

9 July 2015

Manager of Company Announcements
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By E-Lodgement



Whole New Home Launches Design Studio: North America's First Holographic 3D Retail Experience

- Exclusive agreement with technology innovator, H+ technologies to develop and launch North America's first true holographic 3D retail experience
- 300 sqm flagship Design Studio to be built in prime Vancouver location, by Whole New Home (WNH) designed by Award-winning architect firm, Michael Green Architecture
- Partnership agreement with H+, creates North America's first omni-channel holographic retail user experience
- Strategically positions WNH to become a leading innovative technology platform to the retail home furnishing industry worth over US\$180 billion in North America alone
- Rebrand of WNH will occur as part of the launch of the Design Studio, Dream Room and upgraded platform. Timing anticipated in Q3 2015

Magnolia Resources Limited (ASX: MGB) ("Company") is pleased to provide an update on the Whole New Home business, following its proposed agreement with PDT Technologies Inc. to acquire 100 per cent equity interest in Whole New Home. PDT Technologies Inc. operates under the Whole New Home ("WNH") trading name.

WNH, is North America's emerging and rapidly growing online e-commerce platform and connects a community of home design professionals to end consumers. It's online furniture and homewares platform was soft launched in January 2015 and to date, has over 40,000 home décor products and home designers in over 255 cities around the world, generating approximately 3,700 unique visitors each month.

WNH is focused on offering quality products, a wide product range and a formidable selection of brands that will transform homes. In addition, WNH offers a seamless, world-class customer experience through inspiration, ideas for the home, interior decorating and customer service.

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Exclusive Agreement with H+ Technologies

WNH has entered into an exclusive agreement with H+ Technology (“H+”) to develop and provide holographic technology to WNH for use in the bespoke Design Studio, which will be established in Vancouver, Canada later this year.

The holographic experience developed by H+ and WNH will be a world’s first in the retailing space; for both consumers and designers. Specifically the technology will allow home designers and their clients to view home décor and furnishings offered by WNH as high definition 3D holograms. The holograms can be viewed within the “Dream Room”, which will be part of the Design Studio. The Dream Room technology will also allow clients to upload a panoramic photograph of a room in their home and have this projected over 4 walls, virtually recreating their home environment. 3D renderings of home décor and furniture can then be “placed” within the room to aid the designer and client, to visualize the full effect of their design vision for the room.



Pictorial image of the Dream Room

In addition, clients can interact in a number of different ways with holographic content, which is a unique innovation that will revolutionize the home decor industry and allow customers to make more informed decisions on their home furnishing purchases.

H+ technology has been validated by Ronald McDonald House Charities, through successful development and creation of the ‘Magic Room’ for patients and families in the Ronald McDonald House in Vancouver. This is the first time such technology will be used in the retail sector, providing WNH with a key competitive ‘first mover’ advantage.

Launch of World Class Interior and Home Design Studio and “Dream Room”

WNH will launch a world class creative and innovative ‘Design Studio’ to be located in Coal Harbour in downtown Vancouver, where home designers can connect with clients in a comfortable, interactive environment to collaborate on home projects.

The interior layout of the Design Studio will encompass multiple meeting spaces with design and product visualization aids including high definition flat screens and touch screen tables in addition to the holographic room. The Design Studio offering will be consistent in branding, functionality and customer experience to WNH's other retail channel offerings – and therefore, omni-channel.

The Design Studio will also provide event space for the design community to connect, network and access professional development programs.

Award-winning Vancouver based architect firm, Michael Green Architecture, has been selected to develop the interior layout of this flagship two – storey 300 square metres, Design Studio. This will be WNH's first flagship Design Studio with the intention to rollout additional locations over time.

The roll-out of the WNH Design Studio, is led by Mr Sean Peever, Director of Retail and Client Experience at WNH. With over 10 years experience and expertise in technology and consumer innovation, Mr Peever successfully developed Geek Squad Canada, a Canadian subsidiary of North America's largest electronic goods corporation, Best Buy. During his time at Geek Squad, Sean executed the growth of the business to over 240 Geek Squad locations within Best Buy stores in Canada. Importantly, Sean was instrumental in promoting innovative technologies to improve the customer experience of digital audio video, home theatre set-up and calibration and flat-rate electronic repairs.

