

## **ASX ANNOUNCEMENT**

4 September 2015

### **PERFORMANCE RIGHTS ISSUE**

DirectMoney Limited (**DirectMoney**) (ASX:DM1) announces the issue today of 11,675,000 performance rights to certain senior managers of DirectMoney, in reliance on the disclosure relief provided by section 708(12)(a) of the *Corporations Act 2001* (Cth).

The performance rights are issued under DirectMoney's Performance Rights Plan (**Plan**), which was approved by the Board on 26 May 2015 and by shareholders at the annual general meeting held on 19 June 2015. The Plan was released to the market on 10 July 2015.

Details of the performance rights granted today are set out in the annexure to the attached Appendix 3B. Please note that the performance rights issued today include the performance rights to be issued to Mr Peter Beaumont as CEO as referred to in our announcement on 31 August 2015.

- ENDS -

For further information, please contact Ms. Leanne Ralph, Company Secretary on +61 (0)2 8263 0515.

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

DirectMoney Limited

ABN

80 004 661 205

We (the entity) give ASX the following information.

### Part 1 All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |                                |
|---|---|--------------------------------|
| 1 | +Class of +securities issued or to be issued  | Performance Rights.            |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 11,675,000 Performance Rights. |

<p>3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p>	<p>Performance Rights granted under the DirectMoney Limited Performance Rights Plan (“<b>Plan</b>”) to various senior managers of DirectMoney Limited (“<b>Company</b>”) in reliance on the disclosure relief provided by section 708(12)(a) of the Corporations Act 2001 (Cth).</p> <p>Each Performance Right entitles the holder to one fully paid ordinary share for nil consideration, subject to the satisfaction of applicable Performance Conditions and compliance with the rules of the Plan.</p> <p>Further details of the principal terms of the Performance Rights granted, including their specific Performance Conditions and expiry date are set out in the Annexure to this announcement.</p>
<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>No. Performance Rights are not quoted securities and do not rank equally with ordinary shares or any other class of quoted securities. Performance Rights do not confer a right to vote, a right to receive dividends or any other rights of a shareholder. Further, Performance Rights do not confer a right to participate in new issues of securities, including by way of bonus issue, rights issue or otherwise.</p> <p>Any ordinary share issued or transferred to the holder upon vesting of a Performance Right will rank equally with other ordinary shares from the date of allotment.</p>
<p>5 Issue price or consideration</p>	<p>The Performance Rights were granted for nil consideration.</p> <p>Further, no consideration is payable by the holder of Performance Rights for the issue or transfer of ordinary shares upon the vesting of any of the Performance Rights.</p>

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+ See chapter 19 for defined terms.

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Performance Rights were granted under the Plan as part of the Company's strategy to reward, retain and motivate its key employees and directors in support of its long term business objectives and goals.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?  If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i> , and comply with section 6i	No.
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of +securities issued under an exception in rule 7.2	N/A
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A



6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A						
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	Performance Rights were granted on 4 September 2015.						
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>113,951,658</td><td>Fully paid ordinary shares</td></tr></table>	Number	+Class	113,951,658	Fully paid ordinary shares		
Number	+Class							
113,951,658	Fully paid ordinary shares							
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>24,000,000</td><td>Performance Rights issued with effect from 19 June 2015 under the Plan following shareholder approval at the Company's annual general meeting held on 19 June 2015.</td></tr><tr><td>11,675,000</td><td>Performance Rights issued on 4 September 2015 under the Plan as described in this announcement and in the Annexure to this announcement.</td></tr></table>	Number	+Class	24,000,000	Performance Rights issued with effect from 19 June 2015 under the Plan following shareholder approval at the Company's annual general meeting held on 19 June 2015.	11,675,000	Performance Rights issued on 4 September 2015 under the Plan as described in this announcement and in the Annexure to this announcement.
Number	+Class							
24,000,000	Performance Rights issued with effect from 19 June 2015 under the Plan following shareholder approval at the Company's annual general meeting held on 19 June 2015.							
11,675,000	Performance Rights issued on 4 September 2015 under the Plan as described in this announcement and in the Annexure to this announcement.							
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Performance Rights do not confer a right to receive dividends.						

## Part 2 Pro rata issue

11	Is security holder approval required?	N/A
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+ See chapter 19 for defined terms.

12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A

26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Issue date	N/A

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+ See chapter 19 for defined terms.

## Part 3 Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of +securities  
(tick one)

(a) ☐ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities



## Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A							
39	+Class of +securities for which quotation is sought	N/A							
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	N/A							
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>	N/A							
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>N/A</td> <td>N/A</td> </tr> </tbody> </table>	Number	+Class	N/A	N/A	<table border="1"> <thead> <tr> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>N/A</td> </tr> </tbody> </table>	+Class	N/A
Number	+Class								
N/A	N/A								
+Class									
N/A									

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+ See chapter 19 for defined terms.

## Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:

.....  
(Director/Company secretary)

Date: 04/09/2015

Print name:

May Ho  
.....

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+ See chapter 19 for defined terms.

# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	
<b>Add</b> the following: <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <b>Note:</b> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	
<b>“A”</b>	

+ See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of "A"</b>	
<b>"B"</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply "A" by 0.15</b>	
<b>Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
<b>"C"</b>	
<b>Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1</b>	
<p><b>"A" x 0.15</b></p> <p><i>Note: number must be same as shown in Step 2</i></p>	
<p><b>Subtract "C"</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	
<b>Total ["A" x 0.15] – "C"</b>	<i>[Note: this is the remaining placement capacity under rule 7.1]</i>

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+ See chapter 19 for defined terms.



## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b> <i>Note: number must be same as shown in Step 1 of Part 1</i>	
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10 <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <b>Notes:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
<b>“E”</b>	

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+ See chapter 19 for defined terms.



<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	
<b>Subtract “E”</b> <i>Note: number must be same as shown in Step 3</i>	
<b>Total</b> [“A” x 0.10] – “E”	<i>Note: this is the remaining placement capacity under rule 7.1A</i>

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+ See chapter 19 for defined terms.

## Annexure to Appendix 3B – New issue announcement

DirectMoney Limited ABN 80 004 661 205

### Principal terms of the Performance Rights

	No. of Performance Rights granted to each holder	Date of Grant	Expiry Date
1	3,500,000	4 September 2015	3 years from the date of grant.
2	2,800,000		
3	1,500,000		
4	1,250,000		
5	1,000,000		
6	875,000		
7	750,000		
	<b>11,675,000</b>		

### Performance Conditions

The Performance Rights granted to each holder will vest in tranches if, following the date of grant, the volume weighted average price (“**VWAP**”) of the Company’s ordinary shares is at least the price specified in the table below, for a period of 10 consecutive trading days, and the holder remains an employee of the Company for at least the period specified:

<b>VWAP</b>	<b>25 cents</b>	<b>35 cents</b>	<b>50 cents</b>
<b>Number of Performance Rights that will vest</b>	20% of the number granted	40% of the number granted	40% of the number granted
<b>Minimum period to remain an employee after the date of grant</b>	None	12 months from the date of grant*	24 months from the date of grant*

\*In relation to the Company’s announcement on 31 August 2015 relating to the Performance Rights to be issued to Peter Beaumont (which are included in the first table above) the Company notes that the Performance Conditions in respect of those Performance Rights will be effective from the date of grant (being 4 September 2015) rather than the Company’s re-admission to the official list of ASX, as previously stated.

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+ See chapter 19 for defined terms.

The Performance Rights will lapse if the above conditions are not met within 3 years of the date of grant.

Upon the vesting of the relevant tranche or tranches of Performance Rights, the equivalent number of fully paid ordinary shares will automatically be issued to the holder, subject to the rules of the DirectMoney Limited Performance Rights Plan ("**Plan Rules**").

The Plan Rules were approved by the Board on 26 May 2015 and by shareholders at the annual general meeting held on 19 June 2015. The Plan Rules were released to the market on 10 July 2015.

### **Example Vesting Scenarios**

The following example vesting scenarios relate to holder 1 in the table above with 3,500,000 Performance Rights ("**Holder 1**"):

- **Scenario 1:** If at any time following the date of grant (and prior to the expiry date), the VWAP is at 26 cents for 10 consecutive trading days, 700,000 Performance Rights (being 20% of the number granted) will vest after the 10th trading day and Holder 1 will automatically be issued 700,000 ordinary shares, subject to the Plan Rules.
- **Scenario 2:** If, following the vesting of Performance Rights under Scenario 1, the VWAP increases to 36 cents and remains at this level for 10 consecutive trading days, a further 1,400,000 Performance Rights (being 40% of the number granted) will vest on the date that is 12 months from the date of grant, but only if Holder 1 is still an employee by that date.
- **Scenario 3:** If at any time following the date of grant (and prior to the expiry date), the VWAP is at 51 cents for 10 consecutive trading days, 700,000 Performance Rights will vest immediately after the 10th trading day, a further 1,400,000 Performance Rights will vest on the date that is 12 months from the date of grant, but only if Holder 1 is still an employee by that date, and a further 1,400,000 Performance Rights will vest on the date that is 24 months from the date of grant, but only if Holder 1 is still an employee by that date.

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+ See chapter 19 for defined terms.