



IOUPAY LIMITED (ASX: IOU)
(ACN 091 192 871)

24-26 Kent Street
Millers Point NSW 2000
Tel: (02) 8296 0000
Website: www.ioupay.com

11 November 2022

ASX Announcement

Share Purchase Plan

IOUpay Limited (ASX:IOU) (“IOUpay” or “the Company”) advises that the Company intends to undertake a Share Purchase Plan (“SPP”) for all eligible shareholders in Australia and New Zealand under which it is targeting to raise approximately \$1.0 million.

Rationale for the SPP

The purpose of the Company undertaking the SPP is to enhance the Company’s financial position and to enable our shareholders to participate in the next growth phase of the Company. The Board presently intends that the funds raised under the SPP will be applied towards the following:

- General working capital requirements of the business;
- myIOU BNPL Portfolio growth generally via expansion of merchant networks and consumer communities, and the development of strategic partnerships with multiple payment gateways and banks;
- New product development and technology platform enhancements; and
- Development costs associated with expansion into new jurisdiction in South East Asia.

SPP offer

Under the SPP, eligible shareholders, being shareholders who had a registered address in Australia or New Zealand on the Company’s register at 7:00pm (Sydney time) on Thursday, 10 November 2022 (and who are not in the United States or acting for the account or benefit of a person in the United States) will have the opportunity to apply for up to A\$30,000 worth of shares at a price of \$0.045 per share (“**SPP Issue Price**”). The SPP Issue Price represents a 15.42% discount to the volume weighted average market price of the Company’s shares over the last five (5) days on which sales of the shares were recorded by ASX prior to today’s date.

An application for new shares under the SPP will be capped at a maximum of A\$30,000 per eligible shareholder, irrespective of the size of their holding. The SPP offer period will be open from Friday, 11 November 2022 to Friday, 16 December 2022. The Company reserves the right (in its absolute discretion) to amend these dates. Shares issued under the SPP will rank equally with existing shares of the Company from their issue date.

Full details of the SPP are set out in the SPP offer booklet (“**SPP Offer Booklet**”), which follows this announcement. A cleansing notice and ASX Appendix 3B in relation to the SPP also follow this announcement.

Participation in the SPP is optional. The Company reserves the right (in its absolute discretion) to scale back any applications under the SPP on a pro rata basis to either the size of each applicant’s existing security holdings or the number of securities applied for in each application to existing shareholdings (if demand exceeds \$1.0 million) or to accept an amount above or below the \$1.0 million target depending on the level of demand received. The SPP is not underwritten at present.

Indicative timetable

An indicative timetable for the completion of the SPP is as follows:

EVENT	INDICATIVE DATE
Record Date (7:00 pm Sydney time)	Thursday, 10 November 2022
Announcement of SPP and Opening Date	Friday, 11 November 2022
Documentation Sent to Eligible Shareholders	from Friday, 11 November 2022
SPP Closing Date (5:00pm Sydney time)	Friday, 16 December 2022
Announcement of Demand and Scale Back	Wednesday, 21 December 2022
Allotment and Issue of SPP Shares	Thursday, 22 December 2022
ASX Quotation of SPP Shares	Friday, 23 December 2022
Dispatch of Shareholding Statements for SPP Participants	Friday, 23 December 2022

Note: The timetable above is indicative only and subject to change. The Company reserves the right to amend any or all of these events, dates and times, without notice, subject to the *Corporations Act 2001* (Cth), the ASX Listing Rules and other applicable laws. In particular, the Company reserves the right to extend the closing date of the SPP, to accept late applications either generally or in particular cases or to withdraw the SPP without prior notice. The commencement of quotation of SPP shares is subject to confirmation from ASX.

If shareholders have any queries on how to participate including on how to access the application form, please call the Company on +61 2 8296 0000 or consult your financial or other professional adviser.

Company Secretary and ASX Representative

The Company also advises that Mr Jarrod White has resigned as Company Secretary effective today. Ms Louisa Ho has been appointed Company Secretary of the Company effective immediately, and will be supported by Mr White in a transition of his Company Secretarial responsibilities. The Company will continue to engage with Mr White on a consulting basis to assist in representing the Company with ASX liaison, compliance & governance advice, and general capital market advisory.

The Board thanks Mr White for his valued contributions and services to the Company to date in addition to his ongoing support.

The release of this announcement was authorised by the Board of the Company and released by the Company Secretary.

Yours faithfully,

IOUpay Limited



(Aaron) Lee Chin Wee
Managing Director

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About IOUpay (ASX:IOU):

IOUpay Limited (ASX:IOU) provides fintech and digital commerce software solutions and services that enable its institutional customers to securely authenticate end-user customers and process banking, purchase and payment transactions.

The Company's core technology platform enables large customer communities to connect to end user customers using any mobile device and integrate mobile technology throughout their existing business and customer product offerings. The Company's business divisions consist of Mobile Banking and Digital Payments which service leading banks in Malaysia and large telcos and corporates in Malaysia & Indonesia. IOUpay also works with telecommunication network providers to provided mobile OTT (over-the-top) services that leverage their subscriber base to build active communities.

Forward Looking Statements

This announcement contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. Forward looking statements should, or can generally, be identified by the use of forward-looking words such as "believe", "expect", "estimate", "will", "may", "target" and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include but are not limited to the expected outcome of the acquisition. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements. Those risks, uncertainties, assumptions and other important factors are not all within the control of IOUpay and cannot be predicted by IOUpay and include changes in circumstances or events that may cause objectives to change as well as risks, circumstances and events specific to the industry, countries and markets in which IOUpay operates. They also include general economic conditions, exchange rates, interest rates, competitive pressures, selling price, market demand and conditions in the financial markets which may cause objectives to change or may cause outcomes not to be realised.

