



**Authorised
Investment Fund Ltd.**

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T: +61 3 9600 3242
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**ASX ANNOUNCEMENT
14 August 2018**

Authorised Investment Fund Ltd (**Company**) would like to inform the market of the following:

- A. Lodgement of a Supplementary Prospectus;
- B. Revised timetable for the Rights Issue; and
- C. Correction of typographical error in previous announcement.

More details are provided below:

A. Supplementary Prospectus

Subsequent to the Company's latest announcement dated 10 August 2018, the Company has today lodged a Supplementary Prospectus with ASIC for the current Rights Issue.

The Supplementary Prospectus is **attached** to this announcement.

The Company will send a copy of the Supplementary Prospectus to all applicants who have subscribed for shares and attaching options under the Prospectus issued by the Company on the terms and conditions as set out in the Prospectus dated 5 June 2018. The Supplementary Prospectus should be read together with the Prospectus.

B. Revised Timetable

The Board has resolved to extend the Closing Date for the acceptances of applications to **5:00pm (AEST) on 14 September 2018** in order to allow eligible shareholders additional time to consider participation in the offer in light of the Supplementary Prospectus.

The revised timetable for the Rights Issue is as follows:

Closing Date	14 September 2018
Securities quoted on a deferred settlement basis	17 September 2018
ASX notified of under subscriptions	19 September 2018
Issue date	21 September 2018

**The above timetable is indicative only and subject to change. Subject to the ASX Listing Rules, the directors of the Company reserve the right to vary these dates, including the Closing Date, without notice. The directors may extend the period of the Rights Issue or bring forward the Closing Date at their discretion.*



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C. Typographical error in announcement dated 10 August 2018

The Company notes that there was an inadvertent typographical error in its announcement of 10 August 2018 titled "Update on Box Digital Media Pty Ltd", with respect to the disclosed date of the Claim initiated in the District Court of Western Australia.

The correct date that the Claim was initiated in the District Court of Western Australia was on or around 7 March **2018 (as opposed to the incorrectly stated 2017)**. The Company apologises for any inconvenience caused.

Should you have any queries in relation to any part of this announcement, please do not hesitate to contact the Company on (03) 9600 3242.

For and on behalf of the Board

David Craig

Director

Authorised Investment Fund Limited

ACN 068 793 322

SUPPLEMENTARY PROSPECTUS

Important Information

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read together with the Rights Issue prospectus dated 5 June 2018 (**Prospectus**) issued by Authorised Investment Fund Limited ACN 068 793 322 (**Company**).

This Supplementary Prospectus is dated 14 August 2018 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. ASIC and its officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus and may be accessed on the ASX Markets Announcements Platform under the ticker code AIY. The Company will send a copy of this Supplementary Prospectus to all applicants who have subscribed for shares and attaching options under the Prospectus issued by the Company on the terms and conditions as set out in the Prospectus.

This is an important document and should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

Purpose

The purpose of this Supplementary Prospectus is to advise Eligible Shareholders of a new circumstance that the Company is now aware regarding its investment in Box Digital Media Pty Ltd (**BDM**), which presents a new risk the Company considers Eligible Shareholders should be made aware of. The new circumstance is described below:

- (a) Since the Prospectus was lodged, the Company has been made aware of a dispute concerning BDM and a third party named Troy Barbagallo (**Barbagallo**).
- (b) Under a sale agreement in 2015, BDM acquired the Watch Magazine and the Box Magazine businesses from Barbagallo's related entities (**Sale Agreement**). The Sale Agreement provided a right for the vendors to reclaim all business assets under the agreement if the purchase price conditions were not satisfied. Such rights to reclaim assets extended to any 'improvements' on the assets.
- (c) Barbagallo's related entities initiated a claim on or around 7 March 2018 in the District Court of Western Australia against certain natural persons who were

parties to the Sale Agreement, including BDM's director John Iliopoulos, to claim outstanding payments of the purchase price under the Sale Agreement (**Claim**). This claim was for monetary sums only and not in respect to any intellectual property. The Claim was announced on ASX by the Company on 5 July 2018. Eligible Shareholders should note that the Claim was not against BDM or in respect to any of BDM's intellectual property.

