

ASX/MEDIA RELEASE

13 February 2018

Alceon makes strategic investment in DirectMoney to support growth and innovation initiatives

DirectMoney Limited (ASX: DM1) (the “Company”), today announced that Alceon, an alternative investment manager with more than \$1 billion of assets under management, will take a strategic stake in the Company to fund growth and innovation initiatives.

The investment will be structured through an initial placement of \$600,000 at \$0.042 per share (being 14,285,715 new shares), a 56% premium to the price at close of trading on 9 February 2018 and equivalent to a 3.1% shareholding. Alceon will also be granted an equal number of call options enabling them to increase their investment in the company by approximately \$1.14 million at \$0.08 per share, a 196% premium to the price at close of trading on 9 February 2018. Other terms and conditions of the options are annexed to today’s announcement (**Appendix One**).

Today’s placement will fall within the Company’s LR 7.1 issue capacity.

Anthony Nantes, Chief Executive Officer, DirectMoney said “The investment will be used to fund a range of innovation initiatives to grow the Company’s personal loan business. This is also consistent with the Company recently announcing a proposed name change to Wisr Limited (ASX: WZR), awaiting approval at the upcoming EGM”.

“As a strategic investor with deep knowledge of the sector, this investment both validates and endorses the Company’s achievements to date along with our strategic vision, which sees us fast becoming the wiser choice in personal loans for all Australians. As we enter a period of strong growth, having support and guidance from a strategic investor like Alceon will be invaluable for the Company”, Mr Nantes said.

Daniel Chersky, Executive Director, Alceon said “Alceon is pleased to be partnering with DirectMoney. We believe they have the team and technology platform to be a major participant in Australia’s large and fast-evolving consumer finance sector and look forward to using Alceon’s experience in credit and fintech investing to add value to the company as it embarks on its next phase of growth”.

-ENDS-

For further information please contact:

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About DirectMoney Limited

DirectMoney is Australia’s only ASX listed P2P/Marketplace lender and a fintech pioneer in the rapidly growing Australian marketplace lending industry. DirectMoney connects borrowers and investors through its proprietary technology platform, providing innovation into the \$100 billion per annum consumer finance sector. We strive to deliver Australians wiser financial choice and investment outcomes.

Appendix One – Terms and Conditions of Options

1. Definitions

In these terms:

Exercise Period means the period beginning on issue of the Option and ending at the Expiry Time.

Expiry Time means 5.00pm on the second anniversary of the date on which the Option was issued.

Share means an ordinary share in the Company.

2. Options

- (a) Each Option entitles the holder to subscribe for one fully paid Share at the Exercise Price in accordance with these terms.
- (b) The Options will not be quoted on ASX.
- (c) Options may not be transferred unless the Board of the Company provides its prior approval, which approval may be withheld in the Board's absolute discretion.
- (d) An Option expires at the Expiry Time.

3. Exercise

- (a) A holder may only exercise an Option it then holds during the Exercise Period for the Option.
- (b) A holder must exercise no fewer than 2,500,000 Options at a time, unless the Board of the Company provides its prior approval, which approval may be withheld in the Board's absolute discretion.
- (c) The holder may only exercise an Option during the Exercise Period by delivery to the Company of:
 - (i) a notice addressed to the Company and signed by the holder stating the holder exercises the Options and specifying the number of Options exercised;
 - (ii) payment to the Company of the Exercise Price for each Option exercised; and
 - (iii) if the Company has issued a certificate for the Options, the certificate for the Options or if the certificate for the Options has been lost, mutilated or destroyed, a declaration to that effect, accompanied by an indemnity in favour of the Company against any loss, costs or expenses which might be incurred by the Company as a consequence of it relying on the declaration that the certificate has been lost, mutilated or destroyed.
- (d) An exercise of an Option takes effect on receipt by the Company.

4. Issue of Shares

- (a) The Company must issue to the holder the Shares to be issued on exercise of an Option free from all encumbrances within 15 Business.
- (b) Days of the date on which the notice of exercise took effect (Shares Issue Date).
- (c) All Shares issued pursuant to the exercise of Options will, subject to the constitution of the Company, rank in all respects (including rights to dividends) equally with the existing Shares at the date of issue.
- (d) A Share issued pursuant to the exercise of an Option is only entitled to receive a dividend where that Option is exercised and the Share is issued on or before the record date for that dividend.
- (e) The Company must promptly apply for quotation of Shares issued on exercise of an Option.
- (f) The holder may only participate in new issues of Shares by reason of an Option if the holder exercises that Option and becomes the holder of Shares on or prior to the record date for the new issue of Shares.

5. Reorganisation

If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, the rights of holders in respect of any unexercised Options will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation. In all other respects, the terms of the Options are to remain unchanged.

6. Governing law

These terms are governed by and must be construed according to the law applying in New South Wales.