



Rubianna Resources Limited

(ACN 139 546 428)

(to be renamed zipMoney Limited)

NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM

28 July 2015

10.30am Perth time (WST)

Liberty Executive Offices

Level 14, 197 St Georges Terrace Perth Western Australia

This Notice of Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant solicitor or other professional adviser without delay.

INDEPENDENT EXPERTS REPORT: Shareholders should carefully consider the Independent Expert's Report prepared by Stantons International Securities Pty Ltd for the purposes of the Shareholder Approval required by item 7 of section 611 of the Corporations Act. The Independent Expert's Report comments on the fairness and reasonableness of the transaction the subject of Resolution 4 to the non-associated Shareholders and concludes it is NOT FAIR BUT REASONABLE to the non-associated Shareholders.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 9388 8290.

NOVALEGAL
CORPORATE LAWYERS

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders of Rubianna Resources Limited (ACN 139 546 428) (**Company**) will be held at Liberty Executive Offices, Level 14, 197 St Georges Terrace Perth, Western Australia on 28 July 2015 commencing at 10:30am WST.

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form forms part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are the registered holders of Shares in the Company on 26 July 2015 at 10:30am WST.

Further terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Resolution 1 – Change to Nature and Scale of Activities

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

"That, subject to the passing of all Resolutions, for the purposes of Listing Rule 11.1.2 and for all other purposes, the Company be authorised to make a significant change in the nature and scale of its activities as set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by any person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Resolution 2 – Consolidation of Capital

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, subject to the passing of all Resolutions, pursuant to and in accordance with section 254H of the Corporations Act, and for all other purposes, Shareholders approve and authorise the Directors to consolidate the issued capital of the Company on a 1 for 10 basis (**Consolidation**) and otherwise with the Consolidation taking effect in accordance with the Listing Rules and as described in Section 3.1 of the Explanatory Memorandum with any fractional entitlements being rounded down to the nearest whole number and otherwise on the terms and conditions in the Explanatory Memorandum."*

3. Resolution 3 – Create a New Class of Shares (Class A Performance Shares)

To consider and, if thought fit, to pass, with or without amendment, the following as a **special resolution**:

“That, subject to the passing of all Resolutions, for the purposes of Section 246B of the Corporations Act and clause 2.3 of the Constitution and for all other purposes, the Company is authorised to issue Performance Shares on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion:

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. Resolution 4 – Acquisition of zipMoney (Issue of Shares and Class A Performance Shares to Vendors)

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

“That, subject to the passing of all Resolutions, for the purposes of section 611 (Item 7) of the Corporations Act and for all other purposes, approval is given for:

- (a) the Company to issue 550,000,000 Shares (on a pre-Consolidation basis) to the Vendors on completion of the Acquisition;*
- (b) the Company to issue 750,000,000 Class A Performance Shares (on a pre-Consolidation basis) to the Vendors on completion of the Acquisition;*
- (c) the acquisition of a relevant interest in the issued voting shares of the Company by the Vendors and in particular, Diamond Venture Holdings Pty Ltd as trustee for the Diamond Unit Trust (or nominee) otherwise prohibited by section 606(1) of the Corporations Act by virtue of the issue of the number of Shares and the potential issue of Shares on conversion of the Performance Shares referred to in (a) and (b) above to the Vendors and in particular Diamond Venture Holdings Pty Ltd as trustee for the Diamond Unit Trust (or nominee),*

on the terms and conditions and as set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Independent Expert's Report: Shareholders should carefully consider the Independent Expert's Report prepared by Stantons International Securities Pty Ltd accompanying the Explanatory Memorandum as Schedule 9. The Independent Expert's Report comments on the fairness and reasonableness of the issue of Shares and Performance Shares to Diamond Venture Holdings Pty Ltd as trustee for the Diamond Unit Trust (or nominee), a company associated with proposed director Mr Larry Diamond. The Independent Expert has determined that the issue the subject of Resolution 4 is **NOT FAIR BUT REASONABLE** to Shareholders who do not have an interest in the Transaction.

5. Resolution 5 – Create a New Class of Shares (Class B Performance Shares)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **special resolution**:

“That, subject to the passing of all Resolutions, for the purposes of Section 246B of the Corporations Act and clause 2.3 of the Constitution and for all other purposes, the Company is authorised to issue Performance Shares on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion:

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. Resolution 6 – Issue of Shares and Class B Performance Shares to Advisor

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

“That, subject to the passing of all Resolutions, for the purposes of Listing Rules 7.1 and for all other purposes, approval is given for the Directors to allot and issue:

(a) 33,000,000 Shares (pre Consolidation); and

(b) 47,697,573 Class B Performance Shares (pre Consolidation),

to the Advisor (or nominee) on the terms set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. Resolution 7 – Create a New Class of Shares (Class C Performance Shares)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **special resolution**:

“That, subject to the passing of all Resolutions, for the purposes of Section 246B of the Corporations Act and clause 2.3 of the Constitution and for all other purposes, the Company is authorised to issue Performance Shares on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion:

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. Resolution 8 – Issue of Class C Performance Shares to Strategic Partners

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

“That, subject to the passing of all Resolutions, for the purposes of Listing Rules 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 200,000,000 Class C Performance Shares (pre Consolidation), to the Strategic Partners (or nominees) on the terms set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. Resolution 9 – Capital Raising

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the passing of all Resolutions, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to a maximum of 25,000,000 Shares (post Consolidation) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the

person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. Resolution 10 – Election of Director Mr Larry Diamond

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to completion of the Acquisition occurring, for the purpose of clause 6.2(c) of the Constitution and for all other purposes, approval is given for the election of Mr Larry Diamond as a director of the Company effective from the date of settlement of the Acquisition.”

11. Resolution 11 – Election of Director Mr Peter Gray

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to completion of the Acquisition occurring, for the purpose of clause 6.2(c) of the Constitution and for all other purposes, approval is given for the election of Mr Peter Gray as a director of the Company effective from the date of settlement of the Acquisition.”

12. Resolution 12 – Change of Company Name

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That, subject to completion of the Acquisition occurring, pursuant to Section 157(1) of the Corporations Act and for all other purposes, the name of the Company is changed to “zipMoney Limited”.”

13. Resolution 13 – Approval to Convert Loan Note

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the Acquisition being approved and completed, for the purposes of ASX Listing Rule 7.1, and for all other purposes, shareholders authorise and approve the Loan Note to be convertible into up to 35,000,000 Shares (pre-Consolidation) to be issued to the Noteholders (or their nominees) in the manner and on the terms and conditions as set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by the Noteholders (or their nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

14. Resolution 14 – Adoption of Employee Performance Share Plan

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Employee Performance Share Plan on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion:

The Company will disregard any votes cast on this Resolution by any Director, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (iii) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (b) the proxy is the Chair; and
- (c) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated 25 June 2015

BY ORDER OF THE BOARD



Ian Hobson

Director and Company Secretary

EXPLANATORY MEMORANDUM

Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held at Liberty Executive Offices, Level 14, 197 St Georges Terrace Perth, Western Australia on 28 July 2015 at 10:30am (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a **proxy**) to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

1. Background to the Acquisition

1.1 Background

Since listing in late 2009, Rubianna Resources Limited has operated as a junior gold and base metal explorer with projects located in the Meekatharra region of Western Australia. It has become clear that current market conditions make it very difficult to raise funds to explore the exploration projects which the Company holds. The Board of Rubianna undertook a strategic review in 2014 as the holding cost for the Company's exploration permits were prohibitive.

An expression of interest phase in the Company's exploration and prospecting permits yielded minimal interest and therefore those permits have been or are in the process of being surrendered.

The Board has assessed a number of opportunities to enhance shareholder value and believes the proposed transaction with zipMoney is an excellent opportunity for the Company to transition into a business that has growth potential.

1.1.1 Projects

Rubianna is maintaining the Ruby Well project (M51/0291 & L51/0094) until shareholder approval for the zipMoney transaction is obtained and Rubianna re-complies with Chapters 1 and 2 of the ASX Listing Rules. As announced on 16 June 2015, Rubianna has entered into an option and sale agreement for the sale of the Ruby Well project (**Ruby Well Option Agreement**) to CNN Investments Pty Ltd (**Purchaser**).

The Ruby Well Option Agreement is subject to the following material terms and conditions:

- (a) Rubianna has an option to sell and the Purchaser has an option to purchase the Ruby Well tenements for the purchase price of \$25,000 (**Ruby Well Options**).
- (b) The Ruby Well Options are exercisable by the Purchaser or Rubianna subject to the following conditions (**Exercise Conditions**):
 - (i) Rubianna completing the zipMoney Acquisition and re-complying with Chapters 1 and 2 of the ASX Listing Rules; and
 - (ii) Rubianna obtaining consent of the Minister responsible for the administration of the Mining Act 1978 (WA) for:
 - (A) the sale of M51/0291 under section 82(1)(d) of the Mining Act 1978 (WA); and
 - (B) the sale of L51/0094 under regulation 41(c) of the Mining Regulations 1981 (WA).
- (c) During the term of the Ruby Well Options, the Purchaser may access the tenements and conduct activities permitted by the conditions of grant of the tenements, provided that the activities of the Purchaser are in accordance with good exploration and mining industry practice, and the Purchaser keeps Rubianna fully informed of its activities.
- (d) During the term of the Ruby Well Options, the Vendor must pay all rents and rates for the tenements, however the Purchaser must otherwise do all things necessary to maintain the tenements in good standing.
- (e) If the Exercise Conditions are not satisfied by 8 June 2016, the Ruby Well Option Agreement will come to an end and Rubianna will retain all rights to the Ruby Well project.

The Ruby Well Option Agreement otherwise contains provisions considered standard for an agreement of this type.

1.1.2 zipMoney Acquisition

On the 7 April 2015, Rubianna announced that it had executed a binding option agreement with zipMoney Holdings Pty Ltd (**ZMH**), ZMH's shareholders (**Vendors**) and zipMoney Payments Pty Ltd (**zipMoney**) (**Option Agreement**).

zipMoney is an early mover in the digitised retail finance sector and offers real-time credit to consumers and provided integrated finance solutions to merchants regardless of size or segment both online and in-store. zipMoney is wholly owned by ZMH.

Pursuant to the Option Agreement, the Company had a call option to acquire 100% of the issued capital of ZMH from the Vendors (**Option**). Accordingly, the exercise of the Option allows the Company to acquire 100% of the issued capital in zipMoney through the acquisition of all the issued

capital in ZMH (zipMoney's parent entity) (**Acquisition**). The consideration payable in respect of the Acquisition is the issue of 550,000,000 Shares and 750,000,000 Class A Performance Shares in Rubianna to be issued to the Vendors on the terms set out in this Explanatory Memorandum.

The Company completed full due diligence on zipMoney, including technical investigations, legal analysis and accounting, sufficient enough for the Board to make an investment decision and on 4 June 2015, the Company announced that the commercial terms of the Option Agreement had been varied to better structure the transaction, and that the Company had exercised the Option.

Pursuant to the exercise of the Option, the Company will seek to acquire all of the issued shares in zipMoney (via acquiring all the issued capital in zipMoney's parent entity, ZMH) in consideration for the issue of Shares and Class A Performance Shares to the Vendors.

The Company intends to conduct a capital raising to raise a minimum of \$4,000,000 (before expenses of the offer) with the ability to accept oversubscriptions to raise a maximum of \$5,000,000, to fund the operations of the Company. The capital raising will be conducted under a prospectus as part of its re-compliance with Chapters 1 and 2 of the Listing Rules.

1.2 Terms of the Acquisition

As announced on 4 June 2015, the Option Agreement contains the following key terms:

1.2.1 Conditions to Exercise of Option:

Following execution of the Option Agreement and prior to exercise of the Option, the following obligations required under the Option Agreement were completed:

- (a) Rubianna conducted a rights issue on the basis of 4 new Rubianna Shares for every 9 existing Rubianna Share held, at an issue price of \$0.01 per Share (**Rights Issue**). The Rights Issue raised \$965,295.
- (b) zipMoney raised \$350,000 from third parties in the form of unsecured convertible notes (**Convertible Notes**);
- (c) zipMoney obtained a \$2 million debt financing facility to fund its loan book;
- (d) zipMoney signed a term sheet for a new \$20 million institutional funding facility from a leading Australian credit and funds management group (**Warehouse Facility**). Upon successful completion of legal documentation and completion of conditions precedent, the new facility will repay and replace the current debt arrangements and allow zipMoney to increase the growth of its loan book significantly faster than the current rate. Financial close of the \$20 million Warehouse Facility is expected by September 2015; and
- (e) Rubianna's due diligence on zipMoney was satisfactorily completed, which resulted in some of the commercial terms being renegotiated.

Rubianna exercised the Option on 4 June 2015 as announced to the ASX.

1.2.2 Conditions to Completion

Now that Rubianna has exercised the Option:

- (a) Subject to satisfaction of the conditions to completion set out below:
 - (i) Rubianna will issue the following securities as consideration for the Acquisition (**Consideration Shares**), on a pre-Consolidation basis:

- (A) **Ordinary Shares:** 550,000,000 Shares to be issued upon completion of the Acquisition; and
- (B) **Performance Shares:** 750,000,000 Class A Performance Shares (on terms specified in Schedule 2), which will be issued upon completion of the Acquisition (where each Performance Share will convert into 1 Share upon achievement of each of the specified performance milestones);
- (ii) Rubianna will issue the following securities to Avitus Capital Pty Ltd (or nominees) in consideration for the provision of corporate advisory services, on a pre-Consolidation basis:
 - (A) **Ordinary Shares:** 33,000,000 Shares to be issued upon completion of the Acquisition; and
 - (B) **Performance Shares:** 47,697,573 Class B Performance Shares (on terms specified in Schedule 3), which will be issued upon completion of the Acquisition (where each Performance Share will convert into 1 Share upon achievement of each of the specified performance milestones);
- (iii) Rubianna will issue the following securities to the provider(s) of the Warehouse Facility (or nominee) in connection with the facilitation of the Warehouse Facility, on a pre-Consolidation basis:
 - (A) **Performance Shares:** Up to 200,000,000 Class C Performance Shares (on terms specified in Schedule 4), which will be issued upon completion of the Acquisition (where each Performance Share will convert into 1 Share upon achievement of each of the specified performance milestones);
- (b) The Acquisition will complete and the Shares described above will be issued subject to the following **(Completion)**:
 - (i) Rubianna obtaining all necessary shareholder and regulatory approvals required for the Acquisition, including in particular ASX approval for the readmission of Rubianna to the official list of ASX in connection with its proposed change in the nature and scale of its activities;
 - (ii) all tenements currently held or applied for by Rubianna disposed of (or Rubianna holding a put option for their sale or transfer);
 - (iii) a legally binding document is entered into by zipMoney in respect of the Warehouse Facility, on terms reasonably acceptable to zipMoney and Rubianna, and all conditions to drawdown under the Warehouse Facility have been fulfilled (or waived) and funds are available for drawdown;
 - (iv) no material adverse event occurring, meaning a material adverse change in the assets, liabilities, financial position, profitability or prospects of Rubianna, zipMoney, ZMH or Larry Diamond or Peter Gray after the date of the Option Agreement, or the S&P/ASX Small Ordinaries Index (ASX: XSO) falling more than 25%;
 - (v) zipMoney must procure an interim loan facility of up to \$650,000 is provided by a third party who will be provided with a second ranking general security agreement securing the loan made. As soon as practicable after a legally binding document is entered into by zipMoney in respect of the Warehouse Facility, this interim loan facility will be replaced with a loan of \$650,000 to be provided by Rubianna and second ranking general security agreement (following repayment of the interim loan facility from the third party and release of the security in respect of it) securing the loan made;

- (vi) Rubianna will undertake a consolidation of its capital upon completion of the Acquisition and readmission to the official list of ASX on a 1 for 10 basis (**Consolidation**);
- (vii) zipMoney will be entitled to appoint 2 directors to the board of Rubianna and 1 current director of Rubianna will remain; and
- (viii) Rubianna will conduct a capital raising to raise at least \$4,000,000 and will issue a prospectus in respect of its re-compliance with Chapters 1 and 2 of the Listing Rules.

The Option Agreement otherwise contains terms and conditions typical for an agreement of this nature.

1.2.3 Post-Completion

Following Completion, Rubianna must establish an employee performance share and/or option plan pursuant to which up to an additional 5% of the current capital of Rubianna will be allocated to employees in the form of performance shares on terms to be formulated by Rubianna's board of directors in consultation with the ZMH shareholders after completion of the Acquisition.

1.3 Background on zipMoney

1.3.1 Overview

zipMoney is an Australian private company incorporated on 24 June 2013. The Company was founded by Larry Diamond and Peter Gray and is a new entrant in the Australian Retail Finance industry.

zipMoney offers point-of-sale credit to consumers (**Retail Finance**) and provides a variety of integrated Retail Finance solutions to small, medium and enterprise merchants across numerous industries, both online and in-store.

Since launching the platform, zipMoney has originated more than \$4 million in loans through its network of more than 100 merchants to over 4,500 consumers across retail, education and private health. zipMoney is seeking to build a large and scalable platform in a \$90 billion addressable market, through leveraging its proprietary technology and big data to enhance the proven fundamentals of promotional finance, in particular interest-free.

Its 100% cloud-based offering has been proprietarily designed and developed in-house. This technology platform has driven a competitive and low 'cost to serve' model with the ability to efficiently process high volumes of lower dollar value transactions.

zipMoney targets prime, near prime and emerging prime borrowers by providing those customers with a revolving unsecured line of credit of between \$1,000 and \$10,000 to finance their retail purchase. zipMoney does not target sub-prime or 'payday' borrowers. zipMoney is acutely focused on simplicity and delivering transparent, responsible, and fairly priced consumer credit products.

zipMoney is a licensed and regulated credit provider (Australian Credit Licence Number 441878) managed by a team with over 20 years' experience providing finance solutions at point of sale.

1.3.2 Background on the Australian Retail Industry and Target Market Sectors

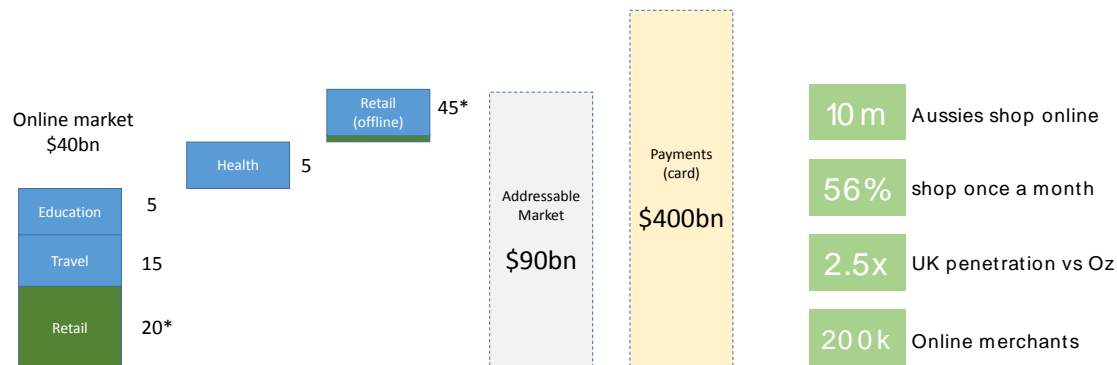
zipMoney is initially targeting the retail, travel, education cosmetic and elective health sectors which as shown in the figure below (on left) accounts for circa \$90bn in annual transaction volume (this is less than 25% spent by Australian consumers via card transactions). With the Retail Finance market currently estimated at close to \$10bn, there appears sufficient scope for a number of large operators to exist.

Additionally this is expected to increase in line with the growing per-capita digital spending base in Australia. As the diagram below (on right) illustrates online retail penetration in Australia would need

to increase by a factor of 2.5x to reach the levels observed in the UK, highlighting the potential growth opportunity.

A large and growing online and offline marketplace...

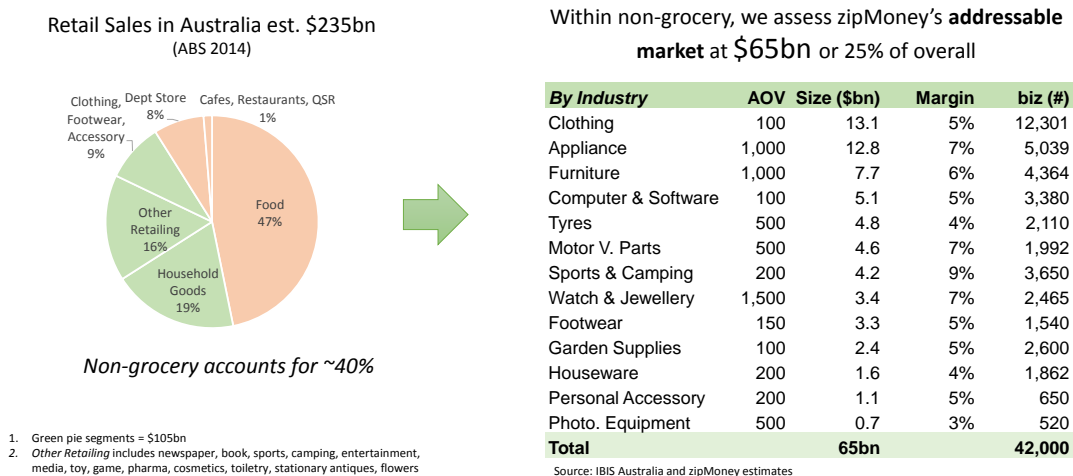
Strong consumer behaviour...



* Does not reflect market growth over next 5 years
Sources: eBay 'Evolution of Australian Shopping' (Nov-12), BCG 'The Internet Economy in the G-20' (Mar-12), Australian Payments Clearing Association and zipMoney estimates

Retail

According to the Australian Bureau of Statistics retail sales in Australia are estimated at \$235bn (2014), of which zipMoney assesses the addressable market potential at \$65bn, representing both online and offline formats. The diagram below illustrates the composition of retail sales in Australia and zipMoney's key target areas:

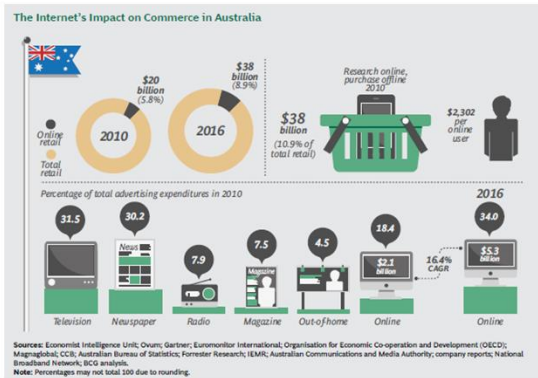


zipMoney assesses the current market potential for the online retail sector at approximately \$35bn, with consumer finance largely absent from this channel. Australia represents one of the highest per capita online spending jurisdictions, yet online penetration at 6-7% suggests there is huge scope of overall growth. By way of comparison, the UK handles ~20% of its commerce volumes online, with some of the largest retailers garnering ~10% of their sales from online channels alone – this compares with Australia's largest retailers (such as Myers, David Jones, Woolworths, Harvey Norman) who derive approximately 1-2% of their sales online.

The figures below present some of key trends observed in online shopping in Australia:

Online Sales est. at \$34bn in 2014
BCG (includes travel)*

eBay figures suggest 10-15% growth yoy



Still a long way to go in online (retail) penetration –
Australia ~7% vs 20% in UK



Within Retail, zipMoney adopts a two-pronged strategy, servicing both Small and Medium Enterprises (**SME**) and Large Enterprise accounts.

Leveraging its technology and key resources, zipMoney is able to service both channels highly efficiently, noting that each of these require very distinct merchant acquisition and account management strategies. For example, the low 'cost to serve' SME channel includes a very automated and self-service led-strategy supported by a large and captive referrer base.

Cosmetic and Elective Health

According to IBIS Australia this sector is estimated at approximately \$5.5bn and represents the cosmetic and elective health, dental, optical and private surgery markets. This represents only a fraction of the estimated \$14bn in out-of-pocket expenditure on elective surgery. Traditionally this sector has been under-served due to the relatively high 'cost to serve' given the fragmented industry structure and relatively smaller-sized players. zipMoney is currently working with a number of operators across cosmetic, dental and medical devices.

Online Education

The market segment is estimated at approximately \$5bn according to IBIS Australia (2014). zipMoney is targeting TAFE, vocational and private colleges where its interest-free payment plans presents an attractive alternative when compared with the interest-bearing options currently on offer. Digital disruption is already a prominent feature of this sector, offering those lending organisations with a bias towards online, a compelling opportunity.

Online Travel and Accommodation

This segment represents the single largest opportunity for a digital Retail Finance offering, estimated at approximately \$15bn and includes accommodation, car hire, travel agencies, flights and cruises. The relatively higher online penetration coupled with higher transaction values (the average Australian spends between \$2,000 and \$3,000 on their annual travel bill) creates a potential lending opportunity.

1.3.3 Competitive landscape

The local Retail Finance industry is largely dominated by three market players being GE Capital, HSBC and ASX-listed FlexiGroup with interest-free the most common product type. Historically there have been a number of other mid-tier players (such as Once Credit, Lombard, and Thinksmart), which were subsequently acquired by the incumbents. There are other cohorts of participants who operate in related and adjacent consumer lending segments and form part of the overall marketplace.

The figure bellows summarises the primary participants in the local and overseas Retail Finance industries as well as relevant adjacent sectors.



Note: The above mentioned companies are not endorsed or affiliated with any companies noted in this document, any references have been for illustrative purposes only.

GE Capital Australia and New Zealand

Sold by US parent in 2015 to private equity group, led by KKR for \$8.2bn. GE's consumer business in Australia and New Zealand has more than 3 million customers across personal loans, credit cards and interest free finance; the latter through large retailers including Coles, Harvey Norman, Myer, The Good Guys and Bing Lee. It has relationships with over 10,000 Australian retail outlets.

