

GOLDMINEX RESOURCES LIMITED
(TO BE RENAMED ENZUMO LIMITED)
ABN 62 119 383 578

NOTICE OF GENERAL MEETING AND EXPLANATORY STATEMENT

TIME: 10:00 AM

DATE: MONDAY, 16 MARCH 2015

PLACE: GRANT THORNTON AUSTRALIA, LEVEL 17, 383 KENT STREET, SYDNEY, NEW SOUTH WALES

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

All Shareholders should refer to the Independent Expert's Report enclosed with this Notice of Meeting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, Wayne Longbottom on +61 2 9119 8725.

Table of Contents

Important Information	2
Business of the Meeting	4
Explanatory Statement	9
Schedule 1 – Terms and Conditions of Performance Shares	57
Schedule 2 – Terms and Conditions of Kestrel Options	62
Schedule 3 – Terms and Conditions of Termination Options	64
Annexure A – Pro-Forma Balance Sheet	
Annexure B – Independent Expert’s Report	

IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the general meeting of the Shareholders to which this Notice of Meeting relates will be held at 10:00 am (AEDST) on Monday 16 March 2015 at:

Grant Thornton Australia, Level 17, 383 Kent Street, Sydney, NSW 2000, Australia

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations* 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders at 7:00 pm (AEDST) on Saturday 14 March 2015.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return it by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Capitalised terms

Certain capitalised terms used in the Notice (including in the resolutions) and the Explanatory Statement are defined in the Glossary in Section 14.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – CHANGE TO NATURE AND SCALE OF ACTIVITIES

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of all Acquisition Resolutions, for the purpose of ASX Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to make a significant change in the nature and scale of its activities as described in the Explanatory Statement accompanying this Notice.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any 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 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 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.

2. RESOLUTION 2 – CONSOLIDATION OF CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of all Acquisition Resolutions, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that every 10 Shares be consolidated into 1 Share, and, where this Consolidation results in a fraction of a Share being held, the Company be authorised to round that fraction down to the nearest whole Share.”

3. RESOLUTION 3 – CREATION OF NEW CLASSES OF SECURITIES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That, subject to and conditional upon the passing of all Acquisition Resolutions, for the purpose of section 246B of the Corporations Act, clause 7.1 of the Company’s Constitution and for all other purposes, the Company is authorised to issue Performance Shares on the terms and conditions set out in the Explanatory Statement.”

4. RESOLUTION 4 – ISSUE OF SECURITIES TO VENDORS

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, subject to and conditional on the passing of all Acquisition Resolutions, for the purposes of ASX Listing Rule 7.1 and in accordance with section 611 (Item 7) of the Corporations Act and for all other purposes, approval be given for the issue:

(a)! of the following Securities to the Vendors in consideration for all the shares in the capital of the Enzumo Companies pursuant to the Agreement:

(i)! 14,000,000 Shares;

(ii)! 1,800,000 Class A Performance Shares;

(iii)! 1,800,000 Class B Performance Shares; and

(iv)! 1,800,000 Class C Performance Shares;

(b)! of up to 1,800,000 Shares upon the conversion of Class A Performance Shares referred to in paragraph (a)(ii) above;

(c)! of up to 1,800,000 Shares upon the conversion of Class B Performance Shares referred to in paragraph (a)(iii) above; and

(d)! of up to 1,800,000 Shares upon the conversion of Class C Performance Shares referred to in paragraph (a)(iv) above,

(all on a post-Consolidation basis) including approval for the Vendors and their respective associates thereby acquiring a combined voting power in the Company of up to 42.4%, on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Expert’s Report: Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of the Shareholder approval required under section 611 (Item 7) of the Corporations Act. The Independent Expert’s Report in Annexure A comments on the fairness and reasonableness of the transactions the subject of Resolution 4 to the non-associated Shareholders in the Company.

Voting Exclusion: The Company will disregard any votes cast on this Resolution by the Vendors and their respective associates and any person who may participate in the proposed issue 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 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 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.

5. RESOLUTION 5 - CAPITAL RAISING

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, subject to and conditional on the passing of all Acquisition Resolutions, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 25,000,000 Shares on a post-Consolidation basis at an issue price of 20 cents per Share to raise up to \$5,000,000 as part of the Capital Raising on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue 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 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 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.

6. RESOLUTION 6 – PARTICIPATION OF A RELATED PARTY IN CAPITAL RAISING - MR NIAL CAIRNS

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, subject to and conditional on the passing of all Acquisition Resolutions, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 8,000,000 Shares on a post-Consolidation basis (less the number of

Shares issued pursuant to Resolutions 7 and 8) to Mr Niall Cairns (or his nominee, or Carnethy Evergreen Pty Ltd) as part of the Capital Raising on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Niall Cairns, his nominee, Carnethy Evergreen Pty Ltd and any of their associates. 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 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.

7. RESOLUTION 7 – PARTICIPATION OF A RELATED PARTY IN CAPITAL RAISING - MR PHILLIP CARTER

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, subject to and conditional on the passing of all Acquisition Resolutions, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 8,000,000 Shares on a post-Consolidation basis (less the number of Shares issued pursuant to Resolutions 6 and 8) to Mr Phillip Carter (or his nominee, or Granta Capital Pty Ltd) as part of the Capital Raising on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Phillip Carter, his nominee, Granta Capital Pty Ltd and any of their associates. 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 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.

8. RESOLUTION 8 – PARTICIPATION OF A RELATED PARTY IN CAPITAL RAISING – KESTREL GROWTH COMPANIES LTD

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, subject to and conditional on the passing of all Acquisition Resolutions, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 8,000,000 Shares on a post-Consolidation basis (less the number of Shares issued pursuant to Resolutions 6 and 7) to Kestrel Growth Companies Ltd as part of the Capital Raising on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Kestrel Growth Companies Ltd and any of its associates. 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 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.

9. RESOLUTION 9 – APPOINTMENT OF ANDREW RAWLINSON AS A DIRECTOR

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

“That, subject to and conditional on the passing of all Acquisition Resolutions, for the purpose of clause 23.5 of the Company’s Constitution and for all other purposes, Mr Andrew Rawlinson be appointed as a director of the Company, to take effect subject to and upon completion of the Acquisition.”

10. RESOLUTION 10 – CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass the following Resolution as a **special resolution**:

“That, subject to and conditional upon completion of the Acquisition, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to ‘Enzumo Limited’.”

11. RESOLUTION 11 – ISSUE OF OPTIONS TO KESTREL CAPITAL PTY LTD

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, subject to and conditional upon completion of the Acquisition, for the purposes of Listing Rule 10.11 and section 208 of the Corporations Act and for all other purposes, approval is given for the Company to grant 1,500,000 Kestrel Options to Kestrel Capital Pty Ltd (or its nominee) as described in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Kestrel Capital Pty Ltd, its nominee and any of their associates. 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 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.

Section 12.6 also contains a Voting Prohibition Statement in respect of Key Management Personnel.

12. RESOLUTION 12 – APPROVAL OF GRANT OF TERMINATION OPTIONS TO MR ADRIAN FLEMING

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, subject to and conditional upon completion of the Acquisition, for the purposes of Listing Rule 10.11 and sections 200B and 208 of the Corporations Act and for all other purposes, approval is given for the Company to grant 150,000 Termination Options to Mr Adrian Fleming or his nominee as described in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Adrian Fleming, his nominee and any of their associates. 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 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.

Section 13.7 also contains a Voting Prohibition Statement in respect of Key Management Personnel.

13. RESOLUTION 13 – APPROVAL OF GRANT OF TERMINATION OPTIONS TO MR DAVID SODE

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, subject to and conditional upon completion of the Acquisition, for the purposes of Listing Rule 10.11 and sections 200B and 208 of the Corporations Act and for all other purposes, approval is given for the Company to grant 150,000 Termination Options to Mr David Sode or his nominee as described in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr David Sode, his nominee and any of their associates. 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 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.

Section 13.7 also contains a Voting Prohibition Statement in respect of Key Management Personnel.

14. RESOLUTION 14 – APPROVAL OF GRANT OF TERMINATION OPTIONS TO MR SIMON O’LOUGHLIN

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, subject to and conditional upon completion of the Acquisition, for the purposes of Listing Rule 10.11 and sections 200B and 208 of the Corporations Act and for all other purposes, approval is given for the Company to grant 150,000 Termination Options to Mr Simon O’Loughlin or his nominee as described in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Simon O’Loughlin, his nominee and any of their associates. 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 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.

Section 13.7 also contains a Voting Prohibition Statement in respect of Key Management Personnel.

DATED: 3 FEBRUARY 2015

BY ORDER OF THE BOARD



Wayne Longbottom
Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

Resolutions 1 to 9 (inclusive) are inter-conditional on all of those Resolutions being approved. If any of Resolutions 1 to 9 (inclusive) are not passed, then all of Resolutions 1 to 9 (inclusive) will be taken to have been rejected by Shareholders.

For the avoidance of doubt the Resolutions 1 to 9 (inclusive) are referred to as **Acquisition Resolutions** throughout this Notice.

1. BACKGROUND TO PROPOSED ACQUISITION OF THE ENZUMO GROUP

1.1 General background

On 11 November 2014 the Company announced that it had executed a binding conditional share purchase deed (**Agreement**) with the shareholders of Enzumo LMS Solutions Pty Limited (**Solutions Company**), Enzumo Consulting Pty Limited (**Consulting Company**) and Enzumo Admin Pty Limited (ACN 100 876 435) (**Admin Company**) (collectively **the Enzumo Companies**¹) pursuant to which the Company proposes to acquire all of the issued shares in the Enzumo Companies from the shareholders of the Enzumo Companies in consideration for cash and the issue of the Completion Shares and the Performance Shares the subject of Resolution 3 (as those terms are defined in Section 5.1 of the Explanatory Statement) to the shareholders of the Enzumo Companies (**Acquisition**).

The shareholders of the Enzumo Companies comprise:

- Enzumo Group Pty Limited ACN 158 631 460 as trustee of the eLMS Solutions Unit Trust ABN 96 592 367 831 (**Solutions Vendor**) which on completion of the Restructure Agreements will hold 100% of the shares in the Solutions Company;
- Enzumo Group Pty Limited ACN 158 631 460 as trustee of the Enzumo Consulting Unit Trust ABN 74 748 047 545 (**Consulting Vendor**) which on completion of the Restructure Agreements will hold 100% of the shares in the Consulting Company;
- Stephen Bell who holds 99.99% of the shares in the Admin Company; and
- Lynette Bell who holds 0.01% of the shares in the Admin Company.

(together the **Vendors**).

The Enzumo Companies conduct or will at Completion conduct the business of configuring third party software systems and developing, selling, implementing and maintaining proprietary commercial software tools and products for financial planning and advisory industry applications. A summary of the material terms of the Agreement is set out in Section 1.5 of the Explanatory Statement.

¹ Solutions Company and Consulting Company have not been incorporated as at the date of this Notice. Under the Restructure Agreements (summarised in Section 1.5), the Solutions Vendor and the Consulting Vendor (as defined above) will transfer their businesses to Solutions Company and Consulting Company respectively in exchange for shares in these new companies prior to completion of the Acquisition, and the Company shall acquire these shares from the Solutions Vendor and the Consulting Vendor as part of the Acquisition.

Subject to Shareholders' approval of the Acquisition Resolutions and subject to the terms of the Agreement, including satisfaction or waiver of the conditions precedent summarised in Section 1.4, the Company proposes to:

- (a) change the Company's nature and scale of activities to commence its participation in and development of a leading Australian financial technology and e-learning business via the proposed Acquisition (Resolution 1).
- (b) consolidate the issued capital of the Company on the basis that every 10 Shares are consolidated into 1 Share (Resolution 2).
- (c) create a new class of Securities called Performance Shares (Resolution 3);
- (d) issue, on a post-Consolidation basis, 14,000,000 Shares, 1,800,000 Class A Performance Shares, 1,800,000 Class B Performance Shares and 1,800,000 Class C Performance Shares to the Vendors in consideration for 100% of the issued capital in the Enzumo Companies (Resolution 4).
- (e) subject to the Board's discretion to vary the amount, raise new capital of between a minimum subscription amount of \$3,000,000 up to a maximum subscription amount of \$5,000,000 via a prospectus offer by issuing between 15,000,000 and 25,000,000 Shares (on a post-Consolidation basis) at 20 cents per Share (**Capital Raising**) (Resolution 5).

Mr Andrew Rawlinson, a director of the Solutions Vendor and the Consulting Vendor, is proposed to become a director of the Company subject to and with effect from completion of the Acquisition (Resolution 9). He is referred to in this Notice as the Proposed Director.

The Company also proposes to change the Company's name to "Enzumo Limited" with effect from when ASIC alters the details of the Company's registration (Resolution 10). Resolution 10 is not inter-conditional on other Resolutions being passed, however the Company will only change its name if completion of the Acquisition occurs and where all of the Acquisition Resolutions are passed.

1.2 Existing activities

Goldminex Resources Limited is an Australian public company that has been listed on the ASX (ASX code: GMX) since 19 October 2007.

The Company has previously conducted the business of mineral exploration in Papua New Guinea. During the course of the financial year ended 30 June 2014 the Company wound down operations on its main prospect, the Liamu Prospect, which had been developed under a farm-in agreement with Vale International Holdings GmbH (**Vale**), under which Vale spent USD 16.6m to identify a viable porphyry copper-gold deposit. Following the closure of the Liamu Prospect the Company has rationalised its activities, and sought new exploration partners for its remaining extensive portfolio of prospective PNG Tenements, as well as considering strategic alternatives outside of the resources sector.

1.3 Change in nature and scale of activities

As stated above, the Company and the Vendors have entered into the Agreement, pursuant to which the Company will, subject to Shareholders' approval of the Acquisition Resolutions and the terms of the Agreement, including satisfaction or waiver of the conditions precedent summarised in Section 1.5, acquire 100% of the issued share capital of the Enzumo Companies. Refer to Section 2.2 for information on the application of Listing Rule 11.1 to the Acquisition.

1.4 About the Enzumo Companies

Enzumo provides software solutions and business advisory services for the complex and highly regulated financial services industry and sits at the nexus of financial planners, information flows (from analysts, financial product providers, promoters and distribution specialists) and investors.

Enzumo's proprietary workflows enable financial planners to efficiently create personalised statements of advice for individual investors from these complex information flows, whilst ensuring their advice building processes comply with regulatory and supervisory requirements.

Enzumo's learning management system (**LMS**) provides wealth management firms with a means of supporting its proprietary workflows, as well as providing financial planners with necessary training in relation to these software configuration and workflow systems and the underlying financial planning software platforms.

Enzumo's products and services have been developed to meet the needs of financial planners across the full spectrum of the financial planning industry, from wealth management institutions, dealer groups and smaller independent financial advisors.

Workflow enabler for leading financial planning software platforms

Cost pressures and escalating regulatory compliance burdens have seen the financial services sector adopt a range of financial planning software solutions to leverage its planning resources. Several financial planning software platforms are in wide spread use; however, XPLAN (from IRESS Limited) and COIN (from Rubik Financial Limited) dominate the market in terms of numbers of planners. Both of these solutions are complex resulting in most planning practices using only a small fraction of the software's functionality.

Compounding the complexity is the absence of customised training and change management support by the product vendors. By way of an analogy, a typical financial planning software implementation can be likened to an unfurnished residential apartment, it may have access to vital infrastructure, however, services need to be activated and customised to meet the occupants' needs.

Enzumo 'furnishes' the leading platforms by capturing a planning practice's business rules and combining them with its own proprietary workflows to build a complete environment for creating, and auditing the creation of, a personalised statement of financial advice for an investor.

Wealth management institutions and dealer groups tend to have highly customised configurations. For independent financial advisers (**IFA**), Enzumo provides proprietary 'turnkey' solutions for preparing financial advice, which may also include practice and customer management solutions.

Enzumo's solutions increase the efficiency of producing financial advice, increase the return on investment on software used and enable financial advisors to compete in the largest untapped market segment - scalable advice segment.

Support and training content on-tap for financial planners via Software as a Service

Financial planning practices tend to be geographically dispersed, this coupled with the highly dynamic investment product environment, and complexity of software solutions, creates a challenging ecosystem to train and support. In contrast to traditional financial planning solutions Enzumo has overcome these challenges by developing a LMS for software, product, and professional development support and training, which is delivered via the internet as a Software as a Service (**SaaS**).

Enzumo provides metered access to instructional manuals, training simulations and webinars for financial planners and their management. Its solution has been designed to be general, but is highly configurable, to cater for the specific needs of financial planners, as such it houses training/support content, as well, as capturing compliance data, adviser qualifications and tracking adviser continuing professional education credits.

The generality of Enzumo's LMS makes it applicable to other segments of the financial services and professional services markets, which have similar needs for regulatory compliance, such as funds management and accountancy.

Enzumo's Intellectual Property

At the core of Enzumo's solution is an advanced financial planning business process model that defines the generation of a personalised statement of financial advice, based on configurable business rules. The process model has been designed to facilitate process auditing and simplify compliance reporting. Enzumo's LMS solution houses valuable proprietary training content, which covers both Enzumo workflows and the host financial planning software platforms.

Enzumo has sought and received protection of its intellectual property through contractual arrangements with clients, employees and contractors.

Enzumo's Sales Strategy

Enzumo has a significant existing client base and is seeking to continue its expansion into the XPLAN financial planning software installed base, across three key segments of the financial planning market:

- Wealth management institutions: Enzumo currently has installation with Australia and New Zealand Banking Group (ANZ) and National Australia Bank/MLC (NAB/MLC)
- Independent Financial Advisers (**IFAs**) and Dealer Groups: Enzumo currently has installations with Centrepont Alliance and several others
- Individual IFA practices: Enzumo's solutions is currently used by over 60 IFAs

Enzumo' Revenue Model

Enzumo's offerings and revenue model is divided into:

- Financial planning wizards and workflows
 - advisory services (time and materials)
 - software modules (perpetual licences, volume breaks, annual support)
- Training and support (LMS)
 - SaaS (configuration charge, monthly subscription model, multi-year terms)

Market Overview

With a ground-swell of change taking place in the Australian financial advice industry, driven by **Future of Financial Advice (FOFA)** reforms changing the revenue model to “fee-for-service” with a heavier compliance overhead, financial planning businesses are realising that future profitability will depend on their ability to service a larger number of clients more efficiently.

The potential for growth in this regard is to target the 80% of Australians who do not currently seek wealth management advice. The key to penetrating that market is cost effectiveness. As client demand for advice is highly price elastic, and with the current cost of service ranging between \$2,000 and \$4,000, it is already prohibitive. Only those advisers who implement strategies to drive this transaction cost down will achieve success in to this growing and emerging market.

Embracing financial technology is considered a key strategy to providing a solution that drives efficient operational process, reduces the administrative and compliance burden and increases turnover. Industry recognition of this has driven the recent growth of financial planning software, supported by learning management systems to better implement sophisticated software.

Australian Wealth Management Industry

Australia has one of the largest and fastest growing funds management sectors in the world, with total Funds under Management (FuM) currently estimated to be \$2.4 trillion (September 2014) having grown at a compound annual growth rate of 11.9% since 1994. Of total FuM, superannuation funds represent \$1.8 trillion (growing at 12.4% pa over the same period). Only 3.6% of FuM originates from overseas investors.