Creating a unique omni-channel consumer experience

Driven by consumer demand, retailers are offering omni-channel retailing experiences to their consumer base to strengthen long-term viability of business models. Research from Deloitte suggests that a harmonization and a seamless customer experience across all retail channels (mobile, bricks and mortar, e-tailing) will lift sales traffic by 8.5% [1]. In addition, statistics from the International Council of Shopping Centres (ICSC) demonstrate an increase in spend by 3.5 times more with omni-channel than single-channel shoppers [2]. Diversifying WNH into the bricks and mortar Design Studio offering completes the omni-channel experience for WNH customers and should lead to increased customer engagement and spend.

These statistics and trends around omni-channel retailing are supportive of WNH's vision and strategic objective.

Rebranding of Whole New Home and Launch Date

WNH is in the process of rebranding the business in order to adopt a new business name and trademark, to replace "Whole New Home". The goal is to develop a stronger, more distinctive brand that better communicates WNH's unique technology offering and compelling omni-channel customer experience. Management also believes that a new brand will better represent the broad scope of WNH's business, which has the potential to reach beyond the home into other retail industry segments.

The rebrand will take effect in line with the launch of the Design Studio, integrated Dream Room and upgraded platform in Q3 2015.

Mr Peever, Director of Retail and Client Experience commented:

"The partnership agreement with H+ positions Whole New Home at the forefront of innovation and customer engagement, with the development of a unique, world-class offering to home designers and their clients.

Creating a high quality user experience and being able to test and visualize products in a real-life representation within their personal home space will transform the way consumers can purchase home décor and furniture products."

Michael Green, added:

“Whole New Home reimagines how we will design our homes in the future, with tools to help us visualize space and objects in every colour and shape from around the world, and in human scale. The flagship store’s design will encourage us to imagine the potential of our living spaces with a signature experience that transcends style, period, region and taste. The store will be a comfortable place for all to dream and design.

We are excited to embark with Whole New Home on their flagship store in Vancouver. Not only do we align with their innovative new technologies and tools for design, but we also share the company’s progressive values and commitment to community.

We hope it will be a place to be inspired”.

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ABOUT

Whole New Home

Whole New Home is a North American based e-commerce Software as a Service (SaaS) platform which connects Home Designers directly with home owners and tenants, aiming to create the world’s first true omni-channel retail experience in the home space. The three key business model differentiation versus a bricks and mortar stores and online retailers are 1) Establishment of free ‘Inspiration Boards’ created in partnership with design professionals and the customer; and 2) ‘Design Studios’ where home designers and customers can create a 3D holographic images of each room in their house, with the ability to decorate and walk around the product and interact with it; and 3) social responsibility as a core brand value through supporting the Better Homes For Everyone Foundation and their work in helping people who struggle with homelessness.

The company was founded in 2014, soft launched its integrated e-commerce platform in January 2015 and is on track for full-scale commercialization in US and Canada by 3Q15. Completion of this omni-channel service will take existing product range from 40,000 to 500,000 products in 2016.

<https://www.wholenewhome.com/>

H+ Technology

H+ was founded in 2012 by three technology entrepreneurs, Dhruv Adhia, Vincent Yang, and Yamin Li. H+ creates collaborative, computing environments that allow users to engage 2D information in a 3D form. These holographic experiences utilize gestures, voice and other forms of interaction to navigate through the 3D environments.

<http://www.hplustech.com/>

Michael Green Architecture

A Fellow of the Royal Architectural Institute of Canada, Michael Green, founded MGA to focus on progressive architecture, research, education and innovation. MGA is global with a team of 25 designers and their work is diverse in scale, building types and locations. Michael's and MGA's awards include a 2014 Governor General Award, IIDA Project of the Year, and several AIBC, Lieutenant-Governor, and North American Wood Design Awards. MGA is internationally recognized for their research, leadership and experience in building with advanced wood products and cutting edge technologies. Environment and Social impact is integrated in all architectural products and building decisions.

SOURCES

[1] Source: Deloitte Research. <https://www2.deloitte.com/content/dam/Deloitte/se/Documents/technology/Omni-channel-2015.pdf>

[2] Source: ISCS (International council of shopping centers) <http://www.icsc.org/press/americas-marketplace>