

ASX/MEDIA RELEASE

Sydney, 1 July 2016

DIRECTMONEY ANNOUNCES 1 for 2 NON RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE

DirectMoney Limited (ASX: DM1) (**DirectMoney** or the **Company**) operates a marketplace lending business writing prime unsecured personal loans for 3 and 5 year maturities to Australian consumers then on-selling these loans to either the DirectMoney Personal Loan Fund (ARSN 602 325 608) or to institutional and wholesale investors.

The Company is pleased to announce that it is offering Eligible Shareholders the opportunity to participate in a pro-rata non-renounceable offer of one (1) New Share for every two (2) existing Shares held at an issue price of \$0.042 (4.2c) per New Share to raise up to approximately \$5,706,706 (before costs and fees) (**Offer**).

The Offer is fully underwritten by Bell Potter Securities Limited (**Underwriter**). The Offer is fully sub-underwritten by Adcock Private Equity Pty Ltd, a major shareholder of the Company.

Details of the underwriting agreements and the potential impact on the control of the Company under the Offer (and the underwriting and sub-underwriting arrangements) are provided in the Offer Document which will be dispatched to Shareholders in accordance with the timetable below.

The Offer will be made to Eligible Shareholders, being those shareholders with a registered address in Australia, New Zealand and the United Kingdom on the Record Date.

Eligible Shareholders will also be entitled to apply for New Shares in excess of their Entitlement.

Use of Funds

The Company intends to apply the funds to support key business objectives and growth projects. Specifically, it is anticipated that the proceeds of the Offer will be applied in the following manner:

Proposed Use of Funds	
Marketing of the DirectMoney Personal Loan Fund for next 12 months	\$300,000
Additional lending to approved loan applicants	\$2,000,000
Available capital to use as collateral for proposed future loan sale transactions to major Australian financial institutions	\$1,000,000
Costs of BDM and Broker support and broker channel marketing for next 12 months	\$250,000
General working capital	\$1,767,706
Costs of the Offer	\$400,000
Total	\$5,707,706

Full details of the Offer are contained in the Offer Document, to be lodged on the ASX and mailed to Eligible Shareholders in accordance with the timetable below.

Offer Indicative Timetable*

Event	Date
Lodgement of Announcement, Offer Document, Investor Presentation, Cleansing Notice and Appendix 3B	1 July 2016
Notification of Offer dispatched to Shareholders	4 July 2016
Ex-date - date from which Shares commence trading without Entitlement	5 July 2016
Record Date for determining Entitlements of Eligible Shareholders to participate in the Offer	7.00pm (Sydney time) on 6 July 2016
Dispatch of Offer Document and personalised Acceptance Forms to Eligible Shareholders and announcement of completion of dispatch	11 July 2016
Offer Opening Date	11 July 2016
Offer Closing Date	5.00pm (Sydney time) on 22 July 2016
New Shares quoted on ASX on a deferred settlement basis	25 July 2016
Shortfall Notification Date	27 July 2016
Issue Date (excluding Shortfall)	29 July 2016
Shortfall Subscription Date	By no later than 15 Business Days after the Offer Closing Date

*timetable is indicative only and subject to change.

-ENDS-

For further information please contact:
 Peter Beaumont
 Chief Executive Officer, DirectMoney Limited
 +612 9252 2888
pbeaumont@directmoney.com.au

About DirectMoney Limited

DirectMoney is a pioneer in the rapidly growing Australian marketplace lending industry. DirectMoney connects borrowers and investors by leveraging technology and partnerships. We offer competitive interest rates and terms on personal loans for borrowers and provide innovative structures for retail and institutional investors to invest in these loans. We strive to deliver Australians better financial choice and improved investment outcomes.