HSBC Bank Australia

Another major player in the interest free finance and credit card markets, HSBC Finance offers its services to over 1,000 retailers including Bing Lee, JB Hi-Fi, Miele and Ikea. It sold its Woolworths white-label credit card portfolio to Macquarie Bank in 2014.

FlexiGroup

FlexiGroup is one of the largest non-bank financial services companies listed on the ASX at \$1bn with approximately \$1.3bn in receivables. It offers a wide range of consumer financing products including interest free finance and cards through Lombard and Once (\$218m), as well as unregulated 'no interest ever' payment plans via Certegy (\$475m).

zipMoney's Competitive Positioning

Relative to the market incumbents, zipMoney's strategy is differentiated:

- Digital Retail Finance is largely absent in Australia and is a primary focus of zipMoney;
- Significant investment in technology has driven a very low cost to serve model:
 - ability to process a high frequency of lower dollar transactions;

- ability to service the fragmented SME marketplace alongside enterprise accounts; and
- offers a flexible and adaptive cloud-based platform capable of servicing a wide variety of industry verticals.
- Adoption of traditional and alternative underwriting practises, utilising hundreds of variables in real-time (**Big Data**) to provide a more informed credit decision.

1.3.4 zipMoney's Core Offerings

Business Offering

zipMoney is a business-to-business (**B2B**) service that drives promotional activity through the provision of Retail Finance either at point-of-sale or through vendor partnerships (typically white-label). zipMoney's real-time credit application qualifies and approves customers usually within approximately 3 minutes – representing one of the fastest responses amongst all consumer finance players in Australia. Further, its adoption of Big Data underwriting practises, allow it to provide a more informed credit decision versus its traditional peers. Once approved, zipMoney finances the customer's shopping basket and provides each user with a virtual, revolving line of credit.

The fundamentals of promotional finance are well understood by the Australian market. The value proposition to merchants is largely driven by the following core principles:

- *Increased sales* – converting browsers to shoppers, lifting basket sizes and driving re-purchases is the primary objective of retail vendors – zipMoney's tailored offering targets these core requirements;
- *Reduced fraud* – zipMoney's internal algorithms supported by its third party service providers, allows it to offer a compelling and differentiated service versus the traditional credit card and its chargeback complexities; zipMoney also offers its merchants a Seller Protection policy for zipMoney authorised transactions as an additional safeguard against transaction fraud;
- *Timely settlement* – For its higher tiered merchants zipMoney offers a daily settlement option, whilst lower tiers might settle more in line with their delayed fulfilment model;
- *Simple and easy set-up* – zipMoney offers a real-time credit application programme interface (API) together with 'plug and play' extensions that allow merchants to instantly offer finance to their customers at the checkout;
- *Simple pricing* – Rather than a wide array of fees, zipMoney charges merchants one simple Merchant Services Fee, which is typically deducted from each settlement;
- *Promotional offers* – zipMoney's streamlined technology and merchant self-service features allow merchants to very simply implement promotional campaigns (such as 12 months interest free) with minimal friction; and
- *Minimise overheads* – zipMoney's offering to merchants is entirely paperless, often integrated into the order management back-end and easily managed through its merchant dashboard. This consequently results in very little overhead to implement.

The strong results to date has seen zipMoney cement its relationship across its diverse and growing merchant base – some sample results are provided below:

- Observed an increase in average order values of between 50-100% (where zipMoney is the chosen form of tender) and a 40% increase in items per order;
- zipMoney's share of checkout of between 8%-30%, demonstrating incremental top-line growth; and

- Initial findings illustrate customer transacting multiple times at particular retailers, demonstrating the large re-purchase potential so coveted by vendors.

Consumer Product Offering

zipMoney is a licenced credit provider under the National Credit Code (which is in Schedule 1 of the National Consumer Credit Protection Act 2009) and the National Credit Act (together, **NCCP**), which is regulated by the Australian Securities and Investments Commission (**ASIC**).

Through its proprietary platform zipMoney risk assesses prospective borrowers and issues approved customers for a line of credit facility. Customers are approved for a set credit limit under the facility and thereafter simply require sign-in credentials to authorise any future transaction.

All loans written through zipMoney's online lending platform are classified as a Continuing Line of Credit (**LOC**) under the National Credit Code. The minimum credit limit is \$500 and the maximum is \$10,000, whilst transactions do not have any minimum size restrictions (subject to certain eligibility criteria). The average approved credit limit is currently between \$1,000 and \$2,000. All LOC products have a contractual repayment profile, which for example is 3% of the outstanding balance or \$40 (whichever is greater) under a \$2,000 limit.

zipMoney has introduced a number of attractive features to its LOC product design consistent with its core value system:

- all transactions offer attractive interest free terms;
- the interest rate on offer is usually lower than traditional Retail Finance competitors;
- zipMoney does not currently issue a physical credit card, customer receive a 'virtual' facility;
- the contractual repayment rate encourages quicker repayments than typical credit cards;
- customers are provided with online tools to simply manage their flexible repayments; and
- zipMoney offers a Buyer Protection policy and secures all transactions with 2-factor authentication.

zipMoney is also investigating a number of complimentary credit products to expand its platform over the next few years. Some of these include: instalment finance (Retail Finance), unregulated products (Retail Finance) and personal loans.

1.3.5 Business Model

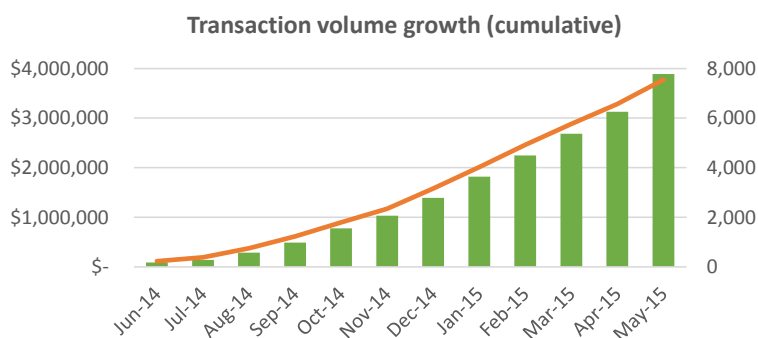
zipMoney primarily derives its revenue from a mix of merchant and customer fee components:

- Merchant Service Fees levied on settled transactions with its accredited merchant base; and
- Establishment Fees, Monthly Service Fees and Interest Revenue charged to active customer accounts, and which form of the outstanding loan book.

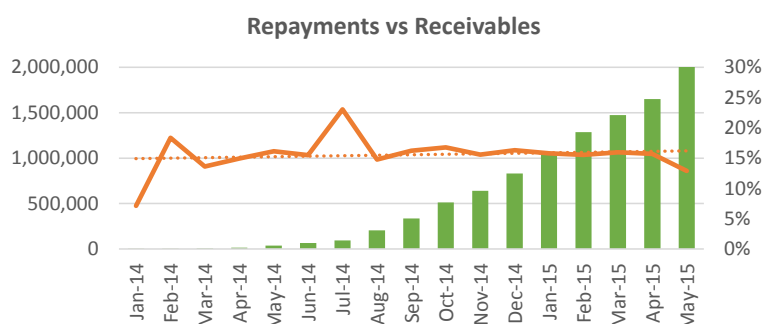
From its core revenue drivers, zipMoney targets a gross yield on the outstanding loan book of approximately 25%. As zipMoney's platform expands, it will look to launch related products in the Retail Finance industry, which may shift the weighting of fees between the two key stakeholders, merchants and customers from the current mix.

As at the date of this document, there has yet to be material sales and revenue generated by the business. In May 2015 zipMoney had approximately 4,500 active customers in Australia and generated approximately \$85,000 in monthly sales (versus YTD of more than \$300,000), this comprised a mixture of merchant services fees, customer establishment fees, monthly services fees and interest revenue. The number of active customers and the revenue generation is intended to significantly increase over the coming months as marketing, development and sales initiatives are undertaken.

Since launching the platform, zipMoney has originated over \$4 million in consumer loans and in May 2015, zipMoney processed approximately \$750,000 in transactions in a single month. The figure below illustrates the steady growth enjoyed by zipMoney over the last 12 months.



Currently zipMoney's loan book is more than \$2.5 million, having grown consistently over the last 12 months. Furthermore, as per the figure below the book, the repayment profile has remained very consistent at 12-15% (of period end book) each month.



1.3.6 Detailed Description of Technology and Related Infrastructure

zipMoney has established its intellectual property, systems and licences for its online lending platform and related functions. The proprietary nature of many of its systems has supported a highly customised and flexible offering to its client base derived from a diversified User base.

zipMoney's core technology systems include:

- *The Origination and Decisioning Engine* – responsible for credit-assessment and onboarding customers, processing transactions, leveraging third party data repositories and real-time data scoring;
- *Merchant Integration Framework* – responsible for connecting merchants and vendors in a 'light-touch' manner; zipMoney's API adopts the core principles of online payment gateways, which is universally accepted as a common mode of integration;
- *Dedicated In-store Retail Finance System* – handles in-store, physical customers applying and re-transacting under their zipMoney facility;
- *Loan Management Engine* – cloud-based NCCP compliant software platform designed to process loan transactions, generate customer statements and merchant disbursements; and

- *Automated Collection System* – zipMoney proprietarily engineered its own collections and cash management system and workflow, with the aim of leveraging market-leading technologies to drive efficiency gains in the receivables management function.

All systems and core infrastructure has been developed and hosted in the Amazon Web Services (**AWS**), to minimise business disruption and provide a flexible, and cost-effective platform for growth. There are a range of tools, systems and portals have been developed by zipMoney to aid in the ease of operation for both the merchant and consumer.

1.3.7 Loan Book Funding

zipMoney has signed a Term Sheet for an institutional funding facility (**Warehouse Facility**) from a leading Australian credit and funds management group. The creation of this new structure will facilitate the growth of zipMoney's Retail Finance platform and its loan book.

Historically consumer loans originated by zipMoney have been retained on balance sheet with security provided to those individual noteholders as funds are drawn.

Under the proposed institutional funding facility, consumer loans originated by zipMoney will be retained on balance sheet for a much shorter duration and periodically on-sold to the Warehouse facility in exchange for a cash advance. This will result in lower liquidity requirements for zipMoney and lower weighted average effective interest rate.

It is the intention that the current loan book of approximately \$2.5 million will be on-sold to the proposed Warehouse Facility as funding becomes available.

1.3.8 Key Personnel and Executive Management

Chief Executive Officer – Larry Diamond

Larry co-founded zipMoney in 2013 following 12 years' experience in retail, IT, corporate finance and investment banking at Pacific Brands, Macquarie Capital and Deutsche Bank.

He is a former consultant to lenders Prosopa Advance, Money in Advance and payment operator Live TaxiEpay.

Larry is a Qualified Chartered Accountant and holds a Bachelor of Information Technology and Master of Commerce (Finance).

Chief Operating Officer – Peter Gray

Peter co-founded zipMoney in 2013 as a consumer finance specialist with over 20 years' experience in the retail finance industry.

He is a licensed Responsible Manager for zipMoney Payments Pty Ltd under the ASIC regime and has held the role for numerous former businesses. Core strengths in consumer and merchant credit risk, compliance and operations management.

Peter has managed over 50,000 customers locally and offshore for over \$200m at FAI Finance, myBuy, Once Credit and Australian Finance Direct organisations.

Chief Technology Officer – Michael Greer

Michael is a technologist and solution architect with 15 years' experience in the software industry with the last 6 focused on payments, loyalty and point-of-sales solutions.

Michael's former responsibilities include the delivery of enterprise SAAS solutions to a range of international customers in the Quick Service Restaurant (QSR) and retail sectors.

Michael was involved in the development of a market leading real-time loyalty rewards system that grew to over 3 million active customers.

Chief Information Officer – Adam Finger

Adam has 10 years' experience in investment banking, credit risk management and structured finance at Macquarie Bank and Deutsche Bank (Australia, UK and US).

His historical focus includes Big Data, financial and credit risk modelling and the creation of innovative complex financial instruments for clients.

Adam's experience also includes building innovative web applications with his skill set extending across the entire product development life cycle, encompassing both front-end and back-end software development. Adam holds Bachelor of Commerce/Law, and Finance degrees.

National Sales Manager – Craig Dufficy

Craig brings a wealth of experience with over 15 years' experience in credit card, credit risk, marketing and sales in the Retail and Consumer Finance industries and was most recently the National Accounts Manager at FlexiGroup Limited.

Craig was responsible for designing and implementing the core sales strategies behind brands such as Once Credit, Lombard Finance and other FlexiGroup products, as well as managing a National Sales Team.

1.4 Board and Management Changes

Pursuant to the Option Agreement, upon completion of the Acquisition (and subject to Shareholder approval pursuant to Resolutions 10 and Resolution 11), Mr Larry Diamond and Mr Peter Gray will be appointed as Directors of Rubianna.

Subject to the passing of Resolutions 10 and 11, and completion of the Acquisition, Mr Philip Crutchfield and Mr Lloyd Flint will resign as Directors of Rubianna.

Mr Ian Hobson will remain as a Director and Company Secretary of Rubianna.

Refer to section 1.3.8 above for details of the experience and qualifications of Larry Diamond and Peter Gray and zipMoney management.

1.5 Capital Raising

The Company will seek to raise a minimum of \$4,000,000 (before expenses of the offer) with the ability to accept oversubscriptions to raise a maximum of \$5,000,000, to fund the activities of the Company through the offer by the Company of up to 25,000,000 Shares at an issue price of \$0.20 per Share (post Consolidation) as proposed in Resolution 9 (**Capital Raising**).

The Company intends to conduct the Capital Raising through the issue of a prospectus as part of its re-compliance with Chapters 1 and 2 of the Listing Rules (**Prospectus**).

1.6 Pro-forma balance sheet

An unaudited pro forma balance sheet of the Company following completion of the change to the nature and scale of activities, the Acquisition, Capital Raising and other matters is set out in Schedule 5 to this Notice.

1.7 Current capital structure

The capital structure of the Company as at the date of the Notice of Meeting is set out below:

Existing Securities	Pre-Consolidation	Post-Consolidation

Ordinary Shares	313,720,784	31,372,078
Unlisted Options exercisable on or before 30 November 2018	20,000,000	2,000,000
Unlisted Options exercisable on or before 30 November 2018	5,250,000	525,000

1. Assumes a consolidation of Rubianna's shares on a 1 for 10 basis.
2. Pre-Consolidation, the unlisted options are comprised of 20,000,000 unlisted options exercisable at 1c on or before 30 November 2018 and 5,250,000 unlisted options exercisable at 7.5c on or before 30 November 2018. Post-Consolidation, the unlisted options will be comprised of 2,000,000 unlisted options exercisable at 10c on or before 30 November 2018 and 525,000 unlisted options exercisable at 75c on or before 30 November 2018. These options are currently on issued and are not being issued as consideration for the Acquisition or as part of the Capital Raising.

1.8 Pro-forma capital structure

The capital structure of the Company following the Acquisition, Consolidation, Capital Raising and other matters is set out below:

Event	Ordinary Shares pre-Consolidation	Ordinary Shares post-Consolidation	Performance Shares pre-Consolidation	Performance Shares post-Consolidation	Unlisted Options pre-Consolidation	Unlisted Options post-Consolidation
Existing securities on issue	313,720,784	31,372,078	-	-	25,250,000	2,525,000
Consideration Shares to Vendors	550,000,000	55,000,000	750,000,000	75,000,000	-	-
Advisor	33,000,000	3,300,000	47,697,573	4,769,757	-	-
Strategic partner (Warehouse Facility)	-	-	200,000,000	20,000,000	-	-
Conversion of zipMoney Convertible Notes	35,000,000	3,500,000	-	-	-	-
Shares issued under \$4m Prospectus Capital Raising	-	20,000,000	-	-	-	-
TOTAL	931,720,784	113,172,078	997,697,573	99,769,757	25,250,000	2,525,000

1. Assumes a consolidation of Rubianna's shares on a 1 for 10 basis.
2. Pre-Consolidation, the unlisted options are comprised of 20,000,000 unlisted options exercisable at 1c on or before 30 November 2018 and 5,250,000 unlisted options exercisable at 7.5c on or before 30 November 2018. Post-Consolidation, the unlisted options will be comprised of 2,000,000 unlisted options exercisable at 10c on or before 30 November 2018 and 525,000 unlisted options exercisable at 75c on or before 30 November 2018. These options are currently on issued and are not being issued as consideration for the Acquisition or as part of the Capital Raising.
3. Assumes the minimum subscription of \$4,000,000 is raised under the Prospectus at \$0.20 p/share and therefore 20,000,000 post-consolidation Shares are issued under Capital Raising.
4. Assumes none of the Performance Share Milestones have been achieved.
5. Does not include any future issue of Performance Shares under the terms of the Employee Performance Share Plan the subject of Resolution 14.

1.9 Advantages of the Acquisition

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the proposed Resolutions:

- (a) It has become clear that current market conditions make it very difficult to raise funds to explore the exploration projects which the Company holds. The Acquisition is an excellent opportunity for the Company to gain an entry into an expanding market;
- (b) the Acquisition represents a significant asset acquisition opportunity for the Company for digital finance solution technology that has been developed and is ready for deployment;
- (c) through the acquisition of zipMoney, a larger market capitalisation and enhanced shareholder base should provide a more liquid stock than the Company currently has; and
- (d) the new Board of Directors will provide an experienced set of skills in digital finance technology to guide the growth of the Company.

1.10 Disadvantages of the Acquisition

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on the proposed Resolutions:

- (a) the Company will be changing the nature and scale of its activities, which may not be consistent with the objectives of Shareholders;
- (b) the Acquisition will result in the issue of Shares and Performance Shares to the Vendors, the Advisor and the provider(s) of the Warehouse Facility, which will have a dilutionary effect on the current holdings of Shareholders; and
- (c) there are many risk factors associated with the change of nature and scale of the Company's activities, or rather associated with zipMoney's business and operations. See an outline of these risks at Schedule 6 to the Notice.

1.11 Risks

Shareholders should be aware that if the Resolutions are approved, the Company will be changing the nature and scale of its activities which is subject to various risk factors. Based on the information available, a non-exhaustive list of risk factors are included in Schedule 6.

The Company's securities will go into suspension from quotation on ASX on the date of the Meeting. Should the Acquisition not complete, the Company will remain in suspension until such times (if at all) that an appropriate asset is identified and acquired by the Company. There is a risk that the Company may not be able to acquire an appropriate asset and consequently be unable to requote its securities on ASX.

1.12 Indicative Timetable

An indicative timetable for the Acquisition is set out below. Shareholders should note the below dates are indicative only and may change without notice. The Directors reserve the right to amend the timetable.

Event	Date
Company announces exercise of Option and change of nature of activities	4 June 2015
Lodgement of Prospectus for Capital Raising	10 July 2015
Suspension of the Company's securities from trading on ASX at the opening of trading	28 July 2015
General Meeting to approve the change of nature of activities and other matters	28 July 2015
ASX informed of Shareholder approvals	28 July 2015
Opening Date of Prospectus Offer	17 July 2015
Application for re-admission to ASX	17 July 2015
Completion of Consolidation	11 August 2015
Closing Date of Prospectus Offer	14 August 2015
Issue of Consideration Shares, Capital Raising Shares and other securities pursuant to the Option Agreement and Prospectus	21 August 2015
Anticipated date of re-admission to ASX and suspension of trading of Shares is lifted	11 September 2015

1.13 Plans for the Company if the Acquisition is not completed

If the Company does not complete the Acquisition, the Company will continue its existing projects and investigate and undertake due diligence on new opportunities for growth.

1.14 Directors' Recommendation

It is the view of the Directors that the Acquisition will give Shareholders the opportunity to participate in a potentially significant development and commercialisation of a fin-tech business in the retail finance and technology sector. The Directors consider that the Acquisition is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of all of the Resolutions. The Resolutions are interdependent, meaning that Shareholders must pass all of the Resolutions for the Acquisition to proceed.

2. Resolution 1 – Change to Scale and Nature of Activities

2.1 General

Resolution 1 seeks approval from Shareholders for a change to the nature and scale of the activities of the Company.

As outlined in Section 1 of this Explanatory Memorandum, the Company has exercised the Option, pursuant to the Option Agreement, under which the Company has agreed to acquire all of the issued capital in zipMoney (via its parent entity, ZMH) from the Vendors.

The exercise of the Option is subject to the requirement to obtain Shareholder approval.

A detailed description of the proposed Acquisition and zipMoney's assets and prospects is outlined in Section 1 above.

2.2 Legal requirements

Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature or scale of its activities, it must provide full details to ASX as soon as practicable and comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;
- (b) if ASX requires, obtains the approval of holders of its shares and any requirements of ASX in relation to the notice of meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the Listing Rules as if the Company were applying for admission to the official list of ASX.

ASX has indicated to the Company that given the change in the nature and scale of the Company's activities resulting from the Acquisition it requires the Company to:

- (a) obtain Shareholder approval; and
- (b) re-comply with the admission requirements set out in Chapters 1 and 2 of the Listing Rules.

3. Resolution 2 – Consolidation of Capital

3.1 General

Resolution 2 seeks Shareholder approval for the Company to undertake a consolidation of the Company's issued capital on the basis that for every 10 securities (being its Shares and Options) be consolidated into one security (Consolidation). The Consolidation is subject to the passing of all the Resolutions, as set out below.

The purpose of the Consolidation is to implement a more appropriate capital structure for the Company going forward and is necessary to enable the Company to satisfy Chapters 1 and 2 of the Listing Rules and obtain re-quotations of the Shares on ASX.

3.2 Legal Requirements

Section 254H of the Corporations Act enables a company to convert all or any of its securities into a smaller number of securities by a resolution passed at a general meeting. The conversion proposed by Resolution 2 is permitted under section 254H of the Corporations Act.

The Listing Rules also require that the number of Options on issue be consolidated in the same ratio as the ordinary capital and the exercise price amended in inverse proportion to that ratio.

The terms of the Performance Shares (issued pursuant to Resolutions 4, 6 and 8) also require that the number of Performance Shares on issue be consolidated in the same ratio as the ordinary capital.

3.3 Fractional Entitlements and Taxation

Not all Shareholders will hold that number of Shares which can be evenly divided. Where a fractional entitlement occurs, the Directors will round that fraction down to the nearest whole Share.

It is not considered that any taxation implications will exist for Shareholders arising from the Consolidation. However, Shareholders are advised to seek their own taxation advice on the effect of the Consolidation and neither the Company, nor the Directors (or the Company's advisors) accept any responsibility for the individual taxation implications arising from the Consolidation.

3.4 Holding Certificates

From the date of the Consolidation:

- (a) all holding statements for Shares will cease to have any effect, except as evidence of entitlement to a certain number of Shares on a post-Consolidation basis;
- (b) after the Consolidation becomes effective, the Company will arrange for new holding statements for Shares to be issued to holders of those securities; and
- (c) it is the responsibility of each Shareholder to check the number of Shares held prior to disposal or exercise (as the case may be).

3.5 Effect on capital structure

The effect which the Consolidation will have on the capital structure of the Company is detailed in the table in Section 1.7.

3.6 Timetable for the Consolidation

The indicative timetable for the Consolidation is as follows:

Event	Date
General Meeting to approve Consolidation	28 July 2015
Notification to ASX of results of General Meeting	28 July 2015
Date trading would ordinarily end on a pre-Consolidated basis*	29 July 2015
Date trading would ordinarily commence on deferred settlement basis*	30 July 2015
Last day to register transfers on a pre-Consolidation basis	4 August 2015
First day for Company to send notice to Shareholders of change of holdings as a result of Consolidation First day for Company to register securities on a post-Consolidation basis and for issue of holding statements	5 August 2015
Date trading on a deferred basis would ordinarily end* Despatch date Last day for securities to be entered into the holders' security holdings and for Company to send notice to each security holder	11 August 2015

* As the Company's Securities will be suspended from trading from the date of the Meeting, there will not be any pre-Consolidated trading or deferred settlement trading.

4. Resolutions 3, 5 and 7 – Create New Classes of Shares

Resolutions 3, 5 and 7 seek Shareholder approval for the Company to be authorised to issue Performance Shares.

A company with a single class of shares on issue which proposes to issue new shares not having the same rights as its existing shares, is taken to vary the rights of existing shareholders unless the Constitution already provides for such an issue.

Section 246B of the Corporations Act, and clause 2.3 of the Constitution provides that the rights attaching to a class of shares cannot be varied without:

- (a) a special resolution passed at a meeting of the holders of the issued shares of the affected class; or
- (b) the written consent of the holders of 75% of the votes of the affected class.

Pursuant to the Option Agreement, the Company proposes to issue (amongst other Securities) a total of 997,697,573 Performance Shares on a pre-Consolidation basis (the terms and conditions of which are set out in Schedules 2, 3 and 4) to:

- (a) the Vendors (pursuant to Resolution 4) in part consideration for the Acquisition;
- (b) the Advisor (pursuant to Resolution 6) as consideration for corporate advisory services; and
- (c) to Strategic Partners (pursuant to Resolution 8) in connection with the facilitation of the Warehouse Facility.

The purpose of the issue of the Performance Shares is to link part of the consideration to a milestone event. If the milestone is not achieved within the prescribed timeframe, the Company will redeem the Performance Shares for a nominal amount.

The Company currently has only one class of shares on issue being fully paid ordinary shares. The terms of the Performance Shares are not the same as the Shares. Accordingly, the Company seeks approval from Shareholders for the creation of three new classes of securities, being the Performance Shares to be issued to the Vendors (Resolution 4), the Advisor (Resolution 6) and the Strategic Partners (Resolution 8).

ASX Listing Rule 6.1 provides that the terms that apply to each class of securities of a company must, in ASX's opinion, be appropriate and equitable. The terms and conditions of the Performance Shares to be issued (as set out in Schedules 2, 3 and 4) have been approved by ASX in accordance with Listing Rule 6.1.

5. Resolution 4 – Acquisition of zipMoney and Issue of Shares and Performance Shares to Vendors

5.1 General

As outlined in Section 1 of this Explanatory Memorandum, the Company has agreed to acquire all of the issued capital of zipMoney (via its parent entity, ZMH) from the Vendors.