None of IOUpay or any of its subsidiaries, advisors or affiliates (or any of their respective officers, employees or agents) makes any representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward-looking statement or any outcomes expressed or implied in any forward-looking statements. Statements about past performance are not necessarily indicative of future performance.

NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.



IOUpay Limited
ACN 091 192 871
(ASX:IOU)

SHARE PURCHASE PLAN BOOKLET
NOVEMBER 2022

This is an important document.

The document does not take into account the individual investment objectives, financial situation or particular needs of each Eligible Shareholder. Accordingly, before making a decision on whether or not to accept the Offer, you should consult your financial or other professional adviser.

If you have any questions in relation to the Offer or on how to complete the application form, please call +61 2 8296 0000 for more information.

This document is not a prospectus or other disclosure document under the Corporations Act. This document has been prepared for informational purposes only and is not intended to amount to financial product advice or a recommendation in relation to any investments or securities. You should not rely on it to make investment decisions. This document contains general factual information only and has not been independently verified. Any opinions or information expressed in the document are subject to change without notice.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO U.S. PERSONS

IOUPAY LIMITED (ASX: IOU)
(ACN 091 192 871)

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Millers Point NSW 2000
Tel: (02) 8296 0000
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Dear Shareholders,

RE: IOUpay Limited Share Purchase Plan (SPP)

On behalf of the Directors of IOUpay Limited, I am pleased to offer you the opportunity to participate in the Company's SPP. Under the SPP, Eligible Shareholders can apply for up to \$30,000 worth of New Shares in the Company without paying any brokerage or transaction costs.

IOUpay is targeting to raise \$1.0 million under the SPP, and the Company retains its absolute discretion to close the SPP early, extend the SPP, scale back applications, or accept an amount above or below the \$1.0 million target depending on the level of demand received. The SPP is not underwritten as at the date the Offer is made.

Shares will be issued at a price of \$0.045 per New Share (**SPP Issue Price**). The SPP Issue Price represents a 15.42% discount to the volume weighted average market price of Shares over the last five (5) days on which sales of the Shares were recorded by ASX prior to the date of announcement of the SPP on Friday, 11 November 2022].

Any scale back will be conducted on a pro-rata basis to either the size of each applicant's existing security holdings or the number of securities applied for in each application. The Company is currently expecting to close the SPP on Friday, 16 December 2022.

Participation in the SPP is optional and open to Eligible Shareholders, being holders of fully paid ordinary shares in IOUpay at 7.00pm (Sydney time) on Thursday, 10 November 2022 (the **Record Date**) and whose address on the share register is in Australia or New Zealand (and who are not in the United States or acting for the account or benefit of a person in the United States). The SPP is also being extended to Eligible Shareholders who are Custodians to participate in the SPP on behalf of certain eligible beneficiaries on the terms and conditions set out in this SPP booklet. Your right to participate in the SPP is not transferable.

This SPP booklet which has full details of the SPP, together with a personalised application form, has been sent to all shareholders today, either by email or by post. Shareholders can also access this SPP booklet and their personalised application form on the investor portal at <https://investor.automic.com.au/#/home>.

The Board presently intends that funds raised under the SPP will be applied towards the following:

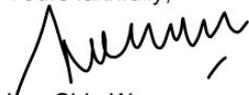
- General working capital requirements of the business;
- myIOU BNPL Portfolio growth generally via expansion of merchant networks and consumer communities, and the development of strategic partnerships with multiple payment gateways and banks;
- New product development and technology platform enhancements; and
- Development costs associated with expansion into new jurisdictions in South East Asia.

As with any intended budget or use of funds, this is a statement of current intentions as at the date of this SPP. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

The SPP enables our shareholders the opportunity to participate in the next growth phase of the Company at a price that may not otherwise be available to them.

If shareholders have any queries on how to participate including how to access the application form, please call the Company on +61 2 8296 0000 or consult your financial or other professional adviser.

Yours faithfully,



Lee Chin Wee
Managing Director
IOUpay Limited

KEY DATES OF THE OFFER

EVENT	INDICATIVE DATE
Record Date (7:00pm Sydney time)	Thursday, 10 November 2022
Announcement of SPP and Opening Date	Friday, 11 November 2022
Documentation sent to Eligible Shareholders	from Friday, 11 November 2022
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Announcement of demand and scale back	Wednesday, 21 December 2022
Allotment and issue of New Shares	Thursday, 22 December 2022
ASX Quotation of New Shares	Friday, 23 December 2022
Dispatch of shareholding statements for SPP participants	Friday, 23 December 2022

Note: The timetable above is indicative only and subject to change. The Company reserves the right to amend any or all of these events, dates and times, without notice, subject to the *Corporations Act 2001* (Cth), the ASX Listing Rules and other applicable laws. In particular, the Company reserves the right to extend the Closing Date of the SPP, to accept late applications either generally or in particular cases or to withdraw the SPP without prior notice. The commencement of quotation of New Shares is subject to confirmation from ASX.

