,816,881	432,676
Series 1 shares	39,751,319	119,253,957	4,770,158
Series D shares	59,974,568	179,923,704	7,196,948
PGI Notes	13,622,854	40,868,561	1,634,742
M3H Notes	54,672,480	164,017,440	6,560,698
ESOP	53,375,431	160,126,293	6,405,051
Arranger (for introduction of the proposals between PGI and Migme)	20,000,000	60,000,000	2,400,000
Total pre-consolidated shares		735,006,836	29,400,273

Subsequent to entering into the HOA and as a result of various changes and transactions entered into by the PGI Group and M3H, which amongst others included, the issue of additional M3H convertible notes, issue of additional warrants and options, cancellation of warrants, issue of additional 22,500,000 PGI shares to Steven Goh, issue of additional 4,504,504 PGI shares for the acquisition of New Sense Enterprises Limited (owner of alivenotdead.com) and changes to the number of Arranger shares, the expected number of PGI fully diluted shares, the revised number of Migme pre-consolidation shares to be issued as consideration and the deemed amounts of the consideration at a deemed 4 cents per Migme pre-consolidation share are as follows (as at 19 June 2014):

PGI (fully diluted)	3 for 1 conversion	Amount (Migme Limited pre- consolidated shares as consideration)	\$
Common shares	18,850,150	56,550,450	2,262,018
Series 1 shares	61,557,180	184,671,540	7,386,862
Series D shares	29,974,568	89,923,704	3,596,948
PGI Notes	13,622,854	40,868,562	1,634,742
M3H Notes	72,208,561	216,625,683	8,665,027
ESOP	15,744,590	47,233,770	1,889,351
Brokers Fees	5,206,538	15,619,614	624,785
New Sense Enterprises Arranger (for introduction of the proposals between PGI and Migme)	4,504,504	13,513,512	540,540
	<u>23,333,333</u>	<u>69,999,999</u>	<u>2,800,000</u>
Total pre-consolidated shares	<u>245,002,278</u>	<u>735,006,834</u>	<u>29,400,273</u>

On 16 June 2014, the Merger Agreement (as that term is defined in the Prospectus) superseded the HOA. As a consequence, we have been advised that PGI and Migme have agreed that all the unexercised warrants and options issued by PGI will be transferred to an Employee Trust and that pursuant to the merger Migme effectively extinguishes all obligations that Migme may have to the PGI option holders. As part of the acquisition of the PGI Group (PGI and its subsidiaries as noted below), Migme will issue to the Employee Trust 47,233,770 pre consolidation shares at 4 cents each, for a total deemed value of \$1,889,351. The total number of Migme pre consolidation shares to be issued as consideration remains at 735,006,834 (147,001,367 post consolidated shares). The ultimate value of the consideration payable will depend on the share price of a Migme share at the time the Transaction is completed and the shares are issued.

mig33 is a social entertainment platform and we have been advised that it has over 3 million monthly active users. The service includes miniblog, chat, chatrooms, virtual gifts and games and is available on Android, WAP and Web. The platform is monetising and is targeting internet users in emerging markets representing over 3.5 billion people and the next frontier of growth in the Internet. The platform is tailored for emerging markets across South East Asia, South Asia, Middle East and Africa which represent a population of over 3.5 billion people, and monetises not through advertising but primarily through the sale of virtual gifts and games. Part of this business model was developed to build on the success of the Chinese based Tencent Holdings (700:HK), which now has a market capitalisation of over US\$120 billion. The mig33 team is currently focused on broadening and polishing the service offering and growing the user base in 2014

The actual company being acquired is Project Goth Inc (“PGI”), a USA incorporated company that currently is the main operating company of the mig33 platform. The subsidiaries of PGI as at 31 May 2014 are as follows:

- mig33Pte Ltd (“Mig33”), incorporated in Singapore (financial year ended 31 December);
- Project Goth Sdn Bhd, incorporated in Malaysia (financial year ended 31 December);
- Project Goth India (Private) Limited, incorporated in India (financial year ended 31 March);
- Eva Advisors South Africa Pty Ltd, incorporated in South Africa (financial year ended 28 February); and
- Project Goth Pty Ltd (“PG Australia”), incorporated in Australia (financial year ended 30 June).

New Sense Enterprises also becomes a subsidiary of PGI. In addition as noted above the Company is acquiring M3H. The acquisition of M3H effectively extinguishing the M3H Notes.

The Indian subsidiary records external revenue in its books on a cash basis but is transferred to PGI to account for deferred revenues and the Australian subsidiary has minimal operations. Mig33 Pte Ltd and Project Goth SDN BHD record expenses in their books, including, inter-alia wages and employment costs, web costs and research and development costs and then on a monthly basis recharge the costs with a mark up to PGI. The internal revenue generated is eliminated on consolidation.

PGI was incorporated on 3 November 2006 in Delaware USA. Prior to the incorporation of PGI, PG Australia (an Australian entity) was registered on 27 August 2003. PGI AUS operated in Australia and was primarily focused in social networking. In 2006 since it obtained funding from Silicon Valley based investors, PGI was incorporated and moved its operations from Australia to Silicon Valley (simply to be where the investors were based). Since it was in the business of social networking media, it created brand name trademark in 2005 called mig33. PGI Australia became the subsidiary of PGI and the trademark was irrevocably transferred to PGI.

In 2009, PGI moved its operations from Silicon Valley to Singapore based on the incentive the Singapore Government was providing for foreign direct investment to foreign companies. The set-up of its engineering centre was supported by the Infocomm Development Authority of Singapore (IDA - an incentive granted by Singapore Government), under its iCentre Programme. With the support of iCentre, the mig33 business expanded its presence in Singapore and regionally by growing the virtual economy through developing social entertainment with more social games and applications and developing on other platforms, including Android, iPhone and Facebook, for wider consumer reach. Through its iCentre programme, IDA provides developmental support for start-ups like mig33 to establish new engineering centres in Singapore. PGI incorporated a wholly owned subsidiary in Singapore on 31 August 2009 and named it as mig33 Pte Ltd and its functional and presentation currency is Singapore Dollars.

On 23 January 2014, Migme has provided M3H with a fully-recourse and interest free loan (“Loan”) of US\$500,000 (approximately \$541,000 at mid June 2014 exchange rates) that will become immediately repayable if completion of the acquisition of PGI does not occur within 5 months or at a date mutually agreed by both companies. On 18 June 2014 the parties agreed to extend the repayment date to 31 July 2014. No interest is payable on the Loan.

On 19 February 2014, PGI agreed to acquire for US\$525,000 New Sense Enterprises Limited (“NSEL”), a Hong Kong registered company that has the alivenot dead.com web site, and is an Asian artist and entertainment management group (“NSEL Agreement”). A deposit of US\$25,000 was paid by PGI in February 2014 and the balance of US\$500,000 was to be payable at the earlier of PGI undertaking an initial public offering and listing of its shares on a recognised stock exchange; PGI shareholders, upon completion of the merger become shareholders of Migme; and 30 September 2014. On 20 May 2014 the NSEL Agreement was varied so that the number of shares to be issued in consideration for the settlement of the balance of US\$500,000 was fixed at 4,504,504 shares of Series 1 Preferred Stock in PGI. This however does not change the overall number of shares to be issued by Migme (being 735,006,834 pre consolidation shares).

On 30 April 2014, the Company announced the following:

- PGI has reached agreement with FIH Mobile Limited (“FIH”) to make an initial investment of US\$2,200,000 (actual amount is US\$2,244,907) in PGI through a mix of existing securities and subscribing to the rights in new shares in PGI. In effect FIH will acquire 3,168,406 Series 1 shares in PGI from existing common shareholders in PGI (in total there are 38,999,142 Series 1 Shares on issue) at an agreed purchase price of US\$0.111 per share (US\$351,963) and FIH will acquire the PGI Notes (13,622,854 PGI Notes) at an agreed purchase price of US\$0.1389 each on an “as converted” basis (US\$1,892,214) and thus FIH is paying various PGI shareholders and PGI Note Holders the deemed sum of US\$2,244,907 for effectively 16,791,260 shares in PGI.
- Subject to Migme shareholders approval and the completion of the proposed merger with the PGI Group, an additional equivalent approximately US\$7,400,000 will be invested by FIH through the issue of 40,000,000 new Migme Shares, at an issue price of 20 cents per share on a 1 for 5 consolidated basis (Migme raising \$8,000,000);
- As a result, FIH may obtain an approximate up to 19.9% shareholding in the expanded issued capital of Migme on a fully diluted basis;
- FIH may appoint up to two Directors to the Board of the expanded Migme (to be renamed migme Limited);
- The new merged entity plans to establish a development centre in Taiwan, where Hon Hai Precision Industry Company Limited (“Hon Hai”), the ultimate controlling entity of FIH is based and will focus on business development and extending the expanded Company’s reach into the mobile telephony network.