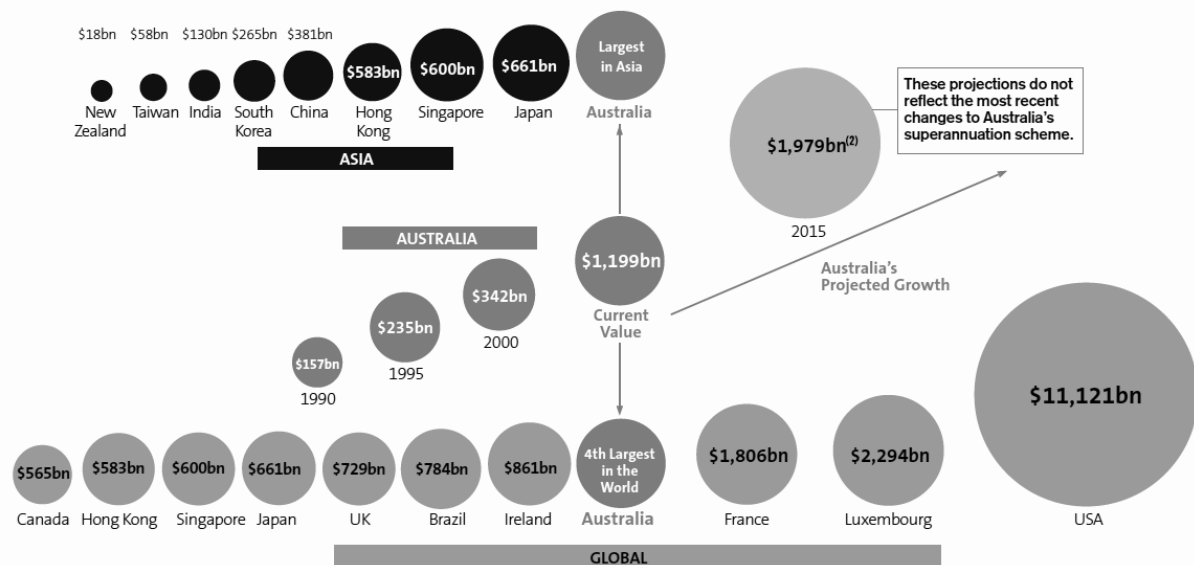
Growth in the sector is underpinned by Australia's government-mandated retirement scheme (superannuation), under which contribution rates will increase progressively from 9% to 12% of salary by 2025. This is expected to push superannuation savings to over \$6 trillion by 2035, as forecast by The Cooper Review into the Australia's superannuation industry.

Further strengthening this sector is the sophistication of Australia's investor base, as well as a strong and resilient economy, which has been underpinned by:

- mature and innovative financial markets;
- an efficient world class regulatory environment;
- participation by leading global financial institutions; and
- the development of innovative investment products.

THE GLOBAL SIGNIFICANCE OF AUSTRALIA'S INVESTMENT FUND ASSETS POOL

Investment Fund Assets¹, US\$, December Quarter 2009



Note: Circles are not to scale. Data between countries is not strictly comparable.

1. Refers to home-domiciled funds, except Hong Kong, South Korea and New Zealand, which include home- and foreign-domiciled funds. Fund of funds are not included. In this statistical release 'investment fund' refers to a publicly offered, open-end fund investing in transferable securities and money market funds. It is equivalent to 'mutual fund' in the US and 'UCITS' (Undertakings for the Collective Investment of Transferable Securities) in the European Fund and Asset Management Association's statistics on the European investment fund industry.

2. Standard & Poor's Investment Consulting have assumed: A\$1 = US\$0.80.

Sources: Investment Company Institute, *Worldwide Mutual Fund Assets and Flows*, December Quarter 2009; Hong Kong's data, December 2008, sourced from Securities and Futures Commission, *Fund Management Activities Survey 2008*; Singapore's data sourced from the Monetary Authority of Singapore, 2008 Singapore Asset Management Industry Survey; the projected figures of Australia's investment fund assets were provided by Standard & Poor's Investment Consulting; Austrade

6 Reserve Bank of Australia, Statistical table B18, as at December 2009. Note that the most recent RBA statistics also includes other non-Collective Investment Institutions (CIIs) and funds under management sources from overseas.

7 Investment Company Institute, *Worldwide Mutual Fund Assets and Flows*, second quarter 2009. In this statistical release 'investment fund' refers to "publicly offered open-ended fund investing in transferable securities and money market funds". They compare this to "mutual funds" in the US and "UCITS" for the European investment fund industry". For Australia, the ICI survey uses the Australian Bureau of Statistics for "managed funds". The ABS definition of "Managed funds" covers funds "pooled" from "a number of investors for the purpose of investing in a particular type or mix of assets, with a view to receiving an on-going return or capital gains".

8 Australian Securities Exchange, Historical Statistics.

9 ABS cat. No. 5206.0, Time Series Workbook, *Australian National Accounts: National Income, Expenditure and Product*, Table 1, Key National Aggregates.

Austrade, Investment Management Industry in Australia, June 2010.

Key Players and Trends

There are two key groups providing financial advice to Australians:

- Wealth management institutions; and
- IFA's and dealer groups.

In November 2009 the Ripoll Report, of the Parliamentary Joint Committee on Corporations and Financial Services, identified that in Australia there are just over 18,000 financial advisors working for 749 advisory groups operating across over 8,000 practices. Total annual revenue of the sector is separately estimated at \$10.8 billion.

The Ripoll Report further found that the most common method for providing financial advice is via one of the 160 dealer groups, of which the largest 20 dealer groups hold around 50% of the market share.

Approximately 85% of financial advisors are associated with product manufacturers and either:

- work within a dealer group and use the dealer's support services; or
- are directly employed as authorised representatives under a corporate entity's Australian Financial Services Licence (AFSL).

These 18,000 financial advisors, according to the Australian Securities and Investments Commission (ASIC), provide advice to around only 34% of retail investors who hold shares directly and just over half of managed funds.

As previously discussed, Enzumo considers these groups as follows:

Client Segment	Characteristics	Size in Licences	Appropriate Authorised Reps
Wealth Institutions	<ul style="list-style-type: none"> • Typically bank owned • Operate an employed adviser network • Own and operate licensees (Dealers) made up of large numbers of self-employed advisers (Practices) 	Employed – 300 to 1,000 advisers Self Employed – 100 + practices	11,000
Mid-Sized Licensees (Dealer Groups)	<ul style="list-style-type: none"> • Typically independent licensees • Often more like a co-operative of likeminded advisers 	50 to 300 Practices	5,000
Individual Practices	<ul style="list-style-type: none"> • Fiercely independent, fragmented • Believe their way of advice delivery is unique and value adding to clients 	4+ employees	2,000

Wealth Management Institutions

The largest group, making up 80% of the planner market, consists of the major banks and financial institutions, distributing a wide range of investment and insurance products, including superannuation via a multitude of channels. These financial planning groups are facing challenges including potential litigation, increased regulatory requirements and disenchantment among clients and planners alike. FOFA reforms, with looming restrictions and changes to the adviser's revenue model, including the banning of conflicted remuneration (commissions) has precipitated an aggregation of advisor groups in recent years, including AMP's acquisition of AXA Asia-Pacific and the Commonwealth Bank of Australia's acquisition of Count Financial Limited.

This group understands the changes that are sweeping the industry and the need for technology to create opportunities in the new environment, which requires timely and cost-effective advice to the emerging mass market.

IFA's and Dealer Groups

Small independent IFA's typically have approximately 400 clients with around 80% of revenue concentrated within the top 20-25% of clients. As a result, most IFA clients are seen as either being under-serviced or not serviced at all. With the FOFA reforms moving the revenue model to "fee-for-service" basis, IFA's will need to significantly increase client numbers, by two or three times, and better service their current clients, in order to maintain their current revenue levels. This highlights the need for IFA's to provide a less expensive more efficient service model to attract and maintain clients.

Other Participants/Emerging Participants

Other potential market participants including insurance brokers, mortgage brokers, accountants, stockbrokers and solicitors are increasingly providing limited generic financial advice to clients. Growth of these participants is expected as financial advice is complementary to the core services already provided. Participants such as iSelect, Aussie Home Loans, Yellow Brick Road and Mortgage Choice have announced, or signalled their intention to enter this space.

Advisor Penetration

Given the Australian funds management sector is one of the largest and fastest growing it indicates that financial advisers have a strong opportunity to capture business for providing advice, and this opportunity appears greater when considering funds placed from advice extends to the international funds management sector, direct investment in shares and debt securities (including debentures).

While it is difficult to pinpoint the percentage of Australians who use financial planners for making investment decisions there are various surveys that indicate that there is potential to increase adviser market penetration, given at best 62% of Australian investors appear not to use a financial planner. The following surveys taken from the ASIC Financial Literacy and Behavioural Change Report, March 2011 highlight this position.

A considerable proportion of investors, even relatively "active" or "affluent" investors, do not use a financial planner:

- At best, Investment and Financial Services Association (IFSA) research found 62% of "active" investors would use a planner if they were looking for information about managed investments, including superannuation.
- At worst, ASIC research found that only 15% of "general" investors surveyed used a financial planner as a main source of information when they made their last investment decision.

However, while the potential for advisors to increase their penetration in to this market appears large, there are challenges, particularly given the elasticity of price demand. Qualitative research with low to middle income participants commissioned by Australian Department of Families, Housing, Community Services and Indigenous Affairs (**FaHCSIA**) in 2009 found that, while many participants were generally aware of the services they could receive through accountants and financial planners, few had accessed those services as participants tended to perceive the services as expensive and unaffordable.

The issue of the cost of advice was raised in a 2009 survey of pre-retirees and retirees by Investment Trends. Almost half (47%) of those respondents who would seek advice on retirement plans did not expect to pay for advice. More directly, 26% of those who would have preferred to consult a financial planner did not expect to pay for this advice.

Overall, the most common reasons for not using a planner are:

- a perception that professional advice is not necessary (e.g. because the decision is simple or people prefer to do it themselves);
- lack of trust in planners, including not knowing how to find a “good” one; and
- cost issues, including concerns about:
 - planner fees; and
 - not having enough money to invest.

Industry research highlights how a reduction in service cost that software could deliver is a key for financial advisers to gain market penetration. Other issues, surrounding necessity and trust are being addressed through industry reforms.

Future of Financial Advice (“FOFA”) Reforms

Concerns of investors over receiving bad advice is often mismanaged by avoiding formal advice altogether. The government’s Future of Financial Advice (**FOFA**) reforms are aimed at addressing the reasons for not using a planner by improving the “trust and confidence of Australian retail investors in the financial planning sector” and increasing the knowledge of the benefits clients can receive from independent advice.

Conflicts of interest have historically compromised the quality of financial advice provided to Australian investors and several changes have been implemented to address these conflicts including the introduction of “fee-for-service”, the banning of product commissions and the requirement for periodic “opt-in”.

These changes are expected to increase pressure to reduce fees, coupled with the need to find more clients. While clients will have a growing need for financial advice, they will also have a reduced capacity to pay fees.

Advisor Software

The financial advisor software market is dominated by two players, XPLAN and COIN.

The Investment Trends 2014 Planner Technology Report shows that XPLAN held 54% of primary planner relationships, jumping from 39% in a year, transforming the planning software market over the past decade replacing VisiPlan. XPLAN’s increasing market dominance has been aided by National Australia Bank and MLC commencing the roll-out of XPLAN to its 4,000 users in bank branches and self-employed networks in September 2012. The report also highlights the trend of an increasing concentration amongst the top four advice providers, where in 2004 they held 56% of primary relationships, they now hold 90% of all such relationships.

Learning Management System (LMS) Software

The financial services industry has commenced addressing the provision of cost-effective advice to the mass market, however, this has been carried out in a piecemeal manner, given the reliance on software technology which is often too complex for advisors to fully utilise. This is highlighted by the Investment Trends report citing that while XPLAN is by far the largest software provider, with a market share of 52% (65% of IFA/self-employed advisers) the software is considered overly complex, resulting in 90% of practices using on average only 10% of software functionality. Compounding the issue of complexity is the lack of effective training and change management support, highlighting the need for a Financial Adviser Learning Management System (LMS). While competency in software becomes increasingly prominent in efficient workplace management, a LMS is required to manage the necessary upskilling and support of adviser staff.

The training industry as a whole grew 15% in 2013, while growth in Asia is twice that of the US, as noted in the Bersin Corporate Learning Factbook 2014. While specifically within this industry, the scale and growth of the LMS market is itself significant, with global market spend predicted to be between \$2.5 billion and \$2.7 billion in 2014, growing 21% YoY and 13% in 2013.

This growth is a result of:

- companies struggling to reskill staff at all levels to deal with accelerating changes in technology;
- rapidly changing learning content resulting in companies wanting modern platforms to be easier to use, offer mobile learning, and tightly integrate with talent and collaboration systems;
- learning platforms are in a replacement cycle with an average of age between 4-7 years, with 61% of companies planning a replacement within the next 18 months; and
- the rapid emergence of new LMS providers and the release by older providers of new generations of their product.

The Australian Financial Planning industry is mirroring these demands on the LMS market following a ground-swell of changes, placing competitive pressures on incumbents where only the innovative and dynamic will profit from the change in the market.

Key Management

Mr Andrew Rawlinson – Chairman Enzumo Companies

Mr Rawlinson has more than 20 years of experience in starting, growing and building business value, in the Financial Services industry, in particular providing services to financial intuitions and financial planning businesses in the wealth and advice space. Mr Rawlinson holds a Bachelor of Business.

Mr Rawlinson was one of the founders of Oasis Asset Management (now owned by ANZ wealth) a provider of super master trust and wrap account back office administration. Mr Rawlinson's main area of expertise has been in building and providing portfolio administration services to financial advisers. This included the development of website interfaces to provide financial planning clients with access to an extensive suite of reporting, and financial adviser's easy access to extensive customer data and reporting.

Mr Rawlinson has a strong understanding of the needs of both wealth management institutions and financial planners in today's highly regulated environment. He has held a number of Board positions over the last five years.

Mr Rawlinson joined Enzumo in October 2011 to assist the business in building a strategic plan focused on building market profile, aggressive growth and positioning the business to take on development capital to fulfil longer term value objectives.

Mr Stephen Bell – Director Enzumo Companies

Mr Bell has been the Financial Services Industry for more than 15 years as a financial planner and FP business owner with 10 years customising XPLAN.

Mr Bell owned and operated financial planning practice Logiro in 2006 where he provided bespoke financial advice to private clients. Prior to this, Mr Bell spent 10 years in a partnership building the fastest growing and second largest practice within the Australian Financial Services dealer group.

Mr Bell holds a Diploma of Financial Planning. Mr Bell also holds a Bachelor of Applied Science (Mathematics) and is an Authorised Representative of Garvan Financial Planning Ltd.

As the founder of Enzumo and Director of Innovation (previously Evolve Logic), Mr Bell's passion is utilising technology to deliver efficient solutions for the financial services market.

Mrs Lyn Bell – Managing Director

Mrs Bell, over the last 10 years has owned, operated and developed financial planning businesses, with the last 5 years focusing on the growth of the technology business, Enzumo (previously Evolve Logic).

Mrs Bell prior to entering the Financial Services Industry spent the majority of her career in executive and management positions within large national and international companies such as Terry White Chemist Group and The Estee Lauder Companies Inc, where she developed a strong knowledge of business and strategic growth through hands on experience.

Mrs Bell co-owned and managed financial planning practice Logiro, for 5 years utilising her experience in growing and developing businesses.

Mrs Bell has a wealth of experience in growing business, implementing efficient processes and building successful teams, Mrs Bell joined Mr Bell as the co-founder of Enzumo (previously Evolve Logic) in 2004. Mrs Bell aims to build a business and team that continually drives for exceptional service and innovation.

1.5 Share purchase deed

(a) Introduction

As set out in Section 1.1, on 11 November 2014, the Company announced that it had entered into the Agreement with the Vendors to acquire 100% of the issued capital of the Enzumo Companies.

(b) Conditions precedent

Completion of the Acquisition pursuant to the Agreement is conditional on the satisfaction or waiver of the following conditions precedent (together the **Conditions Precedent**):

- (i) the Company's Shareholders approve the Acquisition Resolutions in accordance with the ASX Listing Rules and the Corporations Act;
- (ii) each of the Company and the Vendors being satisfied with its respective due diligence investigations in respect of the transaction;
- (iii) the Prospectus offer closes and, as at the close of the Prospectus offer, the Company receives or becomes entitled to receive, in immediately available funds, gross proceeds of no less than \$3,000,000 as a result of subscriptions made under the Prospectus offer;
- (iv) the Company receives from ASX written confirmation that ASX will re-admit the Company to the official list of the ASX and terminate the suspension from official

quotation of the Shares, subject to the satisfaction of such terms and conditions (if any) as are prescribed by ASX or the ASX Listing Rules;

- (v) the Vendors have obtained written evidence to the reasonable satisfaction of the Company of the consent of each counterparty to each of the material contracts specified in the Agreement to the assignment of the contract under the Restructure Agreements (summarised below);
- (vi) the Vendors have obtained written evidence to the reasonable satisfaction of the Company of the consent of each counterparty to each of the material contracts to the change of control of the relevant Enzumo Company as contemplated in the Agreement;
- (vii) all transactions between the Vendors and the Enzumo Companies specified in the Agreement have occurred or will occur on or before completion on terms satisfactory to the Vendors and the Company;
- (viii) all regulatory approvals the Company considers necessary or desirable are obtained in order to give effect to the Acquisition;
- (ix) new consultancy agreements are entered into between the Vendors and Enzumo Admin Pty Ltd;
- (x) a lease of premises at Bowen Hills is amended in a manner specified in the Agreement on terms acceptable to the Company;
- (xi) if required by the ASX, each Restriction Agreement required by ASX has been executed by all of the parties to it;
- (xii) any person whose consent is required to the sale of the shares in the Enzumo Companies to the Company has been obtained on terms satisfactory to the Company;
- (xiii) no claim, suit, order, injunction, writ or other proceeding (including any application to the Australian Takeovers Panel) preventing or seeking to prevent completion or any transaction contemplated by the transaction documents has been issued or commenced, or is pending or threatened against any party;
- (xiv) no event has occurred or been discovered by the Company and no facts, matters or circumstances have arisen or been discovered by the Company which, when taken as a whole, in the Company's opinion (acting reasonably) have adversely affected, or would (whether with the giving of notice, the passing of time or otherwise) be reasonably likely to materially adversely affect, any of the assets, operations, prospects or profitability of any of the Enzumo Companies, the Solutions Vendor or the Consulting Vendor;
- (xv) no event has occurred or been discovered by the Vendors and no facts, matters or circumstances have arisen or been discovered by the Vendors which, when taken as a whole, in the Vendors' opinion (acting reasonably) have adversely affected, or would (whether with the giving of notice, the passing of time or otherwise) be reasonably likely to materially adversely affect, any of the assets, operations, prospects or profitability of the Company.

The Conditions Precedent must be satisfied or waived by no later than 6 March 2015 (or such later date as the Vendors and the Company may agree in writing). If the Conditions Precedent are not satisfied or waived by that date, either the Company or the Vendors may terminate the Agreement provided the terminating party is not in breach of their obligation to use reasonable endeavours to satisfy the Conditions Precedent.