SUMMARY ON HOW TO PARTICIPATE

1. Read the Terms and Conditions	The Terms and Conditions set out in this document are important. Please read the full document before making any decision. There is no requirement to participate in the SPP. If you have any questions with respect to how to apply, please call the Company on +61 2 8296 0000.																																																
2. Check Eligibility	Only Eligible Shareholders can participate. You are eligible if your registered address in the Company's register is in Australia or New Zealand and you were registered as a shareholder of the Company as at 7:00pm (Sydney time) on Thursday, 10 November 2022.																																																
3. Choose an Application Parcel	<p>Applications can only be accepted for one of the following amounts:</p> <table border="1"> <thead> <tr> <th>Option</th> <th>Application Amount (\$)</th> <th>New Shares</th> <th>Option</th> <th>Application Amount (\$)</th> <th>New Shares</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>\$1,000</td> <td>22,223</td> <td>8</td> <td>\$17,500</td> <td>388,889</td> </tr> <tr> <td>2</td> <td>\$2,500</td> <td>55,556</td> <td>9</td> <td>\$20,000</td> <td>444,445</td> </tr> <tr> <td>3</td> <td>\$5,000</td> <td>111,112</td> <td>10</td> <td>\$22,500</td> <td>500,000</td> </tr> <tr> <td>4</td> <td>\$7,500</td> <td>166,667</td> <td>11</td> <td>\$25,000</td> <td>555,556</td> </tr> <tr> <td>5</td> <td>\$10,000</td> <td>222,223</td> <td>12</td> <td>\$27,500</td> <td>611,112</td> </tr> <tr> <td>6</td> <td>\$12,500</td> <td>277,778</td> <td>13</td> <td>\$30,000</td> <td>666,667</td> </tr> <tr> <td>7</td> <td>\$15,000</td> <td>333,334</td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>Even if you have multiple shareholdings, you must not subscribe for more than A\$30,000 worth of Shares in any 12 month period.</p> <p>The Company reserves the right to accept an amount above or below the \$1.0 million target depending on the level of demand received.</p>	Option	Application Amount (\$)	New Shares	Option	Application Amount (\$)	New Shares	1	\$1,000	22,223	8	\$17,500	388,889	2	\$2,500	55,556	9	\$20,000	444,445	3	\$5,000	111,112	10	\$22,500	500,000	4	\$7,500	166,667	11	\$25,000	555,556	5	\$10,000	222,223	12	\$27,500	611,112	6	\$12,500	277,778	13	\$30,000	666,667	7	\$15,000	333,334			
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4. Submit Application	Eligible Shareholders may participate in the SPP by paying directly via BPAY® (for Eligible Shareholders with an eligible Australian bank account) or EFT.																																																

SHARE PURCHASE PLAN – TERMS AND CONDITIONS

These are the terms and conditions of IOUpay Limited (**IOUpay** or the **Company**) Share Purchase Plan (**SPP**) and are binding on any Eligible Shareholder applying for Shares under the SPP, including by making payment via BPAY® or EFT.

1. THE OFFER

The Company is offering Eligible Shareholders the opportunity to apply for up to A\$30,000 of fully paid ordinary shares in the capital of the Company (**New Shares**) at an issue price of A\$0.045 per New Share (**SPP Issue Price**) by way of a Share Purchase Plan.

The SPP is targeting to raise \$1.0 million. If the Company receives Applications for an amount more than \$1.0 million, then the Company may elect to either scale back Applications or increase the amount to be raised under the SPP. In the event of a scale back, you will be allocated less than the number of New Shares for which you applied.

The SPP is being conducted under *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* (the **ASIC Instrument**).

2. SPP ISSUE PRICE

The Company is making this Offer available to Eligible Shareholders at A\$0.045 per New Share (**SPP Issue Price**).

The SPP Issue Price represents a 15.42% discount to the volume weighted average market price of Shares (**VWAP**) over the last five (5) days on which sales of the Shares were recorded by ASX prior to the date of announcement of the SPP on Friday, 11 November 2022.

In accordance with the requirements of ASIC Instrument and ASX Listing Rule 7.2, Exception 5, the Company notes the following in respect of the SPP Issue Price:

- a) On the last trading day immediately prior to the announcement date of the Offer (being Thursday, 10 November 2022), the closing price of the Shares traded on the ASX was A\$0.051 per Share. The SPP Issue Price is a 11.76% discount to that closing price.
- b) The volumed weighted average market price (**VWAP**) of the Company's Shares over the 5 trading days up to and including Thursday, 10 November 2022 was \$0.0532 (**5 Day VWAP**). The SPP Issue Price represents a 15.42% discount to the 5 Day VWAP. In accordance with ASX Listing Rule 7.2 Exception 5, the SPP Issue Price is equal to or greater than 80% of the VWAP for the 5 days in which trading in the Shares occurred before the date of the announcement of the Offer.
- c) The SPP Issue Price is less than the market price of Shares during a 'specified period' in the 30 days before the date of the Offer (such specified period being the 5 days in which trading in Shares occurred before the date of announcement of the Offer on Friday, 11 November 2022).
- d) The market price of Shares in the Company may rise and fall between the date of the Offer and the date that any New Shares are issued under this Offer.
- e) By making an application under this Offer, each Eligible Shareholder will be acknowledging that although the SPP Issue Price is at a discount, Shares are a speculative investment and the price of Shares on the ASX may change between the date of the Company announcing its intention to make the Offer and the date of issue of New Shares under the Offer. The Share prices may rise or fall, and the price of Shares might trade below or above the SPP Issue Price. There can be no guarantee that trading prices will be sustained.
- f) The Board recommends that you obtain your own financial and taxation advice in relation to the Offer and consider price movements of Shares in the Company prior to making an application under this Offer.

3. APPLICATION AMOUNTS

Eligible Shareholders may subscribe for any one of the following parcels:

Option	Application Amount (\$)	New Shares	Option	Application Amount (\$)	New Shares
1	\$1,000	22,223	8	\$17,500	388,889
2	\$2,500	55,556	9	\$20,000	444,445
3	\$5,000	111,112	10	\$22,500	500,000
4	\$7,500	166,667	11	\$25,000	555,556
5	\$10,000	222,223	12	\$27,500	611,112
6	\$12,500	277,778	13	\$30,000	666,667
7	\$15,000	333,334			

Where there is a fractional share entitlement, the number of New Shares to be allotted will be rounded up to the nearest whole number of New Shares. No fractions of New Shares will be issued.