- (d) Although the Claim was not against BDM or any of its intellectual property, the Company is aware that Barbagallo has now made demands to reclaim all the intellectual property BDM acquired under the Sale Agreement. Barbagallo's demand extends to the intellectual property of E-Mersion based on his allegation to the effect that the E-Mersion digital platform is an improvement to the magazine business sold by his related entities to BDM under the Sale Agreement. Nonetheless, the Company is not aware of any actual proceedings brought by Barbagallo or his related entities to claim rights over any of BDM's intellectual property (E-Mersion or otherwise).
- (e) BDM has repeatedly disputed that Barbagallo has any valid claim to E-Mersion. In this regard, the Company has no reason to believe that the E-Mersion intellectual property is an improvement upon the Box Magazine and Watch Magazine (and thus reclaimable under the Sale Agreement). However, the Company is also not aware of any third party or independent determinations on whether the E-Mersion platform can be considered an 'improvement' on the intellectual property of Box Magazine or Watch Magazine.
- (f) Even though the Company is not aware of any proceedings or actions against BDM to claim the E-Mersion technology, the Company considers that Eligible Shareholders should be made aware of this new information. Had the Company been aware of:
 - the monetary Claim for alleged non-satisfaction of the Sale Agreement;
 - the existence of a right to reclaim all assets BDM acquired under the Sale Agreement including any improvements on those assets; and
 - Barbagallo's allegations that the E-Mersion platform is an improvement on the Box Magazine and Watch Magazine;

the Company would have disclosed these circumstances as a risk in the "Risk" section (Section 6) of the Prospectus.

- (g) Given the above, the Company considers that the prudent approach is to give all Eligible Shareholders that have applied for shares and attaching options under the Prospectus the right to, within one (1) month of the date of this Supplementary Prospectus, withdraw their application and be repaid, pursuant to section 724(2) of the *Corporations Act 2001* (Cth).
- (h) Finally, the Company is also extending the closing date of the Rights Issue to allow Eligible Shareholders to consider their application in light of the new risk disclosed in this Supplementary Prospectus.

Withdrawal rights

If you have applied under the Prospectus to be issued shares and attaching options pursuant to the Rights Issue, and want to exercise your right to withdraw your application and be repaid your application monies, you must provide the Company written notice, to the address set out below, of your wish to do so **no later than 5:00pm (AEST) on 14 September 2018**.

**Authorised Investment Fund Limited
c/o Computershare Investor Services Pty Limited
GPO BOX 505
Melbourne Victoria 3001
Australia**

The details for the payment of the refund cheque and address to which it should be sent as set out in your written request must correspond to the details contained in the Application Form lodged by you.

Any repayments made by the Company pursuant to the withdrawal rights will be made in full without interest.

If you do not wish to withdraw your application, you do not need to take any action.

New Applications

New applications for Shares and attaching options on and from the date of this Supplementary Prospectus **must** be made using the Supplementary Application Form attached to or accompanying this Supplementary Prospectus. The Supplementary Application Form contains detailed instructions on how it is to be completed.

Applications made on the Application Form attached to or accompanying the Prospectus on or after the date of this Supplementary Prospectus will not be valid.

Updated indicative timetable of the Rights Issue offer

Section 4.5 of the Prospectus is replaced by the following:

Event	Date (2018)
Lodgement of Prospectus with ASIC	Tuesday 5 June
Announcement of Offer and release of Appendix 3B to ASX	After close of trading on Tuesday 5 June
Release of Prospectus to ASX	After close of trading on Tuesday 5 June
Notice sent to existing security holders	Thursday 7 June
"Ex" date (date from which securities commence trading without the entitlement to participate in the Offer)	Friday 8 June
Record Date 7.00 pm (AEST)	Tuesday 12 June

(date for determining entitlements of Eligible Shareholders to participate in the Offer)

Prospectus dispatched to Eligible Shareholders and Opening Date Friday 15 June

Supplementary Prospectus lodged with ASIC 14 August 2018

Closing date* 5.00 pm (AEST) 14 September 2018
(last date for lodging applications and making payments)

Securities quoted on a deferred settlement basis 17 September 2018

ASX notified of under-subscriptions (if any) 19 September 2018

Issue of New Shares and Primary Options and entry of New Shares and Primary Options into Shareholders' holdings 21 September 2018

End of trading of New Shares and Primary Options on a deferred settlement basis

Mailing of Issuer and CHESS holding statements

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Authorisation

This Supplementary Prospectus is issued by Authorised Investment Fund Limited. In accordance with section 720 of the *Corporations Act 2001* (Cth), each director has consented to the lodgement of this Supplementary Prospectus with ASIC and has not withdrawn that consent prior to lodgement.

Dated 14 August 2018



Ben Genser
Chairman