Under the Option Agreement, the total consideration to be paid to the Vendors will be the issue of the following Consideration Shares:

- (a) 550,000,000 Shares (pre-Consolidation) (55,000,000 Shares Post Consolidation assuming a 1 for 10 Consolidation); and

- (b) 750,000,000 Class A Performance Shares (pre-Consolidation) (75,000,000 Class A Performance Shares post-Consolidation assuming a 1 for 10 Consolidation).

Of the Consideration Shares to be issued to the Vendors:

- (a) Diamond Venture Holdings Pty Ltd as trustee for the Diamond Unit Trust (or nominee) (**DVH**) will be issued 285,749,767 Shares and 389,658,773 Class A Performance Shares on a pre-Consolidated basis (**DVH Shares**). DVH is an entity associated with proposed director Mr Larry Diamond, as Mr Diamond is a director and shareholder of Diamond Venture Holdings Pty Ltd and a beneficiary of the Diamond Unit Trust and as such, holds a relevant interest in the DVH Shares (in his capacity as a Vendor); and
- (b) proposed director Peter Gray (in his capacity as a Vendor) will be issued 94,311,798 Shares and 128,606,997 Class A Performance Shares on a pre-Consolidated basis (**Gray Shares**).

Larry and Ashlyn Diamond as trustees for the Diamond SMSF (**Diamond SMSF**) (an entity associated with DVH and Larry Diamond) currently hold 5,019,445 Shares in Rubianna, being a 1.6% voting interest in Rubianna (**Diamond SMSF Shares**). DVH has a relevant interest in the Diamond SMSF Shares due to Larry Diamond's association with the Diamond SMSF and DVH. Accordingly, the issue of the DVH Shares will result in DVH's relevant interest and voting power in the Company increasing from 1.6% to 25.69% and further, if the milestones of the Class A Performance Shares are achieved, and the Performance Shares are converted to ordinary shares, the voting power will increase further from 25.69% to 35.27% (based on the Capital Raising being completed and other Acquisition securities being issued as set out in this Explanatory Memorandum). On this same basis, the aggregate voting power of the Vendors post Acquisition will be approximately 49.04% (including the DVH Shares and Gray Shares).

DVH and Peter Gray are considered to be related parties of the Company for the purpose of section 228(6) of the Corporations Act. The Option Agreement specifies that each of the Vendors is acting independently and is not a partner, joint venture partner or Associate of any other Vendor. Further, the Company considers that the Vendors (or their nominees) are not associated with each other (pursuant to the Corporations Act definition of Associate) for the purposes of the prohibition in Chapter 6 of the Corporations Act. However, out of an abundance of caution and to avoid any possibility that the Vendors (or their nominees) are considered to be associated for the purposes of Chapter 6 of the Corporations Act, the Company is seeking the approval of Shareholders under item 7 of section 611 of the Corporations Act because the proposed issue of securities pursuant to Resolution 4 will result in DVH, together with the Vendors (or their nominees), having a relevant interest in an aggregate of more than 20% of the voting shares in the Company (although no sole Vendor other than DVH will acquire a relevant interest greater than 20%).

Accordingly, the Company is seeking approval under item 7 of section 611 of the Corporations Act in order to issue the Consideration Shares. Pursuant to ASX Listing Rule 7.2 (Exception 16), shareholder approval pursuant to ASX Listing Rule 7.1 is not required where approval is being obtained pursuant to section 611 (Item 7) of the Corporations Act. Accordingly, if Resolution 4 is passed, the issue of the Consideration Shares will be made without using the Company's 15% annual placement capacity and the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1.

The Corporations Act and ASIC Regulatory Guide 74 set out a number of requirements which must be satisfied. These are described below. The Consideration Shares issued to the Vendors will also be subject to any ASX imposed escrow terms.

5.2 ASX Listing Rule 10.11 and Section 208 of the Corporations Act

None of the Vendors other than DVH and Peter Gray are related parties of the Company. DVH (an entity associated with proposed director Larry Diamond) and Peter Gray as a proposed director of the Company are related parties by the operation of section 228(6) of the Corporations Act.

Section 228(6) of the Corporations Act states that a person is a related party of a company if the company believes, or has reasonable grounds to believe that the person is likely to become a related party).

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

The issue of the DVH Shares and Gray Shares constitutes giving a financial benefit and DVH and Peter Gray are related parties of the Company.

The current Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the DVH Shares and Gray Shares because the Shares will be issued to DVH and Peter Gray on the same terms as the remaining Consideration Shares to be issued to non-related party Vendors under the Option Agreement and as such the giving of the financial benefit is on arm's length terms.

DVH and Peter Gray are related parties by reason only of the Acquisition transaction which is the reason for the issue of the DVH Shares and Gray Shares. As such, Shareholder approval for the issue of securities to DVH and Peter Gray under ASX Listing Rule 10.11 is not required pursuant to exception 6 of ASX Listing Rule 10.12.

5.3 Corporations Act – Item 7 of Section 611

5.2.1 Summary

Except as provided by Chapter 6 of the Corporations Act, section 606(1) of the Corporations Act prohibits a person from acquiring shares in a company if, after that acquisition, that person or any other person would have a relevant interest or voting power in excess of 20% of the voting shares in that company.

Item 7 of Section 611 provides that section 606(1) of the Corporations Act does not apply to an acquisition of a relevant interest in the voting shares of a company if the company has agreed to the acquisition by resolution passed at a general meeting to which no votes are cast in relation to the resolution by the person to whom the shares are to be issued or by an associate of that person.

Under section 610 of the Corporations Act, a person's voting power is defined as the percentage of the total voting shares in the Company held by the person and the person's associates.

5.2.2 Associate

Subject to specified exclusions, a person (**second person**) will be an "associate" of the other person (first person) if:

- (a) the first person is a body corporate and the second person is:
 - (i) a body corporate the first person controls;
 - (ii) a body corporate that controls the first person; or
 - (iii) a body corporate that is controlled by an entity that controls the first person; or
- (b) the second person has entered or proposed to enter in a relevant agreement with the first person for the purpose of controlling or influencing the composition of the Company's board or the conduct of the Company's affairs; or
- (c) the second person is a person with whom the first person is acting or proposed to act, in concert in relation to the Company's affairs; or
- (d) the first person is a body corporate and the second person is:
 - (i) a director or secretary of the body; or
 - (ii) a Related Body Corporate; or
 - (iii) a director or secretary of a Related Body Corporate.

An entity controls another entity if it has the capacity to determine the outcome of decisions about that other entity's financial and operating policies.

5.2.3 Relevant interest

Pursuant to Section 608(1) of the Corporations Act, a person has a "relevant interest" in securities if they:

- (a) are the holder of the securities;
- (b) have the power to exercise, or control the exercise of, a right to vote attached to the securities;
or
- (c) have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

Pursuant to Section 608(3) of the Corporations Act, a person is deemed to have a "relevant interest" in securities that a company has if their voting power in the company is above 20% or they control the company.

The voting power of a person is determined under section 610 of the Corporations Act. It involves calculating the number of voting shares in the company in which the person and the person's Associates have a relevant interest.

As stated above, DVH and Peter Gray are considered to be related parties of the Company for the purpose of section 228(6) of the Corporations Act. The Option Agreement specifies that each of the Vendors is acting independently and is not a partner, joint venture partner or Associate of any other Vendor. Further, the Company considers that the Vendors (or their nominees) are not associated with each other (pursuant to the Corporations Act definition of Associate) for the purposes of the prohibition in Chapter 6 of the Corporations Act. However, out of an abundance of caution and to avoid any possibility that the Vendors (or their nominees) are considered to be associated for the purposes of Chapter 6 of the Corporations Act, the Company is seeking the approval of Shareholders

under item 7 of section 611 of the Corporations Act because the proposed issue of securities pursuant to Resolution 4 will result in DVH, together with the Vendors (or their nominees), having a relevant interest in an aggregate of more than 20% of the voting shares in the Company (although no sole Vendor other than DVH will acquire a relevant interest greater than 20%).

No other relevant parties are considered to be Associates of DVH or Peter Gray or have a relevant interest in the securities of DVH or Peter Gray.

5.2.4 Item 7 of Section 611

There are various exceptions to the prohibition in section 606 of the Corporations Act. Section 611 of the Corporations Act contains a table setting out circumstances in which acquisitions of relevant interests are exempt from the prohibition. Item 7 of section 611 of the Corporations Act provides an exception to the prohibition in section 606(1) if an acquisition is approved previously by a resolution passed by shareholders at a general meeting of the Company. The parties involved in the acquisition and their Associates are not able to cast a vote on the resolution.

The issue of the Consideration Shares will result in the Vendors (particularly DVH) having a relevant interest in aggregate of more than 20% of the voting shares in the Company, as described above.

Accordingly, the Company is seeking the approval of Shareholders under Item 7 of Section 611 of the Corporations Act in respect of the issue of Consideration Shares to the Vendors and their nominees.

At the date of the Notice of Meeting, none of the Vendors nor any of their Associates held any Shares in the Company other than Larry and Ashlyn Diamond as trustees for the Diamond SMSF (holding 5,019,445 Shares, being a 1.6% voting interest in the Company). If Resolution 4 is passed, the issue of the Consideration Shares to the Vendors or their Associates, pursuant to Resolution 4 will give the Vendors and their Associates a relevant interest in an aggregate of more than 20% of the voting shares in the Company.

As set out in the Voting Exclusion Statements in the Notice of Meeting and in accordance with the Listing Rules, the Vendors and their respective Associates are precluded from voting on Resolution 4.

5.2.5 Assumptions

The figures in the following section assume that:

- (a) the Company has 313,720,784 Shares on issue and does not intend to issue any additional Shares other than the securities to be issued under Resolutions 4, 6, 8, 9 and 13, being the Consideration Shares, the Class B Performance Shares, the Class C Performance Shares, the Shares to be issued under the Prospectus Capital Raising and the Shares on conversion of the Loan Note;
- (b) all of the Performance Shares are converted into ordinary Shares;
- (c) the Loan Note is converted in full into Rubianna Shares as described in section 11 below;
- (d) The Vendors do not acquire any additional securities in the Company other than as set out in this Explanatory Memorandum; and
- (e) as at completion of the Acquisition, no Performance Shares are issued under the Employee Performance Share Plan.

5.4 ASIC Regulatory Guide 74

The following information is included in accordance with the requirements of Item 7 of section 611 of the Corporations Act and ASIC Regulatory Guide 74 to the extent it applies pursuant to ASIC Regulatory Guide 159.

5.3.1 Identity of Person who will hold a relevant interest in the securities to be issued

Details of each of the Vendors is set out in Schedule 7. If Resolution 4 is passed, 550,000,000 Shares and 750,000,000 Class A Performance Shares are proposed to be issued to the Vendors (or their nominees) on a pro-rata basis in accordance with their shareholding in ZMH, as set out in Schedule 7 (on a pre-Consolidated basis).

5.3.2 Impact of the transactions on the Voting Power in the Company's Shares

(a) The Company's capital structure

Once the Consideration Shares proposed by Resolution 4 are issued, the capital structure of the Company will be affected in the manner set out in sections 1.7 and 1.8 above.

(b) Current voting power of the Vendors

As at the date of the Notice of Meeting, the parties comprising the Vendors and their Associates have a relevant interest in 5,019,445 Shares and their voting power is 1.6%.

Of this amount, DVH and its Associates (including Larry Diamond) has a relevant interest in 5,019,445 Shares and its voting power is 1.6% as a result of Larry and Ashlyn Diamond as trustee for the Diamond SMSF's direct holding of these Shares.

(c) Voting power of the Vendors and their Associates (Assuming all securities are issued under Resolutions 4, 6, 8, 9 and 13, and all Performance Share Milestones are achieved)

The voting power of each of the Vendors as a result of Resolution 4 is set out in Schedule 7.

The maximum increase in the voting power of the Vendors and their Associates as a result of Resolution 4 will be 67.3%. Of this amount, the maximum increase in the voting power of DVH and its Associates (including Larry Diamond) is 35.27%.

(d) Purpose of the acquisition

The reason for the issue of the Consideration Shares (and the resulting relevant interest) is that it is required in order to complete the Acquisition described in section 1 above. If Shareholder approval is not obtained for Resolution 4, the Acquisition will not proceed.

(e) Date of proposed acquisition

The issue of the Consideration Shares (which will result in the acquisition of the relevant interest) will occur upon Completion of the Acquisition. Completion of the Acquisition is intended to occur as set out in the timetable in section 1.12 above.

(f) Material Terms of proposed securities to be issued

The Consideration Shares will be issued as consideration under the Option Agreement in the manner set out in sections 1 and 5.1 above. The ordinary Share component of the Consideration Shares will be ordinary fully paid shares in Rubianna and the performance share component of the Consideration Shares will be Class A Performance Shares on the terms and conditions set out in Schedule 2.

(g) **Intentions as to the Future of the Company**

Other than as a result of the Acquisition, the Company's proposed change in nature and scale and recompliance with Chapters 1 and 2 of the ASX Listing Rules, the Consolidation, the proposed changes to the Board of Directors as set out in section 1.4 above; and as otherwise disclosed elsewhere in this Explanatory Memorandum, as at the date of the Notice of Meeting, Rubianna understands that each of the Vendors' (including proposed directors Larry Diamond and Peter Gray):

- (i) has no present intention of making any significant changes to the business of the Company;
- (ii) intends to participate in further capital raisings of the Company to maintain its shareholding interest;
- (iii) has no present intention of making changes regarding the future employment of the present employees of the Company;
- (iv) does not intend to redeploy any fixed assets of the Company;
- (v) does not intend to transfer any property between the Company and any of the Vendors; and
- (vi) has no intention to change the Company's existing policies in relation to financial matters or dividends.

These intentions are based on information concerning the Company, its business and the business environment which is known to the Vendors at the date of the Notice. The present intentions may change if the Vendors become aware of new information that becomes available, as circumstances change or as a result of all material information, facts and circumstances necessary to assess the operational, commercial, taxation and financial implications of those decisions at the relevant time.

(h) **Financial and Dividend Policies of the Company**

There is no immediate intention of the Vendors to change the financial or dividend policies of the Company.

(i) **Independent Expert's Report**

The Independent Expert's Report prepared by Stantons International Securities Pty Ltd is attached to this Explanatory Memorandum at Schedule 9. The Independent Expert's Report assesses whether the transactions contemplated by Resolution 4 are fair and reasonable to non-associated Shareholders.

The Independent Expert's Report concludes that the proposed issue of Shares under Resolutions 1, 2 and 4 set out in this Explanatory Memorandum is **not fair but reasonable** to non-associated Shareholders.

Shareholders are urged to carefully read the Independent Expert's Report to understand the scope, methodologies, information sources and assumptions of the Independent Expert in making its assessment.

(j) **Advantages of the issue of the Consideration Shares**

The Directors are of the view that the non-exhaustive list of advantages of the Acquisition set out in section 1.9 above also apply to the issue of the Consideration Shares and are relevant

to a Shareholder's decision on how to vote on Resolution 4 (together with the other Resolutions).

(k) **Disadvantages of the issue of the Consideration Shares**

The Directors are of the view that the non-exhaustive list of advantages of the Acquisition set out in section 1.10 above also apply to the issue of the Consideration Shares and are relevant to a Shareholder's decision on how to vote on Resolution 4 (together with the other Resolutions).

(l) **Directors Recommendation**

Based on the information available, including that contained in this Explanatory Memorandum, all of the Directors consider that Resolution 4 is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 4, for the reasons set out in section 1.14 above and as otherwise set out in this Explanatory Memorandum.

(m) **Other information**

The Directors are not aware of any information other than as set out in this Explanatory Memorandum that is material to the decision on how to vote on Resolution 4.

6. Resolution 6 – Issue of Shares and Class B Performance Shares to Advisor

6.1 General

As outlined in Section 1.2.2 of this Explanatory Memorandum, pursuant to the terms of the Option Agreement, the Company has agreed to issue to the Company's Advisor, being Avitus Capital Pty Ltd (or their nominees):

- (a) 33,000,000 Shares (pre Consolidation); and
- (b) 47,697,573 Class B Performance Shares (pre Consolidation) on the terms and conditions set out in Schedule 3,

(collectively, **Advisor Shares**)

Resolution 6 seeks Shareholder approval for the issue of the Advisor Shares to the Advisor (or their nominees) in consideration for corporate advisory services in respect of the Acquisition.

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of Shareholders, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 6 will be allow the Directors to issue the Advisor Shares to the Advisor (or their nominees) during a period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

The Advisor Shares issued to the Advisor will be subject to any ASX imposed escrow terms.

6.2 Technical Information Required by Listing Rule 7.3

The following information is provided in relation to Resolution 6 pursuant to and in accordance with Listing Rule 7.3:

- (a) the maximum number of securities to be issued is:
 - (i) 33,000,000 Shares (pre Consolidation); and
 - (ii) 47,697,573 Class B Performance Shares (pre Consolidation) on the terms and conditions set out in Schedule 3;
- (b) the Advisor Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that allotment will occur progressively upon completion of the Acquisition or shortly after;
- (c) the Advisor Shares will be issued for nil cash consideration, but rather as consideration for corporate advisory services provided by the Advisor (or their nominees) to the Company in relation to the Acquisition. Accordingly no funds will be raised from the issue of the Advisor Shares;
- (d) the Advisor Shares will be issued to the Advisor (or their nominees) in the amounts set out above and none of the Advisor or their nominees are related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Class B Performance Shares issued will be on the terms and conditions specified in Schedule 3; and
- (f) an application will be made for Official Quotation on ASX of the fully paid Shares upon their issue, however in respect of the Class B Performance Shares, an application for Official Quotation on ASX will be made in the event the Performance Milestones are achieved and the Performance Shares convert into ordinary shares.

7. Resolution 8 – Issue of Class C Performance Shares to Strategic Partners

7.1 General

As outlined in Section 1.2.2 of this Explanatory Memorandum, pursuant to the terms of the Option Agreement, the Company has agreed to issue up to 200,000,000 Class C Performance Shares (pre Consolidation) on the terms and conditions set out in Schedule 4 to the Strategic Partners, who are the managers of the Warehouse Facility (or their nominees), being unrelated third party financial services providers.

Resolution 8 seeks Shareholder approval for the issue of the Class C Performance Shares to the Strategic Partners (or their nominees) in consideration for facilitation of the Warehouse Facility.

A summary of Listing Rule 7.1 is set out in Section 6.1 of this Explanatory Memorandum.

The effect of Resolution 6 will be allow the Directors to issue the Class C Performance Shares to the Strategic Partners (or their nominees) during a period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

The Class C Performance Shares issued to the Strategic Partners will be subject to any ASX imposed escrow terms.

7.2 Technical Information Required by Listing Rule 7.3

The following information is provided in relation to Resolution 8 pursuant to and in accordance with Listing Rule 7.3:

- (a) the maximum number of securities to be issued is 200,000,000 Class C Performance Shares (pre Consolidation) on the terms and conditions set out in Schedule 4;
- (b) the Class C Performance Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that allotment will occur progressively upon completion of the Acquisition or shortly after;
- (c) the Class C Performance Shares will be issued for nil cash consideration, but rather in connection with the facilitation of the Warehouse Facility provided by the Strategic Partners. Accordingly no funds will be raised from the issue of the Class C Performance Shares;
- (d) the Class C Performance Shares will be issued to the Strategic Partners (or their nominees) in the amounts set out above and none of the Strategic Partners or their nominees are related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Class C Performance Shares issued will be on the terms and conditions specified in Schedule 4; and
- (f) an application will be made for Official Quotation on ASX of the fully paid Shares upon their issue, however in respect of the Class C Performance Shares, an application for Official Quotation on ASX will be made in the event the Performance Milestones are achieved and the Performance Shares convert into ordinary shares.

8. Resolution 9 – Capital Raising

8.1 General

As outlined in Section 1.2.2 of this Explanatory Memorandum, completion of the Option Agreement and Acquisition is conditional upon the Company completing the Capital Raising.

Resolution 9 seeks Shareholder approval for the issue of up to 20,000,000 Shares the subject of the Capital Raising.

A summary of Listing Rule 7.1 is set out in Section 6.1 of this Explanatory Memorandum.

The effect of Resolution 8 will be to allow the Directors to issue up to 25,000,000 Shares pursuant to the Capital Raising during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

8.2 Technical Information Required By ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Capital Raising:

- (a) the maximum number of Shares to be issued is up to 25,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and

it is intended that allotment will occur progressively in accordance with the timetable set out in section 1.12 above;

- (c) the issue price will be not less than \$0.20 per Share;
- (d) the participants in the Capital Raising will be members of the public and the Directors will determine to whom the Shares will be issued and will ensure that no related parties will be issued Shares);
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the Capital Raising towards the following items:

Use of funds	Minimum Subscription (\$4m raise)		Maximum Subscription (\$5m raise)	
	Year 1	Year 2	Year 1	Year 2
Cost of the Offer	407,000	-	467,000	-
Legal Fees – establishment	150,000	-	150,000	
Administration	643,000	643,000	643,000	643,000
Business growth and development	1,000,000	1,157,000	1,500,000	1,597,000
Total	2,200,000	1,800,000	2,760,000	2,240,000

The above table is a statement of current intentions as of the date of this Notice. As with any budget, intervening events (including exploration and development success or failure) 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.

Further details of the use of funds will be set out in the Prospectus that will be issued in respect of the Capital Raising.

9. Resolutions 10 and 11 – Election of Directors

9.1 Background

As outlined in Section 1.2.2 and 1.4 of this Explanatory Memorandum, the Company has agreed to procure the appointment of two representatives of zipMoney as directors of the Company (being Larry Diamond and Peter Gray) effective on and from completion of the Acquisition.

Existing directors Philip Crutchfield and Lloyd Flint will resign effective on and from completion of the Acquisition, and Ian Hobson will remain a director and company secretary of Rubianna.

9.2 Constitution Requirements

Clause 6.2(c) of the Constitution provides for the Company to elect a person as a director of the Company by resolution passed in general meeting.

No person other than a Director seeking re-election shall be eligible for election to the office of Director at any general meeting unless the person or some Shareholder intending to propose his or her nomination has left at the registered office of the Company a notice in writing duly signed by the nominee giving his or her consent to the nomination and signifying his or her candidature for the office or the intention of the Shareholder to propose the person.

A copy of the nomination for candidature for Larry Diamond and Peter Gray are enclosed at Schedule 8 and the proposed directors have consented to act.

A director elected at a general meeting is taken to have been elected with effect immediately after the end of that general meeting unless the resolution by which the director was appointed or elected specifies a different time. Resolutions 10 and 11 seek the election of Larry Diamond and Peter Gray respectively as a director of the Company with effect on and from the date of completion of the Acquisition.

9.3 Background and Qualifications

The background and qualifications of each proposed director is set in section 1.3.8 above.

10. Resolution 12 – Change of Company Name

Section 157(1) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 12 seeks the approval of Shareholders to the adoption of “zipMoney Limited” as the new name for the Company, subject to completion of the Acquisition occurring.

If Resolution 12 is passed the change of name will take effect when ASIC alters the details of the Company’s registration. The proposed name has been reserved by the Company and if Resolution 12 is passed, the Company will lodge a copy of the special resolution with ASIC following settlement of the Acquisition occurring in order to effect the change.

The Board proposes this change of name on the basis that it more accurately reflects the proposed future operations of the Company.

11. Resolution 13 – Approval to Convert Loan Notes

11.1 General

As outlined in section 1.2 above, the Company has entered into the Option Agreement. As a result of the Option Agreement, the Company and zipMoney agreed that zipMoney could issue convertible Loan Notes to unrelated sophisticated and professional investors as Noteholders.

The Loan Notes are convertible into fully paid ordinary shares in Rubianna (**Conversion Shares**).

Resolution 13 seeks Shareholder approval under Listing Rule 7.1 for the issue of up to 35,000,000 (pre-Consolidation) Conversion Shares upon conversion of the Loan Notes to the Noteholders (or their nominees).

Approval of Resolution 13 will have the effect of being excluded from calculations of the Company’s 15% share issue facility limit under Listing Rule 7.1.

11.2 Terms of Loan Notes

The key terms of the Loan Notes are as follows:

- (a) the aggregate principal sum advanced under the Loan Notes is up to \$350,000, with each note having a face value of \$1.00;
- (b) the Loan Notes were issued by zipMoney on or around 16 April 2015 and are convertible into fully paid ordinary shares in Rubianna, fully paid ordinary shares in ZMH, or are redeemable for cash, subject to the terms and conditions set out below;

- (c) subject to Rubianna obtaining the Shareholder approvals set out in this Notice, Rubianna raising the minimum subscription for \$4,000,000 under the Prospectus Capital Raising, the Loan Notes will convert into a maximum of 35,000,000 Shares in Rubianna (on a pre-consolidated basis);
- (d) if for whatever reason, the Prospectus is withdrawn and Capital Raising does not proceed, interest will be deemed to be payable by zipMoney from that date (**Interest Start Date**) at a rate of up to 16% per annum calculated on the face value of each Loan Note;
- (e) within six months of the Interest Start Date, each Noteholder may elect to convert all (but not part) of their Loan Notes into fully paid ordinary shares in ZMH;
- (f) if a Noteholder does not elect to convert its Loan Note into ZMH shares within this time, then zipMoney must redeem the Loan Notes in cash in full on or before the maturity date, being 24 months after the Interest Start Date;
- (g) if converted into Rubianna Shares, the Conversion Shares will be subject to ASX imposed escrow terms;
- (h) the Noteholders have provided a number of warranties and representations in favour of Rubianna and zipMoney which are commonly agreed in loan notes of this nature; and
- (i) zipMoney has provided a number of warranties and representations in favour of the Noteholder which are commonly agreed in loan notes of this nature.

The Loan Note otherwise contains terms and conditions considered standard for an agreement of its type.

11.3 Listing Rule Requirements for Resolution 13

A summary of Listing Rule 7.1 is set out in Section 6.1 of this Explanatory Memorandum.