The Directors reserve the right to issue to an Eligible Shareholder fewer New Shares than the number applied for, for whatever reason, including to avoid the possible subscription for over A\$30,000 worth of New Shares by an Eligible Shareholder (including through multiple registered holdings, joint holdings or any holdings in which they have a beneficial interest(s)). If an application is received for an 'application amount' not listed above, the Company will read down the application to the nearest 'application amount' set out above and will refund any surplus funds. Any surplus funds will be returned without interest.

4. ELIGIBILITY

4.1. Eligible Shareholders

All shareholders:

- a) who are recorded in the Company's register of members as at 7:00pm (Sydney time) on Thursday, 10 November 2022 (the **Record Date**), as being holders of Shares;
- b) whose registered address is recorded as being in Australia or New Zealand; and
- c) are not in the United States or acting for the account or benefit of a person in the United States, (**Eligible Shareholders**), are eligible to participation in the SPP.

The Company has determined that it is unlawful or impractical for the SPP to be offered to a shareholder whose address on the register of members is a country outside of Australia or New Zealand.

Participation in the SPP by acceptance of the offer is optional for Eligible Shareholders, and is subject to these Terms and Conditions.

4.2. A\$30,000 maximum

The ASIC Instrument prohibits the Company issuing Shares in accordance with this SPP if the aggregate subscription amount to be paid by an Eligible Shareholder, together with the aggregate amount paid for any other Shares applied for by that Eligible Shareholder or which a Custodian has been instructed to acquire under the SPP on their behalf, or any similar arrangement operated by the Company in the 12 months before the date the application is made, exceeds A\$30,000.

No Eligible Shareholder may be issued with Shares if the aggregate application price for those Shares, together with the aggregate amount paid for any other Shares applied for by that Eligible Shareholder or which a custodian has been instructed to acquire under the SPP on behalf of the Eligible Shareholder, or any similar arrangement operated by the Company in the 12 months before the date the application is made exceeds A\$30,000. Any applications from Eligible Shareholders which results in this limit being exceeded will be read down. Any surplus funds will be returned to such Eligible Shareholders without interest.

4.3. Single Eligible Shareholders

Single Eligible Shareholders that receive more than one offer under the SPP, for example due to multiple registered holdings, may only apply for an aggregate of up to A\$30,000 worth of Shares (one maximum parcel).

4.4. Joint Eligible Shareholders

Eligible Shareholders recorded on the register with one or more other persons as the joint holder of Shares are considered to have a single registered holding for the purpose of the SPP. If the same joint holders receive more than one offer under the SPP due to multiple holdings, the joint holders may only apply for an aggregate of up to A\$30,000 worth of Shares (one maximum parcel).

4.5. Custodians, Trustees and Nominees

A custodian, trustee or nominee within the definition of “custodian” in the ASIC Instrument, or in any other ASIC relief granted to the Company in relation to the SPP (a **Custodian**) who holds Shares on behalf of one or more persons (a **Participating Beneficiary**), may apply for up to a maximum of A\$30,000 worth of New Shares for each Participating Beneficiary, subject to providing the Company’s Share Registry, Automic, with a ‘Custodian Certificate’ in compliance with the section 8(3) of the ASIC Instrument.

The offer under this SPP is made to the Custodian as the registered holder, not to the beneficiaries directly. For the purposes of these Terms and Conditions, a Custodian is as defined in the ASIC Instrument.

If the Shares are held as a trustee or nominee for another person, but the registered holder is not a Custodian as defined in the ASIC Instrument, that holder cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings apply.

The Custodian Certificate can be obtained by contacting the Share Registry and the completed copy must be emailed to custodialcertificates@automicgroup.com.au. If you require further details on the information required in a ‘Custodian Certificate’ please contact Automic:

E: corporate.actions@automicgroup.com.au

P: 1300 288 664 (within Australia)

P: +61 2 9698 5414 (international)

4.6. Overseas Shareholders

This document does not constitute an offer of Shares in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The SPP is not being extended to, and Shares will not be allotted to, shareholders with a registered address which is outside Australia or New Zealand.

Beneficial shareholders not resident in Australia or New Zealand should consult their professional advisors to determine whether any government or other consents are required or whether formalities need to be observed to allow them to accept their entitlement.

4.7. United States

Participation in the SPP is not being offered, directly or indirectly, to any person in the United States or to any person that is acting for the account or benefit of a person in the United States. This document and any related offering documents must not be mailed or otherwise transmitted or distributed in the United States. Participation in the SPP, directly or indirectly, in violation of these restrictions is not permitted, and such participation will be invalid.

The New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. The New Shares may not be offered, sold or otherwise transferred in the United States except in transactions exempt from, or not subject to, the registration requirements under the US Securities Act and the applicable securities laws of any state or other jurisdiction in the United States.

Because of the legal restrictions summarised above, you must not send copies of any SPP materials (including this document) to any person in the United States. Consistent with the representations set out in clause 5 below, you are also

advised not to submit any application or make payment by BPAY® or EFT or otherwise in respect of the purchase of New Shares under the SPP on behalf of any person in the United States. Failure to comply with these restrictions may result in violations of applicable securities laws.