Shareholders were requested to approve the following at a General Meeting of Migme Shareholders held on 19 June 2014:

- a change to the nature and scale of activities of the Company;
- a change of name of the Company to migme Limited;
- one for five consolidation of capital, so the existing 323,152,868 shares on issue are consolidated down to approximately 64,630,574 post consolidated shares;
- the acquisition of all of the share capital (ordinary and various classes of preference shares) of PGI by way of the issue of 147,001,367 post consolidated shares (equivalent to 735,006,834 pre-consolidated shares as noted above);
- the election of Steven Goh, Andi Zain, Dmitry Levit, John Lee, Yen-Chang (Charles) Pan and Dr. Yichin Lee as directors of the Company;
- the issue of 40,000,000 post consolidated shares to FIH or nominees at a deemed 20 cents each to raise \$8,000,000 (deemed to approximate US\$7,400,000);

- the granting of 7,500,000 options (on a post consolidated basis) to Steven Goh or his nominees exercisable at 20 cents each on or before 31 July 2017; and
- the granting of 7,500,000 options (on a post consolidated basis) to key employees and or key consultants of the Company exercisable at 20 cents each on or before 31 July 2017.

All resolutions at the 19 June 2014 shareholders meeting were passed by shareholders.

On 6 June 2014, the Company entered into a contract with Steven Pearce to pay Steven Pearce \$360,000 in relation to the capital raise of \$8,000,000.

Steven Goh has an employment contract with PGI, at the rate of US\$18,333 per month. Details are noted in the Material Contracts Section 10 and Section 4 Section of the Prospectus.

Patrick Wong entered into a consultancy agreement (via Silverline Advisory Pte Ltd a Singapore Company) with Project Goth on 8 September 2012 for an initial period of 6 months subject to renewal thereafter with the written consent of both parties. The compensation for services rendered is US\$15,000 per month. The agreement has been extended to 31 December 2014.

Project Goth Sdn Bhd a 100% owned subsidiary of PGI has entered into a tenancy agreement as disclosed more fully under Note 19 of this report.

Mig33 a 100% owned subsidiary of PGI has entered into a tenancy agreement as disclosed more fully under Section 19 of this report.

Migme does not have any current service or employment agreements.

Migme has entered into a tenancy agreement as disclosed more fully under Section 19 of this report.

Potential investors should read the Prospectus in full. We make no comments as to ownership or values of the current mineral tenement interests of Migme or the value of the mig33 business and other businesses that PGI is planning to acquire. Further details on all significant contracts entered into by the Company relevant to the Prospectus disclosure are referred to in the Material Contracts Section 10 of the Prospectus.

4. Scope of Examination

The Company has requested Stantons International Securities to prepare an Investigating Accountant's Report on:

- a) The consolidated results (statement of profit or loss and other comprehensive income) of Migme for the year ended 30 June 2013 and six months ended 31 December 2013;
- b) The consolidated statement of financial position of Migme as at 31 December 2013; and
- c) The pro-forma consolidated statement of financial position of Migme at 31 December 2013 adjusted to include funds to be raised by the Prospectus and the completion of transactions referred to in note 2 of Appendix 3.

All of the financial information referred to above has not been audited (except for the financial information as at 30 June 2013) however has been subject to audit review. The directors of Migme are responsible for the preparation and presentation of the historical and pro-forma financial information, including the determination of the pro-forma transactions. We have however examined the financial statements and other relevant information and made such enquiries, as we considered necessary for the purposes of this report. The scope of our examination was substantially less than an audit examination conducted in accordance with Australian Auditing Standards and accordingly, we do not express such an opinion. Our examination included:

- a) discussions with directors and other key management of Migme and the PGI Group;
- b) review of contractual arrangements;
- c) a review of publicly available information; and
- d) a review of work papers, accounting records and other documents of Migme, PGI and M3H.

5. Opinion

In our opinion, the pro-forma consolidated statement of financial position as set out in Appendix 2 presents fairly, the pro-forma consolidated statement of financial position of Migme as at 31 December 2013 in accordance with the accounting methodologies required by Australian Accounting Standards on the basis of assumptions and transactions set out in Appendix 3. No opinion is expressed on the historical results and statements of financial position, as shown in Appendix 1, except to state that nothing has come to our attention which would require any further modification to the financial information in order for it to present fairly, the statement of financial position as at 31 December 2013 and the results of the period identified.

To the best of our knowledge and belief, there have been no other material items, transactions or events subsequent to 31 December 2013 that have come to our attention during the course of our review which would cause the information included in this report to be misleading.

6. Other Matters

At the date of this report, Stantons International Securities Pty Ltd (trading as Stantons International Securities) does not have any material interest in Migme either directly or indirectly, or in the outcome of the offer. Stantons International Securities were not involved in the preparation of any other part of the Prospectus, and accordingly, make no representations or warranties as to the completeness and accuracy of any information contained in any other part of the Prospectus. Stantons International Securities consents to the inclusion of this report (including Appendices 1 to 3) in the Prospectus in the form and content in which it is included. At the date of this report, this consent has not been withdrawn. Stantons International Audit and Consulting Pty Ltd (Trading as Stantons International) is the parent entity of Stantons International Securities Pty Ltd and are also the auditors of Migme.

Yours faithfully

STANTONS INTERNATIONAL SECURITIES PTY LTD
(Trading as Stantons International Securities)



J P Van Dieren - FCA
Director

INVESTIGATING ACCOUNTANT'S REPORT

APPENDIX 1 – MIGME CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Migme Year Ended 30 June 2013 \$000's Audited	Migme Six Months ended 31 December 2013 \$000's Unaudited
Interest income	63	3
Employee and directors – remuneration expenses	-	(12)
Occupancy costs	(31)	(22)
Project costs	(61)	(36)
Corporate costs	(201)	(102)
Administration costs	(23)	(13)
Foreign exchange gain (loss)	212	86
Exploration and evaluation costs expensed	-	(280)
Deposit to acquire Manjero Resources Pty Ltd written off	-	(250)
(Loss) before income tax	(41)	(626)
Income tax expense	-	-
Net (loss) for the year/period	(41)	(626)
Other Comprehensive income/expenses	94	9
Total comprehensive (loss) for the year/period	53	(617)

APPENDIX 2 –MIGME UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	Unaudited 31 December 2013 \$000's	Unaudited 31 December 2013 Consolidated Pro-Forma \$000's
Current assets			
Cash at bank	3	2,741	14,227
Trade and other receivables	4	15	91
Prepayments and deposits	5	-	152
		<u>2,756</u>	<u>14,470</u>
Non-current assets			
Plant and equipment	6	-	106
Goodwill	7	-	27,562
Investments	8	481	481
Loans to PGI and M3H	9	-	-
		<u>481</u>	<u>28,149</u>
Total assets		<u>3,237</u>	<u>42,619</u>
Current liabilities			
Trade and other payables	10	41	2,560
Deferred Revenue	12	-	107
Taxes payable	13	-	92
Provisions	14	-	106
Interest bearing liabilities	11	-	-
		<u>41</u>	<u>2,865</u>
Non-current Liabilities			
Deferred taxation	15	-	3
		<u>-</u>	<u>3</u>
Total Liabilities		<u>41</u>	<u>2,868</u>
Net Assets/(Deficiency)		<u>3,196</u>	<u>39,751</u>
Equity			
Issued capital	16	13,270	50,112
Reserves	17	647	647
Accumulated losses	18	(10,721)	(11,008)
		<u>3,196</u>	<u>39,751</u>
Non Controlling interest		-	-
Net Equity/(Deficiency)		<u>3,196</u>	<u>39,751</u>

Condensed Notes to and forming part of the above condensed Financial Statements are attached.

INVESTIGATING ACCOUNTANT'S REPORT

APPENDIX 3

CONDENSED NOTES TO THE AUDITED AND UNAUDITED CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AND UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION

1. Statement of Significant Accounting Policies

(a) Basis of Accounting

The unaudited condensed Statement of Comprehensive Income and unaudited condensed Statements of Financial Position have been prepared in accordance with applicable accounting standards, the Corporations Act 2001 and mandatory professional reporting requirements in Australia (including the Australian equivalents of International Financial Reporting Standards) and we have made such disclosures as considered necessary. They have also been prepared on the basis of historical cost and do not take into account changing money values. The accounting policies have been consistently applied, unless otherwise stated.

Going Concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. The ability of the Group and Company to continue their mineral project evaluation activities, and hence the continued adoption of the going concern assumption, is dependent on the Group raising additional funding as and when required. It is the opinion of the board of directors that there are reasonable grounds to believe that the operational and financial plans in place are achievable and accordingly the Company and Group will be able to continue as going concerns and meet their debts as and when they fall due.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts, nor to the amounts and classification of liabilities that might be necessary should the Company and the Group not continue as going concerns.

• Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantially enacted as at balance date. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxation profit or loss. Deferred income tax assets are recognised to the extent that it is probable that the future tax profits will be available against which deductible temporary differences will be utilised. The amount of the benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in the income taxation legislation and the anticipation that the economic unit will derive sufficient future assessable income to enable the benefits to be realised and comply with the conditions of deductibility imposed by law.

- Exploration, and Evaluation and Expenditure

Exploration and evaluation expenditure incurred by or on behalf of the Group is expensed as incurred unless the Directors conclude that a future economic benefit is more likely than not to be realised. Each area of interest is limited to a size related to a known or probable mineral resource capable of supporting a mining operation.

- (d) Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value, less where applicable, any accumulated depreciation and impairment losses. The carrying amount of the plant and equipment is reviewed annually by the Directors to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employed and their subsequent disposal. The expected net cash flows have been discounted to their present value in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Company commencing from the time the asset is held ready for use. The asset's residual value and useful lives are reviewed and adjusted if appropriate, at each balance sheet date.

An assets' carrying value is written down immediately to its recoverable amount if the asset's carrying value is greater than the estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

- (e) Trade and other accounts payable

Trade and other accounts payable represent the principal amounts outstanding at balance date, plus, where applicable, any accrued interest.

- (f) Recoverable Amount of Non-Current Assets

The carrying amounts of non-current assets are reviewed annually by directors to ensure they are not in excess of the recoverable amounts from those assets. The recoverable amount is assessed on the basis of the expected net cash flows, which will be received from the assets employed and subsequent disposal. The expected net cash flows have been or will be discounted to present values in determining recoverable amounts.

- (g) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Revenue from sale of virtual products

Revenue from the sale of virtual products will be recognised upon completion of delivery of the virtual goods to customers. Subject to completion of the merger, the Company will generate revenue from providing Mig33 services. The Company will recognise revenues in accordance with IAS 18 Revenue which outlines the accounting requirements for when

to recognize revenue from the sale of goods, rendering of services. Revenue is measured at the fair value of the consideration received or receivable and recognised when prescribed conditions are met, which depend on the nature of the revenue. The Company recognises revenue once the following criteria's has been met:-

- (i) Persuasive evidence of an arrangement exists;
- (ii) Delivery of the Company's obligation to its customer has occurred;
- (iii) Price has been fixed and determinable and;
- (iv) Collection of the related receivables is reasonably assured.

Interest

Revenue is recognised as the interest accrues using the effective interest rate method (which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

(h) Issued Capital

Ordinary Shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

(i) Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, and long service leave.

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

(j) Share Based Payments

The Group provides benefits to employees (including directors) of the Company in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions"). The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using Black-Scholes or Binomial option pricing models.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date"). The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the directors of the Company, will ultimately vest. This opinion is formed based on the best available

information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award.

(k) Asset retirement obligations

The Company's mineral exploration and development activities are subject to various Australian laws and regulations regarding the protection of the environment. As a result of these, the Company is expected to incur expenses from time to time to discharge its obligations under these laws and regulations.

(l) Basis of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent Migme Limited and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit and loss and other comprehensive income.

(m) Investments

Investments and other financial assets

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transactions costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this

designation at each financial year-end. All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the marketplace.

Available-for-sale investments

Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss. The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible and keeping judgemental inputs to a minimum.

Impairment of financial assets

Impairment of available-for-sale investments

If there is objective evidence that an available-for-sale investment is impaired, an amount comprising the difference between its cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to the income statement. Reversals of impairment losses for equity instruments classified as available-for-sale are not recognised in profit. Reversals of impairment losses for debt instruments are reversed through profit or loss if the increase in an instrument's fair value can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

Derecognition of financial assets and financial liabilities

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when: the rights to receive cash flows from the asset have expired; the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or the Group has transferred its rights to receive cash flows from the asset and either has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received that the Group could be required to repay. When continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

(n) Intangibles

Development

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

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

Patents and trademarks

Material patents and trademarks are recognised at cost of acquisition. Patents and trademarks have an infinite life and are tested annually for impairment and carried at costs less accumulated impairment losses.

(o) Foreign currency transactions and balances

Functional and presentation currency

The functional currency of the Group is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in United States dollars, which is the parent entity's functional and presentation currency. The functional currency of Mig33 Pte Limited is Singapore Dollars. The functional currency of Project Goth SDN BHD is Malaysian Ringgit. The functional current of Project Goth (India) Private Limited is Indian Rupees and of Eva Advisors South Africa (Private) Limited is South African Rand.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange difference arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the income statement.

(p) Borrowing costs

Borrowing costs directly attributable to the funds borrowed through convertible loans that necessarily take a substantial period of time to repay in form of cash or in mostly likely possibility to conversion into shares. The cost of financing of these convertible loans is recognised in profit or loss in the period in which the interest expense is accrued from the time the funds are advanced.

(q) Income tax

The income tax expense for the year comprises current income tax expense/(benefit) and deferred tax expense.

Current income tax expense charged to profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities/(assets) are therefore measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense/(benefit) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

2. Actual and Proposed Transactions to Arrive at Pro-forma Unaudited Statement of Financial Position

A summary of the unaudited consolidated statement of financial position of Migme as at 31 December 2013 is summarised below along with a pro-forma consolidated unaudited statement of financial position after allowing for the following:

- (a) pay out 31 December 2013 trade creditors of \$41,000 and assuming further administration and corporate costs of \$200,000 (as budgeted) are incurred between 1 January 2014 and 30 June 2014;
- (b) The completion of the 1 for 5 consolidation of capital so that the 323,152,868 pre-consolidated shares then on issue reduce to approximately 64,630,574 post consolidated shares on issue;
- (c) The issue of 147,001,367 post consolidated shares at a deemed 20 cents each to acquire all of the share capital of the PGI Group and M3H, extinguishing the PGI Notes and M3H Notes and related interest, extinguishing the ESOP securities which are being issued to an independent Employee Trust, and settling an amount due to the Broker incurred by PGI). The total deemed cost is \$29,400,273 which has been allocated as follows:
 - 92,378,596 post consolidation shares for the acquisition of the PGI Group at a deemed value of approximately \$18,475,719;
 - 43,325,137 post consolidation shares for the acquisition of the M3H Notes and accrued interest at a deemed value of approximately \$8,665,027;
 - 8,173,712 post consolidation shares for the acquisition of the PGI Notes and accrued interest at a deemed value of approximately \$1,634,742;
 - 2,523,922 post consolidation shares for the payment of Broker fees incurred by PGI but to be repaid in Migme shares at a deemed value of approximately \$504,785; and
 - 600,000 post consolidation shares for the payment of Broker fees in relation to the Prospectus capital raising at a deemed value of approximately \$120,000.
- (d) The issue of 40,000,000 post consolidated shares at an issue price of 20 cents per share to a subsidiary of FIH pursuant to the Prospectus to raise a gross \$8,000,000 (approximately US\$7,400,000) and the incurring of Broker costs (capital raising costs) estimated at \$480,000 (US\$444,000);
- (e) The payment of cash expenses (excluding Broker costs of \$360,000) of the Prospectus issue and associated matters of approximately \$78,000 and expensing such costs against share equity;
- (f) Advance in January 2014 of US\$500,000 (approximately \$541,000) to the PGI Group;
- (g) The acquisition of the PGI Notes and the M3H Notes (inclusive of interest owed) from the PGI Group and M3H totaling \$10,091,000 (US\$9,334,354) to be settled by the issue of shares in Migme. The principal amount of the PGI Notes and the M3H Notes is \$9,866,009 (US\$9,126,058) and the interest accrued thereon is estimated at \$225,000 (US\$208,296);
- (h) The transfer to Migme of amounts owed by PGI to the Broker, Steven Pearce, in respect of fundraising through placements and convertible notes to a value of \$420,000 (US\$388,353) which are to be settled through the issue of Migme shares as part of the issue of 147,001,367 post consolidated shares.

For purposes of the above transactions we have used an exchange rate of 1AUD=0.925USD with the Australian dollar amounts rounded into thousands.

- (i) The dollar difference between the deemed value of Migme Shares issued on a post consolidation basis at 4 cents each in respect of the PGI Notes and M3H Notes acquired (the PGI and M3H Notes face value are different to the settlement value by Migme).

