



**DIRECTMONEY LIMITED**  
**ACN 004 661 205**

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting (**AGM**) of Shareholders of DirectMoney Limited (**Company**) will be held at the offices of BDO, Level 11, 1 Margaret Street, Sydney NSW 2000 on Wednesday 29 November 2017 at 4.00pm (AEDT) (**Meeting**).

The Explanatory Notes and the Proxy Form form part of this notice.

### **BUSINESS OF THE MEETING**

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#### **Item 1: Financial Statements and Reports**

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report of the Company for the year ended 30 June 2017.

There is no requirement for Shareholders to approve these statements and reports.

#### **Item 2: Remuneration Report**

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

*"To adopt the Remuneration Report for the year ended 30 June 2017."*

Notes:

- (i) In accordance with section 250R of the Corporations Act, the vote on this resolution will be advisory only and will not bind the Directors or the Company.
- (ii) A voting exclusion statement applies to this resolution (see Explanatory Notes for details).

#### **Item 3: Re-election of Director**

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

*"That Mr Craig Swanger, being a Director who is retiring in accordance with article 10.1.3 of the Company's Constitution and Listing Rule 14.4, and being eligible, offers himself for re-election be re-elected as a Director of the Company."*

**Item 4: Ratification and approval of the issue of Shares to Macquarie Bank Limited**

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify and approve the prior allotment and issue of 27,155,099 fully paid ordinary Shares in the Company as outlined in the Explanatory Notes.”*

*Note: A voting exclusion statement applies to this resolution (see Explanatory Notes)*

**Item 5: Ratification and approval of the issue of Shares to 255 Finance**

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify and approve the prior allotment and issue of 2,000,000 fully paid ordinary Shares in the Company as outlined in the Explanatory Notes.”*

*Note: A voting exclusion statement applies to this resolution (see Explanatory Notes)*

**Item 6: Ratification and approval of the issue of Shares to Mr A Nantes**

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior allotment and issue of 2,038,657 fully paid ordinary Shares in the Company as outlined in the Explanatory Notes.”*

*Note: A voting exclusion statement applies to this resolution (see Explanatory Notes)*

**Item 7: Additional 10% Placement Capacity**

To consider and, if thought fit, pass the following as a special resolution of the Company:

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to have the additional capacity to issue Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Notes.”*

*Note: A voting exclusion statement applies to this resolution (see Explanatory Notes)*

## ENTITLEMENT TO VOTE

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The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders of the Company as at 7.00pm (AEDT) on Monday 27 November 2017 (**Entitlement Time**), subject to any applicable voting exclusion.

This means that if you are not the registered holder of a Share in the Company at the Entitlement Time, you will not be entitled to vote at the Meeting.

## ANNUAL REPORT

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Copies of the Company's 2017 Annual Report may be accessed at our website [www.directmoney.com.au](http://www.directmoney.com.au) or from the Company.

## VOTING OPTIONS AND PROXIES

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If you do not plan to attend the Meeting in person, you are encouraged to complete and return the Proxy Form, which accompanies this Notice of Meeting.

### Voting by Proxy

A Shareholder who is entitled to attend and vote at this Meeting is entitled to appoint not more than two proxies to attend and vote on the Shareholder's behalf.

If the Shareholder appoints two proxies, the Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the Shareholder's votes. If the specified proportion or number of votes exceeds that which the Shareholder is entitled to, each proxy may exercise half of the Shareholder's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

A proxy need not be a Shareholder of the Company. A body corporate appointed as a shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Subject to the specific proxy provisions applying to Item 2 (see the Explanatory Notes below):

- If a Shareholder has not directed their proxy how to vote, the proxy may vote (or abstain from voting) as the proxy determines, and
- If a Shareholder appoints the Chairman of the Meeting as proxy and does not direct the Chairman how to vote on an item of business, the Chairman will vote in accordance with his voting intention as stated in this Notice of Meeting, namely in favour of each of the proposed resolutions set out in the Notice of Meeting.