(c) Consideration

If the Agreement is completed, in exchange for the Company acquiring 100% of the issued capital of the Enzumo Companies, the Company will pay the following consideration to the Vendors:

- (i) \$1.6 million in cash at completion subject to adjustment for employee entitlements, undrawn permitted distributions and a net tangible asset (NTA) adjustment if NTA at completion is determined to vary from a pro forma NTA amount;
- (ii) the issue of 14,000,000 Shares on a post-Consolidation basis (with an issue price of 20 cents on a post-Consolidation basis); and
- (iii) the issue of 5,400,000 Performance Shares on a post-Consolidation basis.

The Completion Shares and the Performance Shares may be subject to escrow restrictions in accordance with Chapter 9 of the ASX Listing Rules.

In accordance with the terms of the Agreement and with effect from completion, Mr Andrew Rawlinson (**Proposed Director**) will be appointed to the board of the Company. A summary of the background and experience of the Proposed Director is set out in Section 9.

Following Completion, three of the existing directors, Adrian Fleming, David Sode and Simon O'Loughlin, will resign or retire.

The Agreement also contains a number of terms and conditions, including representations and warranties, considered standard for an agreement of this nature.

Restructure Agreements

The Vendors will effect an internal restructuring of the Enzumo businesses immediately prior to Completion of the Acquisition, under the following Restructure Agreements.

The Solutions Company will be a newly incorporated company. Prior to Completion of the Acquisition, the Solutions Vendor will enter into an asset sale agreement with the Solutions Company under which the Solutions Vendor agrees to sell its business to the Solutions Company in exchange for new shares in the Solutions Company.

Likewise, the Consulting Company will be a newly incorporated company. Prior to Completion of the Acquisition, the Consulting Vendor will enter into an asset sale agreement with the Consulting Company under which the Consulting Vendor agrees to sell its business to the Consulting Company in exchange for new shares in the Consulting Company.

Completion of these Restructure Agreements will occur on the same day as, and immediately prior to, Completion of the Acquisition.

1.6 Consolidation of capital

The Company proposes to undertake the Consolidation of its issued capital on the basis of 1 Share for every 10 Shares held, as set out in further detail in Section 3 (the **Consolidation**).

Approval for the Consolidation is the subject of Resolution 2.

1.7 Capital raising

In order to fund the Acquisition, to re-comply with Chapters 1 and 2 of the ASX Listing Rules and meet the conditions of the Agreement, the Company proposes to conduct the Capital Raising to raise between a minimum subscription amount of \$3,000,000 and a maximum subscription amount of \$5,000,000 (before costs) at an issue price of 20 cents per Share (on a post- Consolidation basis as defined above).

The Capital Raising will be conducted under a full form prospectus to be prepared by the Company (**Prospectus**).

Approval for the issue of Shares pursuant to the Capital Raising is the subject of Resolutions 5, 6, 7 and 8.

1.8 Proposed new director

In accordance with the terms of the Agreement, Shareholders are being asked to approve the appointment of Mr Andrew Rawlinson (**Proposed Director**) as a director of the Company, with effect from completion of the Acquisition.

A summary of the background and experience of the Proposed Director is set out in Section 9 below.

1.9 Change of name

As a result of the Acquisition, the Company proposes to change its name to “Enzumo Limited”. Approval for the change of name is the subject of Resolution 10.

1.10 Pro-forma balance sheet

The pro-forma balance sheet is set out in Appendix A and assumes that all of the Acquisition Resolutions are passed, the Acquisition, Capital Raising, Consolidation and other events the subject of the Acquisition Resolutions have occurred.

The historical and pro-forma information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

1.11 Pro-forma capital structure

The capital structure of the Company following completion of the matters contemplated by the Resolutions is set out below:

	Shares		Performance Shares
	Minimum Subscription ¹	Maximum Subscription ²	
Current issued capital (prior to Consolidation contemplated by Resolution 2) ¹	112,793,878	112,793,878	Nil
Estimated issued capital following the proposed Consolidation (Resolution 2) ¹	11,279,388	11,279,388	Nil
Proposed issue of Consideration Shares contemplated by Resolution 4	14,000,000	14,000,000	5,400,000 ³
Proposed issue pursuant to the Capital Raising (Resolutions 5, 6, 7 and 8)	15,000,000	25,000,000	Nil
Total estimate on completion of the matters contemplated by the Acquisition Resolutions on a post-Consolidation basis ⁴	40,279,388	50,279,388	5,400,000

Notes:

1. Assumes the minimum subscription amount of \$3,000,000 under the Capital Raising is raised and 15,000,000 Shares are subscribed for and issued on a post-Consolidation basis.
2. Assumes the maximum subscription amount of \$5,000,000 under the Capital Raising is raised and 25,000,000 Shares are subscribed for and issued on a post-Consolidation basis.
3. The Performance Shares are 1,800,000 Class A Performance Shares, 1,800,000 Class B Performance Shares and 1,800,000 Class C Performance Shares, on the terms set out in Schedule 1.
4. Assumes no further Securities are issued prior to completion of the matters the subject of the Resolutions, other than as set out in the table. The post-Consolidation issued capital of the Company is only an estimate and is subject to variation, for example arising from rounding of individual Security holdings.

1.12 Proposed budget

As at 30 September 2014, the Company had cash reserves of approximately \$0.55 million and as at 30 June 2014, Enzumo had cash reserves of approximately \$49,000.

If the Acquisition is completed, the Company intends to combine its cash reserves with the cash reserves of Enzumo (including expected profitability from 1 July 2014 up to settlement of the Acquisition) and the proposed Capital Raising, which when aggregated would give a total of approximately \$3.9 million or \$5.9 million (under the Minimum Subscription and Maximum Subscription respectively) and intends to apply these funds plus any profit earned as follows over the next two years:

Item	Proposed Capital Raising and existing cash reserves	
	Minimum Subscription ¹	Maximum Subscription ²
Acquisition of Enzumo (Cash consideration)	1,600,000	1,600,000
Business and Market Development	250,000	500,000
Product Development	1,000,000	1,500,000
Additional Cash Reserves and Funds for potential acquisitions ⁴	27,000	1,177,000
General working capital and administrative and ongoing costs	300,000	300,000
Estimated cost of the matters proposed in the Acquisition Resolutions ²	723,000	823,000
TOTAL	3,900,000	5,900,000

Notes:

1. Comprising of the minimum subscription amount of \$3,000,000 proposed to be raised under the Capital Raising, the Company's existing cash reserves of \$0.55m as at 30/9/2014, Enzumo's cash reserves of \$49,000 as at 30/6/14 and \$300,000 from the budgeted trading profit of Enzumo from 1 July 2014 till the date of expected settlement of the Acquisition.

2. Comprising of the maximum subscription amount of \$5,000,000 proposed to be raised under the Capital Raising, the Company's existing cash reserves of \$550,000 as at 30/9/14, Enzumo's cash reserves of \$49,000 as at 30/6/14 and \$300,000 from the budgeted trading profit of Enzumo from 1 July 2014 till the date of expected settlement of the Acquisition.
3. Refer to the table below for the itemised costs of the matters proposed in the Acquisition Resolutions (assuming the Maximum Subscription is raised).

Estimated costs of the matters proposed in the Acquisition Resolutions, including the Capital Raising	Maximum Subscription (\$5,000,000)
ASX fees	\$52,000
ASIC fees	\$1,000
Legal, accounting and due diligence expenses	\$500,000
Fees payable to stockbrokers and other parties under the Capital Raising	\$250,000
Shareholder meeting / Share Registry costs	\$5,000
Printing	\$5,000
Miscellaneous	\$10,000
Total	\$823,000

4. As previously announced by the Company, the acquisition of Enzumo is the first step in the development of a leading Australian financial technology and e-learning business. Following (and subject to) Shareholders approval of the Acquisition Resolutions the Company is likely to grow by a combination of organic growth and by making acquisitions that are complementary and meet rigorous strategic and financial parameters.

The above tables are statements of current intentions as at the date of this Notice. Intervening events may alter the way funds are ultimately applied by the Company and may alter the costs estimated above.

1.13 Anticipated timetable for the key matters the subject of the Resolutions

	Indicative timing¹
Lodgement of Prospectus with ASIC	25 February 2015
Company's quoted securities are suspended from official quotation	16 March 2015
General meeting of Shareholders	
ASX notified whether Shareholders' approval has been granted for the Resolutions	
Prospectus offer opens	16 March 2015
If all Acquisition Resolutions are approved by Shareholders, the date that would ordinarily be the last day for trading in pre-Consolidation securities	17 March 2015

Date that securities would ordinarily commence trading on a deferred settlement (post-Consolidation) basis ²	18 March 2015
Last day to register transfers on a pre-Consolidation basis (although the Company is anticipated to remain suspended at this stage)	20 March 2015
First day for the Company to send notice to each security holder of the change in their details of holdings First day for the Company to register securities on a post-Consolidation basis First day for issue of new holding statements	23 March 2015
Issue date – deferred settlement market ends ** Last day for the Company to send notice to each security holder of the change in their details of holdings Last day to send new holding statements and enter securities into the holders' security holdings	27 March 2015
Prospectus offer closes	1 April 2015
Issue of Shares pursuant to the Capital Raising (Resolution 5) Subject to Directors' satisfaction that the Conditions Precedent in the Agreement are satisfied (or waived), completion of the Agreement, including issue of Consideration Shares to Vendors pursuant to Resolution 4 and appointment of Proposed Director takes effect	7 April 2015
Normal T+3 trading anticipated to commence on a post-Consolidation basis and commencement of trading of Shares on ASX (subject to the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules and subject to ASX agreeing to reinstate the Company's Shares to quotation)	10 April 2015

Notes:

1. The Directors reserve the right to change the above indicative timetable without requiring any disclosure to Shareholders.
2. As the Company's Securities are anticipated to be suspended from trading, deferred settlement trading will not occur.

1.14 Board intentions if completion of the Acquisition occurs

In the event that the Acquisition is completed and the Capital Raising is successful, the funds raised from the Capital Raising, together with the Company's and Enzumo's existing cash reserves (including any profits earned from 1 July 2014 until settlement of the Acquisition) will be allocated as set out in Section 1.12.

1.15 Advantages of the proposals in the Resolutions

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on each Resolution:

- (a) Enzumo offers a potentially transformational suite of products and services: Enzumo's solutions enable financial planners to efficiently develop statements of advice, whilst simultaneously meeting their regulatory compliance requirements. These solutions are available for leading software platforms used by the majority of financial planners. Enzumo's learning management solutions provide a flexible framework for delivery of Enzumo's extensive training and support content library, which economically improves the efficacy of training customers in the use of Enzumo's financial planning solutions and their host software platforms. This learning management solution has wider application than the financial planner market and new applications are being investigated related to maintaining compliance in financial and professional services;
- (b) Potential to enhance Shareholder value: Given the current continued low investor sentiment with regard to junior exploration companies, including a lack of well valued investment opportunities, the Directors consider that in the current share market environment there is a greater likelihood of increasing shareholder value by progressing the proposed Acquisition than by the Company remaining as a junior mineral explorer listed on ASX;
- (c) Exposure to growing business: The Acquisition provides Shareholders with exposure to an existing well managed and expanding business involved in the cloud-based services space, with significant potential for growth. The business will be well capitalised, with cash reserves following Completion of approximately \$1.577 million (assuming the Minimum Subscription is raised) or \$3.477 million (assuming the Maximum Subscription is raised), which will be used to fund sales and marketing activities as well as continuing product development and potential acquisitions (as summarised in Note 4 of the budget table in Section 1.12); and
- (d) Increased investor interest and Share trading volume: Following the 11 November 2014 announcement of the Acquisition, the volume of Shares traded has significantly increased. It is not unreasonable to anticipate continued improved Share trading volumes going forward post Completion.

1.16 Disadvantages of the proposals in the Resolutions

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on each Resolution:

- (a) the Company will be changing the nature and scale of its activities to comprise its participation in and development of a leading Australian financial technology and e-learning business which may not be consistent with the objectives of all Shareholders;
- (b) the acquisition of the Enzumo Companies will result in the Capital Raising and issue of the Consideration Shares pursuant to the Acquisition Resolutions which will have a dilutionary effect on the holdings of Shareholders;
- (c) significant future outlays of funds from the Company may be required for the Enzumo Companies; and
- (d) risk factors associated with the change in nature and scale of the Company's activities, some of which are summarised in Section 1.17 below.

1.17 Risk factors

Shareholders should be aware that if the Acquisition is approved and completed, the Company will be changing the nature and scale of its activities and will be subject to additional or increased risks arising from the Enzumo Companies, parties contracted or associated with the Enzumo Companies and the Agreement and other agreements, including, but not limited to, those summarised in this Explanatory Statement. The risks and uncertainties described below are not intended to be exhaustive. There may be additional risks and uncertainties that the Company is unaware of or that the Company currently considers to be immaterial, which may affect the Company, the Enzumo

Companies and their related entities. Based on the information available, a non-exhaustive list of risk factors for the Company associated with the Company's proposal to acquire all the Enzumo Companies' shares are as follows.

(a) Company specific

Summary

There are a number of specific risks involved for the Company, and consequently its Security holders, in the acquisition of the Enzumo Companies, including risks specific to the business and assets of the Enzumo Companies, which include the following non-exhaustive list:

- (i) the Company's ability to operate in the future will depend in part on whether it is able to effectively deliver its current products and services to new and existing customers, commercialise new technology solutions and develop new markets and customers. This will depend on successful completion of product development activities, obtaining regulatory approvals and on there being commercial demand for such products which cannot be guaranteed;
- (ii) the Directors make no forecast of whether the Company will ever be profitable;
- (iii) intellectual property risks as discussed below;
- (iv) technology and development risks as described below;
- (v) additional capital may be required in order to undertake further development activities for the Enzumo business and there is no guarantee that the Company will be able to fund ongoing development; and
- (vi) other industry risks summarised below which also apply specifically to the Enzumo business.

Reinstatement to ASX's official list

It is anticipated that the Company's Shares will be suspended or placed into a trading halt prior to market open on the date of the Meeting. In the event that all Acquisition Resolutions are approved at the Meeting, it is anticipated that the Company's Securities will remain suspended until completion of the Agreement, Capital Raising and Consolidation, re-compliance by the Company with Chapters 1 and 2 of the ASX Listing Rules and compliance with any further conditions ASX imposes on such reinstatement. There is a risk that the Company will not be able to satisfy one or more of those requirements and that its listed Securities may consequently remain suspended from quotation.

(b) Industry specific

New market entrants providing software integration solutions to the financial services industry

A number of global IT companies have recently entered the Australian market. As yet, the Company is not aware of another company offering comparable products Enzumo's to the financial services industry, and the provision of solutions as offered by Enzumo requires considerable skill and process. However, notwithstanding these barriers to entry, the emergence of new competitors in the market, or any technological developments providing an alternative to Enzumo's product offerings, could impact the market share Enzumo is able to acquire and cause downward price pressure on its solutions in the financial services industry, thus reducing Enzumo's margins and revenue. Existing providers of software platforms to the financial services industry may also respond aggressively to Enzumo's market expansion to retain or regain market share, which could also impact Enzumo's margins and revenue.

Development risks

Enzumo's solutions contain significant amounts of computer software, which, despite its stringent internal quality control processes, may inadvertently contain defects that may result in unavailability or failure of the software solutions. Such defects may adversely affect Enzumo's ability to generate new business and cause it to suffer financial loss.

Failure to deal with growth

Enzumo's business has the potential to grow rapidly. If that occurs and Enzumo fails to properly manage that growth, then that failure could harm its business. Any failure to meet customer demand properly could adversely affect the business, including demand for Enzumo's solutions, revenue collection, customer satisfaction and public perception.

Reliance on third party IT service provision

Enzumo utilises equipment, software and services provided by third parties to deliver its financial services solutions. Significant or extended disruption of Enzumo's host platform caused by supplied equipment, software or service failure may reduce Enzumo's ability to generate revenue, impact consumer service levels and damage the Enzumo brand. This could adversely affect Enzumo's ability to generate new business and cause it to suffer financial loss. Any mitigation of this loss via redress from third party suppliers may not be immediately available, if at all.

Reliance on core information technology and other systems

The availability of Enzumo's learning systems management platform is dependent upon the performance, reliability and availability of its IT and communication systems. This includes its core technologies such as computer servers and back-end processing systems. These systems may be adversely affected by a number of factors including major events such as acts of terrorism or war, a breakdown in utilities such as electricity and fibre optic cabling and even pandemics. Events of that nature may cause one or more of those core technologies to become unavailable. There are also internal and external factors that may adversely affect those systems and technologies such as natural disasters, misuse by employees or contractors or other technical issues. Enzumo's disaster recovery plans may not adequately address every potential event and its insurance policies may not cover loss or damage that Enzumo suffers as a result of a system failure.

Any damage to, or failure of, Enzumo's key systems can result in disruptions in Enzumo's ability to operate its learning systems management platform. Such disruptions have the potential to reduce Enzumo's ability to generate revenue, impact consumer service levels and damage the Enzumo brand. This could adversely affect Enzumo's ability to generate new business and cause it to suffer financial loss.

(c) General risks

Regulatory risks

The introduction of new legislation or amendments to existing legislation by governments, or the respective interpretation of the legal requirements in any of the legal jurisdictions which govern the Company's or the Enzumo Companies' operations or contractual obligations, could impact adversely on the assets, operations and, ultimately, the financial position and financial performance of the Enzumo Companies and the Company and its Securities. In addition there is a risk that legal action may be taken against the Company and the Enzumo Companies in relation to commercial, legal, regulatory or other matters.

Additional requirements for capital

The funds raised under the Capital Raising are considered sufficient to meet the immediate objectives of the Company. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operations plans in the future (including in relation to the Enzumo Companies) to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional financing will be required.

The Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, or other means.

Failure to obtain sufficient financing for the Company's and the Enzumo Companies' activities and future projects may result in delay and indefinite postponement of their activities and potential development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company or the Enzumo Companies and might involve substantial dilution to Shareholders.

Economic

General economic conditions, introduction of tax reform, new legislation (particularly in relation to the financial services industry), movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's and the Enzumo Companies' business activities and potential development programmes, as well as on their ability to fund those activities.

Force Majeure

The Company's and the Enzumo Companies' projects now or in the future may be adversely affected by risks outside the control of the Company and the Enzumo Companies, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Insurance risks

The Company intends to insure its operations and those of the Enzumo Companies in accordance with technology industry practice. However, in certain circumstances, such insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company and the Enzumo Companies.

Litigation risks

The Company and the Enzumo Companies are exposed to possible litigation risks including, but not limited to, intellectual property claims, regulatory intervention and third party claims in relation to its products and services, occupational health and safety claims and employee claims. Further, the Company or the Enzumo Companies may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's and the Enzumo Companies' operations, financial performance and financial position. The Company and the Enzumo Companies are not currently engaged in any litigation.

Dependence on outside parties

The Company may pursue a strategy that forms strategic business relationships with other organisations in relation to potential products and services. There can be no assurance that the Company will be able to attract such prospective organisations and to negotiate

appropriate terms and conditions with these organisations or that any potential agreements with such organisations will be complied with.

Market conditions

Share market conditions may affect the value of the Company's quoted Securities regardless of the Company's operating performance.

Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and technology stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or the Enzumo Companies or any return to Security holders arising from the transactions the subject of this Notice or otherwise.

Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company and the Enzumo Companies depends substantially on senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company and the Enzumo Companies if one or more of these employees cease their employment or if the Proposed Director leaves the Board.

1.18 Plans for the Company if the Acquisition Resolutions are not passed

If the Company does not complete the Acquisition, the Company will continue to undertake due diligence on new opportunities for growth, including strategic alternatives for its PNG tenement portfolio.