The issue of Conversion Shares does not exceed the 15% limit, however, ASX Listing Rule 7.4 provides that, where a company in a general meeting ratifies an issue of equity securities the issue will be treated as having been made with approval for the purpose of ASX Listing Rule 7.1 (provided that the previous issue did not breach ASX Listing Rule 7.1), thereby enabling the company to issue further equity securities without exceeding the 15% in 12 months limitation.

Shareholder approval under Resolution 13 is sought for the future issue of the Conversion Shares so as to refresh the Company's 15% equity security placement limit pursuant to ASX Listing Rule 7.1.

11.4 Technical information required by ASX Listing Rules

Pursuant to and in accordance with ASX Listing Rule 7.1, the following information is provided in relation to the issue of Conversion Shares to the Noteholders under Resolution 13:

- (a) the terms and conditions of the Loan Notes are set out in section 11.2 above. Upon conversion in accordance with section 11.2(c), the Loan Notes will convert into fully paid ordinary Shares in the Company on the same terms as other ordinary Shares in the Company and will be quoted on ASX in accordance with the timetable in section 1.12 above;
- (b) the Loan Notes were issued to the Noteholders, being independent unrelated professional and sophisticated investors and the Conversion Shares will be issued to the Noteholders (or their nominees).

- (c) if Resolution 13 is approved, the Loan Notes will become equity securities. The maximum number of Conversion Shares to be issued to the Noteholders is 35,000,000 (pre-Consolidation).
- (a) the Loan Notes were issued on or about 16 April 2015 and are debt securities. If Resolution 13 is passed, the Loan Notes will be converted into equity securities for the purposes of the Listing Rules at the date of the approval being obtained. The Conversion Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that allotment will occur on the same date;
- (d) there will be no funds raised upon issue of the Conversion Shares. The funds raised by zipMoney under the Loan Notes were applied to general working capital requirements of zipMoney.

12. Resolution 14 – Approval of Employee Performance Share Plan

Resolution 14 seeks Shareholder approval for the adoption of the employee incentive scheme titled Employee Performance Share Plan (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 14 is passed, the Company will be able to issue Performance Shares under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that no Shares have previously been issued under the Plan.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of Performance Shares under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

Any future issues of Performance Shares under the Plan to a related party or a person whose relation with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

A summary of the key terms and conditions of the Plan is set out in Schedule 10. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

Schedule 1 – Definitions

In this Notice and the Explanatory Memorandum:

Acquisition means the Company's acquisition of all the issued capital in zipMoney (via acquisition of its parent entity, ZMH) upon exercise of the Option.

Advisor means Avitus Capital Pty Ltd (ACN 152 188 728).

Advisor Shares means the Shares and Performance Shares to be issued to the Advisor, as set out in section 6.

ASIC means the Australian Securities and Investments Commission.

AWS means Amazon Web Services, a collection of remote computing services that together make up a cloud computing platform, offered over the internet by Amazon.com.

B2B means business-to-business, referring to a circumstance where one business enters into a commercial transaction with another business.

Big Data means the collection and analysis of growing volumes of structured and unstructured data being generated by electronic activities.

Board means the board of Directors.

Business Day means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth.

Capital Raising means the Company's raising of a minimum of \$4,000,000 (before expenses of the offer) with the ability to accept oversubscriptions to raise a maximum of \$5,000,000 to fund the activities of the Company via the offer by the Company of up to 25,000,000 Shares at an issue price of \$0.20 per Share (post Consolidation).

Chair or **Chairman** means the person appointed to chair the Meeting conveyed by this Notice.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; and
- (f) a person prescribed by the Corporations Regulations 2001 (Cth).

Cloud or **Cloud Computing** means a model for enabling ubiquitous, convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction.

Company or Rubianna means Rubianna Resources Limited (ACN 139 546 428).

Consolidation means the Company's intended consolidation of the Company's issued capital pursuant to Resolution 2 and on the basis outlined in Section 3.

Constitution means the constitution of the Company.

Conversion Shares means the Shares to be issued on conversion of the Loan Notes.

Convertible Loan Deed means the convertible loan deed between the Company, ZMH, zipMoney and the Noteholders dated on or about the date of this Notice.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

DVH means Diamond Venture Holdings Pty Ltd as trustee for the Diamond Unit Trust.

DVH Shares means the Shares and Performance Shares to be issued to DVH, as set out in section 5.1.

Exercise Conditions means the exercise conditions of the buy/sell option pursuant to the terms of the Ruby Well Option Agreement.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Gray Shares means the Shares and Performance Shares to be issued to Peter Gray (or nominee) as set out in section 5.1.

Interest Start Date has the meaning set out in section 11.2.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Loan Notes mean the convertible loan notes issued to the Noteholders pursuant to the Convertible Loan Deed.

LOC means line of credit.

Meeting has the meaning in the introductory paragraph of the Notice.

NCCP means the *National Consumer Credit Protection Act 2009* (Cth).

Noteholders means the noteholders under the Convertible Loan Deed.

Notice means this notice of general meeting.

Option Agreement means the option agreement dated 7 April 2015 between the Company, zipMoney, ZMH and the Vendors, as amended by the deed of variation and restatement dated 3 June 2015.

Option, in the context of the Securities of the Company, means an option to acquire a Share.

Option, in the context of the Option Agreement, means the Company's option to acquire 100% of the issued capital of zipMoney (via acquisition of its parent entity, ZMH) pursuant to the Option Agreement.

Performance Shares means the performance shares in the Company to be issued on the terms and conditions set out in Schedules 2, 3 and 4.

Plan or **Employee Performance Share Plan** means the employee performance share plan as described in section 12 and Schedule 10.

Purchaser means the purchaser under the Ruby Well Option Agreement, CNN Investments Pty Ltd.

Proposed Directors means Mr Larry Diamond and Mr Peter Gray.

Prospectus means a prospectus issued by the Company for the purpose of the Capital Raising, as outlined in Section 1.2.2 and 1.5.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in the Notice.

Rights Issue means the Company's recent rights issue, as described in section 1.2.1.

Ruby Well Option Agreement means the option and sale agreement between the Company and CNN Investments Pty Ltd for the sale of the Ruby Well project as set out in section 1.1.1.

SAAS means software as a service, a way of delivering applications over the internet, as a service, instead of installing and maintaining software, it is accessible via the internet, freeing users of the software from complex software and hardware management.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

Securities means the securities of the Company.

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

Shareholder means a shareholder of ordinary fully paid shares in the Company.

SME means small and medium sized enterprises.

Strategic Partners means the provider(s) of the Warehouse Facility.

User means a user of zipMoney's products and services (whether customer or merchant).

Vendors means the shareholders of ZMH specified in Schedule 7.

VWAP means a volume weighted average price.

Warehouse Facility means zipMoney's warehouse facility as described in section 1.2.1.

WST means Western Standard Time, being the time in Perth, Western Australia.

zipMoney means zipMoney Payments Pty Ltd (ACN 164 440 993).

ZMH means zipMoney Holdings Pty Ltd (ACN 164 437 316).

In this Notice and the Explanatory Memorandum words importing the singular include the plural and vice versa.

Schedule 2 – Terms of Class A Performance Shares

A total of 750,000,000 (on a pre-Consolidation basis) Class A Performance Shares will be issued to the Vendors as set out in Schedule 7 and on the following terms and conditions, subject to Shareholder approval at the Meeting and ASX approval. The parties shall work together in good faith to obtain approval from ASX for the terms of the Performance Shares, and if the proposed terms of the Performance Shares are not approved by ASX the parties shall negotiate in good faith a restructuring of the securities to be issued to ZMH shareholders such that the ZMH shareholders receive equivalent consideration.

1. Each (1) Performance Share is convertible into one (1) fully paid ordinary share in the capital of Rubianna, upon the following milestones being achieved:
 - (a) **Milestone 1** – 308.4 million performance shares will convert upon zipMoney achieving aggregate transaction volume in excess of \$10 million by the date that is 12 months from Rubianna being re-admitted to the Official List of ASX.
 - (b) **Milestone 2** – 308.3 million performance shares will convert upon zipMoney achieving aggregate transaction volume in excess of \$20 million by the date that is 24 months from Rubianna being re-admitted to the Official List of ASX.
 - (c) **Milestone 3** – 133.3 million performance shares will convert upon Rubianna achieving pre-tax break-even (after excluding any costs or expenses relating to any mineral exploration or exploitation activities of Rubianna, or any other expenditure relating to activities prior to the sunset date of the Option Agreement (being 30 September 2015) for the first time each calendar month in a consecutive three calendar month period by or before the date that is 36 months from Rubianna being re-admitted to the Official List of ASX.
2. For the purposes of the milestones described above, “**transaction volume**” means any aggregate gross amounts drawn down or advanced on a customer's account. For the avoidance of doubt, conversion will take place as soon as reasonably practicable upon the milestone being achieved even if this is before the end of the milestone period.
3. The Performance Shares will be issued upon completion of Rubianna's acquisition of zipMoney, subject to shareholder approval at the Meeting and ASX approval.
4. The Performance Shares will be issued for nil consideration, as they are to be issued to the Vendors as part consideration for the acquisition of ZipMoney and their purpose is to link part of the consideration for the acquisition of ZipMoney to certain key performance criteria, being the milestones set out above.
5. The Performance Shares will not convert to ordinary Shares until such time as the Milestones referred to above have been satisfied.
6. Prior to conversion, the Performance Shares have no voting rights, dividend rights or other capital rights.
7. Rubianna will apply to the ASX for approval of the terms of the Performance Shares. If the proposed terms are not approved by ASX, the parties shall negotiate in good faith a restructuring of the securities to be issued to the parties such that the parties receive equivalent incentive.
8. If the Milestones are not achieved by the relevant Milestone date referred to above, the Performance Shares for a particular tranche will be redeemed for a total nominal sum of \$1.00 and cancelled at Rubianna's discretion.
9. The Performance Shares are otherwise subject to the following standard terms and conditions:

- (a) **(Performance Shares)** Each Performance Share is a share in the capital of Rubianna Resources Limited (ACN 139 546 428)
- (b) **(General Meetings)** The Performance Shares shall confer on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of Rubianna that are circulated to shareholders. Holders have the right to attend general meetings of shareholders of Rubianna.
- (c) **(No Voting Rights)** The Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of shareholders of Rubianna.
- (d) **(No Dividend Rights)** The Performance Shares do not entitle the Holder to any dividends.
- (e) **(Rights on Winding Up)** The Performance Shares do not entitle the Holder to participate in the surplus profits or assets of Rubianna upon winding up of Rubianna.
- (f) **(Not Transferable)** The Performance Shares are not transferable.
- (g) **(Reorganisation of Capital)** If at any time the issued capital of Rubianna is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of reorganisation.
- (h) **(Application to ASX)** The Performance Shares will not be quoted on ASX. However, upon conversion of the Performance Shares into fully paid ordinary shares (**Shares**), Rubianna must within seven (7) days after the conversion, apply for the official quotation of the Shares arising from the conversion on ASX.
- (i) **(Participation in Entitlements and Bonus Issues)** Holders of Performance Shares will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (j) **(Change in Control Event)** means:
 - (i) the occurrence of:
 - (A) the offeror under a takeover offer in respect of Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
 - (B) that takeover bid has become unconditional; or
 - (ii) the announcement by Rubianna that:
 - (A) shareholders of Rubianna have at a Court convened meeting of shareholders voted in favour, by the necessary majority of a proposed scheme of arrangement under which all Shares are to be either cancelled or transferred to a third party; and
 - (B) the Court, by order, approves the scheme of arrangement,

but, for the avoidance of doubt does not include the acquisition of zipMoney, nor a scheme of arrangement for the purposes of a corporate restructure (including change of domicile, consolidation, subdivision, reduction or return) of the issued capital of Rubianna.
- (k) **(Change in Control)** if, as a result of a Change in Control Event occurring, any performance milestone is triggered in accordance with the terms above, the maximum number of Performance Shares that can be converted into Shares and issued upon a Change in Control Event occurring must not exceed 10% of the issued share capital of Rubianna (as at the date of the Change in Control Event). Rubianna shall ensure a pro-rata allocation of Shares issued under this clause to all Performance Shareholders.
- (l) **(No Other Rights)** The Performance Shares give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Schedule 3 – Terms of Class B Performance Shares

A total of 47,697,573 (on a pre-Consolidation basis) Class B Performance Shares will be issued to Avitus Capital Pty Ltd (or its nominees) on the following terms and conditions, subject to Shareholder approval at the Meeting and ASX approval.

1. Each (1) Performance Share is convertible into one (1) fully paid ordinary share in the capital of Rubianna, upon the following milestones being achieved:
 - (a) **Milestone 1** – 23.8 million performance shares will convert upon zipMoney achieving aggregate transaction volume in excess of \$10 million by the date that is 12 months from Rubianna being re-admitted to the Official List of ASX
 - (b) **Milestone 2** – 23.8 million performance shares will convert upon zipMoney achieving aggregate transaction volume in excess of \$20 million by the date that is 24 months from Rubianna being re-admitted to the Official List of ASX.
2. For the purposes of the milestones described above, “**transaction volume**” means any aggregate gross amounts drawn down or advanced on a customer's account. For the avoidance of doubt, conversion will take place as soon as reasonably practicable upon the milestone being achieved even if this is before the end of the milestone period.
3. The Performance Shares will be issued upon completion of Rubianna's acquisition of zipMoney, subject to shareholder approval at the Meeting and ASX approval.
4. The Performance Shares will be issued for nil consideration, as they are to be issued to Avitsu Capital Pty Ltd (or its nominee) for the provision of corporate advisory and other services to Rubianna.
5. The Performance Shares will not convert to ordinary Shares until such time as the Milestones referred to above have been satisfied.
6. Prior to conversion, the Performance Shares have no voting rights, dividend rights or other capital rights.
7. Rubianna will apply to the ASX for approval of the terms of the Performance Shares. If the proposed terms are not approved by ASX, the parties shall negotiate in good faith a restructuring of the securities to be issued to the parties such that the parties receive equivalent incentive.
8. If the Milestones are not achieved by the relevant Milestone date referred to above, the Performance Shares for a particular tranche will be redeemed for a total nominal sum of \$1.00 and cancelled at Rubianna's discretion.
9. The Performance Shares are otherwise subject to the following standard terms and conditions:
 - (a) **(Performance Shares)** Each Performance Share is a share in the capital of Rubianna Resources Limited (ACN 139 546 428)
 - (b) **(General Meetings)** The Performance Shares shall confer on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of Rubianna that are circulated to shareholders. Holders have the right to attend general meetings of shareholders of Rubianna.
 - (c) **(No Voting Rights)** The Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of shareholders of Rubianna.
 - (d) **(No Dividend Rights)** The Performance Shares do not entitle the Holder to any dividends.
 - (e) **(Rights on Winding Up)** The Performance Shares do not entitle the Holder to participate in the surplus profits or assets of Rubianna upon winding up of Rubianna.

- (f) **(Not Transferable)** The Performance Shares are not transferable.
- (g) **(Reorganisation of Capital)** If at any time the issued capital of Rubianna is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of reorganisation.
- (h) **(Application to ASX)** The Performance Shares will not be quoted on ASX. However, upon conversion of the Performance Shares into fully paid ordinary shares (**Shares**), Rubianna must within seven (7) days after the conversion, apply for the official quotation of the Shares arising from the conversion on ASX.
- (i) **(Participation in Entitlements and Bonus Issues)** Holders of Performance Shares will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (j) **(Change in Control Event)** means:
 - (i) the occurrence of:
 - (A) the offeror under a takeover offer in respect of Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
 - (B) that takeover bid has become unconditional; or
 - (ii) the announcement by Rubianna that:
 - (A) shareholders of Rubianna have at a Court convened meeting of shareholders voted in favour, by the necessary majority of a proposed scheme of arrangement under which all Shares are to be either cancelled or transferred to a third party; and
 - (B) the Court, by order, approves the scheme of arrangement,

but, for the avoidance of doubt does not include the acquisition of zipMoney, nor a scheme of arrangement for the purposes of a corporate restructure (including change of domicile, consolidation, subdivision, reduction or return) of the issued capital of Rubianna.
- (k) **(Change in Control)** if, as a result of a Change in Control Event occurring, any performance milestone is triggered in accordance with the terms above, the maximum number of Performance Shares that can be converted into Shares and issued upon a Change in Control Event occurring must not exceed 10% of the issued share capital of Rubianna (as at the date of the Change in Control Event). Rubianna shall ensure a pro-rata allocation of Shares issued under this clause to all Performance Shareholders.
- (l) **(No Other Rights)** The Performance Shares give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Schedule 4 – Terms of Class C Performance Shares

A total of 200,000,000 (on a pre-Consolidation basis) Class C Performance Shares will be issued to the manager of zipMoney's Warehouse Facility (or its nominee) on the following terms and conditions, subject to Shareholder approval at the Meeting and ASX approval.

Prior to the earlier of the issue of these performance shares and the financial close of the Warehouse Facility, ZMH (on behalf of the ZMH shareholders) and Rubianna may by mutual agreement vary the milestones, milestone deadlines and other terms of any of these performance shares subject to Shareholder approval.

1. Each (1) Performance Share is convertible into one (1) fully paid ordinary share in the capital of Rubianna, upon the following milestones being achieved:
 - (a) **Milestone 1** – 100 million performance shares (on a pre-Consolidation basis) will convert upon the Warehouse Facility (and/or any replacement facility which is managed by the manager of the Warehouse Facility) having been made available for 12 months from the date of financial close;
 - (b) **Milestone 2** – 50 million performance shares (on a pre-Consolidation basis) will convert upon principal available under the Warehouse Facility attributable to zipMoney being extended or modified to \$50 million; and
 - (c) **Milestone 3** – 50 million performance shares (on a pre-Consolidation basis) will convert upon principal available under the Warehouse Facility attributable to zipMoney being extended or modified to \$100 million.
2. The Performance Shares will be issued upon completion of Rubianna's acquisition of zipMoney, subject to shareholder approval at the Meeting and ASX approval.
3. The Performance Shares will be issued for nil consideration, as they are to be issued to the to the manager of zipMoney's Warehouse Facility (or its nominee) in connection with the facilitation of the Warehouse Facility
4. The Performance Shares will not convert to ordinary Shares until such time as the Milestones referred to above have been satisfied.
5. Prior to conversion, the Performance Shares have no voting rights, dividend rights or other capital rights.
6. Rubianna will apply to the ASX for approval of the terms of the Performance Shares. If the proposed terms are not approved by ASX, the parties shall negotiate in good faith a restructuring of the securities to be issued to the parties such that the parties receive equivalent incentive.
7. If a milestone is not achieved by the milestone expiry date on or before the date which is 5 years from the date of issue of the performance shares, the performance shares for the relevant tranche will be redeemed by Rubianna for a total nominal sum of \$1.00.cancelled at Rubianna's discretion.
8. The Performance Shares are otherwise subject to the following standard terms and conditions:
 - (a) **(Performance Shares)** Each Performance Share is a share in the capital of Rubianna Resources Limited (ACN 139 546 428)
 - (b) **(General Meetings)** The Performance Shares shall confer on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of Rubianna that are circulated to shareholders. Holders have the right to attend general meetings of shareholders of Rubianna.
 - (c) **(No Voting Rights)** The Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of shareholders of Rubianna.

- (d) **(No Dividend Rights)** The Performance Shares do not entitle the Holder to any dividends.
- (e) **(Rights on Winding Up)** The Performance Shares do not entitle the Holder to participate in the surplus profits or assets of Rubianna upon winding up of Rubianna.
- (f) **(Not Transferable)** The Performance Shares are not transferable.
- (g) **(Reorganisation of Capital)** If at any time the issued capital of Rubianna is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of reorganisation.
- (h) **(Application to ASX)** The Performance Shares will not be quoted on ASX. However, upon conversion of the Performance Shares into fully paid ordinary shares (**Shares**), Rubianna must within seven (7) days after the conversion, apply for the official quotation of the Shares arising from the conversion on ASX.
- (i) **(Participation in Entitlements and Bonus Issues)** Holders of Performance Shares will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (j) **(Change in Control Event)** means:
 - (i) the occurrence of:
 - (A) the offeror under a takeover offer in respect of Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
 - (B) that takeover bid has become unconditional; or
 - (ii) the announcement by Rubianna that:
 - (A) shareholders of Rubianna have at a Court convened meeting of shareholders voted in favour, by the necessary majority of a proposed scheme of arrangement under which all Shares are to be either cancelled or transferred to a third party; and
 - (B) the Court, by order, approves the scheme of arrangement,

but, for the avoidance of doubt does not include the acquisition of zipMoney, nor a scheme of arrangement for the purposes of a corporate restructure (including change of domicile, consolidation, subdivision, reduction or return) of the issued capital of Rubianna.
- (k) **(Change in Control)** if, as a result of a Change in Control Event occurring, any performance milestone is triggered in accordance with the terms above, the maximum number of Performance Shares that can be converted into Shares and issued upon a Change in Control Event occurring must not exceed 10% of the issued share capital of Rubianna (as at the date of the Change in Control Event). Rubianna shall ensure a pro-rata allocation of Shares issued under this clause to all Performance Shareholders.
- (l) **(No Other Rights)** The Performance Shares give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Schedule 5 – Unaudited Pro-forma Balance Sheet

	Unaudited Adjusted 30 April 2015 Rubianna \$000 "A"	Unaudited Pro-forma 30 April 2015 Rubianna (including consolidation of ZipMoney) \$000 "B"	Unaudited Adjusted Consolidated ZipMoney 31 May 2015 \$000
Current Assets			
Cash assets	1,457	6,554	1,754
Trade and other receivables	2	2	-
Other current assets	16	34	18
Total Current Assets	1,475	6,590	1,772
Non Current Assets			
Plant and equipment	1	198	197
Intangibles	-	-	-
Capitalised exploration costs (refer below in paragraph 5.4.2)	25	25	-
Receivables	-	2,062	2,062
Total Non Current Assets	26	2,285	2,259
Total Assets	1,501	8,875	4,031
Current Liabilities			
Trade and other payables	98	1,168	1,070
Employee entitlements	-	-	-
Total Current Liabilities	98	1,168	1,070
Non Current Liabilities			
Convertible note liability	-	-	350
Loan book funds	-	3,455	3,455
Total non-current liabilities	-	3,455	3,805
Total Liabilities	98	4,623	4,875
Net Assets (Liabilities)	1,403	4,252	(844)
Equity			
Issued Capital	11,910	11,357	423
Reserves	515	-	-
Accumulated (Losses)	(11,022)	(7,105)	(1,267)
Total Equity (Deficiency)	1,403	4,252	(844)

Schedule 6 – Risks

1.1 Specific risks – zipMoney

A number of specific risk factors that may impact the future performance of the Company in relation to its proposed acquisition of zipMoney pursuant to the Option Agreement. In the event that the acquisition of zipMoney completes, the following risks in relation to zipMoney and its products and services are described below. Shareholders should note that this list is not exhaustive.

(a) Regulatory and legislative risk factors

The Australian consumer credit industry is regulated by the Australian Securities and Investments Commission. zipMoney is a licenced credit provider under the licencing regime noted in the National Consumer Credit Protection Act 2009 (Cth) (**NCCP**). From time to time certain reforms may be implemented which could result in non-compliance or necessary changes to certain business processes. The outcomes of such reforms may have a financial or legal impact on the Company's performance.

(b) Merchant services and accreditation

zipMoney relies on its ability to acquire and risk assess merchant partners through which it offers its retail finance solutions. zipMoney conducts a review and accreditation process before it commits to settling funds on behalf of authorised customer accounts. zipMoney relies on the operating performance of its accredited merchants to satisfy its product or service fulfilment obligations. Accordingly, any adverse impact to such a merchant could result in financial loss.

(c) Loan portfolio performance

zipMoney underwrites and originates unsecured consumer loans through its retail vendors. The creation of such loans form part of its loan receivable balance, and through which it derives a large component of its revenues. zipMoney relies on its credit risk and underwriting policies and technologies to review and authorise consumer loan applications. The future performance of the loan receivable will be tied to the repayment of loans originated on the zipMoney platform. Such repayments may be negatively influenced by a consumer's changing personal circumstances, macro and micro-economic factors. Further, any non-compliance or error with either zipMoney's internal policies and processes, or external data providers may adversely impact the financial performance of the loan receivable.

(d) Banking performance

zipMoney relies on online payment gateways, banking and financial institutions for the validation of bank cards, settlement of merchant disbursements and collection of customer repayments. Any adverse impact on such platform, be that erroneous or fraudulent may impact the financial performance of the Company.

(e) Commercialisation, technology, third party service provider reliance, competition and development timeframes

One of zipMoney's key strengths is technology advantages, however history in the online lending industry shows that technical advantages are typically short lived. Accordingly, the Company's success will depend, in part, on its ability to commercialise and expand zipMoney's core product range and grow its User base and generate revenue in response to changing technologies, User and third party service providers' demands and competitive pressures. Failure or delay to do so may impact the success of the Company.

(f) Product distribution and usability of zipMoney's products depend upon various factors outside the control of the Company including (but not limited to) device operating systems, mobile device design and operation and platform provider standards

The Company intends to develop zipMoney's product range for use across a number of internet access platforms, mobile and desktop devices and software operating systems. The Company will be dependent on the ability of zipMoney's product range to operate across such platforms, devices and operating systems however it cannot control the maintenance, upkeep and continued supply of effective service from external suppliers in these areas. Any changes in such platforms, operating systems or devices that adversely affect the functionality of zipMoney's products or give preferential treatment to competitive products could adversely affect usage of the zipMoney's products.

(g) Reliance on access to internet

zipMoney will depend on the ability of its Users to access the internet. Access is provided by various classes of entities in the broadband and internet access marketplace. Should any of these entities disrupt, restrict or affect the cost of access to zipMoney's products, usage of zipMoney's products may be negatively impacted.