### Proxy Voting by the Chairman

For Item 2 (Remuneration Report), where the Chairman is appointed as a Shareholder's proxy and that shareholder has not specified the way in which the Chairman is to vote on Item 2, the Shareholder is directing the Chairman to vote in accordance with the Chairman's voting intentions for this item of business.

The Chairman intends to vote all undirected proxies in favour of the resolutions in the Notice of Meeting, including Item 2.

## **Proxy Forms**

To be effective, the Proxy Form must be completed, signed and lodged (together with the relevant original power of attorney or a certified copy if the proxy is signed by an attorney) with the Company's Share Registry, as an original or by facsimile, **no later than 4.00pm (AEDT) on Monday 27 November 2017 (Proxy Deadline)**.

Proxy forms may be submitted in one of the following ways:

- (i) By mail to Computershare Investor Services Pty Limited using the reply paid envelope or GPO Box 242, Melbourne VIC 3001. Please allow sufficient time so that it reaches Computershare Investor Services Pty Ltd by the Proxy Deadline;
- (ii) By fax to Computershare Investor Services Pty Limited on +1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia);
- (iii) Online via the Company's Share Registry website at [www.investorvote.com.au](http://www.investorvote.com.au). Please refer to the Proxy Form for more information; or
- (iv) By hand delivery to Computershare Investor Services Pty Limited at Level 4, 60 Carrington Street, Sydney NSW 2000.

Proxy Forms and Powers of Attorney must be received by the Proxy Deadline.

## **CORPORATE REPRESENTATIVES**

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Where a shareholding is registered in the name of a corporation, the corporate Shareholder may appoint a person to act as its representative to attend the meeting by providing that person with:

- (i) a letter or certificate authorising him or her as the corporation's representative, executed in accordance with the corporation's constitution; or
- (ii) a copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

BY ORDER OF THE BOARD

**Leanne Ralph**  
Company Secretary  
13 October 2017

## Explanatory Notes

### ITEM 1 – Financial Statements and Reports

As required by section 317 of the Corporations Act the Financial Report, Directors' Report and Auditor's Report of the Company for the most recent financial year will be laid before the Meeting. The Financial Report comprises the consolidated financial report of the Company and its controlled entities.

There is no requirement for a formal resolution on this Item.

The Chairman of the meeting will allow a reasonable opportunity at the Meeting for Shareholders to ask questions about or make comments on the management of the Company. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor, BDO East Coast Partnership (**BDO**), questions about the Auditor's Report, the conduct of its audit of the Company's Financial Report for the year ended 30 June 2017, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of BDO in relation to the conduct of the audit.

Shareholders may submit written questions to the Company in relation to the above matters.

A form to facilitate the submission of questions is attached to this Notice and it includes details on the return of this form to the Share Registry.

### ITEM 2 – Adoption of Remuneration Report

#### Reasons for Resolution

In accordance with section 300A of the Corporations Act the Company has proposed a Remuneration Report for the consideration of Shareholders.

As provided by section 250R(3) of the Corporations Act, the resolution on this item of business is advisory only and does not bind the Board or the Company.

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered.

#### Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of this resolution.

#### Voting Exclusion Statement

As required by the Corporations Act, the Company will disregard any votes cast on Item 2 by any member of the Company's Key Management Personnel (**Key Management Personnel** or **KMP**) or a Closely Related Party of any such member unless:

- (i) The person votes as a proxy appointed by writing that specifies how the person is to vote on the resolution; or
- (ii) The person is the Chairman of the Meeting and votes as a proxy appointed by writing that authorises the Chairman to vote on the resolutions even though that resolution is connected with the remuneration of a member of the Company's KMP.

**What this means for shareholders:** If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, please ensure that you direct them how to vote on the proposed resolution in Item 2. If you intend to appoint the Chairman of the Meeting as your proxy, you can direct him/her how to vote by marking the boxes for Item 2 (for example, if you wish to vote for, against or abstain from voting), or you can choose not to mark any of the boxes for Item 2 and give the Chairman your express authority to vote your undirected proxy (in which case the Chairman will vote in favour of this Item of business).