4.8. Offer Non-renounceable

Offers made under the SPP are non-renounceable. Eligible Shareholders cannot transfer their right to other parties to subscribe for New Shares under the SPP. Acquisition by an Eligible Shareholder of additional New Shares or a new separate holding of New Shares before the Closing Date, will not give rise to any additional right to subscribe for New Shares under this SPP offer.

5. AGREEMENT

Eligible Shareholders may only acquire up to a maximum of A\$30,000 of Shares under an SPP or similar plan in any 12-month period (as prescribed by the ASIC Instrument).

By making payment via BPAY® or EFT, the Eligible Shareholder:

- a) irrevocably and unconditionally agrees to the terms and conditions of the Offer and the terms and conditions of the application form and agrees not to do any act or thing that would be contrary to the spirit, intention or purpose of the Offer;
- b) warrants that all details and statements in its application are true and complete and not misleading;
- c) agrees that its application will be irrevocable and unconditional (that is, it cannot be withdrawn even if the market price of the Shares is less than the SPP Issue Price);
- d) warrants that it is an Eligible Shareholder and are eligible to participate in the Offer;
- e) acknowledges that no interest will be paid on any application monies held pending the issue of New Shares under the Offer or subsequently refunded to you for any reason;
- f) acknowledges that the Company and its officers and agents, are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these terms and conditions;
- g) if it is apply on its own behalf (and not as a Custodian), acknowledges and agrees that:
 - a. it is not applying for New Shares with an application price of more than A\$30,000 under the Offer (including by instructing a Custodian to acquire New Shares on its behalf under the Offer); and
 - b. the aggregate of the application price paid for:
 - i. the New Shares the subject of the application; and
 - ii. any other Shares issued to, or which a Custodian has been instructed to acquire, under the SPP or any similar arrangement operated by the Company in the 12 months before the date of application (excluding Shares applied for but not issued),
does not exceed A\$30,000;
- h) if it is a Custodian and is applying on behalf of a Participating Beneficiary (defined in clause 4.5 above) on whose behalf it holds Shares, acknowledges and agrees that:
 - a. it is a Custodian (defined in clause 4.5 above);
 - b. it holds Shares (directly or indirectly) on behalf of one or more Participating Beneficiaries;
 - c. it held Shares on behalf of the Participating Beneficiary as at the Record Date who have instructed it to apply for New Shares on their behalf under the Offer;
 - d. each Participating Beneficiary on whose behalf it is applying for New Shares has been given a copy of this document;
 - e. the application price for the New Shares applied for on behalf of the Participating Beneficiary, and any other Shares applied for on their behalf under a similar arrangement in the previous 12 months (excluding shares applied for but not issued), does not exceed \$30,000; and

- f. the information in the Custodian Certificate submitted with its application form is true, correct and not misleading;
- i) to the extent its application exceeds the amount referred to in paragraph g) and h) above, it authorises the Company (and its officers and agents) to treat its application as being for such lesser number of New Shares as is permitted by the ASIC Instrument;
- j) it agrees generally to otherwise be bound by these Terms and Conditions;
- k) it authorises the Company to place its name on the register of members in respect of the New Shares which are issued to the Eligible Shareholder under the SPP offer and agrees to be bound by the constitution of the Company (as amended from time to time);
- l) it acknowledges that none of the Company, its advisers or agents, has provided it with any financial product or investment advice or taxation advice in relation to the Offer, or has any obligation to provide such advice;
- m) authorise the Company, and its officers and agents, to correct minor or easily rectified errors in, or omissions from, its application form and to complete the application form by the insertion of any missing minor detail;
- n) represents that it is not in the United States nor subscribing for New Shares for the account or benefit of a person in the United States;
- o) acknowledges that the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and, accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- p) acknowledges that the New Shares will only be offered and sold outside the United States in “offshore transactions” (as defined in and in reliance on Regulation S under the US Securities Act);
- q) if in the future the Eligible Shareholder decides to sell or otherwise transfer the New Shares, it will do so in a regular way on ASX where neither it nor any person acting on its behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
- r) represents that it has not distributed this document or any other documents relating to the Offer to, any person in the United States or elsewhere outside Australia and New Zealand.

Failure to comply with these restrictions may result in violations of applicable securities laws.

The Company reserves the right, and in certain circumstances may be required by the ASIC Instrument or other conditions, to read down, or reject, any application for New Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these Terms and Conditions or any statute, law, regulation, statutory instrument or the ASX Listing Rules.

6. APPLICATIONS

- 6.1. All amounts in this Offer are expressed in Australian dollars.
- 6.2. Eligible Shareholders may participate in the SPP by paying directly via BPAY® (for Eligible Shareholders with an eligible Australian bank account) or EFT.
- 6.3. Applications may only be made via BPAY® or EFT in accordance with the instructions contained in the enclosed personalised application form. Applications will only be open for acceptance on and from Friday, 11 November 2022 (the **Opening Date**).
- 6.4. To be valid, payment via BPAY® or EFT must be received by the Company before 5:00pm (Sydney time) on Friday, 16 December 2022 (the **Closing Date**). Applications received after that time will not be accepted.
- 6.5. You must quote your BPAY® reference number or EFT unique payment reference as your payment reference/description when processing your payment. Failure to do so may result in your funds not being allocated to your application and New Shares subsequently not issued.

- 6.6. If you make a payment by BPAY® or EFT, you are taken to make the certifications, representations and warranties described in this document.
- 6.7. Please note that your financial institution may apply limits on the use of your BPAY® or EFT (as applicable) and that you should make enquiry about the limits that apply in your personal circumstances.
- 6.8. Once an application is received, the application and associated payment under the SPP may not be withdrawn and the interest (if any) accruing on the application money will accrue and be payable to the Company.
- 6.9. The Company will refund to you by direct credit deposit to your nominated bank account (where you have given your nomination to the Share Registry) or by cheque, the difference between your application money and the total offer price for the New Shares issued to you.

