

9 August 2016

ENTITLEMENT OFFER CLEANSING NOTICE
UNDER SECTION 708AA(2) (F) OF THE CORPORATIONS ACT 2001 (CTH) (ACT)

Background

Rewardle Holdings Limited (ACN 168 751 746) (**Rewardle** or **Company**) announced today that it will be undertaking an accelerated non-renounceable Entitlement Offer of approximately 65,694,508 fully paid ordinary shares (**New Shares**) on the basis of 1 New Share for every 2 Shares held to raise \$3.285m with a Record Date of 11 August 2016 (**Offer** or **Entitlement Offer**).

The offer price for the Entitlement Offer will be 5 cents per share.

Under the Entitlement Offer, eligible shareholders will be able to subscribe for one new ordinary share in the Company for every two existing shares held at 7.00pm (AEST) on 11 August 2016 (**Record Date**) at the Offer Price (**Entitlements**).

The Entitlement Offer includes an institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**).

Morgans Corporate Limited will act as the lead manager to the Entitlement Offer (**Lead Manager**). The Institutional Entitlement Offer is partially underwritten by Sequoi Nominees Pty Ltd (ACN 112 801 377) as trustee for the Sequoi Trust (**Underwriter**), being an entity controlled by Brandon Munro (who is a Director of the Company). The Underwriter will subscribe for up to a maximum of 2,000,000 New Shares not taken up under the Institutional Entitlement Offer.

Details of Securities to be issued

Class of Securities	Ordinary Shares
ASX Code of Securities	RXH
Expected date of issue	17 August 2016 for New Shares issued under the Institutional Entitlement Offer 2 September 2016 for New Shares issued under the Retail Entitlement Offer
Total Number of New Shares to be Issued (assuming full subscription)	65,694,508

Information required under section 708AA(2)(f) of the Act

For the purpose of section 708AA(7) of the Act, the Company advises:

- (a) The Company will offer the New Shares for issue without disclosure to investors under Part 6D.2 of the Act as notionally modified by CO 08/35.
- (b) The Company is providing this notice under section 708AA(2)(f) of the Act as notionally modified by CO 08/35.
- (c) As at the date of this notice, the Company has complied with:
 - (i) The provisions of Chapter 2M of the Act as they apply to the Company, and
 - (ii) Section 674 of the Act.
- (d) As at the date of this notice, there is no information:
 - (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules, and
 - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - A. The assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - B. The rights and liabilities attaching to the New Shares.
- (e) Information regarding the potential effect of the issue of New Shares pursuant to the Entitlement Offer on the control of the Company, and the consequences of that effect, is set out below.

The issue of New Shares will be dilutive to shareholders who do not take up their Entitlements under the Offer. The potential effect which the Offer will have on the control of the Company depends on several factors including the demand amongst Eligible Shareholders and the size of the Shortfall.

The potential effect of the Offer on the control of the Company is as follows (assuming that no Options are exercised prior to the Record Date):

- (i) If all eligible shareholders take up their Entitlements under the Offer, then the Offer will have no effect on the control of the Company.
- (ii) If some eligible shareholders do not take up all of their Entitlements under the Offer, then their percentage shareholding and voting power in the Company will be diluted.

In addition other eligible shareholders may be successful in applying for New Shares under the Offer which will be dilutive to eligible shareholders who do not take up all of their Entitlement.
- (iii) The percentage shareholding and voting power of ineligible shareholders will also be diluted by New Shares issued under the Offer, as a result of ineligible shareholders not being able to participate in the Offer and the relevant shares forming part of the shortfall to be dealt with at the discretion of the directors.

The effect the Entitlement Offer will have on change of control of the Company is in paragraph (e) above and the table below and is attributable to eligible shareholders successfully applying for New Shares under the Retail Entitlement Offer.

The Directors and their associates have expressed an intention to participate in the Offer to the extent set out in the table below.

Director	Shareholding on Record Date	% Holding	Entitlement	Intention to participate (1)	Shareholding upon allotment of New Shares	% Holding Post Entitlement Offer(4)
Ruwan Weerasooriya	87,500,000	66.6. %	43,750,000	20,000,000(2)	107,500,000	54.55%
Jack Matthews	266,667	0.20%	133,334	133,334	400,001	0.20%
Brandon Munro	783,333	0.60%	391,667	2,391,667(3)	3,175,000	1.61%

Notes:

- (1) The Directors' intentions are indicative as at the date of Rewardle's announcement of the Entitlement Offer and subject to change without notice.
- (2) Subscribed for pursuant to the Institutional Entitlement Offer.
- (3) Includes interest in 2,000,000 New Shares subscribed for by the Underwriter (Sequoi Nominees Pty Ltd as trustee for the Sequoi Trust (ACN 112 801 377) – a company in which Brandon Munro is a director and shareholder) arising from the partial underwriting of the Shortfall Shares under the Institutional Entitlement Offer and Mr Munro taking up 100% of his Entitlement (391,667 New Shares).
- (4) Assumes that the Entitlement Offer is fully subscribed and no Options are exercised before the Record Date.

The issued share capital of the Company is as follows:

	Number of Shares
Balance at the date of this Notice	131,389,015
Maximum number of New Shares to be issued under the Offer	65,694,508
Balance after the Offer	197,083,523

These numbers assume that no Options are exercised and there is full subscription of the Entitlement Offer. The number of New Shares issued under the Offer may have to be increased if existing Option Holders exercise their options and are registered shareholders by the Record Date.

If you have any queries in relation to the Offer please contact Ian Hobson, Company Secretary on +61 8 9388 8920. Investors can view all of the Company's announcements in relation to the Offer, including the Offer Document, on the Company's website at www.rewardleholdings.com and at www.asx.com.au under the Company's ASX code RXH.