### **ITEM 3 - Re-election of Director**

In accordance with the Company's Constitution and ASX Listing Rule 14.5 an election of Directors must be held at each annual general meeting. Clause 10.1.3 of the Constitution states that at each AGM one-third of all Directors must retire and offer themselves for re-election, excluding Directors appointed during the year by the Board, and the Managing Director. Clause 10.1.5 of the Constitution outlines that this would be the Director who has held office the longest since being appointed or last being elected.

Mr Craig Swanger has agreed to resign by rotation and is eligible for re-election at this meeting. Details of Mr Swanger are set out below.

Mr Swanger is a non-executive Director and is a member of the Remuneration and Nominations Committee. Mr Swanger has 20 years of experience in financial services. He was previously Executive Director of Macquarie Global Investments, responsible for managing around \$10 billion in client funds across Asia, North America and Australia. He has extensive board experience, including Macquarie Bank's major funds management entity, Macquarie Investment Management Limited and a total of 15 internal and external boards since 2003.

Mr Swanger was Chairman of five of the largest debt listed investment companies in Australia and New Zealand issued over the past decade, and more recently worked with Australia's largest corporate bond and securitisation distribution specialists, FIIG Securities.

Having had regard to the ASX Corporate Governance Principles and Recommendations (3<sup>rd</sup> edition) (**ASX Principles**), the Board considers Mr Craig Swanger to be an independent director.

#### **Directors' Recommendation**

The Directors unanimously (other than Mr Swanger) supports the re-election of Mr Swanger and recommends that Shareholders vote in favour of this resolution.

### **ITEMS 4, 5 and 6 – Ratification and approval of the previous issue of Shares by the Company**

#### **Background**

Item 4 seeks Shareholder ratification for the issue by the Company of 27,155,099 Shares to Macquarie Bank Limited at an issue price of \$0.0273 per share on the 3 March 2017 (**Macquarie Shares**). The shares were issued to satisfy a fee as part of a strategic agreement with Macquarie Bank Limited announced to the ASX on 19 February 2016.

Item 5 seeks Shareholder ratification for the issue by the Company of 2,000,000 Shares to 255 Finance at an issue price of \$0.03 per share on the 16 August 2017 (**255 Finance Shares**). The shares were issued as part of a funding agreement with 255 Finance announced to the ASX on 9 August 2017.

Item 6 seeks Shareholder ratification for the issue by the Company of 2,038,657 Shares to CEO Anthony Nantes. The Shares were issued as a Short-Term Incentive (**STI**) Bonus, pursuant to Mr Nantes employment contract. The Shares were issued at \$0.035 per share on the 29 March 2017 (**STI Shares**).

The issue of the Macquarie Shares, 255 Finance Shares and the STI Shares were made in accordance with ASX Listing Rule 7.1.

The Resolutions proposed by Items 4, 5 and 6 are separate resolutions.

#### **ASX Listing Rule 7.1**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the

number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

#### **ASX Listing Rule 7.4**

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a Company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1.

Ratification by the Shareholders of the Company is now sought pursuant to ASX Listing Rule 7.4 in order to reinstate the Company's capacity to issue up to 15% of its issued capital, if required in the next 12 months without Shareholder approval.

The effect of Shareholders approving the Resolutions proposed by Items 4, 5 and 6 is that the Company will have the flexibility to issue further equity securities up to the 15% limit.

#### **Specific Disclosure of Information – Macquarie Shares**

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders in relation to the Macquarie Shares.

- (a) The total number of Macquarie Shares issued by the Company was 27,155,099;
- (b) The shares were issued at price of \$0.0273 per share;
- (c) The Shares rank equally in all respects with the Company's existing Shares on issue;
- (d) The Shares were issued to Macquarie Bank Limited;
- (e) No funds were raised from the issue of Shares; and
- (f) A voting exclusion statement is included below.