	Note	Unaudited Consolidated Migme 31 December 2013 \$000's	Unaudited Consolidated Migme Pro-forma 31 December 2013 \$000's
3. Cash Assets			
The movements in cash assets are as follows:			
Balance 31 December 2013		2,741	2,741
Administration and corporate costs and trade creditors	(a)	-	(241)
Issue of shares to FIH (deemed US\$7,400,000)	(d)	-	8,000
Capital raising costs pursuant to the Prospectus	(e)	-	(78)
Broker Costs in connection with the capital raising under the Prospectus	(e)	-	(360)
Advance of funds to PGI Group Arising on the acquisition of the PGI Group- (refer note 20)	(f)	-	(541)
		-	4,706
		<u>2,741</u>	<u>14,227</u>
4. Trade and other receivables			
Current			
Balance at 31 December 2013		15	15
Arising on the acquisition of the PGI Group – (refer note 20)		-	76
		<u>15</u>	<u>91</u>
5. Prepayments and deposits			
Balance at 31 December 2013		-	-
Prepayments and deposits – PGI Group (refer note 20)		-	152
		<u>-</u>	<u>152</u>

	Note	Unaudited Consolidated Migme 31 December 2013 \$000's	Unaudited Consolidated Migme Pro-forma 31 December 2013 \$000's
6. Fixed assets- Plant and equipment			
At cost – 31 December 2013		-	-
Less: Accumulated depreciation to 31 December 2013		-	-
Written down value 31 December 2013		-	-
Written down value of plant and equipment on acquisition of PGI Group – (refer note 20)		-	106
		-	106
7. Goodwill			
Balance at 31 December 2013		-	-
Arising on the consolidation of the PGI Group –(refer note 20)		-	27,004
Arising on the acquisition of the PGI Group – (refer note 20)		-	558
		-	27,562
8. Investments			
Balance at 31 December 2013		481	481
The issue of 92,378,596 post consolidated shares to acquire all of the share capital of the PGI Group(excluding acquiring the PGI Notes, M3H Notes and payments for Brokers fees)	(c)	-	18,476
Less elimination of acquisition costs on consolidation (refer to note 20)		-	(18,857)
		481	481
9. Loans to PGI and M3H			
Balance at 31 December 2013		-	-
For acquisition of M3H- interest bearing convertible notes and interest payable		-	8,010
For acquisition of PGI- interest bearing convertible notes and interest payable	20(g)	-	2,081
For Broker costs incurred by PGI and to be settled by the issue of Migme shares	20(c)	-	685
Loan advanced to PGI Group	(f)	-	541
Less: eliminated on consolidation		-	(11,317)
		-	-

	Note	Unaudited Migme 31 December 2013 \$000's	Unaudited Migme Pro-forma 31 December 2013 \$000's
10. Trade and other payables- Current			
Balance at 31 December 2013		41	41
Arising on the acquisition of the PGI Group – (refer note 20)		-	2,560
Less: repayment of trade creditors and accruals	(a)	-	(41)
		<u>41</u>	<u>2,560</u>
11. Interest bearing liabilities and borrowings			
Balance at 31 December 2013		-	-
Owing to M3H- interest bearing convertible notes		-	8,015
Owing to other investors- interest bearing convertible notes	20(g)	-	2,081
Less: repaid by issue of Migme shares	(g)	-	(10,095)
		<u>-</u>	<u>-</u>
12. Deferred Revenue			
Balance at 31 December 2013		-	-
Deferred revenue – PGI Group (refer Note 20)		-	107
		<u>-</u>	<u>107</u>
13. Taxes Payable			
Balance at 31 December 2013		-	-
Taxes payable – PGI Group (refer Note 20)		-	92
		<u>-</u>	<u>92</u>
14. Provisions- current			
Balance at 31 December 2013		-	-
Provisions – PGI Group (refer Note 20)		-	106
		<u>-</u>	<u>106</u>
15. Deferred Taxation			
Balance at 31 December 2013		-	-
Deferred taxation – PGI Group (refer Note 20) Group		-	3
		<u>-</u>	<u>3</u>

	Note	Unaudited Migme 31 December 2013 \$000's	Unaudited Migme Pro-forma 31 December 2013 \$000's
323,152,868 ordinary shares as at 31 December 2013		13,270	13,270
1 for 5 consolidation of capital so that 64,630,573 shares remain on issue	(b)	-	-
147,001,367 shares issued pursuant to the acquisition of PGI Group, PGI Notes, M3H and M3H Notes	(c)	-	29,400
40,000,000 shares pursuant to the Prospectus	(d)	-	8,000
Less: Capital raising costs	(e)	-	(78)
Less: Broker costs pursuant to Prospectus	(d)	-	(480)
(Pro-forma, 251,631,940 post consolidation shares on issue)		13,270	50,112

A further 15,000,000 post consolidation shares may be issued as noted in Note 17 below and the Background Section 3 of this report.

17. Reserves

Balance at 31 December 2013	647	647
Issue of share options to directors, employees and consultants	-	-
	647	647

As at 31 December 2013 the Company does not have any options on issue. Following approval of the shareholders at the general meeting of the Company held on 19 June 2014 it is proposed to issue up to 15,000,000 options exercisable at 20 cents each on a post consolidated basis. 7,500,000 of these options are to be issued to Steven Goh a proposed new director of the Company and 7,500,000 options to key employees and/or consultants of the Company. The options can only be exercised by the holder on or after 31 July 2015 and prior to the expiry date provided that no later than 31 July 2015 the price of the Shares have traded on ASX at greater than \$0.50 for a minimum 15 day VWAP. The options are non-transferable and if the option holder ceases to be either a Director, employee or consultant of the Company prior to 31 July 2016 and the options have not been exercised, then the options will be automatically cancelled.

The 15,000,000 options have been valued at 4.1 cents per option using the Black Scholes model, an exercise price of 20 cents per share, a market price of 20 cents per share being the price at which the 40,000,000 shares to FIH are being issued under the Prospectus, a risk free rate of 2.91%, an estimated volatility of 75% and a discount of 60% to take into account the market based condition. The total value of the options being approximately \$615,000 will be expensed over the vesting period which has been assumed to be from the date of issue of the options to 31 July 2015. No expense has been recognised in the Pro-forma accounts as the options will only be granted following the general meeting held on 19 June 2014 and the acquisition of PGI and M3H being completed.

	Note	Unaudited Migme 31 December 2013 \$000's	Unaudited Migme Pro-forma 31 December 2013 \$000's
18. Accumulated losses			
Balance as at 31 December 2013		(10,721)	(10,721)
Further administration/corporate costs	(a)	-	(200)
Difference between fair value of Migme shares issued and M3H and PGI Notes acquired and settlement of Brokers fees	(i)	-	(87)
		<u>(10,721)</u>	<u>(11,008)</u>

19. Contingent Liabilities and Commitments

Project Goth Sdn Bhd a 100% owned subsidiary of PGI entered into a tenancy agreement on 13 June 2013 for a period of 2 years at a total annual rent of RM213,840 (approximately \$71,238 at an exchange rate of 1AUD=2.988RM).

Mig33 a 100% owned subsidiary of PGI entered into a tenancy agreement on 1 June 2014 for a period of 3 months at a total monthly rent of SGD\$24,795 (approximately \$21,265 at an exchange rate of 1AUD=1.166SGD).

The Company has an operating commitment of \$21,873, inclusive of GST, (\$1,822.75 per month) for its Guildford office and this expires on 31 October 2014.

Based on discussions with the Directors, to our knowledge, the Company has no other material commitments or contingent liabilities not otherwise disclosed in this Investigating Accountant's Report (refer Background section 3) and in the Prospectus. As noted above, the PGI Group has currently two employment/service agreements in place with key management personnel. Investors should read the Material Contracts Section 10 for further possible contingencies and commitments.

20. Summary of PGI Group from unaudited Statement of Financial Position as at 31 March 2014 and pro-forma Statement of Financial Position as adjusted for matters noted below

	Note	Unaudited Consolidated PGI Group 31 March 2014	Unaudited Consolidated PGI Group Pro-forma 31 March 2014
		\$	\$
Cash at bank		204	4,706
Trade and other receivables		76	76
Prepayments and deposits		152	152
Total Current Assets		432	4,934
Plant and equipment at WDV		116	106
Goodwill		558	558
Total Non Current Assets		674	664
Total Assets		1,106	5,598
Trade and other payables		2,425	2,560
Convertible Notes		3,568	8,014
Deferred revenue		107	107
Taxes payable		92	92
Provisions		106	106
Loan from Migme Limited		541	3,247
Total Current Liabilities		6,839	14,126
Deferred taxation		3	3
Total Non Current Liabilities		6,842	14,127
Net Assets/(Liabilities)		(5,736)	(8,529)
Issued Capital		42,504	48,004
Reserves		2,111	2,111
Accumulated losses		(50,351)	(58,644)
		(5,736)	(8,529)

The unaudited consolidated accounts of the PGI Group as at 31 March 2014 have been converted into Australian dollars at an exchange rate of AUS\$1 = US\$0.925.

