



1 May 2015

The Manager  
Company Announcements Office  
Australian Stock Exchange  
Exchange Centre  
20 Bridge Street  
Sydney, NSW 2000

### **Electronic Lodgement**

Dear Sir or Madam

#### **Rubik Financial Limited – Appendix 3B Further Detail Regarding Issuance of Loan Funded Shares & Executive Remuneration**

Please find attached an Appendix 3B in respect of shares in Rubik Financial Ltd (**RFL**) that have been issued today. This letter is being lodged in order to provide additional information and disclosure to the market regarding this issuance.

#### **CEO Remuneration**

The Board is pleased to announce that new contracts have recently been agreed with all three of RFL's key executives, being Mr Iain Dunstan (CEO), Mr Darius Coveney (CFO) and Mr David Spreadbury (COO).

Specifically, the Board announces that the Group's CEO, Mr Iain Dunstan, has agreed to a remuneration package of \$400,000 p.a. (including statutory superannuation), as well as a short term incentive linked to the annual performance of the business. Mr Dunstan's employment may be terminated, by either party, with six months' written notice.

Mr Dunstan has also been issued with 8,200,000 additional loan funded shares as a long term incentive. This brings Mr Dunstan's total Loan Funded Share incentive to 10,000,000 shares. See below for further information regarding this incentive.

#### **Loan Funded Share Arrangements – General**

As noted in the Company's previous releases to the market on this topic, the Board has moved to the use of loan funded shares as its preferred method of long term incentive for key executives.

As noted in the 2014 Annual Report, the terms of the new loan funded share arrangements can be summarised as follows:

Rubik Financial Limited ABN 51 071 707 232  
GPO Box 4808 Sydney NSW 2001  
T: +61 2 9488 4000  
[www.rubik.com.au](http://www.rubik.com.au)



1. the company provides each eligible executive, or their nominee, ('the Executive') with a loan to purchase an agreed number of Rubik shares at current market value;
2. the loan provided is limited recourse, such that the Executive has the option to either repay the loan or return the shares at the loan repayment date, and interest will usually be payable on the loan, at the discretion of the company;
3. any dividends declared by Rubik during the life of the loan will be applied against the outstanding balance of the loan rather than being paid in cash to the Executive;
4. certain vesting conditions apply to each Executive's shares, being both time based and share price hurdle related; and
5. prior to the shares becoming unencumbered, the Executive is required to make a 'release payment', to bring the total amount paid per share up to the share price vesting hurdle.

The Board notes that loan funded share plans are broadly used by companies listed on the ASX, although the 'release payment' requirement is considered an additional shareholder protection not normally seen in other loan funded share plans.

### Loan Funded Share Arrangements – Current Issuance

Following the recent consolidation of senior management team responsibilities at Rubik, the Board have agreed to amend the long term incentive arrangements of the company's three C level executives. This amendment includes the issue of additional loan funded shares (see below), the transfer of loan funded shares from departed executives, and an amendment to the vesting and release conditions of all loan funded shares issued to these executives to align with the revised arrangements, which are set out below.

	Total Loan Funded Shares Held	Vesting Date	Purchase Price and Vesting Hurdle *
Mr Iain Dunstan (CEO)	10,000,000	10 trading days following the release of FY18 results	\$0.25
Mr Darius Coveney (CFO)	6,500,000		
Mr David Spreadbury (COO)	6,500,000		

\* Under the loan funded share plan, the executive pays market price on the initial purchase of the shares, plus a further 'release payment' to bring the total amount paid per share up to the vesting hurdle. The initial purchase price paid for the above shares was \$0.245 per share for the original loan funded shares issued and \$0.14 per share for the additional loan funded shares, as set out in the attached Appendix 3B. The release payment must also be paid before disposal restrictions are lifted from the shares.