#### **Voting Exclusion Statement – Macquarie Bank Limited**

The Company will disregard any votes cast on the resolution in Item 4 by a person who participated in the issue of the Macquarie Bank Shares and any associate of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form, or it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

#### **Specific Disclosure of Information – 255 Finance Shares**

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders in relation to the 255 Finance Shares.

- (a) The total number of 255 Finance Shares issued by the Company was 2,000,000;
- (b) The shares were issued at a price of \$0.03 per share;
- (c) The Shares rank equally in all respects with the Company's existing Shares on issue;
- (d) The Shares were issued to 255 Finance;
- (e) No funds were raised from the issue of Shares and

- (f) A voting exclusion statement is included below.

#### **Voting Exclusion Statement – 255 Finance**

The Company will disregard any votes cast on the resolution in Item 5 by a person who participated in the issue of the 255 Finance Shares and any associate of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form, or it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

#### **Specific Disclosure of Information – STI Shares**

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders in relation to the STI Shares.

- (a) The total number of issued by the Company was 2,038,657;
- (b) The shares were issued at a price of \$0.035 per share;
- (c) The Shares rank equally in all respects with the Company's existing Shares on issue;
- (d) The Shares were issued to the CEO Mr Anthony Nantes;
- (e) No funds were raised from the issue of Shares; and
- (f) A voting exclusion statement is included below.

#### **Voting Exclusion Statement – STI Shares**

The Company will disregard any votes cast on the resolution in Item 6 by Mr Anthony Nantes and any closely related party of Mr Nantes. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form, or it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

#### **Directors' Recommendation**

The Board unanimously recommends that Shareholders vote in favour of the resolutions proposed in items 4, 5 and 6.

### **ITEM 7 – Additional 10% Placement Capacity**

#### **General**

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its AGM to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**). If Shareholders approve the resolution in Item 7, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out below).

The effect of the resolution in Item 7 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the meeting, without Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

The resolution in Item 7 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of this resolution for it to be passed.

#### **10% Placement Capacity**

ASX Listing Rule 7.1A enables an Eligible Entity to seek Shareholder approval at its AGM to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) Is not included in the A&P/ASX 300 Index; and
- (b) Has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the A&P/ASX 300 Index and has a current market capitalisation as at 3 October 2017 of \$13,677,525.

The Equity Securities must be in the same class as an existing class of quoted Equity Securities. The Company currently has three classes of Equity Securities on issue, being quoted ordinary shares, unquoted options and unquoted performance rights.

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A is outlined in Listing Rule 7.2A.2. This rule provides that Eligible Entities, which have obtained Shareholder approval at an AGM, may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A is the number of Shares on issue 12 months before the date of issue or the date of agreement to issue:
- (a) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - (b) plus the number of partly paid Shares that became fully paid in the previous 12 months;
  - (c) plus the number of Shares issued in the previous 12 months with approval of Shareholders under Listing Rules 7.1 and 7.4. This does not include an issue Shares under the Company's 15% placement capacity without Shareholder approval; and
  - (d) less the number of Shares cancelled in the previous 12 months.
- D is 10%
- E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of Shareholders under ASX Listing Rule 7.1 or 7.4.

#### **Technical information required by ASX Listing Rule 7.1A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this resolution.

**(a) Minimum Price**

The minimum price at which the Equity Securities may be issued pursuant to Shareholder approval under Listing Rule 7.1A is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or

- (ii) if the Equity Securities are not issued within 5 (five) ASX trading days of the date in paragraph 6.3(a)(i), the date on which the Equity Securities are issued.