We have adjusted the unaudited consolidated financial statements of the PGI Group as at 31 March 2014 to arrive at the unaudited consolidated PGI Group Pro-forma 31 March 2014 figures as follows:

- (a) Estimated depreciation of \$10,000 to 30 June 2014;
- (b) Incurring further losses (treated as a reduction in cash) of an estimated \$1,797,000 (US\$1,662,000) for the quarter to 30 June 2014;
- (c) The accrual of Brokers fees totalling approximately \$624,785 (US\$577,926) in respect of assisting with the raising of convertible notes and placements made by PGI and M3H;
- (d) Estimated interest on the Convertible Notes of \$93,482 (US\$86,471) for the 3 months ended 30 June 2014;
- (e) Estimated value of \$2,700,000 in respect of 22,500,000 PGI shares issued to a director and expensed as a share based payment;
- (f) The receipt of a further \$6,298,441 (US\$5,826,058) from the issue of Convertible Notes by M3H and on lent to PGI;

- (g) The transfer to Migme of the PGI Convertible Notes of \$1,945,946 (US\$1,800,000) and related interest of \$135,273 (US\$125,095);
- (h) Estimated value of \$2,800,000 in respect of 23,333,333 PGI shares issued as arrangement fees to various parties and expensed.

	Unaudited PGI Group Consolidated Pro-forma 31 March 2014 \$000's
The cost of the Acquisition is as follows:	
Shares issued (735,006,833) Migme shares on a pre consolidation basis at an estimated 4 cents each or 147,001,367 post consolidation shares on a 1 for 5 consolidated basis at an estimated 20 cents per each for a total deemed cost of \$29,400,273.	29,400
Less allocated to the acquisition of the M3H Notes	(8,665)
Less allocated to the acquisition of the M3H Notes	(1,635)
Less allocated to the settlement of Brokers fees	(625)
Net Acquisition costs	<u>18,475</u>
<u>Net liabilities</u> of PGI Group acquired	<u>8,529</u>
Excess of cost of Acquisition over net assets acquired representing goodwill	<u><u>27,004</u></u>

Recoverability of the investment in PGI and its subsidiaries and recoverability of the goodwill interests on consolidation is dependent on the successful commercialisation of the mig33 business and the other businesses of the PGI Group being acquired at amounts at least equal to book values. The Company will need to fund the operations of the PGI Group subsequent to the PGI Group becoming subsidiaries of Migme.

The actual assets and liabilities and net asset position of the PGI Group at the noted date of acquisition by Migme may vary from the above pro forma figures and the “goodwill” on consolidation may also vary.

21. M3H Acquisition

According to the unaudited management accounts of M3H at 31 December 2013 and 31 March 2014, the net equity of M3H approximates nil. M3H is a vehicle through which funds are raised via the issue of convertible notes to investors and an equivalent amount of the funds received are on lent to the PGI Group at an equivalent rate of interest to that paid to the M3H Noteholders. M3H is being acquired by Migme for USD1 and therefore no goodwill arises on acquisition.

9. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

9.1 Directors, Proposed Directors and key personnel

Biographies for the Directors and Proposed Directors are set out in Section 4.19.

9.2 ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (2nd Edition)* as published by the ASX Corporate Governance Council (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current Board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available upon request from the Company Secretary on +61 42 999 5000.

Board of Directors

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- (a) maintain and increase Shareholder value;
- (b) ensure a prudential and ethical basis for the Company's conduct and activities; and
- (c) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- (a) developing initiatives for profit and asset growth;
- (b) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
- (c) acting on behalf of, and being accountable to, the Shareholders; and
- (d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting.

However, subject thereto, the Company is committed to the following principles:

- a) the Board is to comprise persons with a blend of skills, experience and attributes appropriate for the Company and its business; and
- b) the principal criterion for the appointment of new directors is their ability to add value to the Company and its business.

No formal nomination committee or procedures have been adopted for the identification, appointment and review of the Board membership, but an informal assessment process, facilitated in consultation with the Company's professional advisors, has been committed to by the Board.

Identification and management of risk

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

Independent professional advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

Remuneration arrangements

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.

The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$150,000 per annum.

In addition, a Director may be paid fees or other amounts (ie subject to any necessary Shareholder approval, non-cash performance incentives such as options) as the Directors determine where a Director performs special duties or

otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

Trading policy

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (ie Directors and, if applicable, any employees reporting directly to the executive director). The policy generally provides that the written acknowledgement of the Chair (or the Board in the case of the Chairman) must be obtained prior to trading.

External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

Audit committee

The Company has established an audit committee which consists of two Non-Executive Directors, who are independent, and is chaired by the current non-executive Chairman. Following Completion, the audit committee will be expanded such that it includes the non-executive Chairman and two other non-executive Directors.

The function of the audit committee includes, but is not limited to, the monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

9.3 Departures from Recommendations

The Company reports any departures from the Recommendations in its annual financial report.

The Company's compliance and departures from the Recommendations as at the date of this Prospectus are set out on the following pages.

	PRINCIPLES AND RECOMMENDATIONS	COMMENT
1.	<i>Lay solid foundations for management and oversight</i>	
1.1	Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	<p>The Company's Corporate Governance Policies include a Board Charter, which discloses the specific responsibilities of the Board and those delegated to senior executives.</p> <p>The Board will delegate responsibility for the day-to-day operations and administration of the Company to the Chief Executive Officer.</p>
1.2	Companies should disclose the process for evaluating the performance of senior executives.	<p>The Company's Corporate Governance Policies include a section on performance evaluation practices adopted by the Company.</p> <p>The chair will monitor the Board and the Board will monitor the performance of any senior executives who are not directors, including measuring actual performance against planned performance.</p>
1.3	Companies should provide the information indicated in the <i>Guide to reporting on Principle 1</i> .	<p>Explanation of departures from Recommendations 1.1 and 1.2 (if any) are set out above. The Company will provide an explanation of any departures from Recommendations 1.1 and 1.2 (if any) in its future Annual Reports.</p> <p>No performance evaluation of senior executives has taken place to date, as the Company does not currently have any executive directors. Following Completion, this process will be conducted annually. Future Annual Reports will disclose whether such a performance evaluation has taken place in the relevant reporting period and whether it was in accordance with the process disclosed.</p> <p>The Corporate Governance Policies, which includes the Board Charter, are posted on the Company's website.</p>
2.	<i>Structure the board to add value</i>	
2.1.	A majority of the board should be independent directors.	<p>An independent director is one who is independent from management and free from any business or other relationship that could, or could reasonably be perceived to materially interfere with the exercise of independent judgement.</p> <p>Currently, the Board consist of a Non-Executive Chairman, who will remain as Non-Executive Chairman upon completion of the Acquisition, and two Non-Executive Directors, who will retire upon completion of the Acquisition. Following Completion, two Executive Directors (one of which will be the Chief Executive Officer) and four Non-Executive Directors will be appointed. In accordance with the definition</p>

	PRINCIPLES AND RECOMMENDATIONS	COMMENT
		above, the Company will have five independent Non-Executive Directors.
2.2.	The chair should be an independent director.	Howard Dawson is the proposed Non-Executive Chairman upon completion of the Acquisition. Mr Dawson will hold 1,247,660 Shares in the Company after the Acquisition and Consolidation. This is equivalent to 0.5% of the issued Shares in the Company and as a consequence is not deemed to be significant enough to affect his independence.
2.3.	The roles of chair and chief executive officer should not be exercised by the same individual.	The Company will have a Chief Executive Officer who is separate from the chair.
2.4.	The board should establish a nomination committee.	A nominations committee will be established by the Company following Completion and the appointment of the Proposed Directors. Where necessary, the Board seeks advice of external advisers in connection with the suitability of applicants for Board membership.
2.5.	Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.	The Company's Corporate Governance Policies include a section on Performance Evaluation Practices adopted by the Company. The performance of the Board and individual directors are evaluated in accordance with the Performance Evaluation Practices. The performance of all directors is reviewed by the Chairman on an ongoing basis and any director whose performance is considered unsatisfactory is asked to retire. The Chairman's performance is reviewed by the other Board members. The Company will establish as soon as possible after Completion firm guidelines to identify the measurable and qualitative indicators of the director's performance during the course of the year.
2.6.	Companies should provide the information indicated in the <i>Guide to reporting on Principle 2</i> .	The Company has provided details of each director, such as their skills, experience and expertise relevant to their position in this Prospectus and will also provide these details on its website and in future Annual Reports. Explanation of departures from Principles and Recommendations 2.1, 2.2, 2.3, 2.4 and 2.5 (if any) are set out above. The Company will provide an explanation of any departures from Recommendations 2.1, 2.2, 2.3, 2.4 and 2.5 (if any) in its future Annual Reports. The Company's Corporate Governance Policies, which includes the Performance Evaluation Practices, are posted on the Company's website.