If the Company cannot acquire a new business or project quickly, ASX may suspend the quotation of Shares on ASX.

1.19 Directors' interests in the Acquisition

None of the Company's existing Directors have any interest in the proposed acquisition of the issued shares of the Enzumo Companies pursuant to the Agreement, other than as disclosed in this Notice.

1.20 Interests of the Vendors

None of the Vendors has an existing interest in the Company's Securities separate from the Resolutions and the Agreement.

1.21 Conditional Acquisition Resolutions

All Acquisition Resolutions are inter-conditional, meaning that each of them will only take effect if all of them are approved by the requisite majority of Shareholders' votes at the Meeting. If any one of Resolutions 1 to 9 (inclusive) is not approved at the Meeting, none of them will take effect and the Agreement and other matters contemplated by those Resolutions will not be completed pursuant to this Notice.

1.22 Directors' recommendations

The Directors of the Company unanimously recommend the Company's proposed acquisition of the Enzumo Companies the subject of the Agreement and that Shareholders vote in favour of all of the Acquisition Resolutions (provided that, in respect of Resolutions 6, 7 and 8, Mr Cairns and Mr Carter make no recommendation as they either have an interest in those resolutions or are an associate of the other and accordingly are excluded from voting on them).

1.23 Independent Expert's Report

The Independent Expert has provided the Independent Expert's Report with respect to the proposed issue of Consideration Shares pursuant to Resolution 4. The Independent Expert has concluded and believes that the proposal as outlined in Resolution 4 is fair and reasonable to the Shareholders of the Company.

The Independent Expert's Report also contains an assessment of the advantages and disadvantages of the proposal. This assessment is designed to assist Shareholders in reaching their voting decision.

The Independent Expert's Report is enclosed with this Notice of meeting in **Error! Reference source not found.** It is recommended that all Shareholders read the Independent Expert's Report in its entirety before deciding whether or not to vote in favour of Resolution 4.

2. RESOLUTION 1 – APPROVAL TO CHANGE THE NATURE AND SCALE OF ACTIVITIES

2.1 General

Resolution 1 seeks approval from Shareholders for a change in the nature and scale of the activities of the Company to change the focus of the Company's activities into its participation in and development of a leading Australian financial technology and e-learning business.

As outlined in Section 1.5 of this Explanatory Statement, the Company has entered into the Agreement whereby the Company proposes to acquire all of the issued capital in the Enzumo Companies.

The Agreement is subject to the Conditions Precedent as summarised in Section 1.5 above. A detailed description of the Enzumo Companies and its business is outlined in Section 1.4.

2.2 ASX Listing Rule 11.1

ASX Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature or scale of its activities, it must provide full details to ASX as soon as practicable (and before making the change) and comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;
- (b) if ASX requires, obtain the approval of holders of its shares and comply with any requirements of ASX in relation to the notice of meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the ASX Listing Rules as if the entity were applying for admission to the official list of ASX.

The Company has concluded that the change in the nature and scale of the Company's activities as a result of proposed Acquisition and Capital Raising will require the Company in accordance with ASX Listing Rule 11.1.2 to obtain Shareholder approval and comply with any requirements of ASX in relation to the Notice of Meeting.

The Company has also concluded that the change in the nature and scale of the Company's activities is a back-door listing of the Enzumo Companies which will consequently require the Company to (in accordance with ASX Listing Rule 11.1.3) re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules (including any ASX requirement to treat the Company's

Securities as restricted securities). Accordingly, it is anticipated that the Company's Securities will be subjected to a trading halt or suspension and thereby cease trading on ASX's Official List prior to market open on the day of the Meeting. If the Acquisition Resolutions are approved at the Meeting, it is expected that the Company's Securities will remain suspended from quotation until the Company has acquired the Enzumo Companies pursuant to the Agreement and re-complied with Chapters 1 and 2 of the Listing Rules, including by satisfaction of ASX's conditions precedent to reinstatement.

If the Acquisition Resolutions are not approved at the Meeting, it is expected that the Company's securities will be reinstated to quotation on ASX's Official List after the Company announces the results of the Meeting in accordance with the Listing Rules and Corporations Act.

3. RESOLUTION 2 – CONSOLIDATION

3.1 Background

Resolution 2 seeks Shareholder approval to consolidate the number of Shares on issue on a 1 for 10 basis (**Consolidation**).

The purpose of the Consolidation is to implement a more appropriate capital structure for the Company going forward and to seek to comply with relevant ASX Listing Rules as part of the back-door listing when the Company seeks to obtain re-quotation of its Shares on ASX, should Shareholder approval be obtained for the Acquisition Resolutions.

The Directors intend to implement the Consolidation prior to completion of the Agreement and prior to the proposed issues of Securities pursuant to the Acquisition Resolutions, but the Consolidation will only occur if Shareholders approve those Resolutions.

3.2 Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

3.3 Fractional entitlements

Not all Security holders will hold that number of Shares which can be evenly divided by 10. Where a fractional entitlement occurs, the Company will round that fraction down to the nearest whole Security.

3.4 Taxation

It is not considered that any taxation implications will exist for Security holders arising from the Consolidation. However, Security holders are advised to seek their own tax advice on the effect of the Consolidation and the Company, the Directors and the Proposed Director and their advisers do not accept any responsibility for the individual taxation implications arising from the Consolidation or the other Acquisition Resolutions.

3.5 Holding statements

From the date of the Consolidation, all holding statements for previously quoted Shares will cease to have any effect, except as evidence of entitlement to a certain number of Shares on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Shares proposed to be quoted to be issued to holders of those Shares.

It is the responsibility of each Security holder to check the number of Shares held prior to disposal or exercise (as the case may be).

3.6 Effect on capital structure

The estimated effect which the Consolidation will have on the capital structure of the Company is set out in the table in Section 1.10.

3.7 Indicative timetable

If Resolution 2 and all the other Acquisition Resolutions are passed, the Consolidation of capital is proposed to take effect pursuant to the timetable at Section 1.13 in accordance with the timetable as set out in Appendix 7A (paragraph 8) of the ASX Listing Rules.

4. RESOLUTION 3 – CREATION OF NEW CLASSES OF SHARES

This Resolution seeks Shareholder approval for the Company to be authorised to issue the Performance Shares, comprising three new classes of shares being Class A Performance Shares, Class B Performance Shares and Class C Performance Shares.

A company with a single class of shares on issue which proposes to issue new shares not having the same rights as its existing shares, is taken to vary the rights of existing shareholders unless the Constitution already provides for such an issue. The only class of share currently on issue in the Company are Shares.

Under clause 2.2 of the Company's Constitution and, subject to the Corporations Act and the Listing Rules, the Company may allot and issue shares in the Company on the terms, at the issue price and at the time the Directors determine.

Section 246B(1) of the Corporations Act provides that if a company has a constitution that sets out the procedure for varying rights attached to shares in a class of shares, those rights may be varied only in accordance with the procedure. Clause 7.1 of the Constitution provides that the rights attached to a class of shares may be varied with:

- (a) the written consent of the holders of not less than 75% of the issued shares of that class; or
- (b) the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.

Accordingly, the Company seeks approval from Shareholders for the issue of the Performance Shares as three new classes of shares on the terms set out in Schedule 1 of this Explanatory Statement. This Resolution is a special resolution.

5. RESOLUTION 4 – ISSUE OF SECURITIES TO VENDORS

5.1 General

Resolution 4 seeks Shareholder approval pursuant to:

- (a) ASX Listing Rule 7.1 in order to issue (on a post-Consolidation basis):
 - (i) 1,800,000 Class A Performance Shares;
 - (ii) 1,800,000 Class B Performance Shares; and
 - (iii) 1,800,000 Class C Performance Shares,
 (being the **Performance Shares**);
- (b) item 7 of section 611 of the Corporations Act in order for the following Securities to be issued to the Vendors (on a post-Consolidation basis):
 - (i) 14,000,000 Shares on completion of the Acquisition (**Completion Shares**);
 - (ii) 1,800,000 Shares upon conversion of Class A Performance Shares;

(iii) 1,800,000 Shares upon conversion of Class B Performance Shares;

(iv) 1,800,000 Shares upon conversion of Class C Performance Shares,

and for the Vendors and their respective associates to thereby acquire voting power of up to 42.4% in the Company.

Resolution 4 is subject to all Acquisition Resolutions being approved by Shareholders.

5.2 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 more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 4 will be to allow the Company to issue the Performance Shares during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.3 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the proposed issue of Performance Shares:

- (a) the maximum number of Performance Shares is as follows:
 - (i) 1,800,000 Class A Performance Shares;
 - (ii) 1,800,000 Class B Performance Shares; and
 - (iii) 1,800,000 Class C Performance Shares; and
- (b) the Performance Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the issue of the Performance Shares will occur on the same date;
- (c) the Performance Shares will be issued for nil cash consideration, as they are being issued as consideration for the Acquisition;
- (d) the Performance Shares will be issued to the Vendors, in the following proportions (none of which are related parties of the Company, other than as a result of the Acquisition):

Vendors	Class A Performance Shares	Class B Performance Shares	Class C Performance Shares
Solutions Vendor	900,000	900,000	900,000
Consulting Vendor	900,000	900,000	900,000
Totals	1,800,000	1,800,000	1,800,000

- (e) the terms and conditions of the Performance Shares are set out in Schedule 1; and
- (f) the Performance Shares will be issued as part of the consideration for the Company's Acquisition of the Enzumo Companies and as such no funds will be raised from the issue.

5.4 Item 7 of section 611 of the Corporations Act

The Company considers that the Vendors will be associates of each other for the purpose of the Corporations Act. The result of the above proposed issues is that the voting power of the Vendors in the Company will increase from 0% to more than 20%. On this basis, the Company seeks Shareholder approval for the proposed issues under Resolution 4 in accordance with item 7 of section 611 of the Corporations Act to enable the Vendors and their associates to increase their voting power in the Company in excess of the threshold limit prescribed by the Corporations Act. Approval pursuant to Listing Rule 7.1 for the issue of the Completion Shares and Shares to be issued upon exercise or conversion of the Performance Shares is not required because the approval for those issues under item 7 of section 611 of the Corporations Act is an exception to Listing Rule 7.1, being exception 16 in Listing Rule 7.2.

A summary of the requirements of item 7 of section 611 of the Corporations Act is set out in Sections 5.6 and 5.7 of this Explanatory Statement.

5.5 Section 606 of the Corporations Act – statutory prohibition

Pursuant to section 606(1) of the Corporations Act, a person must not acquire a relevant interest in issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person's or someone else's voting power in the company increases:

- (a) from 20% or below to more than 20%; or
- (b) from a starting point that is above 20% and below 90%,

(Prohibition).

Voting power

The voting power of a person in a body corporate is determined in accordance with section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

Associates

For the purposes of determining voting power under the Corporations Act, a person (second person) is an "associate" of the other person (first person) if:

- (a) (pursuant to section 12(2) of the Corporations Act) the first person is a body corporate and the second person is:
 - (i) a body corporate the first person controls;
 - (ii) a body corporate that controls the first person; or
 - (iii) a body corporate that is controlled by an entity that controls the first person;
- (b) the second person has entered or proposes to enter into a relevant agreement with the first person for the purpose of controlling or influencing the composition of the company's board or the conduct of the company's affairs; or
- (c) the second person is a person with whom the first person is acting or proposes to act, in concert in relation to the company's affairs.

Associates are, therefore, determined as a matter of fact. For example where a person controls or influences the board or the conduct of a company's business affairs, or acts in concert with a person in relation to the entity's business affairs.

By virtue of being parties to the Agreement for the Acquisition, the Vendors will be associates at the time of settlement of the Acquisition. No representation is made that the Vendors will remain associates following completion of the Acquisition.

Relevant interests

Section 608(1) of the Corporations Act provides that a person has a relevant interest in securities if they:

- (a) are the holder of the securities;
- (b) have the power to exercise, or control the exercise of, a right to vote attached to the securities; or
- (c) have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

In addition, section 608(3) of the Corporations Act provides that a person has a relevant interest in securities that any of the following has:

- (a) a body corporate in which the person's voting power is above 20%;
- (b) a body corporate that the person controls.

The Vendors do not currently have a relevant interest in the Company's issued share capital.

5.6 Reasons why section 611 approval is required

Item 7 of section 611 of the Corporations Act provides an exception to the Prohibition described in Section 5.5 above, whereby a person and their associates may acquire a relevant interest in a company's voting shares with shareholder approval.

The Vendors are associates as they are acting or proposing to act, in concert at the time of completion of the Acquisition and therefore in determining their voting power, their relevant interests will be aggregated. However, there is no determination that the Vendors will continue to be associates for the purpose of the Corporations Act following completion of the Acquisition.

Accordingly, the relevant interests of the Vendors and their associates in the Company after implementation of all the Acquisition Resolutions (when aggregated) will increase from nil to more than 20%.

On this basis, the Company seeks Shareholder approval for the proposed issues under Resolution 4 in accordance with item 7 of section 611 of the Corporations Act to enable the Vendors and their associates to increase their voting power in the Company in excess of the threshold limit prescribed by the Corporations Act.

Accordingly, the Company is seeking the approval of Shareholders under item 7 of section 611 of the Corporations Act in respect of the proposed issues of Securities contemplated by Resolution 4.

5.7 Specific information required by item 7 of section 611 of the Corporations Act and ASIC Regulatory Guide 74

The following information is required to be provided to Shareholders under the Corporations Act and ASIC Regulatory Guide 74 in respect of obtaining approval for Item 7 of section 611 of the Corporations Act. Shareholders are also referred to the Independent Expert's Report which is enclosed at Annexure A of this Notice.

(a) Identity of persons proposing to participate in the issue and their associates

If Resolution 4 is passed and on completion of the Acquisition and Capital Raising, the persons who will hold a relevant interest in the Securities, along with their associates, are the Vendors.

The Vendors and their respective interests in the share capital of the Enzumo Companies are as follows:

- (i) Enzumo Group Pty Limited ACN 158 631 460 as trustee of the eLMS Solutions Unit Trust ABN 96 592 367 831 which on completion of the Restructure Agreements will hold 100% of the shares in Enzumo LMS Solutions Pty Limited;
- (ii) Enzumo Group Pty Limited ACN 158 631 460 as trustee of the Enzumo Consulting Unit Trust ABN 74 748 047 545 which on completion of the Restructure Agreements will hold 100% of the shares in Enzumo Consulting Pty Limited;
- (iii) Stephen Bell who holds 99.99% of the shares in Enzumo Admin Pty Limited; and
- (iv) Lynette Bell who holds 0.01% of the shares in Enzumo Admin Pty Limited.

In addition to the Vendors being associates of each other for the purposes of Resolution 4, the following parties are associates of the following Vendors for that purpose:

Vendor	Associate
Solutions Vendor	Enzumo Group Pty Limited ACN 158 631 460 as trustee of the Enzumo Group Hybrid Trust ABN 789 402 788 which holds 100% of the units in the eLMS Solutions Unit Trust
Consulting Vendor	Enzumo Group Pty Limited ACN 158 631 460 as trustee of the Enzumo Group Hybrid Trust ABN 789 402 788 which holds 100% of the units in the Enzumo Consulting Unit Trust

(b) The maximum extent of the increase in the relevant interests and voting power

As at the date of the Notice of Meeting, none of the Vendors or their associates has a relevant interest in any existing Securities and their voting power is nil.

Upon completion of the issue of the Securities the subject of Resolution 4 and the Capital Raising (assuming all Performance Shares convert to Shares), the total number of post-Consolidation Shares on issue would be 45,697,388 Shares (if the minimum subscription of 15,000,000 Shares is raised under the Capital Raising) or 55,697,388 Shares (if the maximum subscription of 25,000,000 Shares is raised under the Capital Raising). In these two scenarios, the number of Securities in which the Vendors and their associates will have a relevant interest and their relevant voting power will be as follows (assuming no further Securities are issued by the Company):

Vendors and their associates	Shares (post-Consolidation)	Completion Shares	Shares on conversion of Class A Performance Shares	Shares on conversion of Class B Performance Shares	Shares on conversion of Class C Performance Shares	Total Maximum Shares	Maximum Voting Power - Minimum Subscription	Maximum Voting Power - Maximum Subscription
Solutions Vendor and its non-Vendor associates	Nil	7,000,000	900,000	900,000	900,000	9,700,000	21.2%	17.4%
Consulting Vendor and its non-Vendor associates	Nil	7,000,000	900,000	900,000	900,000	9,700,000	21.2%	17.4%
Stephen Bell	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Lynette Bell	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
TOTAL VOTING POWER OF VENDORS AND THEIR ASSOCIATES	Nil	14,000,000	1,800,000	1,800,000	1,800,000	19,400,000	42.4%	34.8%

(c) The voting power that person would have as a result of the issues

Based on the table in paragraph (b) above, the maximum extent of the increase in the voting power of each of the Vendors and their associates is 42.4%.

(d) Intentions as to the future of the Company

Three of the current Directors (Adrian Fleming, David Sode and Simon O'Loughlin) will resign or retire from the Board on Completion. Other than as disclosed elsewhere in this Explanatory Statement and changes pursuant to the Acquisition and the Resolutions, Company understands that the Vendors and their associates (including the Proposed Director):

- (i) have no intention of making any significant changes to the business of the Company;
- (ii) have no intention to inject further capital into the Company;
- (iii) have no intention of making changes regarding the future employment of the present employees of the Company, other than as contemplated under the Agreement and set out in this Explanatory Statement;
- (iv) do not intend to redeploy any fixed assets of the Company;
- (v) do not intend to transfer any property between the Company and the Vendors or any entity associated with any one of them, other than as contemplated under the Acquisition and set out in this Explanatory Statement;
- (vi) do not intend to significantly change the financial policy of the Company; and
- (vii) have no intention to change the composition of the Board other than the proposal as described in this Notice for the Proposed Director to become a director on completion of the acquisition.

These intentions are based on the Company's understanding of the Vendors' and their associates' intentions as at the date of this Notice and on information concerning the

Company, the Enzumo Companies, their businesses and the business environment which is known to the Vendors and their associates at the date of this document.

Final decisions regarding these matters will only be made by the Vendors and their associates (including the Proposed Director), together or individually, in light of material information and circumstances at the relevant time. Accordingly, the statements set out above are statements of current intention only, which may change as new information becomes available or as circumstances change.

(e) Reason for the proposed issue

The Completion Shares and the Performance Shares, the subject of Resolution 4 will be issued to the Vendors in consideration for the Acquisition, pursuant to the Agreement. A summary of the material terms of the Agreement is set out in Section 1.5 above.

(f) Capital structure

The proposed capital structure of the Company following completion of the Acquisition is set out in Section 1.10 above.

(g) Directors' interests

No Directors of the Company are related parties of any of the Vendors or any of their associates. Nor do the Directors have any interest in any shares in the Vendors or their respective associates (to the extent that they are companies).

(h) Directors' recommendation

The Directors of the Company recommend that Shareholders vote in favour of Resolution 4, on the basis that the Directors consider the Acquisition is in the best interests of the Company.

(i) Independent expert's report

The Independent Expert has provided the Independent Expert's Report with respect to the proposed issue of Completion Shares and issue, conversion and conversion of Performance Shares pursuant to the Acquisition pursuant to Resolution 4. The Independent Expert has concluded and believes that the proposal as outlined in Resolution 4 is fair and reasonable to the Shareholders of the Company.