**(b) Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid).

**(10% Placement Capacity Period).**

**(c) Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If the resolution in Item 7 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A2, on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.015 (50% decrease in current market price)	\$0.031 (Current market price)	\$0.060 (100% increase in current market price)
407,731,328 (Current Variable A)	Shares issued – 10% voting dilution	40,733,132	40,733,132	40,733,132
	Funds raised	\$611,596	\$1,223,193	\$2,446,387
611,596,992 (50% increase in Variable A) *	Shares issued – 10% voting dilution	61,159,699	61,159,699	61,159,699
	Funds raised	\$917,395	\$1,834,790	\$3,669,581
815,462,656 (100% increase in Variable A)*	Shares issued – 10% voting dilution	81,546,265	81,546,265	81,546,265
	Funds raised	\$1,223,193	\$2,446,387	\$4,892,775

\* The number of shares on issue (Variable A in the formula) could increase as a result of the issue of shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issue under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above has been prepared on the following assumptions:**

1. Variable A is 407,731,328, which is the current number of shares on issue (438,925,084) less the shares issued under the Company's 15% placement capacity without Shareholder approval (31,193,756).
2. The market price set out above is the closing price of the Shares on the ASX on 3 October 2017.
3. The Company issues the maximum possible number of shares under the 10% Placement Capacity.
4. The Company has issued 38,290,511 Equity Securities in the 12 months prior to the Meeting that were issued under ASX Listing Rule 7.1 and not approved by Shareholders at the time of issue.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

**(a) Purpose of issue under 10% Placement Capacity**

The Company may seek to issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for working capital purposes or potential acquisitions; or
- (ii) as non-cash consideration for services, equipment or product. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3. The minimum issue price limitation as set out in Listing Rule 7.1A .3 applies to issues for non-cash consideration.

The Company will comply with the disclosure obligations under Listing Rules 7.1A4 and 3.10.5A upon issue of any Equity Securities.

**(b) Allocation under the 10% Placement Capacity**

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both).

The Company will determine the allottees on a case by case basis at the time of the issue under the 10% Placement Capacity, having regard to factors including but not limited to:

- (i) The purpose of the issue;
- (ii) Alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) The effect of the issue of the Equity Securities on the control of the Company;
- (iv) The circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) Prevailing market conditions; and
- (vi) Advice from corporate, financial and broking advisers (if applicable).

**(c) Previous Approval under ASX Listing Rule 7.1A**

The Company previously obtained approval under ASX Listing Rule 7.1A at its Annual General Meeting held on 17 November 2016. No shares have been issued under ASX Listing Rule 7.1A since the approval was obtained.

**(d) Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) A list of the allotted of the Equity Securities and the number of Equity Securities allotted to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) The information required by Listing Rule 3.10.5A for release to the market.

**(e) Information Required under ASX Listing Rule 7.3A.6**

In the 12 months since the date of the last AGM, 31,193,756 fully paid ordinary Shares and 7,096,755 Options have been issued, a total of 38,290,511 Equity Securities. This represents 8.61% of total Equity Securities on issue at the commencement of the 12 month period (444,906,328 total Equity Securities on issue).

The following represents details of Equity Securities issued:

- 3 March 2017: 27,155,099 shares at \$0.0273 per Share. This represented a discount of 46.47% to the closing Share price on 3 March 2017. No proceeds were raised as the Shares were issued as part of financing arrangement with Macquarie Bank and were for a fee paid via the issue of shares rather than the payment of cash. The shares were issued to Macquarie Bank Limited. The value of these shares at the 3 October was \$814,652. All shares issued rank equally with those already on issue.
- 29 March 2017: 2,038,657 shares at \$.035 per Share. This represented a discount of 30% to the closing Share price on 29 March 2017. The shares issued had a value of \$72,353. These Shares were issued pursuant to an employment agreement with Anthony Nantes as a short term bonus issue of shares rather than the payment of cash. The shares were issued to Anthony Nantes. The value of these shares at the 3 October was \$63,198. All shares issued rank equally with those already on issue.

- 16 August 2017: 2,000,000 shares at \$0.03 per Share. This represented a discount of 28.57% to the closing Share price on 16 August 2017. The shares issued had a value of \$60,000 and were for the initial fee as part of financing arrangement with Finance 255 paid via the issue of shares rather than the payment of cash. The shares were issued to Finance 255. The value of these shares at the 3 October was \$60,000. All shares issued rank equally with those already on issue.
- 16 August 2017: 7,096,755 options at nil subscription price. The options were for the initial fee as part of financing arrangement with Finance 255. The options were issued to Finance 255. The options are issued on the following terms: vesting of options occurs in pro rata tranches for every \$5m of loans purchased, which is tested every 6 months. The number of options which vest on each vesting date will be based on a 45-day VWAP. The options are unlisted and do not rank equally with existing quoted securities. Once vested, the shares issued will be subject to a period of escrow for two years from vesting date.