	PRINCIPLES AND RECOMMENDATIONS	COMMENT
3.	Promote ethical and responsible decision-making	
3.1.	<p>Companies should establish a code of conduct and disclose the code or a summary of the code as to:</p> <ul style="list-style-type: none"> the practices necessary to maintain confidence in the company's integrity the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders the responsibility and accountability of individuals for reporting and investigating reports of unethical practices. 	<p>The Company's Corporate Governance Policies include a formal Code of Conduct, which provides a framework for decisions and actions in relation to ethical conduct in employment.</p> <p>The Company is committed to the highest level of integrity and ethical standards in all business practices. Directors and employees must conduct themselves in a manner consistent with current community and corporate standards and in compliance with all legislation. In addition, the Board subscribes to the Statement of Ethical Standards as published by the Australian Institute of Company Directors.</p> <p>All directors and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.</p> <p>The Company's Corporate Governance Policies, which include the Code of Conduct, are posted on the Company's website.</p>
3.2.	<p>Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measureable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.</p>	<p>The Company's Corporate Governance Policies includes a Diversity Policy. The Diversity Policy addresses equal opportunities in the hiring, training and career advancement of directors, officers and employees. The Diversity Policy provides a framework for establishing measurable objectives to achieve the aims of its Diversity Policy, with particular focus on gender diversity within the Company and for the Board to assess annually both the objectives and the progress in achieving them.</p> <p>The Company is committed to ensuring a diverse mix of skills and talent exists amongst its directors, officers and employees and is utilised to enhance the Company's performance.</p> <p>The Board is responsible for monitoring Company performance in meeting the Diversity Policy requirements, including the achievement of diversity objectives.</p>
3.3.	<p>Companies should disclose in each annual report the measureable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress in achieving them.</p>	<p>Due to the current scale of the Company's operations and the limited number of employees, the Company has not yet set measurable objectives for achieving gender diversity.</p>

PRINCIPLES AND RECOMMENDATIONS		COMMENT
		As a priority, the Company is focusing on the participation of women on its Board and within senior management. Following Completion, the Board will determine appropriate measurable objectives for achieving gender diversity.
3.4.	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	The Company does not currently have any female employees in senior roles. Following Completion, the Company will have female employees in senior roles and the Company will disclose in each Annual Report the proportion of women employees in the whole organisation.
3.5.	Companies should provide the information indicated in the <i>Guide to reporting on Principle 3</i> .	The Company will provide an explanation of any departures from Recommendations 3.1, 3.2, 3.3 and 3.4 (if any) in its future Annual Reports. The Company's Corporate Governance Policies, which includes the Code of Conduct and Diversity Policy, are posted on the Company's website.
4.	<i>Safeguard integrity in financial reporting</i>	
4.1.	The board should establish an audit committee.	The Company has established an audit committee which consists of two Non-Executive Directors, who are independent, and is chaired by the current Non-Executive Chairman.
4.2.	The audit committee should be structured so that it: <ul style="list-style-type: none"> • consists only of non-executive directors • consists of a majority of independent directors • is chaired by an independent chair, who is not chair of the board • has at least three members. 	The Company's audit committee currently consists of two Non-Executive Directors, who are independent, and is chaired by the current Non-Executive Chairman. Following Completion, the audit committee will be expanded such that it includes the Non-Executive Chairman and two other independent Non-Executive Directors. The chair of the audit committee will not be the chair of the Board.
4.3.	The audit committee should have a formal charter.	The audit committee has adopted an audit committee charter which is available of the Company's website.
4.4.	Companies should provide the information indicated in the <i>Guide to reporting on Principle 4</i> .	The Company has an audit committee and their names, qualifications and attendance at audit committee meetings will be reported in each Annual Report. . The Company will explain any departures from the Corporate Governance Recommendations 4.1, 4.2 and 4.3 (if any) in its future Annual Reports.

	PRINCIPLES AND RECOMMENDATIONS	COMMENT
5.	<i>Make timely and balanced disclosure</i>	
5.1.	Companies should establish written policies designed to ensure compliance with the ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	<p>The Company's Corporate Governance Policies include a Continuous Disclosure Policy, which is designed to ensure the compliance with the disclosure obligations under the Corporations Act and the ASX Listing Rules and to ensure accountability at a senior executive level for compliance and factual presentation of the Company's financial position.</p> <p>The Chief Executive Officer and the Company Secretary are responsible for communications with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules and overseeing and co-ordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.</p>
5.2.	Companies should provide the information indicated in <i>Guide to Reporting on Principle 5</i> .	<p>The Company will provide an explanation of any departures from Principle and Recommendation 5.1 (if any) in its future annual reports.</p> <p>The Corporate Governance Policies, which includes a Continuous Disclosure Policy, are posted on the Company's website.</p>
6.	<i>Respect the rights of shareholders</i>	
6.1.	Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.	<p>The Company's Corporate Governance Policies include a Shareholders Communication Policy, which aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs.</p> <p>The policy provides that information will be communicated to Shareholders through:</p> <ul style="list-style-type: none"> • the Annual Report which is distributed to all Shareholders; • Half-Yearly Reports and all Australian Securities Exchange announcements which are posted on the Company's website; • the Annual General Meeting and other meetings so called to obtain approval for Board action as appropriate; and • compliance with the continuous disclosure requirements of the ASX Listing Rules.
6.2.	Companies should provide the information indicated	The Company will provide an explanation of any departures from

	PRINCIPLES AND RECOMMENDATIONS	COMMENT
	in the <i>Guide to reporting on Principle 6</i> .	Recommendation 6.1 (if any) in its future Annual Reports. The Corporate Governance Policies, which includes a Shareholders Communication Policy, are posted on the Company's website.
7.	Recognise and manage risk	
7.1.	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	The Company's Corporate Governance Policies include a Risk Management Policy. The Board determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.
7.2.	The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	The Company's Corporate Governance Policies include a Risk Management Policy. Risk oversight, management and internal control are dealt with on a continuous basis by management and the Board, with differing degrees of involvement from various directors and management, depending upon the nature and materiality of the matter. Management and the Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board Meetings.
7.3.	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with Section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	For each reporting period, the Board receives assurance from the chief financial officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks. The audit committee, or the full Board of the Company, is also responsible for establishing policies on risk oversight and management.
7.4.	Companies should provide the information indicated in <i>Guide to Reporting on Principle 7</i> .	The Company will explain any departures from in Guide to Reporting on Principle 7. Recommendations 7.1, 7.2 and 7.3 (if any) in its future Annual Reports. The Corporate Governance Policies, which includes a Risk Management and

	PRINCIPLES AND RECOMMENDATIONS	COMMENT
		Internal Compliance and Control Policy, are posted on the Company's website.
8.	Remunerate fairly and responsibly	
8.1.	The board should establish a remuneration committee.	The Board considers the Company is not currently of a size, or its affairs of such complexity, to justify the establishment of a Remuneration Committee. Following Completion a Remuneration Committee will be established. Until a Remuneration Committee is established, the Board as a whole is responsible for the remuneration arrangements for the Directors and executives of the Company and considers it more appropriate to set aside time at Board meetings each year to specifically address matters that would ordinarily fall to a Remuneration Committee.
8.2.	The remuneration committee should be structured so that it: <ul style="list-style-type: none"> • consists of a majority of independent directors • is chaired by an independent director • has at least three members 	Although no formal remuneration committee has been established, the overall structure of the Board which serves as the informal remuneration committee is structured in a manner consistent with the Recommendation.
8.3.	Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	Executive Directors remuneration packages may comprise of: <ul style="list-style-type: none"> • fixed salary; • performance based bonuses; • participation in any share/option scheme; and • statutory superannuation. Non-Executive Directors receive fixed director's fees only, and do not participate in any performance-based remuneration. Non-Executive Directors are to be paid their fees out of the maximum aggregate amount approved by Shareholders for the remuneration of Non-Executive Directors. Remuneration of Non-Executive Directors is determined by the Board with reference to comparable industry levels and, specifically for directors' fees, within the maximum amount approved by Shareholders. There is no scheme to provide retirement benefits, other than statutory superannuation, to Non-Executive Directors.

	PRINCIPLES AND RECOMMENDATIONS	COMMENT
		Full remuneration disclosure, including superannuation entitlements has been provided by the Company in its Annual Reports.
8.4.	Companies should provide the information indicated in the <i>Guide to reporting on Principle 8</i> .	The Company will provide an explanation of any departures from Corporate Governance Recommendations 8.1, 8.2 and 8.3 (if any) in its future Annual Reports. The Corporate Governance Policies are posted on the Company's website.