The Independent Expert's Report is enclosed with this Notice of Meeting in **Error! Reference source not found..**

6. RESOLUTION 5 – CAPITAL RAISING

6.1 General

As detailed in Section 1.1, the Company proposes under the Capital Raising to issue between 15,000,000 Shares and 25,000,000 Shares on a post-Consolidation basis at an issue price of 20 cents per Share pursuant to the Prospectus to raise between a minimum subscription amount of \$3,000,000 and a maximum subscription amount of \$5,000,000.

Resolution 5 seeks Shareholder approval for the issue of up to the maximum number of 25,000,000 Shares.

For the purposes of the Listing Rules, none of the subscribers for the Shares to be issued under Resolution 5 will be related parties of the Company.

The Capital Raising offer will be conditional on the following:

- (a) Shareholders passing all of the Acquisition Resolutions; and

- (b) the Shares to be issued pursuant to the Capital Raising will not be issued before completion of the Acquisition.

Further details of the Capital Raising are set out in the Prospectus.

A summary of ASX Listing Rule 7.1 is set out in Section 5.2 above.

The effect of Resolution 5 will be to allow the Company to issue up to 25,000,000 Shares pursuant to the Capital Raising during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

6.2 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Capital Raising:

- (a) the maximum number of Shares to be issued under Resolution 5 is 25,000,000 Shares, on a post-Consolidation basis;
- (b) the Shares will be issued no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the issue price will be 20 cents per Share;
- (d) the Shares are proposed to be issued to the applicants of the Capital Raising under a Prospectus offer. The Company confirms that none of the subscribers for any of the Shares pursuant to Resolution 5 will be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares on issue; and
- (f) the Company intends to use the funds raised from the Shares issued under the Capital Raising as a whole, in the manner outlined in Sections 1.12 and 1.14.

7. RESOLUTION 6 – PARTICIPATION OF A RELATED PARTY IN CAPITAL RAISING - MR NIALL CAIRNS

7.1 General

As detailed in Section 6 above, the Company proposes under the Capital Raising to issue up to 25,000,000 Shares on a post-Consolidation basis at an issue price of 20 cents pursuant to the Prospectus to raise up to \$5,000,000.

Mr Niall Cairns by virtue of being one of the Directors of the Company is a related party of the Company.

Resolution 6 seeks Shareholder approval for the issue of up to 8,000,000 Shares (at an issue price of 20 cents per Share) on a post-Consolidation basis (less any Shares issued pursuant to Resolutions 7 and 8), to Mr Cairns (or his nominee or Carnethy Evergreen Pty Ltd ACN 115 480 334) arising from his participation in the Capital Raising (the **Participation**).! For the avoidance of doubt these 8,000,000 Shares (less any Shares issued pursuant to Resolutions 7 and 8) proposed to be issued to Mr Cairns (or his nominee or Carnethy Evergreen Pty Ltd) pursuant to Resolution 6 will form part of, and are not additional to, the Shares issued under the Capital Raising, the subject of Resolutions 5 and 7.

7.2 Chapter 2E Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval, unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of Shares which constitutes giving a financial benefit and Mr Cairns is a related party of the Company by virtue of being a Director of the Company. Carnethy Evergreen Pty Ltd is a related party of the Company by reason of it being a company that is "controlled" by Mr Cairns within the meaning of the Corporations Act.

The Directors (other than Mr Cairns and Mr Carter who are excluded from voting on Resolution 6) consider that Shareholders' approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation as the Shares proposed to be issued to Mr Cairns (or his nominee or Carnethy Evergreen Pty Ltd) will be on the same terms as Shares issued to non-related party participants in the Capital Raising and as such the giving of the financial benefit is on arm's length terms.

7.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the issue of Shares to Mr Cairns or his nominee under the Capital Raising involves the issue of Shares to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

7.4 Technical information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

- (a) the Shares will be issued to Mr Cairns (or his nominee or Carnethy Evergreen Pty Ltd);
- (b) the maximum number of Shares to be issued to Mr Cairns (or his nominee or Carnethy Evergreen Pty Ltd) is 8,000,000, less the number of the Shares issued pursuant to Resolutions 7 and 8 – in other words the maximum number of Shares to be issued to Mr Cairns or his nominee or Carnethy Evergreen Pty Ltd, Mr Carter or his nominee or Granta Capital Pty Ltd and Kestrel Capital Growth Companies Ltd under Resolutions 6, 7 and 8 respectively is 8,000,000 Shares in aggregate;
- (c) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) Mr Cairns is a Director of the Company and Carnethy Evergreen Pty Ltd is a related party of the Company by reason of it being a company that is "controlled" by Mr Cairns within the meaning of the Corporations Act;
- (e) the issue price will be 20 cents per Share, being the same as all other Shares proposed to be issued under the Capital Raising;
- (f) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and

(g) the funds raised will be used for the purposes as set out in Sections 1.12 and 1.14 above.

Although approval is being sought for the issue of these Shares pursuant to Resolution 5 (to ensure they may still be issued to other investors in the event Mr Cairns or his nominee or Carnethy Evergreen Pty Ltd do not subscribe for Shares pursuant to the Capital Raising) approval pursuant to ASX Listing Rule 7.1 is not required for the Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to Mr Cairns (or his nominee or Carnethy Evergreen Pty Ltd) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

8. RESOLUTION 7 – PARTICIPATION OF A RELATED PARTY IN CAPITAL RAISING - MR PHILLIP CARTER

8.1 General

As detailed in Section 6 above, the Company proposes under the Capital Raising to issue up to 25,000,000 Shares on a post-Consolidation basis at an issue price of 20 cents pursuant to the Prospectus to raise up to \$5,000,000.

Mr Phillip Carter by virtue of being one of the Directors of the Company is a related party of the Company.

Resolution 7 seeks Shareholder approval for the issue of up to 8,000,000 Shares (at an issue price of 20 cents per Share) on a post-Consolidation basis (less any Shares issued pursuant to Resolutions 6 and 8), to Mr Carter (or his nominee or Granta Capital Pty Ltd ACN 121 286 806) arising from his participation in the Capital Raising (the **Participation**). For the avoidance of doubt these 8,000,000 Shares (less any Shares issued pursuant to Resolutions 6 and 8) proposed to be issued to Mr Carter (or his nominee or Granta Capital Pty Ltd) pursuant to Resolution 7 will form part of, and are not additional to, the Shares issued under the Capital Raising, the subject of Resolutions 5 and 6.

8.2 Chapter 2E Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval, unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of Shares which constitutes giving a financial benefit and Mr Carter is a related party of the Company by virtue of being a Director of the Company. Granta Capital Pty Ltd is a related party of the Company by reason of it being a company that is "controlled" by Mr Carter within the meaning of the Corporations Act.

The Directors (other than Mr Carter who is excluded from voting on Resolution 7) consider that Shareholders' approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation as the Shares proposed to be issued to Mr Carter (or his nominee or Granta Capital Pty Ltd) will be on the same terms as Shares issued to non-related party participants in the Capital Raising and as such the giving of the financial benefit is on arm's length terms.

8.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the issue of Shares to Mr Carter under the Capital Raising involves the issue of Shares to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

8.4 Technical information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

- (a) the Shares will be issued to Mr Carter (or his nominee or Granta Capital Pty Ltd);
- (b) the maximum number of Shares to be issued to Mr Carter (or his nominee or Granta Capital Pty Ltd) is 8,000,000, less the number of the Shares issued pursuant to Resolutions 6 and 8 – in other words the maximum number of Shares to be issued to Mr Cairns or his nominee or Carnethy Evergreen Pty Ltd, Mr Carter or his nominee or Granta Capital Pty Ltd and Kestrel Capital Growth Companies Ltd under Resolutions 6, 7 and 8 respectively is 8,000,000 Shares in aggregate;
- (c) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) Mr Carter is a Director of the Company and Granta Capital Pty Ltd is a related party of the Company by reason of it being a company that is “controlled” by Mr Carter within the meaning of the Corporations Act;
- (e) the issue price will be 20 cents per Share, being the same as all other Shares proposed to be issued under the Capital Raising;
- (f) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company’s existing Shares; and
- (g) the funds raised will be used for the purposes as set out in Sections 1.12 and 1.14 above.

Although approval is being sought for the issue of these Shares pursuant to Resolution 5 (to ensure they may still be issued to other investors in the event Mr Carter or his nominee or Granta Capital Pty Ltd do not subscribe for Shares pursuant to the Capital Raising) approval pursuant to ASX Listing Rule 7.1 is not required for the Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to Mr Carter (or his nominee Granta Capital Pty Ltd) will not be included in the use of the Company’s 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

9. RESOLUTION 8 – PARTICIPATION OF A RELATED PARTY IN CAPITAL RAISING – KESTREL GROWTH COMPANIES LTD

9.1 General

As detailed in Section 6 above, the Company proposes under the Capital Raising to issue up to 25,000,000 Shares on a post-Consolidation basis at an issue price of 20 cents pursuant to the Prospectus to raise up to \$5,000,000.

Kestrel Growth Companies Ltd ACN 072 468 798 (**KGC**) is a related party of the Company by reason of it being a company that is “controlled” by Mr Niall Cairns and Mr Phillip Carter, Directors of the Company, within the meaning of the Corporations Act.

Resolution 8 seeks Shareholder approval for the issue of up to 8,000,000 Shares (at an issue price of 20 cents per Share) on a post-Consolidation basis (less any Shares issued pursuant to Resolutions 6 and 7), to KGC arising from its participation in the Capital Raising (the **Participation**).! For the avoidance of doubt these 8,000,000 Shares (less any Shares issued pursuant to Resolutions 6 and 7)

proposed to be issued to KGC pursuant to Resolution 8 will form part of, and are not additional to, the Shares issued under the Capital Raising, the subject of Resolutions 5 and 6.

9.2 Chapter 2E Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval, unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of Shares which constitutes giving a financial benefit and KGC is a related party of the Company by reason of it being a company that is "controlled" by Mr Niall Cairns and Mr Phillip Carter, Directors of the Company, within the meaning of the Corporations Act.

The Directors (other than the Continuing Directors who are excluded from voting on Resolution 8) consider that Shareholders' approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation as the Shares proposed to be issued to KGC will be on the same terms as Shares issued to non-related party participants in the Capital Raising and as such the giving of the financial benefit is on arm's length terms.

9.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the issue of Shares to KGC under the Capital Raising involves the issue of Shares to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

9.4 Technical information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

- (a) the Shares will be issued to KGC;
- (b) the maximum number of Shares to be issued to KGC is 8,000,000, less the number of the Shares issued pursuant to Resolutions 6 and 7 – in other words the maximum number of Shares to be issued to Mr Cairns or his nominee or Carnethy Evergreen Pty Ltd, Mr Carter or his nominee or Granta Capital Pty Ltd and KGC under Resolutions 6, 7 and 8 respectively is 8,000,000 Shares in aggregate;
- (c) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) KGC is a related party of the Company by reason of it being a company that is "controlled" by Mr Niall Cairns and Mr Phillip Carter, Directors of the Company, within the meaning of the Corporations Act;
- (e) the issue price will be 20 cents per Share, being the same as all other Shares proposed to be issued under the Capital Raising;

- (f) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (g) the funds raised will be used for the purposes as set out in Sections 1.12 and 1.14 above.

Although approval is being sought for the issue of these Shares pursuant to Resolution 5 (to ensure they may still be issued to other investors in the event KGC does not subscribe for Shares pursuant to the Capital Raising) approval pursuant to ASX Listing Rule 7.1 is not required for the Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to KGC will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

10. RESOLUTION 9 – APPOINTMENT OF ANDREW RAWLINSON AS A DIRECTOR

10.1 General

Mr Andrew Rawlinson joined the Enzumo Group in 2012 and is a director of Enzumo Group Pty Limited and Enzumo Admin Pty Limited.

Under clause 23.5 of the Constitution, the Company may by resolution in general meeting appoint a person as a director. Resolution 9 seeks the approval of Shareholders for the appointment of Mr Rawlinson as a director of the Company, to take effect subject to and from completion of the Acquisition.

10.2 Mr Rawlinson

Please refer to page 17 of this Explanatory Statement for further background on Mr Rawlinson.

11. RESOLUTION 10 – CHANGE OF NAME

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 10 seeks the approval of Shareholders for the Company to change its name to "Enzumo Limited", subject to completion of the Acquisition.

If Resolution 10 is passed the change of name will take effect when ASIC alters the details of the Company's registration.

The Board proposes this change of name on the basis that it more accurately reflects the proposed future operations of the Company, if the Acquisition is completed.

Resolution 10 is not inter-conditional with the other Resolutions. However the Company will only change its name if completion of the Acquisition takes place and where all of the Acquisition Resolutions are passed.

12. RESOLUTION 11 – APPROVAL OF ISSUE OF OPTIONS TO KESTREL CAPITAL LTD

12.1 General

Resolution 11 seeks Shareholder approval for the issue of up to 1,500,000 Options on a post-Consolidation basis, to Kestrel Capital Pty Ltd ACN 061 515 062 (**Kestrel**). The terms of the Kestrel Options are set out in Schedule 2. The Kestrel Options are proposed to be granted under an agreement between the Company and Kestrel in consideration for the provision of services provided by Kestrel to the Company, being sourcing, arranging for and negotiating the acquisition of the Enzumo Companies by the Company.

12.2 Related party transactions under the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
- (b) shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

Kestrel is a related party by reason of it being a company that is “controlled” by Mr Niall Cairns and Mr Phillip Carter, Directors of the Company, within the meaning of the Corporations Act. The grant of the Kestrel Options constitutes the giving of a financial benefit.

As none of the nominated exceptions set out in the Corporations Act apply, the grant of the Kestrel Options to Kestrel requires Shareholder approval.

Section 219 requires that the following information be provided to shareholders when seeking an approval for the purposes of Chapter 2E:

The related party to whom the proposed resolution would permit the financial benefit to be given:

The related party to whom a financial benefit may be given is Kestrel Capital Pty Ltd.

The nature of the financial benefit

The nature of the financial benefit to be given to Kestrel is the grant of the Kestrel Options.

Other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors.

The proposed ordinary Resolution 11 would have the effect of giving power to the Directors to grant a total of 1,500,000 Kestrel Options on the terms and conditions as set out in Schedule 2 to this Explanatory Statement and as otherwise mentioned above.

The Company currently has 112,793,878 listed Shares and no Options on issue. On a post-Consolidation basis, assuming the minimum subscription of 15,000,000 Shares are issued under the Capital Raising and following the issue of 14,000,000 Shares to the Vendors, the number of Shares on issue will be 40,279,388 Shares.

If all unlisted Options granted as proposed above are exercised, the effect would be to dilute the share holding of existing Shareholders by 3.7%. The market price of the Shares during the period of the Kestrel Options will normally determine whether or not Kestrel exercises the Kestrel Options. At the time any Kestrel Options are exercised and Shares are issued pursuant to the exercise of the Kestrel Options, the Shares may be trading at a price which is higher than the exercise price of the Kestrel Options.

Valuation of financial benefits

The value of the financial benefit proposed to be provided to Kestrel is the value of the Kestrel Options to be granted to Kestrel.

The Company has valued the Kestrel Options to be granted to Kestrel using the Black-Scholes Model, and on a post-Consolidation basis. The value of an option calculated by the Black-Scholes Model is a function of a number of variables. The valuation of the Kestrel Options has been prepared using the following assumptions:

Item	Assumption
Underlying Share price	\$0.20

Item	Assumption
Exercise price	\$0.30
Dividend rate	Nil
Risk free rate	2.3%
Issue date	31 March 2015
Expiration date	31 March 2018
Expiration period (years)	3 years
Valuation per Kestrel Option	\$0.0068
Valuation for 1,500,000 Kestrel Options to be granted to Kestrel	\$10,208.43

The Company has calculated the value of each Kestrel Option based on the following assumptions:

- (a) The Kestrel Options were valued as of \$10,208.43, assuming an issue date of 31 March 2015.
- (b) The underlying value of each Share has been based on the ASX closing price of \$0.02 cents on 22 December 2014, multiplied by 10 to take account of the Consolidation.
- (c) The risk free rate of return used was 2.3% (the Australian Government 5-year bond rate as at 22 December 2014).
- (d) A volatility of the Share price of 19.115% has been used.

Based on these assumptions, it is considered that the estimated average value of the Kestrel Options to be granted to Kestrel is \$0.0068 per Kestrel Option.

Any change in the variables applied in the calculations between the date of the valuation and the date the Kestrel Options are granted would have an impact on their value.

The following table gives details of the highest, lowest and latest closing price of the Shares trading on ASX over the past 12 months up to the date of this notice, multiplied by 10 to take account of the Consolidation:

Pro forma - pre 1 for 10 Consolidation		
Highest Price (cents) / Date	Lowest Price (cents) / Date	Latest Price (cents) / Date
\$0.03 cents on 14/11/14	\$0.007 cents on 23/5/14	\$0.02 cents on 22/12/14

Other Information

Under the Australian Equivalent of IFRS, the Company is required to expense the value of the Kestrel Options in its statement of financial performance for the current financial year. Other than as disclosed in this Explanatory Statement, the Directors (other than the Continuing Directors who are excluded from voting on Resolution 11) do not consider that from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences, for the Company or benefits foregone by the Company in granting the Kestrel Options pursuant to Resolution 11.

Neither the Directors (other than the Continuing Directors who are excluded from voting on Resolution 11) nor the Company are aware of other information that would be reasonably required by shareholders to make a decision in relation to the financial benefits contemplated by the proposed resolution.

12.3 The relevant interests in Securities of Kestrel

Set out below are details of Kestrel's relevant interests in the Securities of the Company as at the date of this Notice:

Number of Shares	Number of Options
Nil	Nil

Set out below are details regarding the Securities in the Company in which Kestrel will hold an interest, if 1,500,000 Kestrel Options are granted to Kestrel pursuant to Resolution 11:

Number of Shares	Number of Options
Nil	1,500,000

12.4 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires shareholder approval by ordinary resolution to any issue by a listed company of equity securities to a related party unless an exception in ASX Listing Rule 10.12 applies. The Company proposes to grant the Kestrel Options to Kestrel, which are equity securities. For the purposes of ASX Listing Rule 10.11, Kestrel is considered to be a related party of the Company.

The exceptions in ASX Listing Rule 10.12 do not apply to the grant of the Kestrel Options to Kestrel. Accordingly, Shareholder approval is being sought in respect of the grant of Kestrel Options to Kestrel.

12.5 Technical information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Kestrel Options to be granted pursuant to Resolution 11:

- (a) the Kestrel Options will be granted to Kestrel Capital Pty Ltd;
- (b) the maximum number of Kestrel Options to be granted is 1,500,000;
- (c) the Kestrel Options will be allotted and granted on a date which will be no later than 1 month after the date of this Meeting, unless otherwise extended by way of ASX granting a waiver to the Listing Rules;
- (d) the Kestrel Options will be granted for no consideration;
- (e) no funds will be raised by the grant of the Kestrel Options; and
- (f) the terms and conditions of the Kestrel Options are set out in Schedule 2 to this Explanatory Statement.

If approval is given under Resolution 11 for the grant of the Kestrel Options under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1 in respect of such grant approved under ASX Listing Rule 10.11.

12.6 Voting Prohibition Statement

Under the Corporations Act the following persons may not vote, and the Company will disregard any votes cast (in any capacity) on Resolution 11 by or on behalf of:

- a member of the KMP (details of whom and their remuneration are included in the Remuneration Report contained in the Company's 2014 Annual Report); and
- a Closely Related Party of any such KMP.

