

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

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

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

ZIP CO LIMITED

ACN

139 546 428

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Fully Paid Ordinary Shares

Unlisted Warrants |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. 17,424,801 Fully Paid Ordinary Shares;
2. 2,576,643 Fully Paid Ordinary Shares;
and
3. 14,615,000 Unlisted Warrants |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. Fully Paid Ordinary Shares;
2. Fully Paid Ordinary Shares; and
3. Unlisted Warrants, Exercise Price of \$4.70 per Warrant, 3,653,750 Warrants are vested whilst 10,961,250 Warrants are subject to various vesting conditions, Expiry Date of 6 November 2026 (unless expired earlier in accordance with their terms). |

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+ See chapter 19 for defined terms.

<p>4 Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<ol style="list-style-type: none"> 1. The Fully Paid Ordinary Shares rank equally with other Shares on issue; 2. The Fully Paid Ordinary Shares rank equally with other Shares on issue; and 3. No – however, when the Warrants are exercised, the Shares will rank equally with other Shares on issue.
<p>5 Issue price or consideration</p>	<ol style="list-style-type: none"> 1. \$2.76 per Share. 2. \$3.425 per Share 3. Nil cash consideration
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ol style="list-style-type: none"> 1. As approved by the shareholders on 30 October 2019, 17,424,801 shares are being issued as the Upfront Consideration in connection with the Company’s acquisition of PartPay Limited (“Upfront Consideration Shares”). <p>From this amount, a portion of Upfront Consideration Shares (being 9,551,249) will be subject to voluntary escrow. Further terms of the escrow are set out in the Company’s ASX announcement on 20 August 2019;</p> <ol style="list-style-type: none"> 2. 2,576,643 Fully Paid Ordinary Shares are being issued in relation to the Company’s acquisition of the Spotcap Australia and New Zealand businesses as announced on 6 September 2019; and 3. As announced by the Company on 7 November 2019, the Company has issued 14,615,000 Unlisted Warrants in connection with the strategic agreement with Amazon Commercial Services Pty Limited.

6a	Is the entity an ⁺ eligible entity that has obtained security holder approval under rule 7.1A?	No
	If Yes, complete sections 6b – 6h in relation to the ⁺ securities the subject of this Appendix 3B, and comply with section 6i	
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	<ol style="list-style-type: none"> 1. 2,576,643 Fully Paid Ordinary Shares; and 2. 14,615,000 Unlisted Warrants
6d	Number of ⁺ securities issued with security holder approval under rule 7.1A	N/A
6e	Number of ⁺ securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	17,424,801 Fully Paid Ordinary Shares (Shareholder approval obtained on 30 October 2019)
6f	Number of ⁺ securities issued under an exception in rule 7.2	N/A
6g	If ⁺ securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the ⁺ issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If ⁺ securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1

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- 7 +Issue dates
- Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.
- Cross reference: item 33 of Appendix 3B.

1.	7 November 2019 for the Fully Paid Ordinary Shares
2.	6 November 2019 for the Unlisted Warrants

- 8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)

Number	+Class
352,933,529	Ordinary Shares
+20,001,444	
<u>372,934,973</u>	

- 9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)

Number	+Class
150,000	Unlisted Options exercisable at \$0.50 each and expiring 5 December 2019
150,000	Unlisted Options exercisable at \$0.70 each and expiring 5 December 2019
20,000,000	Unlisted Performance Shares [Note: The performance conditions for vesting are incapable of being satisfied and will lapse on the expiry date – 28 July 2020]
1,960,000	Westpac Performance Options (Vesting date 10 August 2022)
1,960,000	Westpac Performance Options (Vesting date 10 August 2022)
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1,960,000	Westpac Performance Options (Vesting date 10 August 2022)

406,666	Performance Rights (Exercise Price Nil, Vesting 15 February 2022 as per 2018 AGM Notice of Meeting subject to conditions, Expiry 15 February 2025)
406,666	Performance Rights (Exercise Price Nil, Vesting 15 February 2023 as per 2018 AGM Notice of Meeting subject to conditions, Expiry 15 February 2025)
406,668	Performance Rights (Exercise Price Nil, Vesting 15 February 2024 as per 2018 AGM Notice of Meeting subject to conditions, Expiry 15 February 2025)
510,000	Performance Rights (Exercise Price Nil, Vesting 15 September 2021 subject to conditions, Expiry 15 February 2025)
510,000	Performance Rights (Exercise Price Nil, Vesting 15 September 2022 subject to conditions, Expiry 15 February 2025)
510,000	Performance Rights (Exercise Price Nil, Vesting 15 September 2023 subject to conditions, Expiry 15 February 2025)
14,615,000	Unlisted Warrants (Exercise Price of \$4.70 per Warrant, subject to various vesting conditions, Expiry 6 November 2026 (unless expired earlier in accordance with their terms))

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

The Company currently does not have a dividend policy

Part 2 - Pro rata issue

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+ See chapter 19 for defined terms.

- | | | |
|----|--|--|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the +securities will be offered | |
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents
<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders | |
| 25 | If the issue is contingent on security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and offer documents will be sent to persons entitled | |

- | | | |
|----|---|--|
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | |
| 33 | +Issue date | |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of +securities
(tick one)
- (a) +Securities described in Part 1
- (b) All other +securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000

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+ See chapter 19 for defined terms.

5,001 - 10,000
 10,001 - 100,000
 100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:
(Company Secretary)
Print name: David Franks

Date: 07 November 2019

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	300,581,005
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	160,000 (19 November 2018) 40,000 (27 November 2018) 52,500 (27 November 2018) 72,500 (30 November 2018) 700,000 (5 December 2018) 97,561 (5 December 2018) 2,720 (5 December 2018) 13,330,000 (19 December 2018) 28,000,000 (22 March 2019) 5,812,484 (2 April 2019) 3,289,257 (18 April 2019) 795,538 (1 October 2019) 17,424,801 (7 November 2019)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	370,358,330
Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	55,553,749

Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p>Note:</p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>2,576,643 (7 November 2019)</p> <p>14,615,000 (6 November 2019)</p>
“C”	17,191,643
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	55,553,749
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	17,191,643
<p>Total [“A” x 0.15] – “C”</p>	<p>38,362,106</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

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Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	N/A
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	N/A
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of *equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	N/A
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	N/A
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	N/A
Total [“A” x 0.10] – “E”	N/A <i>Note: this is the remaining placement capacity under rule 7.1A</i>