

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

Raya Group Limited

ABN

89 122 203 196

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 | Fully paid ordinary shares, management performance shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 748,000,000 fully paid ordinary shares (of which 527,418,116 are subject to ASX escrow)

150,000,000 management performance shares (all of which are subject to ASX escrow) |

<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>640,000,000 fully paid ordinary shares pursuant to reverse takeover as announced on 26 October 2015 (Acquisition Shares);</p> <p>108,000,000 fully paid ordinary shares pursuant to public offer in Prospectus (Public Offer Shares);</p> <p>150,000,000 management performance shares to be issued to Key Management Personnel following completion of reverse takeover and conversion to ordinary shares satisfaction of various milestones (Management Performance Shares).</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"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Once issued the ordinary shares will rank pari passu with the existing ordinary shares of the Company.</p> <p>The Management Performance Shares are not an existing class of quoted securities. They have no dividend rights until converted or exercised into ordinary shares.</p> <p>The Management Performance Shares once converted will rank pari passu with the ordinary shares of the Company at the time of conversion.</p>
<p>5 Issue price or consideration</p>	<p>Public Offer Shares - \$0.025 per share (\$2,700,000).</p> <p>Acquisition Shares – no cash consideration, issued in consideration for acquisition of shares in Xped Holdings Limited.</p> <p>Management Performance Shares – no consideration.</p>

+ See chapter 19 for defined terms.

<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Public Offer Shares – Funds to be used for business development and commercialisation of the Xped technology, the acquisition of Xped Holdings Ltd, for costs of the Offer, for general working capital for the Company and to ensure the Company is in a position to re-comply with Chapters 1 and 2 of the ASX Listing Rules pursuant to Listing Rule 11.1.3 following a change to the nature and scale of the Company’s activities.</p> <p>Acquisition Shares - to be issued in consideration for acquisition of all of the shares in Xped Holdings Limited. pursuant to the Heads of Agreement (as announced on 26 October 2015).</p> <p>Management Performance Shares – to be issued pursuant to the Heads of Agreement (as announced on 26 October 2015).</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>N/A</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>N/A</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>N/A</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>N/A</p>
<p>6e Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>	<p>N/A</p>

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	+Issue dates 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. Cross reference: item 33 of Appendix 3B.	Acquisition Shares, Management Performance Shares – 23 March 2016 Public Offer Shares– 24 March 2016						
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>1,167,546,096</td> <td>Fully paid ordinary shares</td> </tr> <tr> <td>380,852,456</td> <td>Option to acquire fully paid ordinary shares exercisable at \$0.015 expiring 21 July 2016</td> </tr> </tbody> </table>	Number	+Class	1,167,546,096	Fully paid ordinary shares	380,852,456	Option to acquire fully paid ordinary shares exercisable at \$0.015 expiring 21 July 2016
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380,852,456	Option to acquire fully paid ordinary shares exercisable at \$0.015 expiring 21 July 2016							

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	Number	+Class
9	527,418,116	Fully paid ordinary shares (subject to ASX escrow)
	475,000	15/12/2016 \$0.75 options
	425,000	15/12/2016 \$1.00 options
	100,000	15/12/2016 \$1.25 options
	100,000	15/12/2016 \$1.50 options
	150,000,000	Management performance shares
	7,500,000	Expire 24 months from allotment, \$0.07 options
	7,500,000	Expire 24 months from allotment, \$0.09 options
	7,500,000	Expire 24 months from allotment, \$0.11 options
	7,500,000	Expire 24 months from allotment, \$0.13 options

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Dividend policy to remain the same
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Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
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 Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	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

+ See chapter 19 for defined terms.

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

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

+ See chapter 19 for defined terms.

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"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	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 (<i>including</i> the +securities in clause 38)	Number	+Class
		N/A	N/A

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:Date: 24 March 2016
Company secretary

Print name: Julie Edwards

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+ See chapter 19 for defined terms.