However this restriction will not prevent such a person casting a vote on this Resolution as proxy on behalf of a person entitled to vote on the Resolution, and where either:

- the vote has been cast in accordance with the directions on the proxy form; or
- if there is no specified voting direction, the vote is cast by the Chairman of the meeting as proxy and who has been expressly authorised to vote on this Resolution, even though it is connected with the remuneration of KMP.

12.7 Directors' Recommendation

Directors are precluded from voting on these items of business (as Shareholders) and they therefore make no recommendation as to how Shareholders should vote in relation to Resolution 11.

The Chairman in his capacity as proxy holder intends to vote all undirected proxies in favour of Resolution 11.

13. RESOLUTIONS 12, 13 AND 14 – APPROVAL OF GRANT OF TERMINATION OPTIONS TO RETIRING DIRECTORS

13.1 General

Subject to and following Completion of the Acquisition, Mr Adrian Fleming, Mr David Sode and Mr Simon O'Loughlin (the **Retiring Directors**) will resign or retire as Directors.

Resolutions 12, 13 and 14 are proposed by the Continuing Directors (being the Board other than the Retiring Directors) to seek shareholder approval for the issue of certain Options to the Retiring Directors or their respective nominees in connection with their retirement as Directors, details of which are provided below. These Options are proposed to be provided in addition to their existing statutory and contractual entitlements. The terms of the Termination Options are set out in Schedule 3.

The Continuing Directors consider that it is appropriate to grant the Termination Options to the Retiring Directors in consideration for their work and governance over the last few years in difficult times. This has included the oversight of the wind down of the Company's previous operations in PNG, the review of a number of resource and non resource opportunities and the selection of Enzumo as a new business that provided the opportunity to significantly add value to the Company. In addition, directors' fees had been reduced considerably over the last few years.

13.2 Related party transactions under the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
- (b) shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

Each Retiring Director is a related party by virtue of being a Director, and the grant of the Termination Options constitutes the giving of a financial benefit.

As none of the nominated exceptions set out in the Corporations Act apply, the grant of the Termination Options to the Retiring Directors requires Shareholder approval.

Section 219 requires that the following information be provided to shareholders when seeking an approval for the purposes of Chapter 2E:

The related party to whom the proposed resolution would permit the financial benefit to be given:

The related party to whom a financial benefit may be given are as follows:

- (a) under Resolution 12 – Mr Adrian Fleming;
- (b) under Resolution 13 – Mr David Sode; and
- (c) under Resolution 14 – Mr Simon O’Loughlin.

The nature of the financial benefit

The nature of the financial benefit to be given to each of the Retiring Directors is the grant of the Termination Options.

Other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors.

The proposed ordinary Resolutions 12, 13 and 14 would have the effect of giving power to the Directors to grant a total of 450,000 Termination Options on the terms and conditions as set out in Schedule 3 to this Explanatory Statement and as otherwise mentioned above.

The Company currently has 112,793,878 listed Shares and no Options on issue. On a post-Consolidation basis, assuming the minimum subscription of 15,000,000 Shares are issued under the Capital Raising and following the issue of 14,000,000 Shares to the Vendors, the number of Shares on issue will be 40,297,388 Shares.

If all unlisted Options granted as proposed above are exercised, the effect would be to dilute the share holding of existing Shareholders by 1.1%. The market price of the Shares during the period of the Termination Options will normally determine whether or not a Retiring Director or his nominee exercises the Termination Options. At the time any Termination Options are exercised and Shares are issued pursuant to the exercise of the Termination Options, the Shares may be trading at a price which is higher than the exercise price of the Termination Options.

Valuation of financial benefits

The value of the financial benefit proposed to be provided to each Retiring Director is the value of the Termination Options to be granted to that Retiring Director.

The Company has valued the Termination Options to be granted to the Retiring Directors using the Black-Scholes Model, and on a post-Consolidation basis. The value of an option calculated by the Black-Scholes Model is a function of a number of variables. The valuation of the Termination Options has been prepared using the following assumptions:

Item	Assumption
Underlying Share price	\$0.20
Exercise price	\$0.30
Dividend rate	Nil

Item	Assumption
Risk free rate	2.3%
Issue date	31 March 2015
Expiration date	31 March 2018
Expiration period (years)	3 years
Valuation per Retirement Option	\$0.0068
Valuation for 150,000 Termination Options to be granted to Mr Adrian Fleming	\$1,020.84
Valuation for 150,000 Termination Options to be granted to Mr David Sode	\$1,020.84
Valuation for 150,000 Termination Options to be granted to Mr Simon O'Loughlin	\$1,020.84

The Company has calculated the value of each Retirement Option based on the following assumptions:

- (a) The Termination Options were valued as of 22 December 2014, assuming an issue date of 31 March 2015.
- (b) The underlying value of each Share has been based on the ASX closing price of \$0.02 cents on 22 December 2014, multiplied by 10 to take account of the Consolidation.
- (c) The risk free rate of return used was 2.3% (the Australian Government 5-year bond rate as at 22 December 2014).
- (d) A volatility of the Share price of 19.115% has been used.

Based on these assumptions, it is considered that the estimated average value of the Termination Options to be granted to the Retiring Directors is \$0.0068 cents per Termination Option.

Any change in the variables applied in the calculations between the date of the valuation and the date the Termination Options are granted would have an impact on their value.

The following table gives details of the highest, lowest and latest closing price of the Shares trading on ASX over the past 12 months up to the date of this notice, multiplied by 10 to take account of the Consolidation:

Pro forma - pre 1 for 10 Consolidation		
Highest Price (cents) / Date	Lowest Price (cents) / Date	Latest Price (cents) / Date
\$0.03 cents on 14/11/14	\$0.007 cents on 23/5/14	\$0.02 cents on 22/12/14

Other Information

Under the Australian Equivalent of IFRS, the Company is required to expense the value of the Termination Options in its statement of financial performance for the current financial year. Other

than as disclosed in this Explanatory Statement, the Continuing Directors do not consider that from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences, for the Company or benefits foregone by the Company in granting the Termination Options pursuant to Resolutions 12, 13 and 14.

Neither the Continuing Directors nor the Company are aware of other information that would be reasonably required by shareholders to make a decision in relation to the financial benefits contemplated by the proposed resolutions.

13.3 The relevant interests in Securities of the Retiring Directors

Set out below are details of each Retiring Director's relevant interests in the Securities of the Company as at the date of this Notice:

Retiring Director	Number of Shares	Number of Options
Mr Adrian Fleming	227,000	Nil
Mr David Sode	100,000	Nil
Mr Simon O'Loughlin	300,000	Nil

Set out below are details regarding the Securities in the Company in which each Retiring Director will hold an interest, if 150,000 Termination Options are granted to Mr Fleming or his nominee pursuant to Resolution 12, 150,000 Termination Options are granted to Mr Sode or his nominee pursuant to Resolution 13 and 150,000 Termination Options are granted to Mr O'Loughlin or his nominee pursuant to Resolution 14:

	Number of Shares	Number of Options
Mr Adrian Fleming	227,000	150,000
Mr David Sode	100,000	150,000
Mr Simon O'Loughlin	300,000	150,000

13.4 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires shareholder approval by ordinary resolution to any issue by a listed company of equity securities to a related party unless an exception in ASX Listing Rule 10.12 applies. The Company proposes to grant the Termination Options to each Retiring Director or their respective nominees, which are equity securities. For the purposes of ASX Listing Rule 10.11, each Retiring Director is considered to be a related party of the Company.

The exceptions in ASX Listing Rule 10.12 do not apply to the grant of the Termination Options to the Retiring Directors. Accordingly, Shareholder approval is being sought in respect of the grant of Termination Options to each Retiring Director.

13.5 Technical information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Termination Options to be granted pursuant to Resolutions 12, 13 and 14:

- (a) the Termination Options will be granted:
 - (i) under Resolution 12 - to Mr Adrian Fleming or his nominee;
 - (ii) under Resolution 13 - to Mr David Sode or his nominee;

- (iii) under Resolution 14 – to Mr Simon O’Loughlin or his nominee;
- (b) the maximum number of Termination Options to be granted:
 - (i) under Resolution 12 – is 150,000;
 - (ii) under Resolution 13 - is 150,000;
 - (iii) under Resolution 14 – is 150,000;
- (c) the Termination Options will be allotted and granted on a date which will be no later than 1 month after the date of this Meeting, unless otherwise extended by way of ASX granting a waiver to the Listing Rules;
- (d) the Termination Options will be granted for no consideration;
- (e) no funds will be raised by the grant of the Termination Options; and
- (f) the terms and conditions of the Termination Options are set out in Schedule 3 to this Explanatory Statement.

If approval is given under Resolutions 12, 13 or 14 for the grant of the Termination Options under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1 in respect of each such grant approved under ASX Listing Rule 10.11.

13.6 Section 200B of the Corporations Act

Shareholder approval is also being sought for the Termination Options under section 200B(1) of the Corporations Act.

Section 200B(1) of the Corporations Act requires a company to obtain shareholder approval before giving a financial benefit to a director in connection with the director's retirement from office unless the benefit falls within certain exceptions set out in the Corporations Act.

The grants of the Termination Options do not fall within any of the categories of exceptions set out in the Corporations Act.

Section 200E of the Corporations Act requires that where shareholders are asked to approve a payment or other benefit to a director that would otherwise be prohibited by section 200B, shareholders must be given details of the amount of the payment, or, if the amount cannot be ascertained at the time of the disclosure, the manner in which the amount is to be calculated and any matter, event or circumstance that will, or is likely to affect the calculation of the amount.

The value of the financial benefits proposed to be provided to each Retiring Director is the value of the Termination Options. Please refer to “Valuation of financial benefits” in Section 13.2 above for information on the value of the Termination Options.

Other than the information set out in this Explanatory Statement, there is no other information known to the Company or any of its Directors that is reasonably required by Shareholders in order to decide whether or not it is in the interests of the Company to pass Resolutions 12, 13 and 14.

13.7 Voting Prohibition Statement

Under the Corporations Act the following persons may not vote, and the Company will disregard any votes cast (in any capacity) on Resolutions 12, 13 or 14 by or on behalf of:

- a member of the KMP (details of whom and their remuneration are included in the Remuneration Report contained in the Company’s 2014 Annual Report); and
- a Closely Related Party of any such KMP.

However this restriction will not prevent such a person casting a vote on any of these Resolutions as proxy on behalf of a person entitled to vote on the Resolution, and where either:

- the vote has been cast in accordance with the directions on the proxy form; or
- if there is no specified voting direction, the vote is cast by the Chairman of the meeting as proxy and who has been expressly authorised to vote on this Resolution, even though it is connected with the remuneration of KMP.

13.8 Directors' Recommendation

Directors are precluded from voting on these items of business (as Shareholders) and they therefore make no recommendation as to how Shareholders should vote in relation to Resolutions 12, 13 and 14.

The Chairman in his capacity as proxy holder intends to vote all undirected proxies in favour of Resolutions 12, 13 and 14.

14. GLOSSARY

\$ means Australian dollars.

Acquisition has the meaning given to that term in Section 1.1.

Acquisition Resolutions means the inter-conditional resolutions in this Notice, being Resolutions 1 to 9 (inclusive).

Admin Company means Enzumo Admin Pty Limited ACN 100 876 435.

Admin Vendor means each of Stephen Bell and Lynette Bell.

Agreement means the share purchase deed dated 10 November 2014 entered into between the Company, the Vendors and the Proposed Director in respect of the acquisition of all issued shares in the Enzumo Companies, the material terms of which are summarised in Section 1.5.

ASIC means the Australian Securities and Investments Commission.

ASX means, as the context requires, ASX Limited ACN 008 624 691 or the securities market it operates known as the Australian Securities Exchange.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Capital Raising has the meaning given to that term in Section 1.1.

Chairman means the chair of the Meeting.

Closely Related Party is defined in the Corporations Act and includes a spouse, dependent and certain other close family members, as well as any companies controlled by the Key Management Personnel.

Company means Goldminex Resources Limited ACN 119 383 578.

Completion means completion of the acquisition of the shares in the Enzumo Companies in accordance with the Agreement.

Completion Shares has the meaning given to that term in Section 5.1.

Conditions Precedent means the conditions precedent to completion of the Agreement, as summarised in Section 1.5.

Consideration Shares means the Completion Shares and the Performance Shares.

Consolidation means the proposed consolidation of Shares under Resolution 2 at a ratio of 10 to 1.

Consulting Company means Enzumo Consulting Pty Limited ACN 603 675 636.

Consulting Vendor means Enzumo Group Pty Limited ACN 158 631 460 as trustee of the Enzumo Consulting Unit Trust ABN 74 748 047 545.

Continuing Directors means Mr Niall Cairns and Mr Phillip Carter, being the Board other than the Retiring Directors.

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

Directors means the current directors of the Company.

Enzumo Companies means:

- the Solutions Company;
- the Consulting Company; and
- the Admin Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Kestrel means Kestrel Capital Pty Ltd ACN 061 515 062.

Kestrel Option means an Option to acquire a Share on the terms and conditions set out in Schedule 2.

Key Management Personnel (or KMP) has the same meaning as in accounting standards. The term broadly includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any Director.

KGC means Kestrel Growth Companies Ltd ACN 072 468 798.

Maximum Subscription means the maximum subscription amount of \$5,000,000 to be raised by the issue of 25,000,000 Shares (post-Consolidation) under the Capital Raising (as may be varied by the Directors).

Minimum Subscription means the minimum subscription amount of \$3,000,000 to be raised by the issue of 15,000,000 Shares (post-Consolidation) under the Capital Raising (as may be varied by the Directors).

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Schedules, the Annexures and the Proxy Form.

Option means an option to acquire a Share, including a Termination Option and a Kestrel Option.

Option Holder means a holder of an Option.

Performance Shares, Class A Performance Shares, Class B Performance Shares and Class C Performance Shares have the meanings given to those terms in Section 5.1.

Proposed Director means Mr Andrew Rawlinson.

Prospectus means the prospectus proposed to be lodged by the Company with ASIC in relation to the Capital Raising.

Proxy Form means the proxy form accompanying the Notice.

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

Restructure Agreements has the meaning given to that term in Section 1.5.

Retiring Directors means Mr Adrian Fleming, Mr David Sode and Mr Simon O'Loughlin.

Section means a section of the Explanatory Statement unless otherwise specified.

Security means a security issued or to be issued in the capital of the Company, including a Share, Performance Share or an Option.

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

Shareholder means a holder of a Share.

Solutions Company means Enzumo LMS Solutions Pty Limited ACN 603 675 814.

Solutions Vendor means Enzumo Group Pty Limited ACN 158 631 460 as trustee of the eLMS Solutions Unit Trust ABN 96 592 367 831.

Termination Option means an Option to acquire a Share on the terms and conditions set out in Schedule 3.

Vendors means the current shareholders of the Enzumo Companies, comprising:

- the Solutions Vendor which holds 100% of the shares in the Solutions Company;
- the Consulting Vendor which holds 100% of the shares in the Consulting Company;
- Stephen Bell who holds 99.99% of the shares in the Admin Company; and
- Lynette Bell who holds 0.01% of the shares in the Admin Company.

Schedule 1 – Terms and Conditions of Performance Shares

1. DEFINITIONS

In these terms and conditions:

Accounting Standards means:

- (a) the “accounting standards” referred to in section 9 of the Corporations Act; and
- (b) to the extent not inconsistent with paragraph (a), generally accepted accounting principles, policies, practices and procedures in Australia.

Admin Company means Enzumo Admin Pty Limited ACN 100 876 435.

ASX means, as the context requires, ASX Limited ACN 008 624 691 or the securities market it operates known as the Australian Securities Exchange.

ASX Listing Rules means the official listing rules of the ASX.

Auditor means the auditor of the Company from time to time.

Board means the board of directors of the Company from time to time.

Business means the business of configuring third party software systems and developing, selling, implementing and maintaining proprietary commercial software tools and products for financial planning and advisory industry applications as conducted by the Group as at the date of issue of the Performance Shares.

Change of Control means:

- (a) a bona fide takeover bid is declared unconditional and the bidder has acquired a relevant interest in at least 50.1% of the Company’s issued Shares; or
- (b) a court approves under section 411(4)(b) of the Corporations Act a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies.

Class A Performance Share means a Class A Performance Share issued pursuant to these terms and conditions.

Class A Milestone means the Group EBITDA for either FY 16 or FY 17, being greater than or equal to \$2,000,000.

Class B Performance Share means a Class B Performance Share issued pursuant to these terms and conditions.

Class B Milestone means the Group EBITDA for any of FY 16, FY 17 or FY 18, being greater than or equal to \$3,000,000.

Class C Performance Share means a Class C Performance Share issued pursuant to these terms and conditions.

Class C Milestone means the Group EBITDA for any of FY 16, FY 17 or FY 18, being greater than or equal to \$5,000,000.

Company means Goldminex Resources Limited ACN 119 383 578.

Consulting Company means Enzumo Consulting Pty Limited ACN 603 675 636.

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

Determination Date means, for each of FY 16, FY 17 and FY 18, the date that the Auditor notifies the Company of the Group EBITDA for that financial year under clause 11.2.

EBITDA means the earnings before interest, tax, depreciation and amortisation calculated in accordance with Accounting Standards.

FY 16 means the financial year ending 30 June 2016.

FY 17 means the financial year ending 30 June 2017.

FY 18 means the financial year ending 30 June 2018.

Group means the Solutions Company, the Consulting Company and the Admin Company and any Subsidiary and **Group Company** means any one of them.

Group EBITDA means the consolidated EBITDA of the Business earned by the Group adjusted as follows:

- (a) any head office or management fees, charges or expenses charged by the Company to any Group Company will be excluded;
- (b) any expenses paid by the Company (or a related body corporate other than the Group Companies) that relate to the conduct of the Business will be included; and
- (c) any revenues earned and expenses incurred by or in relation to any company or business acquisition completed by a Group Company will be excluded unless otherwise determined by the Board and agreed with the Performance Shareholders prior to completion of the acquisition.

Performance Share means a Class A Performance Share, a Class B Performance Share or a Class C Performance Share.

Performance Shareholder means a holder of a Performance Share.

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

Shareholder means a holder of Shares.

Solutions Company means Enzumo LMS Solutions Pty Limited ACN 603 675 814.

2. Performance Shares

Each Performance Share is a share in the capital of the Company.

3. Meetings and Reports

The Performance Shares shall confer on the Performance Shareholders the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders. The Performance Shareholder has the right to attend general meetings of Shareholders.

4. No Voting Right

The Performance Shares do not entitle the Performance Shareholder to vote on any resolutions proposed at a general meeting of Shareholders.

5. No Dividends

The Performance Shares do not entitle the Performance Shareholder to any dividends.

6. No Right to Share in Surplus Assets

The Performance Shares do not participate in the surplus profits or assets of the Company upon winding up of the Company.

7. Non Transferable

The Performance Shares are not transferable.

8. Reorganisation

If at any time the issued capital of the Company is reorganised, all rights of the Performance Shareholder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of the reorganisation.

9. Quotation

The Performance Shares will not be quoted on the ASX. However, upon conversion of the Performance Shares into Shares, the Company must within 5 Business Days of the relevant Determination Date, apply for the official quotation of the Shares arising from the conversion on the ASX.