In addition to the above, all loan funded shares set out above are subject to:

- annual EBITDA hurdles, which may act to "knock out" a percentage of shares if such hurdles are not met; and
- the vesting hurdle, which acts to ensure that the shares do not vest if the 10 day VWAP prior to the vesting date is below the hurdle.

For Mr Iain Dunstan, 3,500,000 of the loan funded shares shown above are also subject to a role compatibility hurdle, to be measured by the Board in September 2015.

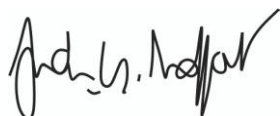
### Loan Funded Shares – Current LTI Pool

Following the amendments noted above, the total number of loan funded shares on issue will be:

	Total Loan Funded Shares on Issue
LFS issued on 17 Nov 2014	<b>18,650,000</b>
New LFS issued on 1 May 2015	<b>7,350,000</b>
Total LFS on issue at 1 May 2015	<b><u>26,000,000</u></b>

Note that 3,000,000 of the above loan funded shares continue to be held by Mr Niek Hoogenhout, and are subject to a share price vesting hurdle of \$0.35 by 12 February 2016.

Yours sincerely,



Andrew Moffat  
Director

# 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

Rubik Financial Limited (**Rubik**)

ABN

51 071 707 232

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  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 7,350,000   |
| 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) | <p>Fully paid ordinary shares, subject to various vesting conditions, including as to time, future share prices and the payment of future release payments to the company.</p> <p>Further detail is provided in the ASX release accompanying this Appendix 3B.</p> <p>Shares will be subject to a holding lock until such time as the share vesting conditions are met.</p> |

4	<p>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"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes - rank pari passu with existing ordinary shares</p>
5	Issue price or consideration	<p>\$0.14 per share, being the closing price on Thursday 30<sup>th</sup> April 2015.</p>
6	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Shares are being issued to key executives as a retention and shareholder alignment mechanism.</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>No</p>
6b	The date the security holder resolution under rule 7.1A was passed	<p>N/A</p>
6c	Number of +securities issued without security holder approval under rule 7.1	<p>N/A</p>
6d	Number of +securities issued with security holder approval under rule 7.1A	<p>N/A</p>

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+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
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	N/A	
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 May 2015	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		366,078,423	Fully paid ordinary shares

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	1,000,000	Unlisted options exercisable at 17.4 cents each with expiry date of 12 April 2016
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Same as existing fully paid ordinary shares	

## Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A

+ See chapter 19 for defined terms.

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
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	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A



33    <sup>+</sup>Issue date

N/A

## Part 3 - Quotation of securities

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

34    Type of <sup>+</sup>securities  
(tick one)

(a)    ☒ <sup>+</sup>Securities described in Part 1

(b)    ☐ All other <sup>+</sup>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 <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders

36    ☐ If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37    ☐ A copy of any trust deed for the additional <sup>+</sup>securities

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<sup>+</sup> See chapter 19 for defined terms.

## Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A	
39	+Class of +securities for which quotation is sought	N/A	
40	<p>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"><li>the date from which they do</li><li>the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li><li>the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li></ul>	N/A	
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>	N/A	
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	Number	+Class
		N/A	N/A

## 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:

  
.....  
(Director)

Date: 1 May 2015

Print name: ANDREW MOFFAT

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+ See chapter 19 for defined terms.

# 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	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	
<b>Add</b> the following: <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <b>Note:</b> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	
<b>“A”</b>	

+ See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of <sup>+</sup>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"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
<b>“C”</b>	
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<b>“A” x 0.15</b> <i>Note: number must be same as shown in Step 2</i>	
<b>Subtract “C”</b> <i>Note: number must be same as shown in Step 3</i>	
<b>Total [“A” x 0.15] – “C”</b>	<i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

## Part 2

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

+ See chapter 19 for defined terms.

<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	
<b>Subtract</b> “E” <i>Note: number must be same as shown in Step 3</i>	
<b>Total</b> [“A” x 0.10] – “E”	<i>Note: this is the remaining placement capacity under rule 7.1A</i>