10. MATERIAL CONTRACTS

10.1 Agreement

On 23 January 2014, the Company entered into a conditional heads of agreement to acquire 100% of the issued capital of PGI and M3H for a consideration of 735,006,836 Shares (**Agreement**) on a pre-Consolidation basis.

On completion of the Acquisition, the nature of the Company's business will change to become a technology focused social entertainment platform that features miniblog, chat, chatrooms, virtual gifts and games. Subject to completion of the Acquisition, the Company will own the mig33 social entertainment platform

migme further agreed to provide M3H with a full-recourse interest free loan of US\$500,000 (**Loan**). The Loan was advanced on 24 January 2014 and (as agreed between the parties) is immediately repayable if completion of the Acquisition does not occur by 31 July 2014.

The Agreement was superseded by the Merger Agreement and the M3H Share Sale Agreement (refer Section 10.2)

10.2 Merger Agreement and M3H Share Sale Agreement

Merger Agreement

On 16 June 2014, the Company entered into the Merger Agreement for the purpose of fully documenting the terms and conditions of the merger between the Company and PGI.

The total consideration payable for the acquisition of PGI (including the PGI Convertible Notes and M3H Convertible Notes) is 147,001,367 Shares (on a post Consolidation basis).

Closing of the acquisition of PGI by the Company is conditional upon the satisfaction of the following outstanding conditions precedent (**Conditions**):

- (a) conditional approval from ASX for the re-quotations of the Company's securities on ASX;
- (b) the net cash position of the merged group (as at the Effective Time) being not less than \$5,000,000;
- (c) there being no material breach of representations, warranties or covenants by the other party, and no material adverse effect occurring in the condition of the other party since the date of the Agreement; and
- (d) certain customary legal filings being undertaken for the purpose of the Acquisition.

The Merger Agreement may, by written notice given before or at completion of the merger, be terminated:

- (a) by mutual written consent of the Company and PGI;
- (b) by the Company, if there has been a breach of any of PGI's representations, warranties or covenants contained in the Merger

Agreement, which would result in the failure of the Conditions, and which breach has not been cured or cannot be cured within 30 days after the notice of the breach from the Company;

- (c) by PGI, if there has been a breach of any of the Company's representations, warranties or covenants contained in the Merger Agreement, which would result in the failure of the Conditions, and which breach has not been cured or cannot be cured within 30 days after the notice of breach from PGI;
- (d) by either the Company or PGI, if any Governmental Authority of competent jurisdiction has issued a non-appealable final judgment or taken any other non-appealable final action, in each case having the effect of permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by the Merger Agreement;
- (e) by the Company, if the Acquisition has not occurred (other than through the failure of the Company to comply fully with its obligations under the Merger Agreement) on or before July 31, 2014; or
- (f) by PGI, if the Acquisition has not occurred (other than through the failure of PGI to comply fully with its obligations under the Merger Agreement) on or before July 31, 2014.

M3H Share Sale Agreement

On 17 June 2014, The Company, M3H and Mr Andi Zain (being the sole M3H Shareholder) entered into the M3H Share Sale Agreement for the purpose of fully documenting the terms and conditions of the merger between the Company and M3H.

The total consideration payable for the acquisition of M3H is \$1.00.

Completion of the M3H Share Sale Agreement is conditional on the completion or waiver of the Conditions and the consummation of the Acquisition.

10.3 Placement Agreement

On or around 25 June 2014, the Company and Big Build Enterprises Limited entered in to the Placement Agreement.

Pursuant to the terms and conditions of the Placement Agreement, Big Build Enterprises Limited has agreed to subscribe for 40,000,000 Shares (on a post Consolidation basis) at an issue price of \$0.20 per Share, raising \$8,000,000 (before costs of the issue).

As at the date of this Prospectus, completion of the subscription is conditional on the receipt of all approvals or consents required from any Government Agency to implement the Offer are obtained (or deemed obtained) on terms reasonably acceptable to the Company and Big Build Enterprises Limited and not withdrawn, including ASX providing a conditional approval letter to the Company confirming that, subject to completion of the Acquisition, the equity securities of the Company will be re-admitted to Official Quotation.

On 23 June 2014, the Company received from Big Build Enterprises Limited US\$7,495,200, being the US dollar equivalent of the \$8,000,000 to be raised

pursuant to the Offer. These funds will be held in trust pending satisfaction of the Conditions.

10.4 Service Agreement – Steven Goh

On 1 September 2010, Mr Goh and PGI entered into an Amended and Restated Employment Offer Agreement for the engagement of Mr Goh as Chief Executive Officer of PGI (**Employment Agreement**).

Under this Employment Agreement Mr Goh's monthly salary is US\$18,333.

The Employment Agreement has no fixed term and can be terminated by either party at any time with or without cause and with or without notice.

If Mr Goh is involuntarily terminated without cause or if Mr Goh voluntarily terminates for Good Reason (as defined below), PGI will pay Mr Goh a severance payment equal to 6 months' salary and the PGI will continue to pay Mr Goh's health benefits for a period up to 6 months from the date of termination.

Good Reason means the occurrence of any of the following without Mr Goh's express written consent and without cause (i) Mr Goh's primary work site being moved to a facility or location more than thirty (30) miles from Mr Goh's current work site; or (ii) a significant reduction in Mr Goh's responsibilities in his position as the PGI's Chief Executive Officer, or his removal as Chief Executive Officer; provided, however, that if, in connection with an acquisition, Mr Goh is hired by an acquiring company and given comparable responsibilities over the operation of the company's line business in such acquiring company, then even though Mr Goh may not be the Chief Executive Officer of the acquiring entity and provided the acquiring entity assumes the obligations of the Employment Agreement, this change in title and responsibilities will not be deemed to be "Good Reason"; or (iii) a reduction in Mr Goh's then current salary (including bonus structure) if such reduction occurs in a manner that is disproportionate to a reduction by PGI in the compensation of its other executive officers as in effect immediately prior to such reduction, which in each case is not cured within thirty (30) days after written notice from Mr Goh to the board setting forth in reasonable detail the facts and circumstances claimed to constitute Good Reason and affording an opportunity to cure. Any termination of employment by Mr Goh for Good Reason shall be communicated to the board by written notice in accordance with the Employment Agreement. If Mr Goh does not provide notice to the board of an act or omission that constitutes Good Reason within 60 days of his actual knowledge of the occurrence of such act or omission, Mr Goh shall be deemed to have consented to such change in his responsibilities or salary for purposes of the Employment Agreement.

In accordance with the terms and conditions of the Employment Agreement, Mr Goh is entitled to standard employee benefits which include a health benefits plan and 2 weeks annual leave.

It is intended that following completion of the Acquisition, the Employment Agreement will be assigned to the Company.

10.5 Service Agreement – Silverline Advisory Pte Ltd

On 8 September 2012, PGI engaged the services of Silverline Advisory Pte Ltd (Silverline), a Singapore Company controlled by Patrick Wong for a term of 6 months for the purpose of Patrick Wong providing business services to PGI in the

role of Chief Financial Officer. Pursuant to a letter agreement dated 1 March 2013, the term was extended to 31 December 2014.

Key terms of the agreement are:

- a) Mr Wong is to commit, on average, 40 hours per week to the role;
- b) compensation of US\$15,000 per month will be paid to Silverline;
- a) the agreement may be terminated at any time by either party for any reason or no reason, with or without cause;
- b) Silverline will be reimbursed all reasonable out of pocket expenses incurred, provided receipts are provided and prior approval is obtained for any expense in excess of US\$100.00.

It is intended that following completion of the Acquisition, the agreement will be assigned to the Company.

10.6 Re-statement of Engagement of Steven Pearce

On 6 June 2014, the Company entered into an agreement to formalise the payment of a placement fee of \$360,000 (4.5%) to Steven Pearce for the introduction, management and facilitation of the placement of 40,000,000 Shares to Big Build Enterprises Limited pursuant to this Prospectus. The placement fee is payable within 30 days of receipt of the date of receipt of the \$8,000,000.

10.7 Notes Exchange Agreements

PGI Notes Exchange Agreement

A condition precedent of the Merger Agreement is that the Company, Big Build Enterprises Limited and PGI enter into the PGI Notes Exchange Agreement (**PGI Agreement**).

Pursuant to the PGI Agreement, the Company is to acquire from Big Build Enterprises Limited the PGI Convertible Notes for a consideration of 8,173,712 Shares (such Shares forming part of the 147,001,367 Shares to be issued pursuant to the Merger Agreement – refer Section 10.2).

Completion of the PGI Agreement is conditional on the completion or waiver of the Conditions and the consummation of the Acquisition.

M3H Notes Exchange Agreements

A condition precedent of the Merger Agreement is that the Company and M3H enter into M3H Notes Exchange Agreements with each of the M3H Noteholders (**M3H Agreements**).