10. No Participation in Bonus or Entitlement Issues

Performance Shareholders will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

11. Determination of Group EBITDA

11.1 Auditor to Determine

The Company will direct the Auditor to determine the Group EBITDA for each of FY 16, FY 17 and FY 18 as part of the audit process for the Company.

11.2 Notification of Group EBITDA

The Company will procure that the Auditor notify it of the Group EBITDA for each of FY 16, FY 17 and FY 18 once it has been determined by the Auditor under clause 11.1. The Company will immediately notify the Performance Shareholders of the Group EBITDA.

11.3 Determination Conclusive

In the absence of manifest error, the Group EBITDA determined by the Auditor will be conclusive and binding on the Company and the Performance Shareholders.

12. Conversion

12.1 Conversion

The Performance Shares will convert into Shares in accordance with this clause 12.

12.2 Class A Performance Shares

Subject to clauses 12.6 and 12.7, each Class A Performance Share will convert into one (1) Share on the relevant Determination Date upon the satisfaction of the Class A Milestone.

12.3 Class B Performance Shares

Subject to clauses 12.6 and 12.7, each Class B Performance Share will automatically convert into one (1) Share on the relevant Determination Date upon the satisfaction of the Class B Milestone.

12.4 Class C Performance Shares

Subject to clauses 12.6 and 12.7, each Class C Performance Share will convert into one (1) Share on the relevant Determination Date upon the satisfaction of the Class C Milestone.

12.5 Change of Control

- (a) Subject to clauses 12.5(b) and 12.6, each Performance Share that has not converted under clause 12.7 as at the date of the occurrence of a Change of Control will convert into one (1) Share on the occurrence of a Change of Control.
- (b) The maximum number of Performance Shares that can be converted into Shares under this clause 12 upon a Change of Control must not exceed 10% of the issued Share capital of the Company (as at the date of the Change of Control). The Company shall ensure a pro-rata allocation of Shares issued under this clause 12 to all Performance Shareholders. Performance Shares that are not converted into Shares will continue to be held by the Performance Shareholders on the same terms and conditions.

12.6 Takeover Provisions

- (a) If the conversion of Performance Shares (or part thereof) would result in any person being in contravention of section 606(1) of the Corporations Act then the conversion of each Performance Share that would cause the contravention shall be deferred until such time or times thereafter that the conversion would not result in a contravention of section 606(1) of the Corporations Act.
- (b) The Performance Shareholders shall give notification to the Company in writing if they consider that the conversion of Performance Shares (or part thereof) may result in the contravention of section 606(1) of the Corporations Act failing which the Company shall assume that the conversion of Performance Shares (or part thereof) will not result in any person being in contravention of Section 606(1) of the Corporations Act.
- (c) The Company shall (but is not obliged to) by written notice request the Performance Shareholders to give notification to the Company in writing within 7 days if they consider that the conversion of Performance Shares (or part thereof) may result in the contravention of section 606(1) of the Corporations Act. If the Performance Shareholders do not give notification to the Company within 7 days that they consider the conversion of Performance Shares (or part thereof) may result in the contravention of section 606(1) of the Corporations Act then the Company shall assume that the conversion of Performance Shares (or part thereof) will not result in any person being in contravention of section 606(1) of the Corporations Act.

12.7 Nominal conversion of Performance Shares

- (a) If the Class A Milestone is not satisfied all Class A Performance Shares will immediately convert into two (2) Shares (one for each Performance Shareholder) on the Determination Date for FY 17.
- (b) If the Class B Milestone is not satisfied all Class B Performance Shares will immediately convert into two (2) Shares (one for each Performance Shareholder) on the Determination Date for FY 18.
- (c) If the Class C Milestone is not satisfied all Class C Performance Shares will immediately convert into two (2) Shares (one for each Performance Shareholder) on the Determination Date for FY 18.

12.8 Holding Statement

The Company will issue the Performance Shareholders with a holding statement for the Shares as soon as practicable following the conversion of the Performance Shares into Shares under this clause 12.

12.9 Ranking

The Shares into which the Performance Shares will convert will rank pari passu in all respects with existing Shares.

13. No Other Rights

The Performance Shares give the Performance Shareholders no rights other than those expressly provided by these terms and conditions and those provided at law where such rights at law cannot be excluded by these terms and conditions.

Schedule 2 – Terms and Conditions of Kestrel Options

- 1.1 No monies will be payable for the issue of the Options.
- 1.2 No certificate will be issued for the Options.
- 1.3 The Options shall expire on the third anniversary of the date of their issue.
- 1.4 The Options will vest on grant.
- 1.5 Each Option shall carry the right to subscribe for one Share.
- 1.6 Options may be exercised in whole or in part. An exercise of only some Options shall not affect the rights of the Option Holder to the balance of the Options held by him.
- 1.7 The issue price of Shares the subject of the Options of \$0.30 per Share shall be payable in full on exercise of the Options.
- 1.8 Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option Holder to exercise all or a specified number of Options held by him and a cheque payable to the Company for the subscription monies for the Shares.
- 1.9 The Company shall allot the resultant Shares and deliver the share certificates within five (5) business days of the exercise of the Option.
- 1.10 Options shall not be listed for Official Quotation on ASX.
- 1.11 An Option Holder may not, except with the approval of the Board of Directors (in its sole and absolute discretion), sell, transfer, assign, give or otherwise dispose of, in equity or in law, the benefit of the Options. The approval of the Board of Directors may be given subject to satisfaction of certain conditions in which event such approval will be deemed not to occur until any such conditions have been satisfied. Nothing in this clause enables the Board of Directors to refuse to register a proper transfer of Options.
- 1.12 Shares allotted pursuant to an exercise of Options shall rank, from the date of allotment, equally with existing Shares of the Company in all respects.
- 1.13 The Company shall, in accordance with Listing Rule 2.8, make application to have Shares allotted pursuant to an exercise of Options listed for Official Quotation.
- 1.14 If the Options are exercised before the record date of an entitlement, the Option Holder can participate in a pro rata issue to the holders of the underlying securities in the Company. The Company must notify the Option Holder of the proposed issue at least nine (9) business days before the record date. Option Holders do not have a right to participate in new issues without exercising their options in accordance with Listing Rule 6.19.
- 1.15 In the event of any reorganisation of capital of the Company, all rights of the Option Holder will be changed to the extent necessary to comply with the Listing Rules applying to a re-organisation of capital at the time of the re-organisation in accordance with the Listing Rules.
- 1.16 The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.
- 1.17 In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced according to the following formula:

$$O' = \frac{O - E[P - (S+D)]}{N+1}$$

- O' = the new exercise price of the Option.
- O = the old exercise price of the Option.
- E = the number of underlying securities in the Company into which one Option is exercisable.
- P = the average market price per security (weighted by reference to volume) of the underlying securities in the Company during the five (5) trading days ending on the day before the ex rights date or ex entitlement date.
- S = the subscription price for a security under the pro rata issue.
- D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue).
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security in the Company.

- 1.18 The number of Shares to be issued pursuant to the exercise of Options will be adjusted for bonus issues made prior to exercise of Options. The effect will be that upon exercise of the Options the number of Shares received by the Option Holder will include the number of bonus Shares that would have been issued if the Option had been exercised prior to the record date for bonus issues. The exercise price of the Options shall not change as result of any such bonus issue.
- 1.19 The Company shall notify each Option Holder and ASX within one (1) month after the record date for a pro-rata bonus or cash issue of the adjustment to the number of Shares over which the Option exists and/or the adjustment to the exercise price.

Schedule 3 – Terms and Conditions of Termination Options

- 1.1 No monies will be payable for the issue of the Options.
- 1.2 No certificate will be issued for the Options.
- 1.3 The Options shall expire on the third anniversary of the date of their issue.
- 1.4 The Options will vest on grant.
- 1.5 Each Option shall carry the right to subscribe for one Share.
- 1.6 Options may be exercised in whole or in part. An exercise of only some Options shall not affect the rights of the Option Holder to the balance of the Options held by him.
- 1.7 The issue price of Shares the subject of the Options of \$0.30 per Share shall be payable in full on exercise of the Options.
- 1.8 Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option Holder to exercise all or a specified number of Options held by him and a cheque payable to the Company for the subscription monies for the Shares.
- 1.9 The Company shall allot the resultant Shares and deliver the share certificates within five (5) business days of the exercise of the Option.
- 1.10 Options shall not be listed for Official Quotation on ASX.
- 1.11 An Option Holder may not, except with the approval of the Board of Directors (in its sole and absolute discretion), sell, transfer, assign, give or otherwise dispose of, in equity or in law, the benefit of the Options. The approval of the Board of Directors may be given subject to satisfaction of certain conditions in which event such approval will be deemed not to occur until any such conditions have been satisfied. Nothing in this clause enables the Board of Directors to refuse to register a proper transfer of Options.
- 1.12 Shares allotted pursuant to an exercise of Options shall rank, from the date of allotment, equally with existing Shares of the Company in all respects.
- 1.13 The Company shall, in accordance with Listing Rule 2.8, make application to have Shares allotted pursuant to an exercise of Options listed for Official Quotation.
- 1.14 If the Options are exercised before the record date of an entitlement, the Option Holder can participate in a pro rata issue to the holders of the underlying securities in the Company. The Company must notify the Option Holder of the proposed issue at least nine (9) business days before the record date. Option Holders do not have a right to participate in new issues without exercising their options in accordance with Listing Rule 6.19.
- 1.15 In the event of any reorganisation of capital of the Company, all rights of the Option Holder will be changed to the extent necessary to comply with the Listing Rules applying to a re-organisation of capital at the time of the re-organisation in accordance with the Listing Rules.
- 1.16 The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.
- 1.17 In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced according to the following formula:

$$O' = \frac{O - E[P - (S+D)]}{N+1}$$

- O' = the new exercise price of the Option.
- O = the old exercise price of the Option.
- E = the number of underlying securities in the Company into which one Option is exercisable.
- P = the average market price per security (weighted by reference to volume) of the underlying securities in the Company during the five (5) trading days ending on the day before the ex rights date or ex entitlement date.
- S = the subscription price for a security under the pro rata issue.
- D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue).
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security in the Company.
- 1.18 The number of Shares to be issued pursuant to the exercise of Options will be adjusted for bonus issues made prior to exercise of Options. The effect will be that upon exercise of the Options the number of Shares received by the Option Holder will include the number of bonus Shares that would have been issued if the Option had been exercised prior to the record date for bonus issues. The exercise price of the Options shall not change as result of any such bonus issue.
- 1.19 The Company shall notify each Option Holder and ASX within one (1) month after the record date for a pro-rata bonus or cash issue of the adjustment to the number of Shares over which the Option exists and/or the adjustment to the exercise price.

Appendix A - Pro Forma Balance Sheet

Pro-forma Balance Sheet

The pro-forma balance sheet presented below is based on the unaudited statements of financial position of the respective entities at 30 September 2014.

	Notes	Enzumo (Unaudited) 30-Sep-14 \$	Goldminex Resources Limited (Unaudited) 30-Sep-14 \$	Pro-forma adjustments (Unaudited) \$	Pro-forma Consolidated (Unaudited) 30-Sep-14 \$
ASSETS					
Current Assets					
Cash and cash equivalents	1.	55,607	554,500	2,535,700	3,145,807
Trade and other receivables		250,041	16,451	-	266,492
Related party receivables	2.	134,511		(134,511)	
Inventories				-	-
Other current assets		13,805	24,005	-	37,810
Total current assets		453,964	594,956	2,401,189	3,450,109
Non current Assets					
Receivables				-	-
Security deposits				-	-
Property, plant and equipment		32,766	2,036	-	34,802
Intangibles		81,588		-	81,588
Other non-current assets				-	-
Total non current assets		114,354	2,036	-	116,390
TOTAL ASSETS		568,318	596,992	2,401,189	3,566,499
LIABILITIES					
Current liabilities					
Trade and other payables		216,693	260,451	-	477,144
Financial liabilities				-	-
Provision for employee benefits				-	-
Total current liabilities		216,693	260,451	-	477,144
Non current liabilities					
Financial liabilities		5,988		-	5,988
Borrowings - related party	2.	189,082		(189,082)	-
Total non current liabilities		195,070	-	(189,082)	5,988
TOTAL LIABILITIES		411,763	260,451	(189,082)	483,132
NET ASSETS		156,555	336,541	2,590,271	3,083,367
Shareholder's equity					
Issued capital	3.	110,202	44,298,778	(37,042,900)	7,366,080
Reserves	4.	-	689,375	(676,104)	13,271
Retained profits (accumulated losses)	5.	46,353	(44,651,612)	41,909,275	(2,695,984)
Other component of equity	6.			(1,600,000)	(1,600,000)
TOTAL EQUITY		156,555	336,541	2,590,271	3,083,367

Notes:

1. The net increase in cash assumes raising the maximum amount of new capital sought (\$5,000,000) less the Enzumo transaction cash component (\$1,600,000), deal cash costs (\$809,729) and adjustment of Enzumo related party balances prior to acquisition (\$54,481) (See 2. below).
2. Enzumo related party balances settled prior to acquisition.

3. Elimination of GMX issued capital at acquisition (\$44,298,778) plus share-based consideration paid on acquisition of Enzumo (\$2,255,878 - based on the fair value of 11,279,388 GMX shares at 20 cents per share post consolidation), issue of new shares (\$5,000,000).
4. Movement in reserves comprises the elimination of GMX foreign currency translation reserve (\$689,375) at acquisition in accordance with Australian Accounting Standards and the Issue of options to departing directors and payment for services (\$13,271 - expense included in deal costs).
5. Movement in accumulated losses includes the elimination of accumulated losses of GMX at acquisition (\$44,651,612) in accordance with Australian Accounting Standards, the write off of the excess of consideration paid over the fair value of identifiable net assets acquired (\$2,729,066).
5. Other component of equity represents deemed distribution of cash component of consideration transferred \$1,600,000.

Appendix B – Independent Expert’s Report



RSM Bird Cameron Corporate Pty Ltd

**Goldminex Resources Limited
Financial Services Guide and
Independent Experts Report**

29 January 2015

The proposed transaction is fair and reasonable to Goldminex shareholders

Financial Services Guide

RSM Bird Cameron Corporate Pty Ltd ABN 82 050 508 024 (RSM Bird Cameron Corporate or we or us or ours as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide (FSG). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under Australian Financial Services Licence No. 255847;
- remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

Financial services we are licensed to provide

We hold an Australian Financial Services Licence, which authorises us to provide financial product advice in relation to:

- deposit and payment products limited to:
 - a) basic deposit products;
 - b) deposit products other than basic deposit products.
- interests in managed investments schemes (excluding investor directed portfolio services); and
- securities (such as shares and debentures).

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General financial product advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that we may receive

We charge fees for providing reports. These fees will be agreed with, and paid by, the person who engaged us to provide the report. Fees will be agreed on either a fixed fee or time cost basis.

Except for the fees referred to above, neither RSM Bird Cameron Corporate, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Remuneration or other benefits received by our employees

All our employees receive a salary.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

RSM Bird Cameron Corporate is beneficially owned by the partners of RSM Bird Cameron, a large national firm of chartered accountants and business advisers. Our directors are partners of RSM Bird Cameron Partners.

From time to time, RSM Bird Cameron Corporate, RSM Bird Cameron Partners, RSM Bird Cameron and / or RSM Bird Cameron related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints resolution***Internal complaints resolution process***

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to The Complaints Officer, RSM Bird Cameron Corporate Pty Ltd, P O Box R1253, Perth, WA, 6844.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to external dispute resolution scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Financial Ombudsman Service (FOS). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website www.fos.org.au or by contacting them directly via the details set out below.

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Toll Free: 1300 78 08 08
Facsimile: (03) 9613 6399
Email: info@fos.org.au

Contact details

You may contact us using the details set out at the top of our letterhead on page 4 of this report to which this FSG is appended.

29 January 2015

The Directors
Goldminex Limited
Suite 401
25 Lime Street
SYDNEY NSW 2000

Dear Directors

Independent Expert's Report (IER or the report)

Introduction

On 11 November 2014, Goldminex Resources Limited (Goldminex or the Company) announced to the Australian Securities Exchange (ASX) that it had entered into a conditional share purchase agreement (CSPA) to acquire the Enzumo Group of companies (Enzumo or the Enzumo Group) (the Proposed Acquisition).

The Enzumo Group is beneficially owned by its founders and executives, Andrew Rawlinson, Stephen Bell and Lyn Bell (the Vendors).

The Directors of Goldminex have stated that the acquisition of the Enzumo Group will underpin Goldminex's change of strategic direction and will form the basis of developing an Australian financial technology and e-learning company.

Under the terms of the CSPA, Goldminex will issue cash and shares to the Vendors of the Enzumo Group and the Proposed Acquisition is subject to certain conditions precedent, including the Company completing satisfactory due diligence, receipt of all relevant regulatory approvals and raising a minimum of \$3.0 million pursuant to a Prospectus (together, the Proposed Transaction) which will be issued subsequent to the Notice of Meeting (NoM) in which this IER is included.

RSM Bird Cameron Corporate Pty Ltd (RSMBCC) has been engaged by the Directors of Goldminex to prepare an IER which includes an opinion as to whether, in RSMBCC's view, the Proposed Acquisition of Enzumo, on the terms set out in the CSPA, is fair and reasonable to the shareholders of Goldminex (Shareholders).

In forming our opinion, and in accordance with Australian Securities and Investments Commission (ASIC) Regulatory Guide 111 – Content of Experts Reports (RG 111), we have considered the impact of the Proposed Transaction as a whole.

Parties to the Proposed Acquisition

Goldminex

Goldminex is an Australian public company which has determined to pursue a strategic change of direction from nickel, copper and gold exploration to the development of a financial technology and e-learning capability.

Enzumo Group

The Enzumo Group is Brisbane based and was founded in 2004 to provide financial software consulting, customisation and workflow solutions to the financial planning and advisory industry. Enzumo also provides e-learning management and e-learning content to the same industry.

Enzumo group revenues comprise consulting and implementation fees together with recurring monthly subscription and support fees.

RSM Bird Cameron
Corporate Pty Ltd
ABN 82 050 508 024
AFS Licence No 255847

Major Offices in:
Perth, Sydney,
Melbourne,
Adelaide and
Canberra

RSM Bird Cameron Corporate Pty Ltd is beneficially owned by the Directors of RSM Bird Cameron. RSM Bird Cameron is an independent member firm of RSM International, an affiliation of independent accounting and consulting firms. RSM International is the name given to a network of independent accounting and consulting firms each of which practices in its own right. RSM International does not exist in any jurisdiction as a separate legal entity.

Summary of the Proposed Transaction

The terms of the Proposed Transaction are contained in the CSPA and can be summarised as follows:

- Goldminex will acquire 100% of the equity in the three companies which conduct, or at completion will conduct, the Enzumo business:
 - Enzumo Solutions Pty Limited;
 - Enzumo Consulting Pty Limited; and
 - Enzumo Admin Pty Limited;
- consideration payable for Proposed Acquisition of the Enzumo Group will consist of:
 - \$1.6 million cash – subject to certain adjustments; and
 - the issue of up to 140,000,000 ordinary shares (14,000,000 on a post '10 for 1' consolidation basis); and
 - the issue of up to 5,400,000 performance shares on a post consolidation basis. The performance shares may convert into fully paid ordinary shares if certain EBITDA targets are met in 2016, 2017 and 2018.