(h) Limited operating history and acquisition and retention of customers

zipMoney has limited relevant operating history in the development of digital retail finance solutions and the unproven potential of its proposed new business model makes any evaluation of the businesses or its prospects difficult. No assurances can be given that the Company will achieve commercial viability through the successful acquisition and retention of customers and implementation of its business plans in respect of zipMoney.

(i) Reliance on key personnel

The Company's operational success will depend substantially on the continuing efforts of senior executives. The loss of services of one or more senior executives may have an adverse effect on the Company's operations. Furthermore, if the Company is unable to attract, train and retain key individuals and other highly skilled employees and consultants, its business may be adversely affected.

(j) Need to attract and retain skilled staff

The Company's future success will in part depend on its ability to hire and train suitable staff. Competition for such personnel is intense and there can be no assurance that the Company will be successful in attracting and retaining such personnel. A failure to do so may have an adverse effect on the operations and profitability of the Company's business.

(k) Maintenance of key business partner relationships

The Company will rely on relationships with key business partners to enable it to continue to promote zipMoney's products. A failure to maintain relationships could result in a withdrawal of support, which in turn could impact both the Company's financial position as well as its efficacy in the marketplace.

(l) Reliance on new products

The Company's ability to grow zipMoney's products' User base and generate revenue will depend in part on its ability to create successful new products. The Company may introduce significant changes to existing products or develop and introduce new and unproven products, including technologies with which we have little or no prior development or operating experience. If the new or enhanced products fail to attract Users, the Company may fail to generate sufficient revenue or operating profit to justify its investments, and accordingly operating results could be adversely affected.

(m) Management of growth

There is a risk that the Company will not be able to manage rapid growth of the business. The capacity of the Company to properly implement and manage business growth may affect the Company's financial performance.

(n) Brand establishment and maintenance

The Company believes that establishing and maintaining zipMoney's brand in the digital retail finance industry is important to growing its proposed User base and product acceptance. This will depend largely on the Company's ability to provide useful and innovative products. The actions of external industry participants may affect the brand if Users do not have a positive experience using platforms, devices or operating systems that provide access to zipMoney's products. If the Company fails to successfully establish and maintain its brand its business and operating results could be adversely affected.

(o) Operating system changes

The Company uses third party operating systems with the providers of these systems regularly updating their systems. It is possible when these updates occur it could cause some of the Company's product to not operate as efficiently as before. This will require the Company to change the code on its system which may take some time to remedy.

(p) A number of the Company's products and possible future products contain or will contain open source software, and the Company licenses some of its software through open source projects, which may pose particular risks to its proprietary software and products in a manner that could have a negative effect on its business

The Company will utilise open source software in a number of its products and will use open source software in the future. The terms of many open source licenses to which the Company will be subject have not been

interpreted by Australian or foreign courts, and there is a risk that open source software licenses could be construed in a manner that imposes unanticipated conditions or restrictions on the Company's ability to provide or distribute its products.

(q) The Company's intellectual property rights are valuable, and any inability to protect them could reduce the value of its products and brand

The Company will acquire trade secrets and other intellectual property rights that are important assets. The Company may therefore rely on a combination of confidentiality and license agreements with its consultants and third parties with whom it has relationships, as well as domain name, trade secret, copyright and patent laws, to protect its brand and other intellectual property rights. However, various events outside of the Company's control could pose a threat to its intellectual property rights, as well as to its products and technologies.

(r) The Company's products may contain programming errors, which could harm its brand and operating results

The Company's products will contain complicated programming and its objectives are to quickly develop and launch new and innovative products and features. The Company's products may therefore contain now or in the future, errors, bugs or vulnerabilities. Any errors, bugs or vulnerabilities discovered could result in (among other consequences) damage to zipMoney's brand, loss of Users, loss of platform partners, fall in revenues or liability for damages, any of which could adversely affect the Company's business and operating results.

(s) The Company will rely on third party providers and internet search engines (amongst other facilities) to direct customers to zipMoney's products

Should the zipMoney brand or its products fail to attract a high level of internet search ranking, direction of Users or potential new customers to its products could be limited and its business and operating results could be adversely affected. The Company may rely on mobile app marketplaces, such as Apple's App Store and Google's Play, to facilitate downloads of its product. Should any operators of Apps platforms utilised by the Company make changes to limit or make more difficult User access to its products, the Company's business and operating results may be affected. The Company's search result rankings is outside of its control and competitors' search engine procedures may result in their websites or Apps receiving a higher search result ranking. Reduced numbers of potential Users directed to zipMoney's products could adversely affect its business and operating results.

(t) Customer service

The Company needs to recruit and retain staff with interpersonal skills sufficient to respond appropriately to service requests by customers. Poor customer service experiences may result if the Company loses key customer service personnel or fails to provide adequate training and resources for customer service personnel. Poor experiences may result in adverse publicity, litigation, regulatory enquiries and reducing the use of the Company's products or services. If this occurs it may negatively affect the Company's revenues.

(u) Competition

The Company will compete with other businesses and companies. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Company can compete effectively with these companies.

(v) Changes in technology

The Company's success will depend, in part, on its ability to expand its products and grow its business in response to changing technologies, User and third party service providers' demands and competitive pressures. Failure to do so may impact the success of the Company. Further, the cost of responding to changing technologies is unpredictable and may impact the Company's profitability or, if such cost is prohibitive, may reduce the Company's capacity to expand or maintain its business. The Company will seek to offset such costs where possible through applications for the research and development tax concession. However, these concessions are available in only limited circumstances and, even where the Company makes a claim which it and its advisors believe has merit, it can't be assured that the Australian Taxation Office and Ausindustry will deem the claim to be compliant.

(w) Hosting provider disruption risk

zipMoney relies on its primary hosting provider Amazon Web Services, to store all data gathered from its customers.

Should Amazon Web Services suffer outages, for example due to catastrophic destruction following a natural disaster, service to the zipMoney product may also be disrupted. If Amazon Web Services ceased to offer its services to zipMoney and zipMoney was unable to find a replacement service quickly, this could lead to a disruption of service.

(x) Data loss, theft or corruption

zipMoney stores data with a variety of third party service providers and Cloud Computing service providers. Hacking or exploitation of some unidentified vulnerability in its network could lead to loss, theft or corruption of data.

Although zipMoney has strategies and protections in place to try and minimise security breaches and to protect data, these strategies might not be successful. In that event, it could negatively impact upon zipMoney's revenues and profitability.

(y) Security breaches

If zipMoney's security measures are breached, or if its products are subject to cyber-attacks that restrict User access to its products, its products may be perceived as less secure than competitors and Users may stop using zipMoney's products.

(z) Insurance

The Company will maintain insurance where it is considered appropriate for its needs however it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

Accordingly, the Company may not be fully insured against all losses and liabilities that could unintentionally arise from its operations. If the Company incurs uninsured losses or liabilities, the value of the Company's assets may be at risk.

(aa) Liquidity and realisation risk

There can be no guarantee that an active market in the Shares will develop or that the price of the Shares will increase. On completion of the Offer (assuming minimum subscription and no further Performance Milestones reached) a significant amount of the Shares will be subject to escrow, with only a small amount of the Shares will be freely tradable at completion of the Offer. With the limited free float, there may be relatively few potential buyers or sellers at any given time and this may increase the volatility of the market price of the Shares.

Further, there is a risk that once the Shares subject to escrow or trading restrictions are released from the restrictions attaching to them, there may be a significant sell down by the holders of those Shares. In the context of the limited free float and potential volatility mentioned above, this may affect the prevailing market price at which Shareholders are able to sell their Shares.

(bb) Additional requirements for capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in the future. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back zipMoney product development as the case may be.

(cc) Potential acquisitions

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

(dd) If securities or industry analysts do not publish or cease publishing research or reports about the Company, its business or its market, or if they change their recommendations regarding the Company's Securities adversely, the price of its Securities and trading volumes could be adversely affected

The market for the Company's Securities trading on ASX may be influenced by any research or reports compiled by securities or industry analysts. If any of the analysts who may cover the Company and its products change previously disclosed recommendations on the Company or for that matter its competitors, the price of its Securities may be adversely affected.

(ee) The Company does not expect to declare any dividends in the foreseeable future

The Company does not anticipate declaring or paying any dividends to Shareholders in the foreseeable future. Consequently, investors may need to rely on sales of their Securities to realise any future gains on their investment.

(ff) If the Company's goodwill or intangible assets become impaired, it may be required to record a significant charge to earnings

Under Generally Accepted Accounting Principles, the Company reviews its intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is required to be tested for impairment at least annually.

1.2 Specific risks – Ruby Well Project

(a) Sale of Ruby Well Project

If the Acquisition of zipMoney completes, the Company will divest its Ruby Well Project under the Ruby Well Option Agreement. The Ruby Well Option Agreement is subject to various terms and conditions for its completion. If, for whatever reason, the Ruby Well Option Agreement is terminated (in accordance with its terms), there can be no assurance the Company will be able to find another buyer for its assets or assess how much they will be worth. Accordingly, if the Company is unable to find other buyers for the assets, then the Company will incur some costs in relinquishing its tenements and closing down the Ruby Well Project.

1.3 General risks

The future prospects of the Company's business may be affected by circumstances and external factors beyond the Company's control. Financial performance of the Company may be affected by a number of business risks that apply to companies generally and may include economic, financial, market or regulatory conditions.

(a) General economic climate

Factors such as inflation, currency fluctuation, interest rates and supply and demand have an impact on operating costs, and stock market prices. The Company's future revenues and Securities price may be affected by these factors, which are beyond the Company's control.

(b) Changes in legislation and government regulation

Government legislation in Australia or any other relevant jurisdiction, including changes to the taxation system, may affect future earnings and relative attractiveness of investing in the Company. Changes in government policy or statutory changes may affect the Company and the attractiveness of an investment in it.

(c) Global credit and investment market

Global credit, commodity and investment markets have recently experienced a high degree of uncertainty and volatility. The factors which have led to this situation have been outside the control of the Company and may continue for some time resulting in continued volatility and uncertainty in world stock markets (including the ASX). This may impact the price at which the Company's Shares trade regardless of operating performance, and affect the Company's ability to raise additional equity and/or debt to achieve its objectives, if required.

(d) Exchange rate risk

The Company currently only operates in Australia but may source products and services from overseas. Additionally the Company may expand overseas.

If the Australian dollar falls in relation to the exchange rate where the product or service is sourced from, then since the Company's financial statements are prepared in Australian dollars, this may impact its performance and position.

(e) Unforeseen risk

There may be other risks which the Directors are unaware of at the time of issuing this Prospectus which may impact on the Company, its operation and/or the valuation and performance of the Company's Shares.

(f) Combination of risks

The Company may not be subject to a single risk. A combination of risks, including any of the risks outlines in this Section could affect the performance valuation, financial performance and prospects of the Company.

(g) Unforeseen expenditure risk

Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(h) Sharemarket conditions

The market price of the Company's Securities may be subject to varied and unpredictable influences on the market for equities.

(i) Long term investment

Investors are strongly advised to regard an investment in the Company as a long term proposition and to be aware that, as with any equity investment, substantial fluctuations in the value of their investment may occur. The Company cannot guarantee its future earnings and cannot provide a guaranteed level of return to investors.

(j) Speculative nature of investment

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 Shares offered under this Prospectus. Therefore, the Shares offered pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of the Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisors before deciding whether to apply for Shares.

Schedule 7 – Vendors

Name and ACN	ZMH Shares	Current Ordinary Shares Held in Rubianna (pre-Consolidation)	Current Ordinary Shares Held in Rubianna (post-Consolidation)	Consideration Shares (pre-Consolidation)		Consideration Shares (post-Consolidation)		Consideration Share % interest in Rubianna	Total Cumulative Share % interest in Rubianna
				Ordinary Shares	Performance Shares	Ordinary Shares	Performance Shares		
Diamond Venture Holdings Pty Ltd (ACN 164 358 543) as trustee for Diamond Unit Trust	933,691	5,019,445*	501,944*	285,749,767	389,658,773	28,574,977	38,965,877	31.72%	31.95%
Peter John Gray	308,165	-	-	94,311,798	128,606,997	9,431,180	12,860,700	10.47%	10.47%
Romberg Ventures Pty Ltd (ACN 161 896 500) as trustee for Michael Rom Family Venture Trust	57,501	-	-	17,597,789	23,996,985	1,759,779	2,399,699	1.95%	1.95%
Liquidity Group Pty Ltd (ACN 137 960 340) as trustee for The Liquidity Trust	99,668	-	-	30,502,712	41,594,607	3,050,271	4,159,461	3.39%	3.39%
Dadiaso Holdings Pty Ltd (ACN 003 784 754)	30,000	-	-	9,181,296	12,519,948	918,130	1,251,995	1.02%	1.02%

Name and ACN	ZMH Shares	Current Ordinary Shares Held in Rubianna (pre-Consolidation)	Current Ordinary Shares Held in Rubianna (post-Consolidation)	Consideration Shares (pre-Consolidation)		Consideration Shares (post-Consolidation)		Consideration Share % interest in Rubianna	Total Cumulative Share % interest in Rubianna
				Ordinary Shares	Performance Shares	Ordinary Shares	Performance Shares		
Lurie Super Pty Ltd (A.C.N. 600 481 623)	20,000	-	-	6,120,864	8,346,632	612,086	834,663	0.68%	0.68%
GDL Investments Pty Ltd (ACN 056 937 412)	50,000	-	-	15,302,159	20,866,581	1,530,216	2,086,658	1.70%	1.70%
Garen Azoyan as trustee for GAAM SMSF (ABN: 20 457 343 951)	33,333	-	-	10,201,439	13,911,054	1,020,144	1,391,105	1.13%	1.13%
Ricky Friedlander	33,333	-	-	10,201,439	13,911,054	1,020,144	1,391,105	1.13%	1.13%
Briar Place Pty Limited (ACN 158 212 367)	33,333	-	-	10,201,439	13,911,054	1,020,144	1,391,105	1.13%	1.13%
Adam Marc Finger	129,813	-	-	39,728,384	54,175,069	3,972,838	5,417,507	4.41%	4.41%
Michael Greer as trustee for Greer Trust (ABN 431 361 643 55)	48,294	-	-	14,780,050	20,154,613	1,478,005	2,015,461	1.64%	1.64%
Julia Dufficy	20,000	-	-	6,120,864	8,346,632	612,086	834,663	0.68%	0.68%
Total	1,797,132	3,475,000	347,500	550,000,000	750,000,000	55,000,000	75,000,000	61.05%	61.29%

¹ Assumes all shares under the resolutions in this Notice are issued and Performance Milestones triggered, and no options exercised. Does not include any future issue of performance shares under the Company's ESP.

*** Held by Larry and Ashlyn Diamond as trustees for the Diamond SMSF.**

Schedule 8 – Proposed Directors' Nomination

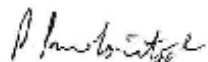
17 June 2015

The Board of Directors
Rubianna Resources Limited
c/ 95 Hay Street,
SUBIACO WA 6008

Dear Sirs,

Nomination of Directors
Rubianna Resources Limited (ACN 139 546 428) (Company)

We, Haven Super Pty Ltd, being a member of the Company, hereby nominate Larry Diamond and Peter Gray as directors of the Company.



Peter Pawlowitsch
Director
Haven Super Pty Ltd

Schedule 9 – Independent Expert’s Report

23 June 2015

The Directors
Rubianna Resources Limited
Unit 5, 95 Hay Street
SUBIACO WA 6008

The Independent Expert has concluded that the transactions related to the issue of a total of 285,749,767 pre-consolidated shares in Rubianna and 389,758,773 pre-consolidated performance shares (as part of the Acquisition of ZipMoney) to the ZipMoney shareholder, Diamond, part of the subject of Resolution 4 outlined in this Notice of General Meeting are not fair but reasonable to the shareholders of the Company (not associated with Diamond) as at the date of this report.

Dear Sirs

Re: RUBIANNA RESOURCES LIMITED (ACN 139 546 428) ON THE PROPOSAL TO ISSUE A TOTAL OF 285,749,767 PRE-CONSOLIDATED SHARES AND 389,758,773 PRE-CONSOLIDATED PERFORMANCE SHARES TO DIAMOND VENTURES HOLDINGS PTY LTD AS TRUSTEE FOR THE DIAMOND UNIT TRUST (“DIAMOND”) AS PART CONSIDERATION TO ACQUIRE 100% OF ZIPMONEY HOLDINGS PTY LTD (“ZIPMONEY”) - SHAREHOLDERS MEETING PURSUANT TO SECTION 611 (ITEM 7) OF THE CORPORATIONS ACT 2001 (“TCA”) AND AUSTRALIAN SECURITIES EXCHANGE LISTING RULE 10.1

1. Introduction

- 1.1 We have been requested by the Directors of Rubianna Resources Limited (“Rubianna” or “the Company”) to prepare an Independent Expert’s Report to determine the fairness and reasonableness of the issue of a total of 285,749,767 pre-consolidated shares to Diamond and the issue of 389,758,773 pre-consolidated performance shares as noted in below and as referred to in the Notice of Meeting of Shareholders (‘Notice’) and Section 5 of the Explanatory Memorandum (“EM”) attached to the Notice to be forwarded to shareholders in June 2015. Resolution 4 refers to the issue of a total of 550,000,000 pre-consolidated Consideration Shares and 750,000,000 pre-consolidated performance shares to acquire ZipMoney of which 285,749,767 pre-consolidated shares and the issue of 389,758,773 pre-consolidated performance shares are to be issued to Diamond. Larry and Ashlyn Diamond as trustees for the Diamond SMSF (“Diamond SMSF”) (an entity associated with Diamond) currently hold 5,019,445 Shares in Rubianna, being a 1.6% voting interest in Rubianna. Diamond has a relevant interest in these shares due to Larry Diamond’s association with the Diamond SMSF and Diamond.
- 1.2 It is proposed that Rubianna will acquire 100% of the issued capital of ZipMoney (and its subsidiaries) as announced to the market on 8 April 2015.
- 1.3 The proposal to acquire 100% of the shares in ZipMoney (and its subsidiaries) is known in this report as the Acquisition. ZipMoney, founded in 2013 is an Australian company focused on the digitised retail finance sector. The ZipMoney Group offers real-time credit to consumers and provides integrated finance solutions to merchants regardless of size or

segment both online and in-store. ZipMoney Payments Pty Ltd (a subsidiary of ZipMoney) (“zipMoney”) is a licensed and regulated credit provider managed by a team with over 25 years experience providing finance solutions at point of sale. Further details on the ZipMoney Group and the risks associated with the proposed investment are outlined in the EM.

1.4 The final key terms of the Acquisition and other proposals are as follows (all shares referred to are pre-consolidated shares):

- i) The ZipMoney shareholders grants Rubianna an 90 day option to acquire the entire issued capital of ZipMoney and during the option period, ZipMoney will undertake due diligence (this has been completed and the option exercised on 4 June 2015);
- ii) Rubianna will complete a 4 for 9 Rights Issue at 1.0 cent each to raise a gross \$965,000 (approximately) (completed in May 2015);
- iii) Rubianna will raise at least \$4,000,000 by way of a capital raising as part of its readmission to the Official List of ASX and to lend such funds to ZipMoney for working capital requirements (assumed to be issued at 2.0 cents each (on a pre-consolidated basis) and thus a minimum of 200,000,000 pre-consolidated Capital Raising Shares may be issued) (the Company may raise a maximum gross of \$5,000,000 and thus issue up to 250,000,000 Capital Raising Shares);
- iv) Rubianna lends ZipMoney \$650,000 out of the proceeds of the Rights Issue (to be secured) (refer below);
- v) ZipMoney seeks new convertible note funds from third parties of \$350,000 that will convert to equity in Rubianna at 1 cent per share following the successful acquisition of ZipMoney (Note raising completed in April 2015);
- vi) 550,000,000 pre-consolidated Shares (“Consideration Shares”) to be issued as part of the acquisition cost of acquiring all of the shares in ZipMoney at a deemed issue price of 1.25 cents each (pre-consolidated);
- vii) 750,000,000 pre-consolidated performance shares (“Consideration Performance Shares”) are to be issued at a deemed issue price of 1.25 cents each (pre-consolidated) as part consideration to acquire all of the shares in ZipMoney. The performance conditions (two tranches) are as outlined below;
- viii) 200,000,000 pre-consolidated new performance shares (in three tranches with different Milestones) (“Facilitator Performance Shares” will be issued to the Warehouse Facilitator provider at a deemed 1.25 cents each and the main terms are outlined below;
- ix) 33,000,000 pre-consolidated ordinary shares and 47,697,573 pre-consolidated performance shares (“Corporate Performance Shares”) will be issued to Avitus Capital Pty Ltd and/or nominees (“Avitus Capital”) for corporate advisory fees and the main terms are outlined below;
- x) the Board of Rubianna on completion of the Acquisition will comprise three people, two of which will be nominated by the zipMoney shareholders and the others by Rubianna;
- xi) Rubianna will establish an employee share and/or option plan to which an additional 5% of the current capital of Rubianna will be allocated to employees in the form of performance shares on terms to be formulated by Rubianna’s board of directors in consultation with the zipMoney shareholders after completion of the Acquisition; and
- xii) the Company also plans to change its name to zipMoney Limited.

1.5 The 750,000,000 pre-consolidated Consideration Performance Shares convert to ordinary shares in Rubianna on a one for one basis upon the milestones referred to below for each tranche having being achieved:

- Milestone 1- 308,333,334 pre-consolidated Consideration Performance Shares (“Tranche 1 Consideration Performance Shares” and referred to as the Class A Performance Shares in the EM) will convert upon zipMoney achieving aggregate transaction volume in excess of \$10,000,000 by the date that is 12 months from Rubianna being re-admitted to the Official List of ASX;
 - Milestone 2- 308,333,333 pre-consolidated Consideration Performance Shares (“Tranche 2 Consideration Performance Shares” and referred to as the Class B Performance Shares in the EM) will convert upon zipMoney achieving aggregate transaction volume in excess of \$20,000,000 by the date that is 24 months from Rubianna being re-admitted to the Official List of ASX; and
 - Milestone 3 – 133,333,333 pre-consolidated Consideration Performance Shares (Tranche 3 Consideration Performance Shares” and referred to as the Class C Performance Shares in the EM) will convert upon Rubianna achieving pre-tax break-even (after excluding any costs or expenses relating to any mineral exploration or exploration activities of Rubianna, or any other expenditure relating to activities prior to the Sunset Date) for the first time each calendar in a consecutive three calendar month period by or before the date that is 36 months from Rubianna being re-admitted to the Official List of ASX.
- 1.6 Diamond will be issued 389,658,773 (pre-consolidated) of the Consideration Performance Shares; Peter John Gray will be issued 128,606,997 (pre-consolidated) of the Consideration Performance Shares. Adam Marc Finger will be issued 54,175,069 (pre-consolidated) of the Consideration Performance Shares and Michael Greer (as trustee for the Greer Trust) will be issued 20,154,613 (pre-consolidated) Consideration Performance Shares.
- 1.7 The Facilitator Performance Shares to be issued in connection with the facilitation of a large scale institutional financing facility (“Warehouse Facility”) to the providers (the Facilitators) of the Warehouse Facility which will convert to ordinary shares on a one for one basis upon the milestones referred to below for each tranche having being achieved:
- Milestone 1- 100,000,000 pre-consolidated Facilitator Performance Shares (“Tranche 1 Facilitator Shares”) will convert upon financial close of a \$20,000,000 Warehouse Facility (and/or any replacement facility which is managed by the manager of the Warehouse Facility) having been made available for 12 months from the date of financial close;
 - Milestone 2- 50,000,000 pre-consolidated Facilitator Performance Shares (“Tranche 2 Facilitator Shares”) will convert upon principal available under the Warehouse Facility attributable to zipMoney being extended or modified to \$50,000,000; and
 - Milestone 3- 50,000,000 pre-consolidated Facilitator Performance Shares (“Tranche 3 Facilitator Shares”) will convert upon principal available under the Warehouse Facility attributable to zipMoney being extended or modified to \$100,000,000.
- 1.8 The 47,697,573 pre-consolidated Corporate Performance Shares to be issued to Avitus Capital will have the same terms as the Consideration Performance Shares (whereby 50% will convert on achievement of Milestone 1 and the remaining 50% will convert on achievement of Milestone 2).

1.9 The conditions precedent to the Acquisition include, inter-alia:

- Both parties being satisfied with their due diligence investigations (completed);
- Completion of the rights issue by Rubianna (completed);
- Completion of the Capital Raising of a minimum of \$4,000,000 at 1.25 cents per pre-consolidated share;
- All tenements currently held or applied for by Rubianna are disposed of following successful completion of the Acquisition;
- A suitable funding facility ("Warehouse Facility") being secured by zipMoney with which to grow its portfolio;
- Rubianna re-complying with Chapters 1 and 2 of the ASX Listing Rules and ASX providing conditional approval to the re-instatement of Rubianna to trading on ASX following Completion of the Acquisition;
- the provision of a \$2,000,000 debt financing facility to zipMoney to fund its loan book (completed) (as an addition to any other loan book funding provided, available or obtained by zipMoney).

zipMoney must procure an interim loan facility of up to \$650,000 provided by a third party who will be granted a second ranking general security agreement securing the loan. As soon as practicable after a legally binding document is entered into with zipMoney in respect of the Warehouse Facility, this interim loan facility will be replaced with a loan of \$650,000 from Rubianna and second ranking general security agreement (following repayment of the interim loan facility from the third party and release of the security in respect of it) securing the loan made.

1.10 In order to comply with readmission to the ASX, the Company may be required to undertake a consolidation of its capital to enable the share price to each the minimum value per share required under ASX Listing Rules. Such ratio will be determined as part of the readmission process. Currently, it is proposed a 1 for 10 consolidation ratio will take place as referred to in Resolution 2 to the Notice.

1.11 Post issue of all pre-consolidation shares as noted above and assuming the minimum capital raising of \$4,000,000 is achieved at 2.0 cents on a pre-consolidated basis, there will be 1,131,720,784 pre-consolidated ordinary shares on issue along with a total of 997,697,573 (1,042,633,604 including Plan Performance Shares) various classes of performance shares (on a pre-consolidated basis) (see table in section 2 below).