#### **Voting Exclusion Statement**

The Company will disregard any votes cast on Item 7 by any person who may participate in the issue of Equity Securities under this item and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed and any associates of those persons. However the Company will not disregard a vote if it is cast by a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on the resolution in Item 7.

#### **Director's Recommendation**

The Board unanimously recommends that Shareholders vote in favour of this resolution.

#### **Chairman's Voting Intention**

The Chairman of the Meeting intends to vote all available undirected proxies in favour of all resolutions.

## GLOSSARY

**\$** means Australian Dollars

**AEDT** means Australian Eastern Daylight Time as observed in Sydney, Australia.

**Annual General Meeting** or **Meeting** means the meeting convened by the Notice

**Associate** has the meaning given to that term in Division 2 of Part 1.2 of the Corporations Act, as the context requires.

**Annual General Meeting** or **Meeting** means the meeting convened by the Notice

**ASX** means ASX Limited ACN 008 624 691.

**ASX Listing Rules** means the Listing Rules of the ASX, as amended or replaced from time to time except to the extent of any express written waiver by ASX.

**ASX Principles** means the ASX Corporate Governance Principles and Recommendations (3rd edition).

**Board** means the current board of Directors of the Company.

**Closely Related Party** has the meaning as defined in section 9 of the Corporations Act.

**Company** means DirectMoney Limited (ACN 004 661 205)

**Constitution** means the Company's Constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

**Eligible Entity** means an entity that at the relevant date:

- (a) Is not included in the A&P/ASX 300 Index; and
- (b) Has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

**Entitlement Time** means 7.00pm (AEDT) on Monday 27 November 2017.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Notes** means the Explanatory Notes accompanying the Notice.

**Items** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Key Management Personnel** or **KMP** has the meaning as defined in section 9 of the Corporations Act.

**Notice** or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting and the explanatory notes accompanying the Notice and the Proxy Form.

**Proxy Deadline** means 4.00pm (AEDT) on Monday 27 November 2017.

**Proxy Form** means the proxy form accompanying the Notice.

**Related Body Corporate** has the meaning set out in in section 50 of the Corporations Act.

**Remuneration Report** means the remuneration report set out in the Director's Report section of the Company's annual financial report for the year ended 30 June 2017.

**Related Body Corporate** has the meaning set out in in section 50 of the Corporations Act.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Share** means a fully paid ordinary Share in the capital of the Company.

**Shareholder** means a holder of a Share.

**Share Registry** means Computershare Investor Services Pty Limited.

**Voting Exclusion** means the exclusion of particular Shareholders from voting on a particular Resolution, as specified under that Resolution in the Notice of Meeting.

## Lodge your vote:

 **Online:**  
www.investorvote.com.au

 **By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) www.intermediaryonline.com

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

DM1

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



## Proxy Form

XX



### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



### Your access information that you will need to vote:

**Control Number: 999999**

**SRN/HIN: I9999999999 PIN: 99999**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 4.00pm (AEDT) Monday, 27 November 2017**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** →

MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of DirectMoney Limited hereby appoint

the Chairman of the Meeting OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of DirectMoney Limited to be held at the offices of BDO, Level 11, 1 Margaret Street, Sydney NSW 2000 on Wednesday, 29 November 2017 at 4.00pm (AEDT) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Item 2 (except where I/we have indicated a different voting intention below) even though Item 2 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Item 2 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
2	To adopt the Remuneration Report for the year ended 30 June 2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Re-election of Mr Craig Swanger as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Ratification and approval of the issue of Shares to Macquarie Bank Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Ratification and approval of the issue of Shares to 255 Finance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Ratification and approval of the issue of Shares to Mr A Nantes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date / / \_\_\_\_\_