



14 April 2016

Dear Security holder

NON-RENOUNCEABLE ENTITLEMENT OFFER

We write to you as a holder of Rubik Financial Limited (ACN 071 707 232) (**Company or Rubik**) fully paid ordinary shares (**Shares**) as at today's date with a registered address outside of Australia and New Zealand (**Excluded Foreign Holders**).

On 13 April 2016, the Company announced that it would be conducting a non-renounceable entitlement offer of approximately 52,948,384 Shares on the basis of 1 Share for every 7 Shares held at 7:00pm (AEST) on 18 April 2016 (**Record Date**) at an issue price of A\$0.10 per Share to raise approximately \$5,294,838 (before issue costs) (**Entitlement Offer**).

The funds raised under the Entitlement Offer will provide the Company with the necessary funds to:

- a) accelerate the Company's key banking and wealth innovation pipeline, including investment in:
 - its joint development project with Temenos to create a best in class digital banking experience for the Australian market and expand the associated market opportunities for Rubik; and
 - development of enhanced Provisio product functionality to maintain Rubik's position as the leading provider of scaled/robo advice in the Australian market and grow recurring wealth revenues;
- b) repay outstanding short term debt to Viburnum Funds Pty Ltd ATF VF Strategic Equities Fund (**Viburnum Fund**);
- c) general working capital and administrative expenses; and
- d) expenses of the Offer.

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The Entitlement Offer is fully underwritten by Viburnum Funds Pty Ltd (AFSL No. 319640) (**Viburnum**). Viburnum is the manager of Viburnum Funds Pty Ltd ATF VF Strategic Equities Fund, the Company's largest shareholder (19.01%). Viburnum has advised the Company that it has procured commitments for up to \$1M of any shortfall from sub-underwriters, namely LHC Capital Partners Pty Ltd and Regal Funds Management Pty Ltd. The Company will pay Viburnum an underwriting fee of \$101,182. Details of the underwriting arrangements are set out in more detail in an offer document dated 13 April 2016 (**Offer Document**). In addition, the following shareholders have confirmed their intention to take up the following New Shares:

Name	Nature of commitment	Number of new Shares committed
Viburnum Fund	Entitlement	10,066,414
LHC Capital ¹	Entitlement	7,157,286
Regal Funds ²	Entitlement	6,794,470
Mr Iain Dunstan ³	Entitlement	1,582,473
Mr Iain Dunstan ³	Additional new Shares	2,000,000
Mr Craig Coleman ⁴	Entitlement	1,242,858
Mr Andrew Moffat ⁵	Entitlement	1,151,237
Mr John Wilson ⁶	Entitlement	235,451
Mr Darius Coveney ⁷	Entitlement	947,858
Total Commitments		31,178,047

Notes:

- ¹ LHC Capital is a substantial shareholder of Rubik. LHC Capital has agreed to take up its full Entitlement under the Offer and agreed to sub-underwrite the Offer up to \$500,000 of any Shortfall. LHC Capital and Regal Funds will sub-underwrite the Offer between them on a pro-rata basis up to the dollar limit of their sub-underwriting commitments.
- ² Regal Funds is a substantial shareholder of Rubik. Regal Funds has agreed to take up its full Entitlement under the Offer and agreed to sub-underwrite the Offer up to \$500,000 of any Shortfall. LHC Capital and Regal Funds will sub-underwrite the Offer between them on a pro-rata basis up to the dollar limit of their sub-underwriting commitments.
- ³ Mr Dunstan is the CEO of Rubik and may hold these shares personally or via a related entity. Mr Dunstan's commitment is to subscribe for up to 2 million additional new Shares and will be subject to the allocation policy set out in the Offer Document. The table above is prepared on the basis that Mr Dunstan subscribes for and is issued 2 million Additional New Shares, which may or may not be the case.
- ⁴ Mr Coleman is the Non-Executive Chairman of Rubik and may hold these shares via a related entity.
- ⁵ Mr Moffat is a Non-Executive Director of Rubik and may hold these shares via a related entity.
- ⁶ Mr Wilson is a Non-Executive Director of Rubik and may hold these shares via a related entity.
- ⁷ Mr Coveney is the CFO of Rubik and may hold these shares via a related entity.

The Entitlement Offer is being conducted without a prospectus, pursuant to the Offer Document in accordance with section 708AA of the *Corporations Act 2001* (Cth) (as modified by the Australian Securities and Investments Commission (**ASIC**) Corporations (Non-Traditional Rights Issues) Instrument 2016/84). A copy of the Offer Document is available on the Company's website at www.rubik.com.au or on the ASX website (company announcements section, ASX code: RFL) at www.asx.com.au.

The Entitlement Offer will be made to all registered shareholders on the Record Date and who reside in Australia and New Zealand.

The Company has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules, that it is unreasonable to extend the Entitlement Offer to those shareholders that are Excluded Foreign Holders. Accordingly, in compliance with ASX Listing Rule 7.7.7(b), the Company wishes to advise you that it will not be extending the Entitlement Offer to you.

The Company has appointed (and ASIC has approved) Euroz Securities Limited (**Nominee**) as nominee for foreign holders of the Company's securities in those countries outside of Australia and New Zealand to arrange the sale of the entitlements which would have been offered to the Excluded Foreign Holders.

The Nominee will arrange for the sale of the Shares that represent the full Entitlements of the Excluded Foreign Holders. The Nominee will account to the Company's share registry who will then dispatch the net proceeds (if any) (that is, sale proceeds after deducting fees and GST) pro rata to each individual Excluded Foreign Holder). The Nominee will have the absolute and sole discretion to determine the timing and the price at which the Entitlements may be sold and the manner of any such sale.

Thank you for your ongoing support of the Company, if you have any questions in relation to the above, please do not hesitate to contact the Company's share registry, Computershare Registry Services Pty Ltd, on 1300 557 010 (within Australia) or +61 3 9415 4000 (outside Australia).

Yours faithfully



Darius Coveney
Company Secretary

Rubik Financial Limited