1.12 The Vendors of ZipMoney collectively will own post Acquisition approximately 49.04% (including Diamonds current relevant interest in Diamond SMSF's 1.60% shareholding - 5,019,445 shares) of the expanded issued capital of the Company (assumes 1,131,720,784 pre-consolidated ordinary shares on issue) of which Diamond will own approximately 25.69% with the possibility of Diamond increasing its ordinary shareholding in the Company to approximately 35.27% if all performance conditions are met in relation to the Consideration Performance Shares (Diamond owns 389,758,773 of the 750,000,000 pre-consolidated Performance Shares noted above) and the 47,697,573 Corporate Performance Shares. The range of Diamond's shareholding in the Company may range from approximately 25.69% to 35.27% depending on the number of performance shares (various classes) that meet all milestone conditions.

1.13 Under Section 606 of the Corporations Act 2001 ('TCA'), a person must not acquire a relevant interest in issued voting shares in a company if because of the transaction, that persons' or someone else's voting power in the company increases:

- (a) from 20% or below to more than 20%; or
- (b) from a starting point that is above 20% and below 90%.

There are various exceptions to the prohibition in section 606, detailed in section 611 of the Corporations Act. In particular, Item 10 of Section 611 exempts acquisitions resulting from rights issues that meet certain conditions.

Under Section 611 (Item 7) of TCA, Section 606 does not apply in relation to any acquisition of shares in a company by resolution passed at a general meeting at which no votes were cast in favour of the resolution by the acquirer or the disposer or their respective associates. An independent expert is therefore required to report on the fairness and reasonableness of the transactions noted pursuant to a Section 611 (Item 7) meeting.

- 1.14 As noted above, Diamond may initially obtain a shareholding interest in Rubianna of approximately 25.69% and this could increase to approximately 31.23% if all Performance Shares are converted to ordinary shares in Rubianna (approximately 35.27% if the Facilitator Performance Shares are not converted to ordinary shares).
- 1.15 An independent expert's report should accompany the Notice of Meeting stating whether the proposals to issue a total of 285,749,767 pre-consolidated Consideration Shares (out of 550,000,000 pre-consolidated Consideration Shares) and 389,758,773 pre-consolidated Consideration Performance Shares (out of 750,000,000 Consideration Performance Shares) to Diamond and allow the conversion of Consideration Performance Shares on meeting Milestones 1 and 2 as noted above in paragraph 1.6 are fair and/or reasonable to the shareholders of Rubianna not associated with Diamond.

The issue of the Consideration Shares and Consideration Performance Shares to acquire all of the issued capital of ZipMoney is noted in Resolution 4. The issue of the 285,749,767 pre-consolidated Consideration Shares and 389,758,773 pre-consolidated Consideration Performance Shares to Diamond is part of Resolution 4.

- 1.16 There are 14 resolutions being put to the shareholders. Resolution 1 relates to a change in nature and scale of activities; Resolution 2 relates to the consolidation of capital on a 1 for 10 basis; Resolution 3 relates to the approval to create a new class of shares (Class A Performance Shares); Resolution 4 relates to the proposed Acquisition of ZipMoney by issuing 550,000,000 pre-consolidated Consideration Shares, 750,000,000 pre-consolidated Consideration Performance Shares and allowing Diamond to obtain a relevant interest in the issue voting shares of the Company by virtue of the issue of 285,749,767 pre-consolidated Consideration Shares and 389,658,773 pre-consolidated Consideration Performance Shares in Rubianna; Resolution 5 relates to the approval to create a new class of shares (Class B Performance Shares); Resolution 6 relates to the issue of 33,000,000 pre-consolidated Corporate Advisor Shares and 47,697,573 pre-consolidated Corporate Performance Shares to the Advisors; Resolution 7 the approval to create a new class of shares (Class C Performance Shares); Resolution 8 refers to the issue of 200,000,000 pre-consolidated Class C Performance Shares to Strategic Partners; Resolution 9 relates to the issue of up to 250,000,000 pre-consolidated Capital Raising shares to raise up to a gross \$5,000,000; Resolution 10 relates to the proposed appointment of Larry Diamond as a Director of the Company effective from date of settlement of the Acquisition; Resolution 11 relates to the proposed appointment of Peter Gray as a Director of the Company effective from date of settlement of the Acquisition; Resolution 12 relates to the proposal to change the name of the Company to zipMoney Limited; Resolution 13 relates to the proposal to approve the issue of 35,000,000 pre-consolidated Conversion Shares to eliminate a Convertible Debt liability owing by zipMoney of \$350,000; and Resolution 14 relates to the approval to adopt an Employee Share Plan.

We are not reporting on the merits or otherwise of Resolutions 1 to 3 and to 5 to 14 but note that for us to report on the proposal to issue Consideration Shares and Consideration Performance Shares to Diamond, we in effect are required to opine on the fairness and reasonableness of the proposal to acquire ZipMoney as a whole (as envisaged in Resolution 4).

1.17 Apart from this introduction, this report considers the following:

- Summary of opinion
- Implications of the proposals
- Corporate history and nature of business of Rubianna and ZipMoney
- Future direction of Rubianna
- Basis of valuation of Rubianna shares
- Value of consideration
- Basis of valuation of ZipMoney
- Fairness of the Acquisition
- Conclusion as to fairness
- Reasonableness of the offer
- Conclusion as to reasonableness
- Sources of information
- Appendix A and our Financial Services Guide

1.18 In determining the fairness and reasonableness of the acquisition of 100% of the shares of ZipMoney, we have had regard for the definitions set out by the Australian Securities and Investments Commission (“ASIC”) in its Regulatory Guide 111, “Content of Expert Reports”. Regulatory Guide 111 states that an opinion as to whether an offer is fair and/or reasonable shall entail a comparison between the offer price and the value that may be attributed to the securities under offer (fairness) and an examination to determine whether there is justification for the offer price on objective grounds after reference to that value (reasonableness). The concept of “fairness” is taken to be the value of the offer price, or the consideration, being equal to or greater than the value of the securities in the above mentioned offer. Furthermore, this comparison should be made assuming 100% ownership of the “target” and irrespective of whether the consideration is scrip or cash. An offer is “reasonable” if it is fair.

An offer may also be reasonable, if despite not being “fair”, there are sufficient grounds for security holders to accept the offer in the absence of any higher bid before the close of the offer. Although in this case the proposed acquisition of ZipMoney is not a takeover offer, we have considered the general principals noted above to determine our opinions on fairness and reasonableness.

1.19 **In our opinion, the proposals as outlined in paragraph 1.1 and Resolution 4 may, on balance, taking into account the factors referred to in 11 below and elsewhere in this report, be considered to be not fair but reasonable to the shareholders of Rubianna (not associated with Diamond) as at the date of this report.**

1.20 The opinions expressed above must be read in conjunction with the more detailed analysis and comments made in this report.

2. **Implications of the Proposals**

- 2.1 Following the issue of 96,529,574 Rights Issue Shares at 1.0 cent each in May 2015 to raise \$965,294 (approximately \$901,376 after Rights Issue costs), there are 313,720,784 ordinary fully paid pre-consolidated shares on issue in Rubianna as at 22 June 2015. The top 20 shareholders list as at 26 May 2015 discloses the following:

Shareholder	No. of fully paid shares	% of issued fully paid shares
Everett Smith & Co Pty Ltd	34,696,428	11.06
PD Crutchfield Pty Ltd	21,666,667	6.91
Domain Investment Holdings Pty Ltd	19,531,733	6.22
Lyell Pty Ltd	17,191,778	5.48
Stone Poneys Nominees Pty Lt	11,611,112	3.70
	<u>104,677,718</u>	<u>33.37</u>

- 2.2 The top 20 shareholders as per the top 20 shareholders list at 26 May 2015 owned approximately 58.79% (184,433,605 shares) of the ordinary issued capital of the Company.
- 2.3 The movement in the issued capital of the Company on a pre-consolidation basis may be:

	Number
Shares on issue at 30 April 2015	217,191,210
Issue of Rights Issue Shares in May 2015	<u>96,529,574</u>
Pre the Acquisition and consolidation of capital as at 22 June 2015	313,720,784
Issue of 200,000,000 Capital Raising Shares	200,000,000
Issue of 550,000,000 Consideration Shares	550,000,000
Issue of 33,000,000 shares to Avitus Capital	33,000,000
Issue of 35,000,000 Conversion Shares	<u>35,000,000</u>
Shares on issue prior to conversion of various classes of performance shares and existing share options	<u>1,131,720,784</u>

This may be equivalent to approximately 113,172,078 post-consolidated shares on issue.

The Company may accept up to 250,000,000 pre-consolidated shares under the Capital Raising and if this occurred a further 50,000,000 Capital Raising Shares would be issued and the number of pre-consolidated ordinary shares on issue would increase to 1,181,720,784 (approximately 118,172,078 on a post consolidated basis).

- 2.4 In addition, post Acquisition, the following Performance Shares may be on issue:

	Number
750,000,000 Consideration Performance Shares (Three tranches)	750,000,000
47,697,573 Corporate Performance Shares (Two tranches)	47,697,573
200,000,000 Facilitator Performance Shares	<u>200,000,000</u>
Number of performance shares on issue before issue of any Share Plan Performance Shares	<u>997,697,573</u>

In the event that all performance shares were able to be converted to ordinary shares in Rubianna (by meeting the various Milestones), the number of pre-consolidated ordinary shares could rise to between 2,129,418,357 (\$4,000,000 Capital Raising) and 2,179,418,357 pre-consolidated ordinary shares (\$5,000,000 Capital Raising).

- 2.5 The current Board of Directors is expected to change in the near future as a result of the Acquisition. The Board as at 10 June 2015 is Philip Crutchfield, Lloyd Flint and Ian Hobson. Mr Larry Diamond (as Executive Director) and Mr Peter Gray will become new directors of Rubianna from Completion (as defined) of the Acquisition. Messrs Philip Crutchfield and Lloyd Flint will resign following completion of the Acquisition. Thus nominees of ZipMoney will have two of the three person Board of Directors following Acquisition.
- 2.6 ZipMoney (and its subsidiary) will become legally wholly owned subsidiaries of Rubianna. The subsidiary is zipMoney Payments Pty Ltd and undertakes the main business activities of the ZipMoney Group.
- 2.7 In the event that the ordinary Consideration Shares are issued to the ZipMoney shareholders, the ZipMoney shareholders (including Diamond) would own approximately 49.04% of the expanded issued ordinary capital of Rubianna. The collective shareholding of the ZipMoney shareholders (including Diamond) in the event that only the Consideration Performance Shares were converted to ordinary shares in Rubianna (on meeting the three Milestones as noted above), would approximate 69.35%. However, the Corporate Performance Shares (totalling 47,967,573 pre-consolidated Corporate Performance Shares) have the same Milestone conversion terms as Tranches 1 and 2 of Consideration Performance Shares. Thus the potential percentage interest of the ZipMoney shareholders collectively (including Diamond) would approximate 67.63% in the absence of any other performance shares being converted to ordinary shares.

In the event that all performance shares were able to be converted to ordinary shares in Rubianna, the collective shareholding of the ZipMoney shareholders (including Diamond) may fall in the range of approximately 61.28% to 67.63% depending on whether Share Plan Performance Shares are issued and converted to ordinary shares).

Diamond may own approximately 25.69% of the expanded issued capital of Rubianna immediately following the Acquisition and approximately 36.16% if only the Consideration Performance Shares were converted to ordinary shares in Rubianna (assumes a \$4,000,000 Capital Raising). However, 47,697,573 pre-consolidated Corporate Performance Shares have the same Milestone conversion terms as the three tranches of Consideration Performance Shares. Thus the potential percentage interest of Diamond would approximate 35.27% in the absence of any other performance shares being converted to ordinary shares.

If all performance shares were able to be converted to ordinary shares in Rubianna by meeting all Milestones, the pre-consolidated shareholding of Diamond may fall in the range of approximately 31.95% (\$4,000,000 Capital Raising) and approximately 31.22% (\$5,000,000 Capital Raising).

- 2.8 We have been advised that the Company proposes to raise a minimum of \$4,000,000 (200,000,000 pre-consolidated shares at 2.0 cents each) and a maximum of \$5,000,000 (250,000,000 pre-consolidated shares) at 2.0 cents each. The majority of the funds raised may ultimately be used by the ZipMoney Group (assuming the Acquisition proceeds) and part for working capital of Rubianna.
- 2.9 Share Options (on a pre-consolidated basis) outstanding will be as follows:
- 20,000,000 unlisted share options, exercisable at 1.0 cents each, on or before 31 December 2018 (\$200,000 would be raised if all exercised); and
 - 5,250,000 unlisted share options, exercisable at 7.5 cents each, on or before 31 December 2018 (\$393,750 would be raised if all exercised).

The percentage interests noted above and elsewhere in this report relating to the collective shareholding of the ZipMoney shareholders (including Diamond) and Diamond would reduce slightly if some or all of the existing share options were exercised.

3. Corporate History and Nature of Businesses

Rubianna

3.1 Principal Activities and Significant Assets

Rubianna is an ASX listed mineral exploration and evaluation company having achieved an ASX listing in December 2009. The Company has divested itself of the majority of its mineral interests in 2014 and early 2015. The only remaining tenement interest is one tenement in Western Australia (Ruby Well). The Company announced that it has entered into an option agreement with a third party where the other party has an option to acquire the Ruby Well Project for \$25,000. If the option is not exercised, Rubianna would probably forfeit the tenements following completion of the Acquisition.

ZipMoney

3.2 ZipMoney is incorporated in Australia as a non-listed public company. The following is an edited extract from ZipMoney's Organisational Plan:

"zipMoney Payments Pty Ltd (ABN 58 164 440 993) founded in 2013 by Larry Diamond and Peter Gray, is an early mover in the digitised retail finance sector. The group offers point-of-sale credit to consumers and provides integrated finance solutions to merchants regardless of size or segment both online and in-store. In short, zipMoney is a *"business tool for Retailers which converts in-store and web browsers (window shoppers) to paying customers by offering, amongst other things, interest free and buy now, pay later payment options"*.

Since launching the platform in late 2013, zipMoney has originated ~\$4 million in loans through its network of more than 100 merchants to over 4,000 consumers across retail, education and private health. zipMoney is seeking to build a large and scalable platform in a \$90bn addressable market, through leveraging proprietary technology and big data to enhance the proven fundamentals of promotional finance.

zipMoney targets prime, [near prime and emerging prime] customers, not dissimilar to a GE Money or Flexigroup interest-free model but with a greater focus on higher volumes of lower dollar value transactions, given its competitive 'cost to serve' model. [zipMoney is intensively focused on simplicity and delivering transparent, responsible, and fairly priced consumer credit products]. zipMoney is a licensed and regulated credit provider (Australian Credit License Number 441878) managed by a team with over +25yrs experience providing finance solutions at point of sale.

Business Summary

zipMoney is a business-to-business (B2B) service that drives promotional activity through the provision of retail finance, either at point-of-sale or through vendor/merchant partnerships (typically white-label). zipMoney's real-time credit application qualifies and [approves customers within 3 minutes] – this would represent the fastest response amongst all consumer finance players in Australia. Further, its adoption of alternative underwriting practices, utilising hundreds of variables in real-time, allow it to provide a more informed credit decision vs its peers. Once approved, zipMoney finances the customer's shopping basket and provides each user with a virtual, revolving line of credit.

The fundamentals of promotional finance are well understood by the Australian market. The value proposition to merchants is largely driven by the following core principles; zipMoney has intentionally designed its technology and product offering to target these areas:

- **Increased sales** (*converting browsers to shoppers, lifting basket sizes and driving re-purchases*) – zipMoney integration at the checkout (next to Visa, Mastercard and PayPal) together with its reusable line of credit product, drives origination and repurchase behaviour.
- **Reduced fraud** – zipMoney's internal algorithms supported by its 3rd party partnerships (eg Threatmetrix, Veda and Yodlee), allows zipMoney to offer a compelling and differentiated service vs the traditional credit card and its chargeback complexities; [zipMoney also offers its merchants a Seller Protection policy for ZIP approved purchases, as an additional safeguard against transaction fraud].
- **Timely settlement** – For its tier 1 merchants zipMoney offers a daily settlement option (4pm cut-off), while for merchants on lower tiers or with a delayed fulfilment model, zipMoney adopts an authorise & capture approach with settlement requiring electronic proof of invoice or shipment.
- **Simple and easy set-up** – zipMoney offers a real-time credit API together with 'plug and play' extensions, that allow merchants to instantly offer finance to their customers, significantly eliminating the usual integration pains faced by corporates.
- **Simple pricing** – Rather than a wide array of fees, zipMoney charges merchant one simple Merchant Services Fee (MSF), which is typically deducted from each settlement.
- **Promotional offers** – zipMoney's light-weight technology and merchant self-service features, allow merchants to very simply implement promotional campaigns (such as 12 months interest free) all with the click of a button.

The strong results to date, has seen zipMoney cement its relationship across its diverse and growing merchant base – a cursory look at the results:

- Observed increase in average order values of between 50-100% (where zipMoney is the form of tender) and 40% increase in items per order
- Share of checkout of between 8%-30% (zipMoney vs other forms of tender), demonstrating incremental top-line growth
- An average zipMoney customer shops 1.7x, demonstrating the large re-purchase potential desired by vendors

Product Scope

zipMoney is a licensed credit provider under ASIC, which engages in the following credit activities:

- Provision and management of small unsecured Personal Loans and Lines of Credit (LOC);
- Collection and receivables management

zipMoney provides customers with a 'virtual' LOC facility, offering attractive interest free terms. Customers are approved for a credit limit under the facility and thereafter simply require an email/password to sign-in and authorise a particular transaction. The approved limit is perpetual absent any customer requests for an increase/reduction, poor payment performance, fraud or other key indicators.

Product scope

- Continuing Line of Credit (NCCP compliant)
- Maximum Credit Limit \$10,000
- All transactions offer a minimum of 3mths interest free; with promotional terms of 6 – 36mths available
- Contractual monthly repayments (3% of balance outstanding or \$X, whichever is greater)

- Core fee drivers
- Merchant Services Fee (2-10%)
- Customer fees
- o Monthly Service Fee
- o Establishment Fee
- o Interest Rate (risk based pricing available) – range from 19.9% to 23.9%”

End of extract from the Organisational Plan

- 3.3 A summary unaudited adjusted consolidated balance sheet (consolidated statement of financial position) of the ZipMoney Group as at 31 May 2105 is noted elsewhere in this report.

4. **Future Directions of Rubianna**

- 4.1 We have been advised by the directors and management of Rubianna that:

- There are no proposals currently contemplated either whereby Rubianna will acquire any further assets from ZipMoney’s shareholders (however Rubianna will issue ordinary Consideration Shares and Consideration Performance Shares to the ZipMoney shareholders as outlined above in relation to the Acquisition) or where Rubianna will transfer any of its property or assets to ZipMoney’s shareholders;
- The composition of the Board will change in the short term as noted above;
- The Company will undertake a 1 for 10 consolidation of capital;
- The Company is to shortly raise a minimum of \$4,000,000 (and up to \$5,000,000) via a Capital Raising and most of these funds will be on-lent to ZipMoney or its subsidiary;
- The Company completed its fully underwritten Rights Issue to raise approximately \$965,000 and may initially lend up to \$650,000 in unsecured loan funds to zipMoney;
- The Company proposes to change its name to zipMoney Limited;
- No dividend policy has been set; and
- The Company will concentrate on its investment in ZipMoney, once acquired and hopefully sell the Ruby Well tenement for \$25,000 (or forfeit the tenement).

5. **Basis of Valuation of Rubianna Shares**

5.1 Shares

- 5.1.1 In considering the proposal to acquire all of the shares in ZipMoney, we have sought to determine if the consideration payable by Rubianna to the ZipMoney shareholders, (including Diamond) is fair and reasonable to the existing non-associated shareholders of Rubianna.
- 5.1.2 The offer would be fair to the existing non-associated shareholders if the value of the ordinary shares in ZipMoney being acquired by Rubianna is greater than the implicit value of the Consideration Shares (ordinary shares) and Consideration Performance Shares in Rubianna being offered as consideration. Accordingly, we have sought to determine a theoretical value that could reasonably be placed on Rubianna shares for the purposes of this report.
- 5.1.3 The valuation methodologies we have considered in determining a theoretical value of a Rubianna ordinary share (and also a ZipMoney share) are:

- Capitalised maintainable earnings/discounted cash flow;
- Takeover bid - the price at which an alternative acquirer might be willing to offer;
- Adjusted net asset backing and windup value; and
- The market price of Rubianna shares (and ZipMoney shares).

5.2 Capitalised maintainable earnings and discounted cash flows.

- 5.2.1 Due to Rubianna's current operations, a lack of a reliable long term profit history arising from business undertakings and the lack of a reliable future cash flow from current business activities, we have considered these methods of valuation not to be relevant for the purpose of this report. Rubianna made an unaudited loss of approximately \$1,043,000 for the half year ended 31 December 2014 (after writing off exploration expenditure of around \$1,529,000) and as at 31 December 2014 has unaudited losses in excess of \$11,205,000.

5.3 Takeover Bid

- 5.3.1 It is possible that a potential bidder for Rubianna could purchase all or part of the existing shares, however no certainty can be attached to this occurrence. To our knowledge, there are no current bids in the market place and the directors of Rubianna have formed the view that there are unlikely to be any takeover bids made for Rubianna in the immediate future. However, if the agreement to acquire ZipMoney is completed, Diamond will initially control approximately 25.69% of the expanded ordinary issued capital of Rubianna. Also refer paragraph 2.7 above.

5.4 Adjusted Net Asset Backing

- 5.4.1 We set out below an unaudited balance sheet (statement of financial position) of Rubianna (Balance Sheet "A") as at 30 April 2015, adjusted for the Rights Issue of a net \$901,376 and incurring estimated administration and other costs of \$75,000 to 31 July 2015 (ignoring costs in relation to the Acquisition and Notice).

In addition, we disclose a pro-forma consolidated Balance Sheet "B" assuming the following (but ignoring the planned 1 for 10 consolidation of capital):

- The completion of the Capital Raising assumed to be the minimum gross amount of \$4,000,000 and incurring capital raising costs of \$350,000;
- The acquisition of all of the shares in ZipMoney by way of an issue of 550,000,000 pre-consolidated Consideration Shares) at a deemed issue price of 1.25 cents each for a total deemed consideration of \$6,875,000 from a parent entity's point of view (and using reverse acquisition accounting principles and writing goodwill on consolidation that relates to Rubianna of around \$4,871,000);
- Allowing for indirect costs of the Acquisition and Notice preparation of approximately \$307,000;
- The issue of 750,000,000 pre-consolidated Performance Shares as part of the Consideration for the Acquisition of zipMoney (and not as an incentive consideration). Due to the inability to determine whether the Milestone conditions attached to such shares will be met, we have not ascribed any value as Consideration (however, if the Milestones are met, the Consideration Performance Shares would have considerable value). It is noted that Rubianna in announcing the potential Acquisition ascribed a value of 1.25 cents (pre-consolidated) to each Consideration Performance Share that if applied would increase the deemed cost of Acquisition by \$9,375,000);
- The issue of 33,000,000 pre-consolidated to Avitus Capital at a deemed cost of \$660,000;

- The issue of 47,697,573 pre-consolidated Corporate Performance Shares and 200,000,000 Facilitator Performance Shares at no cost. Due to the inability to determine whether the Milestone conditions attached to such shares will be met, we have not ascribed any value (however, if the Milestones are met, the Corporate Performance Shares and Facilitator Performance Shares would have considerable value). This would also apply to any Share Plan Performance Shares issued; and
- The conversion of \$350,000 of Convertible Notes owed by zipMoney into 35,000,000 pre-consolidated shares in Rubianna.

In addition, we disclose the unaudited consolidated statement of financial position of the ZipMoney Group as at 31 May 2015 after allowing for administration, corporate and other costs to 31 July 2015 of approximately \$354,000, and allowing further depreciation of \$15,000. In effect, the adjusted ZipMoney statement of financial position is a best estimate of what the expanded ZipMoney will look like immediately prior to the Acquisition by Rubianna.

	Unaudited Adjusted 30 April 2015 Rubianna	Unaudited Pro-forma 30 April 2015 Rubianna (including consolidation of ZipMoney)	Unaudited Adjusted Consolidated ZipMoney 31 May 2015
	\$000 "A"	\$000 "B"	\$000
Current Assets			
Cash assets	1,457	6,554	1,754
Trade and other receivables	2	2	-
Other current assets	16	34	18
Total Current Assets	1,475	6,590	1,772
Non Current Assets			
Plant and equipment	1	198	197
Intangibles	-	-	-
Capitalised exploration costs (refer below in paragraph 5.4.2)	25	25	-
Receivables	-	2,062	2,062
Total Non Current Assets	26	2,285	2,259
Total Assets	1,501	8,875	4,031
Current Liabilities			
Trade and other payables	98	1,168	1,070
Employee entitlements	-	-	-
Total Current Liabilities	98	1,168	1,070
Non Current Liabilities			
Convertible note liability	-	-	350
Loan book funds	-	3,455	3,455
Total non-current liabilities	-	3,455	3,805
Total Liabilities	98	4,623	4,875
Net Assets (Liabilities)	1,403	4,252	(844)
Equity			
Issued Capital	11,910	11,357	423
Reserves	515	-	-
Accumulated (Losses)	(11,022)	(7,105)	(1,267)
Total Equity (Deficiency)	1,403	4,252	(844)

The net asset (book value and fair value- refer comments below) backing per fully paid (pre acquisition of ZipMoney) ordinary Rubianna share as at 30 April 2015 based on the unaudited adjusted balance sheet (Balance Sheet "A") and 313,720,784 pre-consolidated ordinary shares on issue is approximately 0.446 cents (refer paragraph 5.4.6 below) (approximately 4.46 cents on a post consolidated basis).