7. SCALE BACK AND EARLY CLOSE

7.1. Scale Backs

The Company is targeting to raise \$1.0 million under the SPP. However, the Board may decide in its absolute discretion to either scale back applications or issue an amount above or below the \$1.0 million target under the SPP, depending on the level of demand received. Any scale back will be on a pro-rata basis to either the size of each applicant's existing security holdings or the number of securities for which each applicant has applied.

If the Company scales back applications, Eligible Shareholders will receive the number of Shares determined by the Board in its absolute discretion (which may be less than the parcel of Shares which was applied for), subject to the scale back being on a pro-rata basis to all Eligible Shareholders. In this case, the difference between the application money received and the number of Shares allocated to the Eligible Shareholder multiplied by the issue price, may be refunded without interest at the time of allotment. In the event of a scale back where the amount of the application as scaled back is not be equal to a whole number of Shares, the number of Shares to be allotted will be rounded up to the nearest whole number of Shares.

7.2. Early Close

The Company reserves the right, in its absolute discretion, to close the SPP early depending on the level of demand received.

7.3. Issued Shares

In the absence of scale back, and subject to an application not being read down, or rejected, due to the Eligible Shareholder exceeding the A\$30,000 maximum limit provided for by the ASIC Instrument, the number of New Shares to be issued will be calculated by dividing the application money received via BPAY® or EFT by the SPP Issue Price, then rounding up to the nearest whole New Share. Interest (if any) accruing on the application money will accrue and be payable to the Company.

8. SHORTFALL

In the event that less than \$1.0 million is applied for under the SPP, then the full amount of the shortfall may be placed at the discretion of the Board subject to compliance with the necessary legal requirements. The Company confirms that any issue of shortfall will be placed subject to the Company's compliance with ASX Listing Rule 7.1 and/or 7.1A at the time of issue. As at the Record Date, the Company has capacity to issue 68,101,809 Shares under its ASX Listing Rule 7.1 capacity and 55,401,206 Shares under its ASX Listing Rule 7.1A capacity. Where the shortfall exceeds the Company's placement capacity, the shortfall will only be placed if shareholder approval is obtained.

9. ADDITIONAL DISCLOSURE

9.1. Rights attaching to New Shares

The rights of the New Shares are contained in the constitution of the Company (which is available for inspection at the registered office of the Company during the period of the Offer).

New Shares issued under the SPP will rank equally in all respects with all existing fully paid ordinary shares in the Company on the date of issue.

9.2. Cost of Participation

No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the application for, and issue of New Shares under, the SPP.

9.3. Allotment and Quotation Dates

Subject to these Terms and Conditions, New Shares are expected to be allotted under the SPP on Thursday, 22 December 2022 and the Company will apply for the New Shares to be quoted on ASX. If the New Shares are not quoted on ASX, the New Shares will not be issued and all application monies will be refunded (without interest).

The Company expects to dispatch a holding statement or confirmation advice in respect of the New Shares allotted under the SPP on Friday, 23 December 2022. Eligible Shareholders should confirm their holding before trading in any New Shares that they believe have been allotted to them under the SPP.

9.4. Underwriting

The SPP is not underwritten at the time the Offer is made. However, the Company reserves the right to subsequently put in place an underwriting for the whole or part of the amount sought to be raised through the SPP, depending on the appetite of the underwriter(s), the proposed commercial terms, the ASX Listing Rules and other statutory or regulatory considerations.

9.5. Risks

New Shares are a speculative investment and there is a risk that the market price of Shares may change between the date of this offer and the issue date. Accordingly, the value of New Shares applied for may rise or fall. This means that for the same aggregate application amount, the number of New Shares acquired by an Eligible Shareholder under the SPP may be lower than the number of New Shares that may be acquired on the market on the date that the New Shares are issued.

This document is not a prospectus or other disclosure document. Accordingly, shareholders must rely on their own knowledge of the Company, previous disclosures made by the Company to ASX, and, if necessary, consult their professional advisor when deciding whether or not to participate in the Offer. The terms and conditions of the Offer should be read in conjunction with the Company's continuous and periodic disclosures given to ASX, which are available on ASX's website at www.asx.com.au (under the Company's code "IOU") and the Company's website at <https://ioupay.com/>.

9.6. General

The Company may at any time irrevocably determine that an application is valid, in accordance with these Terms and Conditions, even if the application form is incomplete, contains errors or is otherwise defective.

The Company's rights and discretions under the SPP may be exercised by the Company's Directors or any delegate of the Company's Directors.

9.7. ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547

This offer of New Shares under the SPP is made in accordance with the requirements of the ASIC Instrument. The ASIC Instrument grants relief from the requirement to prepare a prospectus for the offer of New Shares under the SPP.

9.8. Financial Markets Conduct (Incidental Offers) Exemption Notice

The New Shares offered pursuant to the SPP are being offered in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand) (as amended by the Financial Markets Conduct (Incidental Offers) Exemption Amendment Notice 2018).

This document has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

9.9. Independent Financial and Taxation Advice

The offer under this SPP is not a recommendation to purchase New Shares. The Company recommends that Eligible Shareholders seek independent financial and taxation advice before participating in the SPP.

10. PRIVACY

By receiving completed application forms under the Offer, the Company collects personal information about shareholders. The Company will use this information for the purposes of processing the application form and updating the records of the Company. Unless required by the law, the Company will not disclose the personal information for another purpose without the consent of the shareholder. Except as stated by the law, shareholders are able to access, upon request, their personal information held by the Company. For further information about how we manage your personal information, please contact us.