Pursuant to the M3H Agreements, the Company is to acquire from the M3H Noteholders all of the M3H Convertible Notes for a total consideration of 43,325,132 Shares (such Shares forming part of the 147,001,367 Shares to be issued pursuant to the Merger Agreement – refer Section 10.2).

Completion of the M3H Agreement is conditional on the completion or waiver of the Conditions and the consummation of the Acquisition.

11. ADDITIONAL INFORMATION

11.1 Rights attaching to Shares

The following is a summary of the more significant rights attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) 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.

(b) 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:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) 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
- (iii) 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).

(c) Dividend rights

Subject 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 dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) Shareholder liability

As the Shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) Transfer of Shares

Generally, Shares 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 ASX Listing Rules.

(g) 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 abrogate 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 abrogated 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.

(h) Alteration of Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

11.2 Litigation

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

11.3 Share Options

Following Completion and as approved by Shareholders at the General Meeting, the Company intends to issue 7,500,000 Options to Mr Goh (or his nominee) and up to 7,500,000 Options to key consultants and/or employees.

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- a) The exercise price of each Option is \$0.20 ("Exercise Price").
- b) The Options expire at 5:00pm WST on 31 July 2017 ("Expiry Date").
- c) The Options can only be exercised by the holder on or after 31 July 2015 and prior to the Expiry Date provided that no later than 31 July 2015 the price of the Shares have traded on ASX at greater than \$0.50 for a minimum 15 day VWAP.
- d) Each Option shall entitle the holder to subscribe for and be issued one Share in the capital of the Company upon exercise of the Option and payment to the Company of the Exercise Price.
- e) Shares issued as a result of the exercise of any of the Options will rank equally in all respects with all Shares currently on issue.
- f) The Option holder is not entitled to participate in new issues of securities offered to Shareholders (including any rights issue, entitlement issue or bonus issue) unless the Option is exercised before the relevant record date for that new issue.
- g) The Options are non-transferable and if the Option holder ceases to be either a Director, employee or consultant of the Company prior to 31 July 2016 and the Options have not been exercised, then the Options will be automatically cancelled.
- h) Shares issued on the exercise of Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys. Shares issued pursuant to the exercise of an Option will rank equally with the then issued Shares of the Company in all respects. If

the Company is listed on ASX it will, pursuant to the exercise of an Option, apply to ASX for quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act and the ASX Listing Rules.

- i) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Option holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to the reconstruction of capital at the time of the reconstruction.

11.4 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- (b) promoter of the Company,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offer.

Stantons International has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Section 8 of this Prospectus. The Company estimates it will pay Stantons International a total of \$25,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Stantons International has received fees from the Company in connection with auditing services amounting to \$45,591.00 (ex GST)

11.5 Consents

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and

- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Stantons International has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Investigating Accountant's Report in Section 8 of this Prospectus in the form and context in which the information and report is included. Stantons International has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

11.6 Expenses of the Offer

The total expenses of the Offer (excluding GST) are estimated to be approximately \$437,500 and are expected to be applied towards the items set out in the table below.

Items of Expenditure	\$
ASIC fees	2,500
ASX fees	50,000
Independent Accountants Report	25,000
Consultant commissions and fees	360,000
TOTAL	437,500

11.7 Continuous disclosure obligations

As the Company is admitted to the Official List, the Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

Price sensitive information will be publicly released through the ASX before it is disclosed to shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

11.8 Electronic Prospectus

Pursuant to Class Order 00/44, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or

both. Alternatively, you may obtain a copy of this Prospectus from the ASX company announcements platform.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

11.9 Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

11.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Shares allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

11.11 Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information are governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the

application for Shares, the Company may not be able to accept or process your application.

12. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors and separately consented to by each of the Proposed Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC.

Howard Dawson
Chairman
For and on behalf of
migme Limited

13. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

Acquisition means the acquisition by the Company from the mig33 Vendors of PGI and M3H.

Agreement means the agreement for the Acquisition as summarised in Section 10.1 of this Prospectus.

Application Form means the application forms attached to or accompanying this Prospectus.

ASIC means Australian Securities & Investments Commission.

ASX means the ASX Limited (ACN 059 457 279) or the financial market operated by it as the context requires.

ASX Listing Rules means the official listing rules of the ASX.

Board means the board of Directors as constituted from time to time.

Business Day means those days other than a Saturday, Sunday, New Year's Day, Australia Day, Good Friday, Easter Monday, Anzac Day, Christmas Day, Boxing Day and any other day which the ASX shall declare and publish is not a business day.

Closing Date means the closing date of the Offer as set out in the indicative timetable in the Investment Overview in Section 2 of this Prospectus (subject to the Company reserving the right to extend the Closing Date or close the Offer early).

Company means migme Limited (formerly called Latin Gold Limited) (ACN 059 457 279059).

Completion means completion of the Acquisition.

Completion Date means the date of completion of the Acquisition.

Consolidation means the consolidation of the Company's Shares on a 1 for 5 basis to be undertaken by the Company pursuant to the approval obtained at the General Meeting.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company at the date of this Prospectus and the Proposed Directors.

Effective Time means the time when the acquisition of PGI becomes effective following the lodgement of a certificate of merger with Secretary of State of the State of Delaware in accordance with Delaware General Corporation Law.

General Meeting means the general meeting of Shareholders held on 19 June 2014.

Government Agency means a:

- (a) government, whether foreign, federal, state, territorial or local;
- (b) department, office or minister of a government (whether foreign, federal, state, territorial or local) acting in that capacity; or
- (c) commission, delegate, instrumentality, agency, board, or other government, semi-government, judicial, administrative, monetary or fiscal authority, whether statutory or not and whether foreign, federal, state, territorial or local,

and includes ASX, ASIC, the Takeovers Panel, and The Stock Exchange of Hong Kong Limited.

Governmental Authority means any:

- (a) federal, state, local, municipal, foreign or other government;
- (b) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department or other entity and any court or other tribunal);
- (c) multinational organisation; or
- (d) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature.

Internal Revenue Service means the United States Internal Revenue Service and, to the extent relevant, the United States Department of Treasury.

Investigating Accountant's Report means the Investigating Accountant's Report set out in Section 8 of this Prospectus.

M3H means M3H Pte Ltd a company incorporated in Singapore under registration number 201327470M.

M3H Convertible Notes means convertible promissory notes issued by M3H

M3H Noteholders means collectively the holders of all the M3H Convertible Notes on issue.

M3H Shareholder means the holder of the M3H Share.

M3H Share means one ordinary fully paid share in the capital of M3H, being all of the issued shares in M3H.

MAU means monthly active user.

Merger Agreement means that certain Agreement and Plan of Merger dated 16 June 2014 by and among the Company, PGI, Mig33 Company Inc and Steven Goh, not individually but solely in his capacity as representative of the PGI security holders. A summary of the Merger Agreement is set out in Section 10.2.

mig33 Vendors means collectively the PGI Shareholders, PGI Noteholder, M3H Shareholder and M3H Noteholders.

migme means migme Limited (formerly called Latin Gold Limited) (ACN 059 457 279).

Net Cash Amounts means, as of the Completion Date, the aggregate amount of cash minus current liabilities, but excluding as current liabilities the PGI Convertible Notes, M3H Convertible Notes and any outstanding convertible promissory notes issued by PGI to M3H.

Notice of Meeting means the notice of meeting for the General Meeting.

Offer means the offer of 40,000,000 Shares at an issue price of \$0.20 per Share pursuant to this Prospectus.

Official List means the official list of the ASX.

Official Quotation means official quotation by the ASX in accordance with the ASX Listing Rules.

Option means an option to acquire a Share on the terms and conditions set out in Section 11.3.

Opening Date means the opening date of the Offer and the Cleansing Offer, as set out in the indicative timetable in Section 2 of this Prospectus.

PGI means Project Goth Inc a Delaware corporation 111 North Bridge Road, Suite 26-01, Peninsula Plaza, Singapore.

PGI Convertible Notes means the convertible promissory notes issued by PGI.

PGI Noteholder means Big Build Enterprises Limited, the holder of all PGI Convertible Notes, other than those held by M3H.

PGI Shareholder means collectively the holders of all of the issued share capital of PGI.

Placement Agreement means the agreement dated on or around 25 June 2014 between the Company and Big Build Enterprises Limited whereby the Company agreed to issue 40,000,000 Shares pursuant to the Offer. A summary of the Placement Agreement is set out in Section 10.3.

Proposed Directors means those persons named as such in Section 4.19 of this Prospectus.

Prospectus means this prospectus.

Resolution means a resolution proposed to Shareholders at the General Meeting.

Section means a section of this Prospectus.

Settlement Date means the date of settlement of the Agreement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

Takeovers Panel has the meaning given to that term in the Corporations Act.

WST means Western Standard Time as observed in Perth, Western Australia.