Based on the unaudited pro-forma consolidated net asset book values, this equates to a value per fully paid ordinary share post the Acquisition (1,131,720,784 pre-consolidated shares) of approximately 0.375 cents per share (ignoring the value, if any, of non-booked tax benefits) (approximately 3.75 cents on a post consolidated basis). Reverse acquisition accounting principles have been used but it does not affect our conclusion on fairness and reasonableness.

- 5.4.2 We have accepted the Rubianna amounts as disclosed for all current assets and non-current assets. We have been advised by the management of Rubianna that they believe the carrying value of all current assets, non-current assets and liabilities at 30 April 2015 (as adjusted as noted above) are fair and not materially misstated. A \$25,000 value has been attributed to the Ruby Well Project (by the Company and us) as the Company has entered into an option agreement with a third party, that if exercised would realise \$25,000 (if not realised, the Ruby Well tenement on completion of the Acquisition may be forfeited). The book value as disclosed in the unaudited statement of financial position as at 30 April 2015 was \$nil but we altered the value to \$25,000.
- 5.4.3 Using the fair value of \$nil to the Ruby Well tenement and based on the assumptions/values provided to us of the other assets and liabilities of Rubianna as at 30 April 2015 as per Balance Sheet A above, the net fair value of the Rubianna Group approximates \$1,403,000 and thus the preferred fair value equates to approximately 0.475 cents on a pre-consolidated basis). If nil consideration was received for Ruby Well, the net asset backing per pre-consolidated share would approximate 0.439 cents. See comments below on ASX share prices.
- 5.4.4 We note that the market has been informed of all of the current projects, joint ventures and farm in/farm out arrangements entered into between Rubianna and other parties. We also note it is not the present intention of the Directors of Rubianna to liquidate the Company and therefore any theoretical value based upon wind up value or even net book value (as adjusted), is just that, theoretical. The shareholders, existing and future, must acquire shares in Rubianna based on the market perceptions of what the market considers a Rubianna share to be worth. It is noted that as Rubianna is to divest itself of all mineral interests, the potential value of a Rubianna share would be the issue price that the Capital Raising is to be undertaken (to finance the expansion of ZipMoney on the assumption the ZipMoney Acquisition proceeds), being 2.0 cents per pre-consolidated share.
- 5.4.5 The market has either generally valued the vast majority of mineral exploration companies at significant discounts or premiums to appraised technical values and this has been the case for a number of years although we also note that there is an orderly market for Rubianna shares and the market is kept fully informed of the activities of the Company. However, it is noted that from Rubianna's point of view as the legal parent company, the value ascribed to the 550,000,000 pre-consolidated ordinary Consideration Shares to be issued to the ZipMoney shareholders (including Diamond) may be accounted for at the market value of a Rubianna share at date of issue or 1.25 cents each, being the issue price of the Capital Raising Shares.
- 5.4.6 The actual share price at the date of acquisition of ZipMoney cannot be determined at this point of time. For accounting purposes under Australian Equivalents to International Financial Reporting Standards ("IFRS"), the consideration for the issue of Rubianna shares to acquire the shares in ZipMoney from the ZipMoney shareholders will be booked at the

fair value of the shares in ZipMoney or at the share price of a Rubianna share at the date of Acquisition and not any perceived technical value.

5.5 Market Price of Rubianna Fully Paid Ordinary Shares

5.5.1 Share prices in Rubianna as recorded on the ASX since 1 September 2014 up to and including 31 March 2015 (last sale before the announcement of the proposed Acquisition on 8 April 2015) have been as follows:

	High Cents	Low Cents	Closing Price Cents	Volume 000's
September 2014	1.5	0.9	1.0	2,446
October 2014	2.0	0.9	2.0	15,357*
November 2014	1.3	1.1	1.3	1,226
December 2014	1.3	1.0	1.2	2,085
January 2015	1.0	1.0	1.0	155
February 2015	1.2	1.0	1.1	1,760
March 2015	1.1	1.0	1.0	1,369

*13,207,206 shares traded on 9 October 2014.

As can be seen from the trading volume on ASX, there was very little trading of the Rubianna shares before the announcement of the Acquisition. The ZipMoney acquisition was announced to the market on 8 April 2015. There were many trading days over the seven months to 31 March 2015 where there were no trades of Rubianna shares on ASX.

As can be seen above, the price at which shares traded varied considerably and it is difficult to arrive at a fair value for a Rubianna share, particularly in light of the low trading volumes. Due to the low volumes (no Deep Market exists), varying share price and the Company's relatively low cash position and lack of exploration assets that may be affecting the share price, we have considered that the listed share price methodology is not the most appropriate methodology to use in this instance.

Subsequent to the announcement of the Acquisition, the shares in Rubianna have traded on ASX mainly at between 1.4 cents and 2.5 cents with a last sale on 11 June 2015 of 2.4 cents (all on a pre-consolidation basis). The volume of trades in Rubianna shares post the announcement has risen significantly and between 8 April 2015 and 23 June 2015, the volumes of trades in Rubianna shares on ASX has been approximately 20.7 million (approximately 22.492 million between 8 April 2015 and 17 April 2015).

6. **Preferred valuation method of valuing a Rubianna Share**

6.1 In assessing the fair value of Rubianna and a Rubianna ordinary share pre the Acquisition of ZipMoney from Diamond we have selected the net assets on a going concern methodology as the preferred methodology as:

- Rubianna does not generate revenues or profits and per the audited accounts has incurred significant losses in the financial years ended 30 June 2013 and 2014. Therefore the capitalisation of future maintainable earnings and discounted future cash flows are not appropriate; and
- Although the shares of Rubianna are listed, as there is only low trading volumes on ASX and the share prices in recent times may be affected by the lack of cash resources it is arguably inappropriate to use market share prices to value the Company and the shares in the Company for the purposes of this report. We note share prices as a

secondary methodology and have considered share prices in assessing reasonableness of the proposals with Diamond.

- 6.2 As stated at paragraph 5.4.5 we have assessed the value of a Rubianna share (pre-consolidated) prior to the proposed Acquisition of ZipMoney on a net asset basis on a going concern basis as follows:

Preferred

Net asset per share (cents)	<u>0.475</u>
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We note that, the technical net asset value may not necessarily reflect fair values in the current economic circumstances of the Company.

- 6.3 As noted above the estimated net asset price per pre-consolidated share approximates 0.475 cents per pre-consolidated share which is less than the last ASX share price of 1.0 cents on 31 March 2015 (the last trading share price date before of the announcement of the Acquisition on 8 April 2015).
- 6.4 The future value of a Rubianna share will depend upon, inter alia:
- * the future success of the business of ZipMoney being obtained via the Acquisition;
 - * the state of Australian and overseas stock markets;
 - * the strength and performance of the Board and management and/or who makes up the Board and management;
 - * Foreign exchange rates;
 - * general economic conditions;
 - * the liquidity of shares in Rubianna; and
 - * possible ventures and acquisitions entered into by Rubianna.

7. Premium for Control

- 7.1 Premium for control for the purposes of this report, has been defined as the difference between the price per share, which a buyer would be prepared to pay to obtain or improve a controlling interest in the Company and the price per share which the same person would be required to pay per share, which does not carry with it control or the ability to improve control of the Company.
- 7.2 Under TCA, control may be deemed to occur when a shareholder or group of associated shareholders control more than 20% of the issued capital. In this case, Diamond's voting shareholding in Rubianna could increase from approximately 1.60% as at 31 May 2015 to approximately 25.69% after the issue of the Consideration Shares and then approximately 35.27% on the conversion of the Consideration Performance Share and conversion of the Corporate Performance Shares (if certain Milestones are met).
- 7.3 It is generally accepted that premium for control may vary from nil to 40% or more depending on many different factors including the nature of the business, the financial position of a company, and shareholding percentages. It is our view that a control premium of 20% is reasonable in these circumstances.
- 7.4 Our preferred methodology is to value Rubianna and a Rubianna share on a technical net asset basis which assumes a 100% interest in the Company. Therefore no adjustment is considered necessary to the technical asset value determined under paragraph 5.4.3 as this already represents the fair value of the Company or a share in the Company on a pre proposed Acquisition control basis.

- 7.5 We set out below the comparison of the low and high values of a Rubianna share compared to the potential issue price for the ordinary Consideration Shares based on ASX share prices in between December 2014 and March 2015 and the proposed Capital Raising issue price of 2.0 cents.

	Para.	Low (cents)	High (cents)	Capital Raising Price (cents)
Estimated fair value of a Rubianna ordinary Share	5.4.3	0.439	0.475	0.475
Issue price of the ordinary Consideration Shares on a pre-consolidation basis		1.00	1.30	2.00
Excess/(shortfall) between Issue Price and fair value		0.561	0.825	1.525

On a pre Acquisition control basis, the technical preferred value (not market value based on ASX share trades) of a Rubianna share approximates 0.475 cents per pre-consolidated share (on a post 1 for 10 consolidation basis, this equates to approximately 4.75 cents).

The Consideration Shares are to be issued at market (pre-announcement) that on a pre-consolidation basis may be in the range of 1.0 cents and 1.30 cents (equivalent to approximately 10 cents and 13 cents on a post consolidation basis). Based on the preferred value of a Rubianna share as noted above, a premium for control is being paid by Diamond. If the 2.0 cent pre-consolidation Capital Raising price is used, Diamond is paying a premium for control.

- 7.6 We note that ZipMoney does not have Board control of Rubianna before the proposed Acquisition pursuant to Resolution 4. Post the Acquisition, ZipMoney will have two persons to the Board of Rubianna (Messrs Larry Diamond and Peter Gray) and thus have Board control as only one of the existing Directors of Rubianna will remain on the Board.

8. Value of Consideration

- 8.1 Based on the pre-announcement assessed fair value of an ordinary share in Rubianna (not ASX share prices), the ordinary share consideration range would be:

	Preferred
550,000,00 post-consolidated Consideration Shares at 0.475 cents each	\$2,612,500 (refer below)
750,000,000 Consideration Performance Shares	<u>(unable to value)</u>
Total Consideration	<u>\$2,612,500</u>
Assumed post consolidated share issue price based on assessed fair values (paragraph 7.5)	<u>0.475 cents</u>

We have excluded the indirect costs and legal and other fees.

- 8.2 It is noted that at the time of negotiation of the Acquisition, the Rubianna directors considered that the fair market value of a Rubianna ordinary share (pre-consolidated) may have been around 1.0 cents (the Rights Issue price) and 1.20 cents.

- 8.3 If we used the 1.4 cent to 2.5 cent pre-consolidated ASX share price since the announcement of the proposed Acquisition as noted above (some shares were traded above the 2.6 cents but only temporary) the amounts attributable to the ordinary Consideration Shares would lie in the range of \$7,700,000 to \$13,750,000. Based on the last sale price on 11 June 2015, the deemed accounting consideration (for the ordinary Consideration Shares only) may approximate \$13,200,000 (2.4 cents pre-consolidated share). Using the 2.0 cents pre-consolidation Capital Raising issue price, the deemed Consideration attributable to the 550,000,000 pre-consolidated Consideration Shares would be \$11,000,000.
- 8.4 Diamond's interest in the share consideration would equate to approximately \$5.715 million if we used the 2.0 cents pre-consolidated Capital Raising issue price.
- 8.5 The 750,000,000 pre-consolidated Consideration Performance Shares convert to ordinary shares in Rubianna on a one for one basis upon the milestones referred to below for each tranche having being achieved:
- Milestone 1- 308,333,334 pre-consolidated Consideration Performance Shares ("Tranche 1 Consideration Performance Shares" and referred to as the Class A Performance Shares in the EM) will convert upon zipMoney achieving aggregate transaction volume in excess of \$10,000,000 by the date that is 12 months from Rubianna being re-admitted to the Official List of ASX;
 - Milestone 2- 308,333,333 pre-consolidated Consideration Performance Shares ("Tranche 2 Consideration Performance Shares" and referred to as the Class B Performance Shares in the EM) will convert upon zipMoney achieving aggregate transaction volume in excess of \$20,000,000 by the date that is 24 months from Rubianna being re-admitted to the Official List of ASX; and
 - Milestone 3 – 133,333,333 pre-consolidated Consideration Performance Shares (Tranche 3 Consideration Performance Shares" and referred to as the Class C Performance Shares in the EM) will convert upon Rubianna achieving pre-tax break-even (after excluding any costs or expenses relating to any mineral exploration or exploration activities of Rubianna, or any other expenditure relating to activities prior to the Sunset Date) for the first time each calendar in a consecutive three calendar month period by or before the date that is 36 months from Rubianna being re-admitted to the Official List of ASX.
- 8.6 Using the assessed preferred fair value of an ordinary pre-consolidated share in Rubianna of 0.475 cents results in a possible undiscounted for probability fair value attributable to the 750,000,000 pre-consolidated Consideration Performance Shares as follows:

	Preferred \$
Tranche 1 Consideration Performance Shares	1,464,583
Tranche 2 Consideration Performance Shares	1,464,583
Tranche 3 Consideration Performance Shares	<u>633,334</u>
Total possible Consideration relating to the issue of Performance Shares	<u>3,562,500</u>

We are not sure as to what values the Rubianna Directors will finally ascribe to the two tranches of Consideration Performance Shares for acquisition accounting purposes. The value may be as low as nil. It is noted that if the individual Milestones are met, the share prices of an ordinary share in Rubianna at the conversion dates may be higher than the ASX share prices of May 2015 and June 2015 (to 23 June 2015).

- 8.7 Using the assessed preferred fair value attributable to the ordinary pre-consolidated ordinary Consideration Shares and the pre-consolidated Consideration Performance Shares, the possible deemed Consideration (prior to discounting for probabilities for meeting or not meeting the Milestones 1 to 3 conditions) may be in the range of:

	Preferred
550,000,000 pre-consolidated Consideration Shares	\$2,414,500
750,000,000 pre-consolidated Consideration Performance Shares	<u>\$3,562,500</u>
Possible deemed fair value of the Consideration	<u>\$5,977,000</u>

- 8.8 If we used the deemed 1.25 cents (pre-consolidated) attributable to the Consideration Performance Shares as noted in the announcement of the potential Acquisition made on 8 April 2015, the Consideration Performance Shares in total would have a fair value totalling \$9,375,000 and if we used the 2.0 cents proposed Capital Raising issue price of 2.0 cents, the value to the Consideration Performance Shares would be \$15,000,000 (and \$18,750,000 if we used the high share price post 8 April 2015 to 23 June 2015).

If we also used the 2.0 cent proposed Capital Raising price (pre-consolidated) to the 550,000,000 pre-consolidated Consideration Shares (value of \$11,000,000) and the 750,000,000 Performance Shares, the total Consideration may approximate \$26,000,000 (and \$32,500,000 if we also used high share price post 8 April 2015 to 23 June 2015 (pre-consolidated)).

9. **Basis of Valuation of ZipMoney**

- 9.1 The usual approach to the valuation of an asset is to seek to determine what an informed, willing but not anxious buyer would pay to an informed, willing but not anxious seller in an open market.
- 9.2 ZipMoney is an unlisted private companies and therefore valuing the shares on a takeover basis and on a market based approach are not relevant. There are no indications that other parties wished to acquire all of the shares in ZipMoney other than Rubianna. The shareholders in zipMoney do not have an active market to trade their shares.
- 9.3 The unaudited adjusted balance sheet of ZipMoney at 31 May 2015 is disclosed under paragraph 5.4.1 above. This balance sheet shows the zipMoney net liabilities carried at a book value of approximately \$(844,000).
- 9.4 Completion of the Acquisitions is conditional on all necessary due diligence being undertaken on the ownership interests of ZipMoney, ZipMoney's shareholding and interests and ownership of the intellectual property of ZipMoney. We advise that we have not undertaken any further steps to ascertain ownership of ZipMoney and its assets and liabilities.
- 9.5 The usual approach to the valuation of an asset is to seek to determine what an informed, willing but not anxious buyer would pay to an informed, willing but not anxious seller in an open market. To estimate the fair market value of the shares in ZipMoney, we have considered valuation methodologies recommended by ASIC Regulatory Guideline 111 regarding valuation reports of independent experts and common market practice. These are discussed below.

9.6 Market based methods

Market based methods estimate a company's fair market value by considering the market price of transactions in its shares or market value of comparable companies. Market based methods include:

- Capitalisation of maintainable earnings;
- Analysis of a company's recent share trading history; and
- Industry specific methods.

The capitalisation of maintainable earnings methods estimates fair market value based on the company's future maintainable earnings and an appropriate earnings multiple. An appropriate earnings multiple is derived from market transactions involving comparable companies. The capitalisation of maintainable earnings is appropriate where the company's earnings are relatively stable. The most recent share trading history provides evidence on the fair market value of the shares in a company where they are publicly traded in an informed and liquid market. Industry-specific methods estimate market value using rules of thumb for a particular industry. Generally, rules of thumb provide less persuasive evidence on market value of a company, since they may not account for company-specific factors.

9.7 Discounted cash flow method

The discounted cash flow method estimates market value by discounting a company's future cash flows to their present value. This method is appropriate where a projection or forecast of future cash flows can be made with a reasonable degree of confidence. The discounted cash flow method is commonly used to value early stage companies or projects with a finite life.

9.8 Asset-based methods

Asset-based methods estimate the market value of a company's shares based on the realisable value of its identifiable net assets. Asset-based methods include:

- Orderly realisation of assets method;
- Liquidation of assets method; and
- Net asset on a going concern basis.

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to shareholders, after payment of all liabilities, including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter timeframe. Since winding up or liquidation of the company may not be contemplated, these methods in their strictest form may not necessarily be appropriate. The net assets on a going concern basis, estimates the market values of the net assets of the company but does not take account of realisation costs.

These approaches ignore the possibility that the company's value could exceed the realisable value of its assets. Asset-based methods are appropriate when companies are not profitable or a significant proportion of a company's assets are liquid.

9.9 Selection of Valuation Methodologies

All of the valuation methodologies considered above have significant limitations or restrictions in their application to zipMoney.

Capitalisation of maintainable earnings is not appropriate because the ZipMoney Group are not presently profitable. Recent share trading is not applicable as ZipMoney is an unlisted private company. The discounted cash flow method has not been applied because no reliable prospective financial information is available (refer below). An asset-based method is limited by the fact that ZipMoney's primary business is yet to be fully exploited and needs a large injection of equity and/or loan funds. The book values of ZipMoney's assets and liabilities as at 31 May 2015, as adjusted, is noted in paragraph 5.4.1 and the net liabilities disclosed are approximately \$(844,000).

9.10 In this section we consider the valuation of ZipMoney. We have considered the valuation of ZipMoney in assessing whether or not the proposals outlined in Resolution 4 are fair and reasonable for Rubianna's shareholders. In forming our opinion on the value of ZipMoney we have, inter-alia:

- Considered the stage of development of the business of ZipMoney and the prospective financial information available on ZipMoney;
- Considered the appropriateness of the valuation methodologies available; and
- Considered the ability of ZipMoney to continue as going concerns without funding.

9.11 Valuation of ZipMoney

As discussed, the capitalisation of maintainable earnings, discounted cash flow and asset-based methodologies have limitations in their application to ZipMoney. It is noted that there are no internal valuations prepared and no formal adoption of cash flows and profit and loss forecasts. However, preliminary profit forecasts to 2019 indicate that profits will occur after 2015 but they are predicated on, inter-alia, zipMoney obtaining substantial lines of credit to grow the business.

9.12 Owing to the nature of the business of ZipMoney, valuations depend on the value placed on the ability of ZipMoney (via its subsidiary, zipMoney) to finance itself in the short term (it may have negative funds of \$800,000 as noted above) and then obtain finance facilities of a substantial nature to grow the business. The valuation of future profitability and cash flows is extremely subjective because it involves assumptions regarding future events that are not capable of independent substantiation.

9.13 Summary of valuation methodology and conclusion

We are unable to conclude on a meaningful valuation range for ZipMoney due to the lack of readily available and reliable financial projections and information. It is noted that ZipMoney will have estimated cash reserves of \$1,754,000 and non-current receivables of \$2,062,000 at 31 May 2015 and current liabilities totalling \$1,070,000 and non-current liabilities of \$3,805,000. If the acquisition of ZipMoney by Rubianna is achieved, Rubianna will need to meet the liabilities of ZipMoney. Rubianna does not have large cash reserves but as part of the Acquisition is proposing to raise a minimum gross \$4,000,000 and as noted elsewhere in this report the majority of these funds (and the \$650,000 noted above) will be lent to ZipMoney for working capital.

10. Fairness of the proposed Acquisition and issue of Consideration Shares and Consideration Performance Shares to the shareholders (including Diamond) of ZipMoney

10.1 In arriving at our conclusion on fairness, we considered whether the transaction is “fair” by comparing:

- (a) the fair market value of a Rubianna share pre-transaction on a control basis; versus
- (b) the fair market value of a Rubianna share pre-transaction on a minority basis, taking into account the additional cash raised via the Capital Raising and the associated dilution resulting from the issue of new ordinary shares under the proposed Acquisition, the issue of the other ordinary shares to various parties involved with the Acquisition (but before the conversion of any performance shares).

10.2 The preferred value of a Rubianna share (pre-consolidation) **pre the Proposed Acquisition on a control basis** as noted in paragraph 5.4.3 is 0.475 cents.

10.3 The preferred fair value of a Rubianna share has been estimated at 0.475 cents on a pre proposed transaction control basis (only takes into account the issue of the Rights Issue Shares as noted above but excludes the Capital Raising Shares that are subject to shareholder approval and are only taking place due to the proposed Acquisition). The post consolidation equivalent is 4.75 cents.

10.4 We set out below the range of estimated technical net asset values of Rubianna based on Pro-forma Balance Sheet B as detailed in paragraph 5.4.1 and after adjusting for the following transactions:

- The completion of the Capital Raising assumed to be the maximum gross amount of \$4,000,000 and incurring capital raising costs of \$350,000;
- The acquisition of all of the shares in ZipMoney by way of an issue of 550,000,000 pre-consolidated Consideration Shares; and
- Allowing for indirect costs of the Acquisition and Notice preparation of approximately \$307,000;

	Preferred
Net assets at fair values pre Acquisition	1,403,000
Net Cash raised from the Capital Raising	3,650,000
Value of ZipMoney at fair value (refer 10.9 below)	(unable to value)
Indirect costs	<u>(307,000)</u>
Total post Acquisition Value (see below)	<u>\$4,746,000</u>
Number of pre-consolidated shares on issue	<u>1,131,720,784</u>
Net asset value per share	0.419
Minority interest discount	16.67%
Minority value per share (cents)	0.349

If the number of Capital Raising Shares was 1,151,720,784 (instead of 200,000,000) and the net Capital Raising was \$4,500,000, the net position would be as follows:

	Preferred
Net assets at fair values pre Acquisition	1,403,000
Net Cash raised from the Capital Raising	4,500,000
Value of ZipMoney at fair value (refer 9.13 above)	(unable to value)
Indirect costs	(307,000)
Total post Acquisition Value (see below)	<u>5,596,000</u>

Number of pre-consolidated shares on issue	1,181,720,784
Net asset value per share	0.473
Minority interest discount	16.67%
Minority value per share (cents)	0.394

Both of the above calculation tables takes into account the Capital Raisings (at 2.0 cents per pre-consolidated share) as part and parcel of the Acquisition. Shareholders must approve the Acquisition before the Capital Raising proceeds. In the absence of the Acquisition approval, the Acquisition will not proceed and Rubianna will end up as virtually a small cash box.

- 10.5 We have not taken into account all of the various classes of performance shares proposed to be issued as referred to in paragraphs 1.4 to 1.8 above. However we assume that additional value would be added to the ZipMoney business being acquired if the Milestones were met.
- 10.6 We have excluded the existing share options on issue notwithstanding that 20,000,000 of the share options are exercisable at 1.0 cent each, (pre-consolidated) but are unlikely to be exercised until the expanded Rubianna (with ZipMoney) proves to be a commercial success.
- 10.7 In order to reflect the minority interest value we have applied a minority interest discount to the technical net asset value. The minority interest discount has been calculated as the inverse of the premium for control of 20% as discussed in paragraph 7.3.
- 10.8 Using the preferred net asset fair values, the estimated fair value of a Rubianna share pre the proposed Acquisition on a control basis is greater than the estimated fair value of a Rubianna share post the proposals on a minority basis (on an undiluted diluted basis) and on the preferred methodology basis, the issue of 550,000,000 pre-consolidated Consideration Shares (and 750,000,000 pre-consolidated Consideration Performance Shares) to the ZipMoney shareholders would not be fair. However refer paragraph 11.5 below.

11. Conclusion as to Fairness

- 11.1 The proposal pursuant to Resolution 4 (and in effect the proposals to issue Consideration Shares and Consideration Performance Shares to Diamond) is believed fair to Rubianna's non-associated shareholders' if the value of the consideration offered is equal to or less than the value of the shares in ZipMoney (100%) to be acquired.
- 11.2 Owing to the nature of the business of ZipMoney, valuations depend on the value placed on the ability of the business to raise substantial sums of money via debt and equity to expand the business of the company. The valuation of future profitability and cash flows is extremely subjective because it involves assumptions regarding future events that are not capable of independent substantiation.
- 11.3 We have been unable to determine a fair value for ZipMoney. In arriving at our view, we have, inter-alia, referred to the following factors:

- The relative newness of the businesses and insufficient revenues to meet all costs;
- The ability to produce positive cash flow and profits over a period of time is still uncertain;
- ZipMoney needs to obtain sufficient working capital to meet its planned objectives;
- The lack of longer term cash flow models;
- The risks associated with commercialisation of the business model.

11.4 The “cost” of the Acquisition based on our ascribed fair value of a Rubianna share as noted above under paragraph 8.1 is \$2,414,500.

11.5 Furthermore, as we cannot ascribe a fair value to ZipMoney, the above exercise is somewhat superfluous and thus, even if we did not undertake the above calculations, in the absence of ascribing a fair value to zipMoney we would conclude the proposals with the shareholders of ZipMoney **would not be fair**.