11. FURTHER INFORMATION

If you have any questions in relation to the Offer or on how to complete the application form, please call +61 2 8296 0000 for more information.

12. DISPUTE RESOLUTION

IOUpay reserves the right to determine, in any manner it thinks fit, any difficulties of questions of fact or interpretation, anomalies or disputes which may arise in a connection with or by reason of the operation of the SPP, whether generally or in relation to any Eligible Shareholder or application for New Shares. IOUpay's decision will be conclusive and binding on all shareholders and other persons to whom the determination relates.

13. WAIVER, AMENDMENT, SUSPENSION AND TERMINATION

- 13.1. The Board reserves the right to waive strict compliance with any provision of these Terms and Conditions, to amend or vary these Terms and Conditions and to suspend, withdraw or terminate the SPP or close the SPP early at any time. Any such waiver, amendment, variation, suspension, withdrawal, termination or early closure will be notified by a release to the ASX.
- 13.2. To the extent permitted by law, IOUpay is not liable for loss, cost or expense arising out of any exercise of its discretions under these Terms and Conditions.

14. GOVERNING LAW

This Offer is governed by the laws of New South Wales, Australia. By accepting the offer the Eligible Shareholder submits to the non exclusive jurisdiction of the courts of New South Wales, Australia.

15. DEFINITIONS

In this document the following terms have these meanings:

\$ or A\$	means Australian dollars;
Allotment Date	means the date the New Shares are allotted, expected to be Thursday, 22 December 2022;
ASIC	means the Australian Securities and Investments Commission;
ASIC Instrument	means <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i> ;
ASX	means ASX Limited or the Australian Securities Exchange, as the context requires;
Board	means the board of directors of IOUpay;
Corporations Act	means the <i>Corporations Act 2001 (Cth)</i> ;
Custodian	the meaning given in the ASIC Instrument;
Directors	means the directors of IOUpay;

EFT	means electronic funds transfer;
Eligible Shareholders	means a person who is eligible to participate in the SPP in accordance with clause 4 of the Terms and Conditions;
IOUpay or Company	means IOUpay Limited (ACN 091 192 871);
New Shares	means a fully paid ordinary share in IOUpay offered under the SPP;
Record Date	means the record date for the SPP being 7:00pm (Sydney time) on Thursday, 10 November 2022;
Share Registry	means Automic Pty Ltd (ACN 152 260 814);
Shares	means fully paid ordinary shares in IOUpay;
SPP or Offer	means the offer of New Shares under a share purchase plan on the terms and conditions set out in this document;
SPP Issue Price	means \$0.045 per New Share;
Terms and Conditions	means the terms and conditions of the SPP set out on page 4 of this document onwards; and
US Securities Act	means the US Securities Act of 1933, as amended.

SRN/HIN:
ASX Code: IOU
Record Date: 7:00pm (AEDT), 10 November 2022

SHARE PURCHASE PLAN APPLICATION FORM

IMPORTANT: OFFER CLOSSES 5:00PM (AEDT) ON 16 DECEMBER 2022 (UNLESS VARIED)

1: SUBSCRIPTION

This Offer entitles each Eligible Shareholder in IOUpay Limited (the **Company**) to subscribe through the Company's Share Purchase Plan (**SPP**) for a maximum of \$30,000 worth of fully paid ordinary shares in the Company (**New Shares**). The Company announced the SPP to raise up to a total of \$1.0 million. The SPP is open to all shareholders recorded as holding fully paid ordinary shares (**Shares**) on the Company's Register as at the Record Date with a registered address in Australia or New Zealand. The issue price of the New Shares is \$0.045 (**Price**). Eligible Shareholders may subscribe for any one of the following parcels (*subject to a maximum band or any scale back*) described below by paying the applicable Subscription Amount in accordance with the payment instructions in section 2 of this Application Form:

Option	Application Amount	Number of New Shares	Option	Application Amount	Number of New Shares
1	\$1,000	22,223	8	\$17,500	388,889
2	\$2,500	55,556	9	\$20,000	444,445
3	\$5,000	111,112	10	\$22,500	500,000
4	\$7,500	166,667	11	\$25,000	555,556
5	\$10,000	222,223	12	\$27,500	611,112
6	\$12,500	277,778	13	\$30,000	666,667
7	\$15,000	333,334			

No fractions of Shares will be issued. Any fraction of a Share will be rounded up to the nearest whole number of Shares (where applicable).

2: PAYMENT - You can pay either by BPAY® or Electronic Funds Transfer "EFT"

Payment under the Share Purchase Plan can only be made by BPAY® or EFT.

<p>Option A – BPAY®</p>  <p>Biller Code: Ref No:</p> <p>Contact your financial institution to make your payment from your cheque or savings account.</p> <p>Note: You do not need to return this form if you have made payment via BPAY® or EFT. Your BPAY® reference number or unique reference number will process your payment for your application for New Shares electronically.</p>	<p>Option B – Electronic Funds Transfer (EFT)</p> <p>The unique Payment Reference which has been assigned to your Application is: Funds are to be deposited directly to following bank account:</p> <p>Account name: Account BSB: Account number: Swift Code:</p> <p>IMPORTANT: You must quote your unique payment reference as your payment reference/ description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your application and shares subsequently not issued.</p>
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3: Elect to receive email communication

Return to Automic Group by email to corporate.actions@automicgroup.com.au

<p>Telephone Number</p> <p>()</p>	<p>Contact Name (PLEASE PRINT) IOU-</p>
<p>Please insert your email address if you wish to elect to be an e-Shareholder, and you consent to receiving communications from the Share Registry</p>	

INSTRUCTIONS FOR COMPLETION OF THIS FORM

The right to participate in the SPP is optional and is offered exclusively to all Shareholders (including Custodians) who are registered as holders of fully paid ordinary shares in the capital of the Company on the Record Date with a registered address in Australia or New Zealand (**Eligible Shareholders**).