12. **Reasonableness of the ZipMoney Acquisition**

12.1 We set out below some of the advantages and disadvantages and other factors pertaining to the proposed Acquisition that we considered in arriving at our conclusion on the reasonableness of the Acquisition.

Advantages

12.2 The Company, in effect moves from a near cash box company with only one mineral asset (to be relinquished) to an Australian company focused on the digitised retail finance sector. The ZipMoney Group offers real-time credit to consumers and provides integrated finance solutions to merchants regardless of size or segment both online and in-store. zipMoney (the subsidiary) is a licensed and regulated credit provider managed by a team with over 25 years experience providing finance solutions at point of sale. The Acquisition may provide Rubianna opportunities to move into the earning of profits and positive cash flows if the zipMoney businesses can be successfully commercialised.

12.3 The Company may be better placed to raise further funds by way of share equity as a result of acquiring all of the shares in ZipMoney. It is noted that a gross \$4,000,000 to \$5,000,000 is being raised on the back of the proposed acquisition of ZipMoney and if commercial success comes ZipMoney’s way, Rubianna may be able to raise further funds for expansion of the ZipMoney businesses.

12.4 There is an incentive to Rubianna and ZipMoney, to successfully exploit the investments of ZipMoney as the ZipMoney shareholders, including Diamond (and certain key management personal of ZipMoney) will or may have collectively significant shareholding interests in Rubianna. The ZipMoney shareholders including Diamond (and certain key management personal of ZipMoney) could if certain performance shares are eligible to be converted to ordinary shares the (on meeting various Milestones) increase their ordinary shares held in Rubianna. All shareholders would benefit from an increased share price which would be expected if the Milestone Conditions were achieved in relation to the various performance shares (including the Consideration Performance Shares) (increased share prices).

12.5 Rubianna currently has one remaining mineral prospect and this project will soon be sold or relinquished. Diversification into the digitised retail finance sector by acquiring 100% of ZipMoney may reduce the risk of the Company being suspended from trading and remaining in effect a cash box. Currently capital raisings for small junior exploration companies is extremely difficult and by diversifying into other businesses, increases the scope for new capital raisings.

- 12.6 Existing shareholders may be given the opportunity to sell their shares in excess of the share prices existing prior to the Acquisition announcement. However, those shareholders who consider the risk of entering into a new business outside mineral exploration mineral to be too high may wish to sell their shareholdings in Rubianna. The market via an increased volume of trades in Rubianna shares (and an increased share price) subsequent to the announcement of the proposed Acquisition has indicated a positive response to the proposal.

Disadvantages

- 12.7 The net book assets of Rubianna are estimated at \$1,403,000 whilst post the Acquisition, the net book assets of the Rubianna Group that will include the ZipMoney Group is estimated to be an initial \$4,252,000 (assumes a Capital Raising of \$4,000,000) (using reverse acquisition principles). The value attributable to the existing shareholders approximates \$1,179,000 compared with a current shareholding interest of approximately \$1,403,000.
- 12.8 Currently, Diamond and the key management personal of ZipMoney have a beneficial interest in nil shares in the Company and if all Resolutions are passed, the ZipMoney interests will increase their collective ordinary shareholding interest in Rubianna to approximately between 46.97% and 49.04% and possibly a collective approximate 59.88% to 67.63% if all Consideration Performance Shares and Corporate Performance Shares are able to be converted to ordinary shares in Rubianna. See section 2 of this report for the individual possible shareholding of Diamond. The existing shareholders will be diluted from owning a current 100% shareholding interest in Rubianna and its underlying assets to a smaller shareholding of approximately 26.58% to 27.72% post the Acquisition (before the conversion of any performance shares to ordinary shares) (may reduce to around 14.39% to 14.73% if all performance shares convert to ordinary shares - ignoring any issue and conversion of Share Plan Performance Shares but including Diamonds existing shareholding in Rubianna).
- 12.9 The digitised retail finance businesses operated by the ZipMoney Group may not turn out to be commercially viable and thus losses may continue to be incurred. Loans will be made by Rubianna to ZipMoney and these plus the investment cost may need to be impaired if ZipMoney does not record in the future sufficient profits and positive cash flows.
- 12.10 The ZipMoney Group has cash reserves/receivables of \$3,816,000 but current and non-current liabilities totalling \$4,875,000 and is expected to incur losses in the short term future until zipMoney obtains additional sources of finance to grow the business. If the acquisition of the ZipMoney Group by Rubianna is achieved, Rubianna will need to meet the liabilities (current and future) of the ZipMoney Group that may be material in nature. New capital may need to be raised in 2015 and beyond.

Other Factors

- 12.11 It is noted that for accounting purposes in the books of Rubianna, the ordinary Consideration Shares will be booked at the market value of the ordinary shares in Rubianna at the date the ordinary Consideration Shares are issued to the ZipMoney shareholders. Rubianna as the legal parent entity may account for the value of the ordinary Consideration Shares at the deemed market value of the ordinary shares in Rubianna that was considered to be around 1.25 cents per share (before adjusting for the 1 for 10 consolidation of capital). The actual issue price may be between 2.0 cents and 2.5 cents based on share prices in late May 2015 to 23 June 2015. The ultimate longer term fair value of an investment in ZipMoney (and its subsidiary) is at this stage unknown and write downs in the investment may be required at a later stage (particularly if commercial success is not forthcoming).

- 12.12 The proposed Acquisition provides the Company with a clear strategic direction as compared with the existing position of shareholders owning shares in a near dormant company with minimal cash and no clear vision. The Company requires a business that will provide it with the opportunity to sustain a viable business and allow the Company to be a going concern in the longer term.
- 12.13 The number of pre-consolidated fully paid ordinary shares on issue rises to as noted in paragraph 2.3 of this report. This represents a substantial increase in the ordinary shares of the Company based on the number of shares on issue at the time of the announcement of the Acquisition on 8 April 2015. As noted in paragraphs 1.5, 1.6 and 1.8 the Tranche 1 and Tranche 2 Consideration Performance Shares and all of the Corporate Performance Shares have Milestones associated with aggregate transaction volumes.
- In addition, if all Milestone Conditions are met, all of the various classes of performance shares would convert to ordinary shares in Rubianna further diluting the existing shareholders. However, if this was to occur, it would be expected that the share prices of a Rubianna share would be substantially higher than March 2015 to 23 June 2015 share prices (before adjusted for the 1 for 10 consolidation of capital) and thus the existing shareholders would benefit. In addition, the Company would receive \$200,000 from exercise of the existing 1 cent share options (pre-consolidated).
- 12.14 The proposed new board member, being a ZipMoney Director brings technical and business experience. Further details on the proposed new director have been included in the EM
- 12.15 The ultimate share price of a Rubianna share will be higher at the time of meeting the various Milestone Conditions attached to all of the various classes of performance shares.
- 12.16 It is the view of the current Board of Rubianna that the investment in ZipMoney is in the best interests of all shareholders.
- 12.17 Based on the rise in the share price (and volumes of trades) of an Rubianna share following the announcement as compared with the last sale price before the announcement of the proposed Acquisition, the market is arguably favourable of the proposals.

13. **Conclusion as to Reasonableness**

- 13.1 **After taking into account the factors referred to in 12 above and elsewhere in this report we are of the opinion that the advantages to the existing shareholders outweigh the disadvantages and thus the proposed Acquisition as noted in paragraphs 1.1 and 1.2 and Resolution 4 in the Notice may be considered, on balance, to be reasonable to the existing non-associated shareholders of Rubianna at the date of his report.**

Thus, the issue of 285,749,767 pre-consolidated Consideration Performance shares to Diamond and the issue of 389,758,773 pre-consolidated Consideration Performance Shares to Diamond are also reasonable to the shareholders of Rubianna at the date of this report.

14. **Shareholder Decision**

- 14.1 Stantons International Securities Pty Ltd has been engaged to prepare an independent expert's report setting out whether in its opinion the issue of 285,749,767 pre-consolidated Consideration Shares and 389,758,773 pre-consolidated Consideration Performance Shares to Diamond are fair and reasonable and state reasons for that opinion. Stantons International Securities Pty Ltd has not been engaged to provide a recommendation to shareholders in relation to the proposals/transactions under Resolution 4 but conclude whether the proposals pursuant to Resolution 4 are fair and/or reasonable to those

shareholders not associated with Diamond. The responsibility for such a voting recommendation lies with the directors of Rubianna.

- 14.2 In any event, the decision whether to accept or reject Resolution 4 (and all other Resolutions) is a matter for individual shareholders based on each shareholder's views as to value, their expectations about future market conditions and their particular circumstances, including risk profile, liquidity preference, investment strategy, portfolio structure and tax position. If in any doubt as to the action they should take in relation to the proposals under Resolution 4, (and all other Resolutions) shareholders should consult their own professional adviser.
- 14.3 Similarly, it is a matter for individual shareholders as to whether to buy, hold or sell shares in Rubianna. This is an investment decision upon which Stantons International Securities does not offer an opinion and is independent on whether to accept the proposals under Resolution 4 (and all other Resolutions). Shareholders should consult their own professional adviser in this regard.

15. Sources of Information

- 15.1 In making our assessment as to whether the proposed Acquisition as noted in paragraphs 1.1 and 1.2 is fair and reasonable, we have reviewed relevant published available information and other unpublished information of the Company, ZipMoney and the digitised retail finance business that is relevant to the current circumstances. In addition, we have held discussions with the management of Rubianna about the present and future operations of the Company. Statements and opinions contained in this report are given in good faith but in the preparation of this report, we have relied in part on information provided by the directors and management of Rubianna.
- 15.2 Information we have received includes, but is not limited to:
- a) Draft Notices of Rubianna and EM of September to 15 June 2015;
 - b) Discussions with management of Rubianna and ZipMoney;
 - c) Details of historical market trading of Rubianna ordinary fully paid shares recorded by ASX for the period 1 April 2014 to 23 June 2015;
 - d) Shareholding details of Rubianna as supplied by the Company's share registry as at 26 May 2015;
 - e) Audited balance sheet of Rubianna as at 30 June 2013 and 30 June 2014;
 - f) Reviewed balance sheet of Rubianna as at 31 December 2014;
 - g) Announcements made by Rubianna to the ASX from 1 January 2014 to 22 June 2015 (2pm WST);
 - h) The unaudited financial statements/consolidation spread sheet of ZipMoney for the year ended 30 June 2014;
 - i) Preliminary cash flow forecasts of ZipMoney for 2015 to 2019;
 - j) The original Non Binding Option Sheet executed in April 2015 for the option to acquire of all of the shares in ZipMoney and the final signed Term Binding Sheet of May 2015;
 - k) Unaudited financial statements of Rubianna for the ten months ended 30 April 2015;
 - l) Unaudited financial statements of the ZipMoney Group for the eleven months ended 31 May 2015;

- m) Cash flow forecasts of Rubianna for 2015/16;
- n) Draft of a prospectus relating to the proposed Capital Raising; and
- o) The Organisational Plan of ZipMoney prepared of 1 March 2015.

14.3 Our report includes Appendix A and our Financial Services Guide attached to this report.

Yours faithfully

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

A handwritten signature in dark ink, appearing to read 'J P Van Dieren', followed by a long horizontal flourish.

J P Van Dieren - FCA
Director

APPENDIX A

AUTHOR INDEPENDENCE AND INDEMNITY

This annexure forms part of and should be read in conjunction with the report of Stantons International Securities dated 23 June 2015, relating to the issue of 285,749,767 pre-consolidated Consideration Performance shares to Diamond and the issue of 389,758,773 pre-consolidated Consideration Performance Shares to Diamond as outlined in Section 1 and 2 of the report and forming part of Resolution 4 in the Notice of Meeting to Shareholders and the Explanatory Memorandum proposed to be distributed to the Rubianna shareholders in June 2015.

At the date of this report, Stantons International Securities Pty Ltd does not have any interest in the outcome of the proposals. There are no relationships with Rubianna and ZipMoney other than acting as an independent expert for the purposes of this report. Before accepting the engagement Stantons International considered all independence issues and concluded that there were no independence issues in accepting the assignment to prepare the Independent Experts Report. There are no existing relationships between Stantons International Securities Pty Ltd and the parties participating in the transaction detailed in this report which would affect our ability to provide an independent opinion. The fee to be received for the preparation of this report is based on the time spent at normal professional rates plus out of pocket expenses and is estimated at a maximum of \$30,000. The fee is payable regardless of the outcome. With the exception of the fee, neither Stantons International Securities nor John P Van Dieren have received, nor will, or may they receive, any pecuniary or other benefits, whether directly or indirectly, for or in connection with the making of this report.

Stantons International Securities Pty Ltd does not hold any securities in Rubianna and ZipMoney. There are no pecuniary or other interests of Stantons International Securities Pty Ltd that could be reasonably argued as affecting its ability to give an unbiased and independent opinion in relation to the proposal. Stantons International Securities Pty Ltd, Mr J Van Dieren and Martin Michalik have consented to the inclusion of this report in the form and context in which it is included as an annexure to the Notice.

QUALIFICATIONS

We advise Stantons International Securities Pty Ltd is the holder of an Australian Financial Services Licence (No. 448697) under the Corporations Act 2001 relating to advice and reporting on mergers, takeovers and acquisitions that involve securities. The directors of Stantons International Audit and Consulting Pty Ltd are the directors of Stantons International Securities Pty Ltd. Stantons International Securities Pty Ltd has extensive experience in providing advice pertaining to mergers, acquisitions and strategic for both listed and unlisted companies and businesses.

Mr John P Van Dieren, FCA, and Mr Martin Michalik, ACA the persons responsible for the preparation of this report, have extensive experience in the preparation of valuations for companies and in advising corporations on takeovers generally and in particular on the valuation and financial aspects thereof, including the fairness and reasonableness of the consideration offered.

The professionals employed in the research, analysis and evaluation leading to the formulation of opinions contained in this report, have qualifications and experience appropriate to the task they have performed.

DECLARATION

This report has been prepared at the request of the Directors of Rubianna in order to assist them to assess the merits of the proposals as outlined in Resolution 4 to which this report relates. This report has been prepared for the benefit of Rubianna's shareholders and does not provide a general expression of Stantons International Securities opinion as to the longer term value of Rubianna and the ZipMoney Group and their assets, including the value of the ZipMoney business. Stantons International Securities Pty Ltd does not imply, and it should not be construed, that it has carried out any form of audit on the accounting or other records of Rubianna and the ZipMoney Group. Neither the whole nor any part of this report, nor any reference thereto may be included in or with or attached to any document, circular, resolution, letter or statement, without the prior written consent of Stantons International Securities to the form and context in which it appears.

DUE CARE AND DILIGENCE

This report has been prepared by Stantons International Securities Pty Ltd with due care and diligence. The report is to assist shareholders in determining the fairness and reasonableness of the proposals set out in Resolution 4 to the Notice and each individual shareholder may make up their own opinion as to whether to vote for or against Resolution 4.

DECLARATION AND INDEMNITY

Recognising that Stantons International Securities Pty Ltd may rely on information provided by Rubianna and its officers (save whether it would not be reasonable to rely on the information having regard to Stantons International Securities experience and qualifications), Rubianna has agreed:

- (a) To make no claim by it or its officers against Stantons International Securities Pty Ltd (and Stantons International Audit and Consulting Pty Ltd) to recover any loss or damage which Rubianna may suffer as a result of reasonable reliance by Stantons International Securities Pty Ltd on the information provided by Rubianna; and
- (b) To indemnify Stantons International Securities Pty Ltd (and Stantons International Audit and Consulting Pty Ltd) against any claim arising (wholly or in part) from Rubianna or any of its officers providing Stantons International Securities Pty Ltd any false or misleading information or in the failure of Rubianna or its officers in providing material information, except where the claim has arisen as a result of wilful misconduct or negligence by Stantons International Securities Pty Ltd

A draft of this report was presented to Rubianna directors for a review of factual information contained in the report. Comments received relating to factual matters were taken into account, however the valuation methodologies and conclusions did not alter.

**FINANCIAL SERVICES GUIDE
FOR STANTONS INTERNATIONAL SECURITIES PTY LTD
(Trading as Stantons International Securities)
Dated 23 June 2015**

1. Stantons International Securities ABN 42 128 908 289 and Financial Services Licence 448697 (“SIS” or “we” or “us” or “ours” as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

2. **Financial Services Guide**

In the above circumstances we are required to issue to you, as a retail client a Financial Services Guide (“FSG”). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under our Australian Financial Services Licence, Licence No: 448697;
- remuneration that we and/or our staff and any associated receive in connection with the general financial product advice;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

3. **Financial services we are licensed to provide**

We hold an Australian Financial Services Licence which authorises us to provide financial product advice in relation to:

- Securities (such as shares, options and notes)

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

4. **General Financial Product Advice**

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

5. Benefits that we may receive

We charge fees for providing reports. These fees will be agreed with, and paid by, the person who engages us to provide the report. Fees will be agreed on either a fixed fee or time cost basis.

Except for the fees referred to above, neither SIS, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

6. Remuneration or other benefits received by our employees

SIS has no employees and Stantons International Audit and Consulting Pty Ltd charges a fee to SIS. All Stantons International Audit and Consulting Pty Ltd employees receive a salary. Stantons International Audit and Consulting Pty Ltd employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report.

7. Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

8. Associations and relationships

SIS is ultimately a wholly subsidiary of Stantons International Audit and Consulting Pty Ltd a professional advisory and accounting practice. Stantons International Audit and Consulting Pty Ltd trades as Stantons International that provides audit, corporate services, internal audit, probity, management consulting, accounting and IT audits.

From time to time, SIS and Stantons International Audit and Consulting Pty Ltd and/or their related entities may provide professional services, including audit, accounting and financial advisory services, to financial product issuers in the ordinary course of its business.

9. Complaints resolution

9.1 Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to:

The Complaints Officer
Stantons International Securities Pty Ltd
Level 2
1 Walker Avenue
WEST PERTH WA 6005

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaints within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

9.2 Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Financial Ombudsman Service Limited (“FOSL”). FOSL is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOSL are available at the FOSL website www.fos.org.au or by contacting them directly via the details set out below.

Financial Ombudsman Service Limited
PO Box 3
MELBOURNE VIC 8007

Toll Free: 1300 78 08 08
Facsimile: (03) 9613 6399

10. Contact details

You may contact us using the details set out above.

Telephone	08 9481 3188
Fax	08 9321 1204
Email	jvdieren@stantons.com.au

Schedule 10 – Employee Performance Share Plan Terms

(a) Grant of Shares

The Directors, at their discretion, may issue Performance Shares (**Plan Shares**) to Participants (or to a nominee as the Participant directs) at any time, having regard to relevant considerations such as the Participant's past and potential contribution to the Company, and their period of employment with the Company.

(b) Participants

Full-time employees, part-time employees and Directors of the Company, or of a related body corporate, who hold a salaried employment or office in the company or in a related body corporate, are eligible to participate in the Employee Performance Share Plan (**Participants**). However, in the event that Directors of the Company are invited to participate in the Plan, the Company will seek Shareholder approval for that participation in accordance with Listing Rule 10.14.

(c) Issue Price of Plan Shares

Plan Shares may be issued at an Issue Price to be determined by the Board, which may be a nominal or nil Issue Price if so determined by the Board at its discretion.

(d) Maximum Number of Plan Shares

The Company must take reasonable steps to ensure that the number of Plan Shares offered by the Company under the Employee Performance Share Plan when aggregated with:

- (i) the number of Plan Shares issued during the previous 5 years under any employee share plan (or any other employee share plan extended only to Eligible Employees); and
- (ii) the number of Shares that would be issued if each outstanding offer for Shares (including options to acquire unissued Shares) under any employee incentive plan of the Company were to be exercised or accepted,

does not exceed 5% of the total number of issued Shares at the time of an offer of Plan Shares (but disregarding any offer of Shares or option to acquire Shares that can be disregarded in accordance with the ASIC Class Order 14/1000.

(e) Term of Plan Shares

The Plan Shares will be issued on such terms and conditions (including milestones for conversion into fully paid ordinary shares) as determined by the Board from time to time at its discretion and subject to the requirements of the ASX Listing Rules.

(f) Restrictions on transfer of Plan Shares

The Board may impose conditions in an offer of Plan Shares that must be satisfied (unless waived by the Board in its absolute discretion) before the Plan Shares to which the condition applies can be sold, transferred, assigned, charged or otherwise encumbered (**Restriction Conditions**).

Subject to the exceptions identified below, a Participant may not sell, transfer, assign, mortgage, charge or otherwise encumber a Plan Share until any applicable Restriction Conditions are satisfied or waived by the Board in its absolute discretion.

Where any applicable Restriction Conditions in relation to Plan Shares have not been satisfied and:

- (i) the Participant dies;
- (ii) the Eligible Employee to whom the offer was originally made ceases to be employed as a result of:
 - (A) bona fide retirement from the workforce (unless the retirement happens within six (6) months of the date of the issue of the Plan Shares);
 - (B) bona fide redundancy; or
 - (C) total and permanent disability,

the Board may elect to:

- (iii) allow the Participant to retain the Plan Shares;
- (iv) waive any of the Restriction Conditions; and/or
- (v) permit the Participant (or their personal legal representative) to sell, transfer, assign, mortgage, charge or otherwise encumber the Participant's Plan Shares.

(g) Buy back of Plan Shares

Subject to the exemptions identified in subclause (f) above, where a Restriction Condition in relation to Plan Shares is not satisfied by the due date, or becomes incapable of satisfaction in the opinion of the Board, the Company must, unless the Restriction Condition is waived by the Board:

- (i) where the Plan Shares were issued for no cash consideration, subject to the Corporations Act and the ASX Listing Rules, buy back the relevant Plan Shares within 12 months of the date the Restriction Condition was not satisfied (or became incapable of satisfaction) under Part 2J.1 of the Corporations Act at a price equal to \$0.0001 per Share; or
- (ii) where the Shares were issued for cash consideration, subject to the Corporations Act and the ASX Listing Rules, use its best endeavours to buy back the relevant Plan Shares within 12 months of the date the Restriction Condition was not satisfied (or became incapable of satisfaction) under Part 2J.1 of the Corporations Act at a price equal to the cash consideration paid by the Participant for the Plan Shares.

(h) Quotation of Plan Shares

The Plan Shares will not be quoted, however the Company will make applications for official quotation of the ordinary shares issued on conversion of any Plan Shares into fully paid ordinary shares (in accordance with terms and conditions of the Plan Shares, and upon satisfaction of their relevant milestones).

(i) Powers of the Board of Directors

The Employee Performance Share Plan is administered by the Directors of the Company, who have the power to:

- (i) determine appropriate procedures for administration of the Employee Performance Share Plan consistent with its terms;
- (ii) resolve conclusively all questions of fact or interpretation in connection with the Employee Performance Share Plan;
- (iii) delegate the exercise of any of its powers or discretions arising under the Employee Performance Share Plan to any one or more persons for such period and on such conditions as the Board may determine; and
- (iv) suspend or terminate the Employee Performance Share Plan by giving written advice to Eligible Employees.

(j) Change of Control Event:

If a change of control event occurs, which is defined in the rules of the Employee Performance Share Plan and includes a takeover of the Company, the Board may in its absolute discretion determine the manner in which all or a specified number of a Participant's Plan Shares (whether vested or unvested) will be dealt with.

PROXY FORM

The Secretary
Rubianna Resources Limited (ACN 139 546 428)
By Post: PO Box 226, SUBIACO WA 6904

By facsimile: +61 8 9388 8256

Name of
Shareholder:

Address of
Shareholder:

Number of Shares
entitled to vote:

Please mark ☒ to indicate your directions. Further instructions are provided overleaf.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Step 1 – Appoint a Proxy to Vote on Your Behalf

The Chairman of the Meeting
(mark box)

☐

OR if you are **NOT** appointing the Chairman of the meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, and subject to the relevant laws as the proxy sees fit at the General Meeting to be held at Liberty Executive Offices, Level 14, 197 St Georges Terrace Perth WA 6000 on 28 July 2015 commencing at 10:30am (WST) and at any adjournment thereof.

Chair authorised to exercise undirected proxies on remuneration related resolutions: The Chair of the Meeting intends to vote all available proxies in favour of Resolutions 1-14. If the Chair of the Meeting is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolutions 1-14, you will be authorising the Chair to vote in accordance with the Chair's voting intentions on Resolutions 1-14 even if Resolutions 1-14 are connected directly or indirectly with the remuneration of a member of Key Management Personnel.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Step 2 – Instruction as to Voting on Resolution

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

	FOR	AGAINST	ABSTAIN
Resolution 1: Change of Nature and Scale of Activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2: Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3: Create a New Class of Shares (Class A Performance Shares)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4: Acquisition of zipMoney (Issue of Shares and Class A Performance Shares to Vendors)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5: Create a New Class of Shares (Class B Performance Shares)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6: Issue of Shares and Class B Performance Shares to Vendors' Advisor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7: Create a New Class of Shares (Class C Performance Shares)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8: Issue of Class C Performance Shares to Strategic Partners	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9: Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10: Election of Director – Larry Diamond	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11: Election of Director – Peter Gray	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12: Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 13: Approval to convert Loan Note	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 14: Adoption of Employee Performance Share Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Authorised signature/s

This section must be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director and Sole Company
Secretary

Director

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹Insert name and address of Shareholder

²Insert name and address of proxy

*Omit if not applicable

Proxy Notes:

Voting Restrictions applying to Key Management Personnel: If you appoint a member of the Key Management Personnel of the Company or one of their closely related parties as your proxy, that person will not be able to cast your votes on the Resolutions unless you direct them how to vote, or the Chair of the Meeting is your proxy. "Key Management Personnel" is defined in the Explanatory Memorandum and includes each of the Directors of the Company, all those executives named in the Remuneration Report, and any other persons who are the Company's Key Management Personnel at the date of the Meeting.

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate or Appointment of Representative prior admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy, of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicated the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received at PO Box 226 Subiaco, WA 6904 or by facsimile +61 8 9388 8256 not less than 48 hours prior to the time of commencement of the Meeting (WST).