If the Company rejects or scales-back an application or purported applications, the Company will return to the Shareholder the relevant Application Monies, without interest.

HOW TO APPLY FOR SHARES UNDER THE SPP

1 Subscription

As an Eligible Shareholder, you can apply for up to a maximum of \$30,000 worth of Shares. Eligible Shareholders can select one of the parcels prescribed overleaf.

In order to comply with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, the maximum value of Shares each Eligible Shareholder (irrespective of the size of their shareholding) may apply for under this Offer is \$30,000 (including through joint holding(s), multiple share accounts or any holding in which they have a beneficial interest/s). This limit will apply even if you receive more than one offer from the Company (for example, because you are a joint holder of Shares or because you hold more than one shareholding under separate share accounts).

If the Company receives an amount that does not equal one of the amounts specified overleaf the Company may accept the payment at their discretion and refund any excess Application Money (without interest) to the Eligible Shareholder. If the Company receives a subscription of over \$30,000 worth of Shares by an Eligible Shareholder through multiple applications or joint holdings, the Company may refund any excess Application Money (without interest) to the Eligible Shareholder.

Any application made under the SPP Offer is not guaranteed to result in the Eligible Shareholder receiving any Shares that have been applied for. Applications may be scaled back at the absolute discretion of the Company.

2 Payment

By making a payment via BPAY or EFT, you agree that it is your responsibility to ensure that funds are submitted correctly and received by Automic Share Registry by the closing date and time. Payment must be received by the Share Registry by 5:00pm (AEDT) on 16 December 2022.

It is your responsibility to ensure your CRN or unique Payment Reference is quoted, as per the instructions in Section 2. If you fail to quote your CRN or unique Payment Reference correctly, Automic may be unable to allocate or refund your payment. If you need assistance, please contact Automic.

Payment by BPAY®: You can make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. To BPAY® this payment via internet or telephone banking use your reference number on this Form. Multiple acceptances must be paid separately.

Payment by EFT: You can make a payment via Electronic Funds Transfer "EFT". Multiple acceptances must be paid separately. Please use your unique reference on this Form. This will ensure your payment is processed correctly to your application electronically.

If you make a payment by BPAY® or EFT and the Company receives an amount which is not equal to either \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500, \$15,000, \$17,500, \$20,000, \$22,500, \$25,000, \$27,500 or \$30,000 the Company may accept the payment at their discretion. Your payment must be for a minimum of \$1,000.

Applicants should be aware of Automic's financial institution's cut off-time, their own financial institution's cut-off time and associated fees with processing a funds transfer. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time, including taking into account any delay that may occur as a result of payments being made after 5pm (AEDT) and/or on a day that is not a business day (payment must be made to be processed overnight). You do not need to return this Form if you have made payment via BPAY® or EFT. Your reference number will process your payment to your application electronically and you will be deemed to have applied for such shares for which you have paid.

3 Contact Details - Elect to receive email communication

As a valued shareholder in IOUpay Limited, the Company encourages shareholders to elect to receive their shareholder communications electronically. This will ensure you receive all future important shareholder communications in a faster and more secure way and reduce the environmental footprint of printing and mailing.

IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase Shares under the SPP, there is no need to take action.
3. Please ensure you have read and understood the terms and conditions of the SPP in the Offer Booklet accompanying this Application Form and this section entitled "Important Information" before making payment by BPAY® or EFT.
4. The offer for Shares under the SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the meaning of "Custodian" as defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, you must complete and submit an additional certificate that contains further certifications and details (**Custodian Certificate**) that must be provided before your application will be received. The Custodian Certificate can be obtained by contacting the Share Registry on the telephone number set out below. Applications received by Custodians that are not accompanied by the Custodian Certificate will be rejected. A completed Custodian Certificate must be emailed to: custodialcertificates@automicgroup.com.au, failure to do so will result in the Application being rejected.
6. For applicants that are not required to complete the Custodian Certificate, by making payment by BPAY® or EFT, you certify that the aggregate of the payment paid by you for:
 - the parcel of Shares indicated on this Application Form or BPAY® or EFT; and
 - any other Shares applied for by you, or which you have instructed a custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to making payment by BPAY® or EFT does not exceed A\$30,000.
7. The maximum subscription limitation of A\$30,000 will apply even if you have received more than one Application Form (whether in respect of a joint holding or because you have more than one holding under separate security accounts).
8. You are not guaranteed to receive any Shares that you have applied for and the Company may, in its absolute and sole discretion:
 - a. scale back any applications made; and
 - b. reject your application, without limit.
9. By making payment of application monies, you certify that:
 - you wish to apply for Shares under the SPP as indicated on this Application Form and acknowledge that your application is irrevocable and unconditional;
 - you received a copy of the Offer Booklet and you have read and understood the terms and conditions of the SPP;
 - you agree to be bound by the Constitution of the Company and the terms and conditions in the Offer Booklet;
 - you agree to accept any lesser number of Shares than the number of shares applied for; and
 - you are not in the United States and are not acting for the account or benefit of a person in the United States and have not sent any offering materials relating to the SPP offer to any person in the United States.

If you require further information about the Offer, please contact Automic on 1300 288 664 or +61 2 9698 5414 between 8:30am and 5:00pm (AEDT).