Completion of the Proposed Acquisition is subject to certain conditions precedent set out in the CSPA, and which include:

- Goldminex and the Vendors being satisfied with their due diligence investigations;
- Goldminex shareholders approving a range of resolutions in relation to the acquisitions;
- Goldminex successfully completing a capital raising on the following terms:
 - minimum raising \$3.0 million and a maximum raising of \$5.0 million; and
 - Shares to be issued at \$0.20 (on the basis of the 10 to 1 consolidation being applied);
- receipt of confirmation from the ASX that it will readmit Goldminex to the Official List and terminate the suspension from trading;
- successful restructure of the Enzumo business to ensure all relevant business operations are held in the Enzumo Group prior to completion;
- receipt of all necessary regulatory and other approvals; and
- no material adverse change in respect of the Enzumo Group and Goldminex.

Should the Proposed Acquisition be approved by the shareholders of Goldminex and the capital raising be completed (\$5.0 million), existing Goldminex shareholders will be diluted from 100% of the equity in the Company to around 22% prior to the conversion of any performance shares and around 20% should the performance shares convert to ordinary shares (and no other capital transactions occur).

Further details on the Proposed Transaction are included in the shareholder documentation to which this IER is appended. Readers of this report should read the shareholder documentation and other accompanying and related documents in full.

Requirement for this IER

The Corporations Act 2001 (the Act)

An acquisition of securities that results in a shareholder increasing their relevant shareholding from below 20% to above 20% of the equity in a company is prohibited under the Section 606 of the Act, unless certain circumstances prevail.

Should the Proposed Transaction proceed; the Enzumo Vendors are to be issued 14 million shares which will constitute between 28% (\$5.0 million capital raising) to 35% (\$3.0 million capital raising) of the post Proposed Transaction equity in Goldminex. While no single Vendor shareholder will hold over 20% of the post transaction capital in Goldminex, the Vendor shareholders are deemed to be associated for the purposes of determining a relevant shareholding under Section 606 of the Act.

One of the exceptions to the prohibition is approval of the acquisition by the ordinary shareholders at a general meeting of the company pursuant to Item 7 of Section 611 of the Act (Section 611 (7)).

Shareholders who are being asked to consider whether to approve such an acquisition must be provided with an IER or a detailed Director's report on the proposal.

RSM Bird Cameron Corporate Pty Ltd (RSMBCC) has been engaged by the Directors of Goldminex to prepare an IER which includes an opinion as to whether, in RSMBCC's view, the Proposed Acquisition of Enzumo on the terms set out in the CSPA is fair and reasonable to the shareholders of Goldminex.

As completion of the Proposed Acquisition is dependent upon certain conditions precedent (as described above), when forming our opinion we have considered the impact on the shareholders of the Proposed Transaction as a whole.

Basis of evaluation

In determining whether the Proposed Transaction is 'fair' and 'reasonable' to the Shareholders we have given regard to the views expressed by the ASIC in RG 111.

According to RG 111, in forming an opinion as to whether the Proposed Transaction is fair and reasonable, the expert should:

- consider the Proposed Transaction fair if the value of a Goldminex share prior to the Proposed Transaction being completed is less than or equal to the value of a Goldminex share should the Proposed Transaction be approved and completed; and
- assess the Proposed Transaction as reasonable if it is fair or, despite it not being fair, assess it as reasonable if the advantages to Goldminex shareholders accruing from completing the transaction outweigh the disadvantages.

The basis of evaluation is discussed further at Section 2 of this report.

Opinion

In our opinion, and for the reasons set out in the balance of this report, the Proposed Transaction is fair and reasonable to the shareholders of Goldminex.

Fairness

In order to assess the fairness of the Proposed Transaction, we have valued a share in Goldminex prior to, and immediately after, the Proposed Transaction to determine whether a shareholder would be better or worse off should the Proposed Transaction be approved.

The Proposed Transaction will be considered to be fair when the value of a Goldminex share post the Proposed Transaction is equal to or greater than the value of a Goldminex share pre the Proposed Transaction.

Our assessed values are summarised in the table below.

Fairness evaluation	Low \$	High	Midpoint \$
Value of a Goldminex share pre the Proposed Transaction (control)	0.066	0.083	0.074
Value of a Goldminex share post the Proposed Transaction (minority)	0.066	0.094	0.080

Source: RSMBCC analysis

In our opinion, the Proposed Transaction is fair to the existing shareholders as the value of a Goldminex share post the Proposed Transaction (minority basis) is equal to or exceeds the value of a Goldminex share (control basis) prior to the Proposed Transaction.

Reasonableness

As the Proposed Transaction is fair, according to RG 111 it must be reasonable. In completing our analysis as to whether the Proposed Transaction is reasonable for the shareholders, we have also considered:

- The future prospects of Goldminex if the Proposed Transaction does not proceed; and
- Any other commercial advantages and disadvantages to the Shareholders as a consequence of the Proposed Transaction proceeding.

Future prospects of Goldminex if the Proposed Transaction do not proceed

The Directors of Goldminex have advised that prior to the announcement of the Proposed Transaction, the Company actively sought and considered a range of new business ventures. However none were progressed to the point of executing a formal agreement. Should the Proposed Transaction not proceed (for any reason), the Directors will continue to consider, assess and pursue other technology related acquisitions.

Further, if the Proposed Transaction does not proceed, we understand Goldminex will remain non-operational in the near term and continue to incur compliance and administrative costs. Depending on the timing to find another transaction, it may necessitate a potential need to raise additional capital to fund working capital.

Commercial advantages of the Proposed Transaction

In our opinion, the key advantages to the existing shareholders in approving the Proposed Transaction include:

- The Proposed Transaction is fair;
- Enzumo is a platform acquisition on which to build a broader base of complementary technology and e-learning businesses;
- Through the Proposed Transaction, Goldminex will have access to executive management with a proven track record in the financial advisory IT industry and who will become actively involved in the direction of Goldminex, complementing the strategy as set by the Board;
- A potential increase in market capitalisation may lead to increased coverage from the investment community, with improved access to equity capital markets and increased liquidity in the Company's shares.
- The business will have active operations and the potential to earn profits. On a standalone basis, Goldminex has no material operating business and has to meet the cost of administration and compliance from shareholders' funds. The acquisition of Enzumo may allow the Directors to operate Goldminex profitably and potentially return funds to shareholders through dividends and capital appreciation;
- The Company may be able to restore shareholder value through the opportunity to participate in future opportunities and any potential commercial upside of the Enzumo Group;
- Goldminex shareholders may benefit from increased liquidity in Goldminex shares due to the increase in market capitalisation of the Company and the increased number of shareholders;
- No alternatives – the Directors have advised there are no alternative offers for Goldminex shares. Other than a similar 'backdoor' transaction, we consider the likelihood of an alternative transaction for Goldminex shareholders is low.

Commercial disadvantages of the Proposed Transaction

In our opinion, the key disadvantages to the existing shareholders in approving the Proposed Transaction include:

- the existing Goldminex shareholders ownership in the Company will be diluted by the shares being received by the Vendors;
- Change of business - the new business model may not fit with the risk profile of the existing shareholders. However, affected shareholders may choose to dispose of their shareholding on market in these circumstances;
- The Company may be required to outlay additional funds to support the Enzumo Group; and
- Shareholders will lose control of Goldminex.

A full list of risks identified by the Directors of Goldminex in relation to the new operations of the Company should the Proposed Transaction proceed is included in the NoM.

After consideration of the above matters, we consider, on balance, the Proposed Transaction is reasonable to the existing shareholders. Further, in our opinion, should the Proposed Transaction proceed, the disadvantages noted above would not place the Goldminex shareholders in a worse position than if the Proposed Transaction did not proceed.

Other matters

Our opinion is based solely on information made available to us and the economic conditions as at the date of this report.

Our advice does not consider the financial situation, objectives or needs of individual shareholders. The ultimate decision whether to approve the Proposed Transaction should be based on each shareholders' assessment of their circumstances, including their risk profile, liquidity preference, tax position, and expectations as to value and future market conditions.

If in doubt about the Proposed Transaction or matters dealt with in this IER, shareholders should seek independent professional advice.

R SMBCC's report has been prepared in accordance applicable Australian regulatory requirements. This report has been prepared solely for the purpose of assisting the Shareholders in considering the Proposed Transaction. R SMBCC does not assume any responsibility or liability to any other party as a result of reliance on this report for any other purpose.

No part of this report, including its attachments or any reference to this report may be included in or attached to any document, other than the shareholder documentation to be sent to Goldminex shareholders in relation to the Proposed Transaction, without the prior written consent of R SMBCC.

R SMBCC's opinion should be considered in conjunction with the information set out in the remainder of this report, including the appendices.

All currency amounts in this report are denominated in Australian dollars unless otherwise stated.

Yours faithfully



Ian Douglas
Director



Glyn Yates
Director

Table of contents

Financial Services Guide	2
1. The Proposed Transaction.....	10
2. Purpose and scope of this report.....	12
3. The financial planning industry	13
4. Profile of Goldminex	15
5. Profile of the Enzumo Group	20
6. Valuation approach	23
7. Valuation of Goldminex	26
8. Valuation of Enzumo.....	28
9. Valuation of Goldminex post the Proposed Transaction.....	32
10. Summary of assessment.....	34
Appendix 1 - Glossary	
Appendix 2 - Sources of information	
Appendix 3 - Comparable company data	
Appendix 4 - Declarations and disclaimers	

1. The Proposed Transaction

The terms of the Proposed Transaction is contained in the CSPA and can be summarised as follows:

- Goldminex will acquire 100% of the equity in the three companies which conduct, or at completion will conduct, the Enzumo business:
 - Enzumo LMS Solutions Pty Limited;
 - Enzumo Consulting Pty Limited; and
 - Enzumo Admin Pty Limited;
- consideration payable for acquisition of the Enzumo Group will consist of:
 - \$1.6 million cash – subject to certain adjustments;
 - the issue of up to 140,000,000 ordinary shares (14,000,000 on a post '10 for 1' consolidation basis); and
 - the issue of up to 5,400,000 performance shares on a post consolidation basis. The performance shares have limited rights and will convert to ordinary shares in the Company should the future EBITDA of the business (before head office costs) exceed certain benchmarks, as follows:
 - Class A - 1,800,000 performance shares will convert into 1,800,000 ordinary shares should EBITDA (before head office costs) exceed \$2.0 million in FY2016 or FY2017. If the Class A performance shares remain unconverted and the FY 2017 EBITDA target is not met, they will convert into a nominal number (2) of ordinary shares;
 - Class B - 1,800,000 performance shares will convert into 1,800,000 ordinary shares should EBITDA (before head office costs) exceed \$3.0 million in FY2016, FY2017 or FY2018. The Class B performance shares will lapse if they remain unconverted and the FY 2018 EBITDA target is not met; and
 - Class C - 1,800,000 performance shares will convert into 1,800,000 ordinary shares should EBITDA (before head office costs) exceed \$5.0 million in FY2016, FY2017 or FY2018. The Class C performance shares will lapse if they remain unconverted and the FY 2018 EBITDA target is not met.

If any of the Class A, Class B or Class C performance shares remain unconverted and the last EBITDA target for the class is not met (i.e. Class A – FY 2017, Class B & Class C – FY 2018) the total number of performance shares in that class will convert into a nominal number (2) of ordinary shares.

Completion of the Proposed Transaction is subject to certain conditions precedent set out in the CSPA, and which include:

- Goldminex and the Vendors being satisfied with their due diligence investigations;
- Goldminex shareholders approving a range of resolutions in relation to the acquisitions;
- Completion of a 10:1 consolidation of the share capital of Goldminex;
- Goldminex successfully completing a capital raising on the following terms:
 - minimum raising \$3.0 million and a maximum raising of \$5.0 million; and
 - Shares to be issued at \$0.20 (on the basis of the 10 to 1 consolidation being applied);
- receipt of confirmation from the ASX that it will readmit Goldminex to the Official List and terminate the suspension from trading;
- successful restructure of the Enzumo business to ensure all relevant business operations are held in the Enzumo Group prior to completion;
- receipt of all necessary regulatory and other approvals; and
- no material adverse change in respect of the Enzumo Group and Goldminex.

Should the Proposed Transaction be approved by the shareholders of Goldminex, they will be diluted from 100% of the equity in Goldminex to around 22% should the proposed acquisition and related capital raising be completed at \$5.0 million (maximum raising). The existing shareholders will be further diluted to approximately 20% should all the performance shares convert to ordinary shares (and no other capital transactions occur) as set out in the table below.

Shares	Prior to the Proposed Transaction		After the proposed acquisition		After the Proposed Transaction (max raising)		Post performance share conversion	
Shares on issue (pre consolidation)	112,793,878							
Shares on issue (post consolidation)	11,279,388	100%	11,279,388	45%	11,279,388	22%	11,279,388	20%
Enzumo Vendors	-	-	14,000,000	55%	14,000,000	28%	19,400,000	35%
New shareholders	-	-	-	-	25,000,000	50%	25,000,000	45%
Total shares	11,279,388	100%	25,279,388	100%	50,279,388	100%	55,679,388	100%

Source: RSMBCC analysis

Should Proposed Transaction be approved and minimum capital raising of \$3.0 million be achieved, existing shareholders will hold 28% of Goldminex and 25% should all the performance shares convert to ordinary shares (and no other capital transactions occur).

Full details in relation to Goldminex, Enzumo and the Proposed Transaction are included in the shareholder documentation sent to Goldminex shareholders to which this IER is appended. Goldminex shareholders should refer to these documents for a detailed description of the Proposed Transaction and the other resolutions being put to shareholders.

2. Purpose and scope of this report

The Act

Section 606 of the Act specifically prohibits a shareholder increasing their holding in a company from below 20% to above 20% except in certain circumstances.

An exception to the prohibition in Section 606 exists where the acquisition is approved at a general meeting of the company pursuant to Section 611(7)

Item 7 of Section 611 requires shareholders to be provided with all the information known to the company and to the potential acquirer that is material to the shareholders making a decision on the proposed acquisition. ASIC RG 74 – Acquisition Approved by Members (RG 74) provides additional guidance as to the information which should be received by shareholders. RG 74 guides the directors of a company to provide shareholders with an independent expert's report or a detailed Director's report on the Proposed Transaction.

The Directors of Goldminex have engaged RSMBCC to prepare an IER in which we assess whether, in our opinion, the Proposed Transaction is fair and reasonable to Goldminex's shareholders.

This IER is to be included in the NoM and related documents to be sent to shareholders in relation to the Proposed Transaction.

Basis of evaluation

In determining whether the Proposed Transaction is 'fair' and 'reasonable' to the Goldminex shareholders we have given regard to the views expressed by the ASIC in RG 111.

RG 111

RG 111 provides ASIC's views on how an expert can help security holders make informed decisions about transactions. Specifically it gives guidance to experts on how to evaluate whether or not a Proposed Transaction is 'fair' and 'reasonable'.

RG 111 states that the expert report should focus on:

- The issues facing the security holders for whom the report is being prepared; and
- The substance of the transaction rather than the legal mechanism used to achieve it.

Consistent with the guidelines in RG 111, in determining whether the Proposed Transaction is 'fair' and 'reasonable' to the Shareholders, the analysis undertaken is as follows:

- A comparison of the fair value of an ordinary share in Goldminex prior to and immediately following the Proposed Transaction, being the 'consideration' for Shareholders – fairness; and
- A review of other significant factors which Shareholders might consider prior to approving or voting against the Proposed Transaction – reasonableness.

In particular, we have considered the advantages and disadvantages of the Proposed Transaction in the event that the Proposed Transaction proceed or do not proceed, including:

- The future prospects of the company if the Proposed Transaction does not proceed; and
- Any other commercial advantages and disadvantages to the Shareholders as a consequence of the Proposed Transaction proceeding.

3. The financial planning industry

Overview of the financial planning Industry

Financial planning has been defined as:

“The process which takes into account the clients personality, financial status and the socio economic and legal environments and leads to the adoption of strategies and use of financial tools that are expected to aid in achieving the clients financial goals”
Warschauer, 2001.

The financial planning industry is relatively young in Australia and has undergone several government reforms in the past few years.

As a result of a recent parliamentary enquiry, the Future of Financial Advice (FOFA) legislation was introduced with the intention of improving confidence in the financial planning industry through addressing conflicts of interest and to protect the clients' best interests. A fee-for-service remuneration model was implemented to assist with this reform in legislation, which replaced a commission's based model.

While the current government has moved to limit the effects of the original FOFA legislation on advisers, the industry remain in a state of uncertainty.

Given the reforms the market is dominated by the big four banks and corporates such as AMP who are able to absorb the costs associated with the reforms which their boutique counterparts cannot do. Analysts observe that in the future, advisors will also face increasing competition from accountants who are willing to provide SMSF related services.

Current performance and outlook

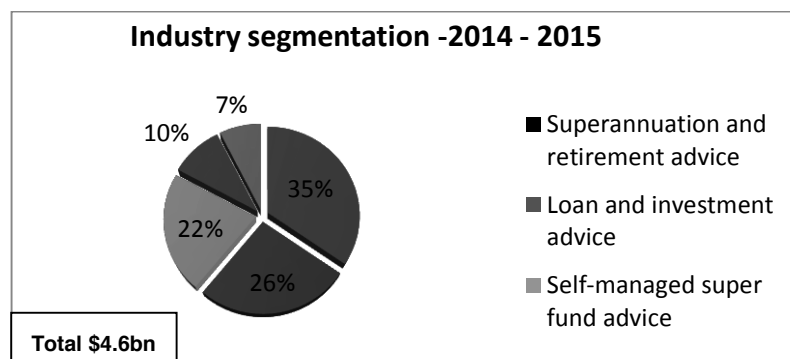
The financial planning industry is expected to achieve growth of 2.6% in the five years through to 2014-15. Industry growth was significantly affected by the Global Financial Crisis (GFC) and has also been impacted by the recent government reforms.

Industry revenue is expected to increase at a compound annual rate of 3.3% in the five years to 2019-20 to reach \$5.4 billion. The main drivers of growth are the ageing population in Australia and the legislative requirements which require individuals to increase their superannuation contributions.

According to IBIS World, less than 40% of Australian adults use the services of a financial adviser and analysts consider the growth potential for the industry is significant. The number of self-managed super funds (SMSF) in Australia has grown to around one million up from approximately 758,000 in 2008-09 and has also driven increased demand for advice.

Other factors contributing to growth include the increased activity in the property market, which has led to an increase in loan advice on mortgages as 'mum and dad' investors seek to acquire direct investment property or acquire a similar exposure through their SMSF.

The chart below illustrates the expected product and service segmentation in the industry in 2014 – 2015:



Source: IBIS World

Key external drivers

- High income earners – have complicated wealth structures and find value require the services of financial planners;
- Real household disposable income – disposable income influences whether one can invest or not. During the GFC this was affected however in 2014-15 disposable income is expected to rise;

- Population aged 50 and older – key users of financial advice as they plan for retirement and have a greater accumulated wealth ;
- All Ordinaries index – share market performance has a significant effect on investor confidence in Australia; and
- Consumer sentiment index – the higher the level of investor confidence the higher the demand for financial advice for investors.

FOFA reform

FOFA legislation came into effect on 1 July 2013 in order to improve investor confidence and to protect investors. The key platforms of the reform were the ban on volume-based commission payments, a mandatory opt-in policy and the introduction of a fiduciary duty for advisers.

Since that time, the impact of the FOFA legislation has been moderated by the current government, however uncertainty remains in the industry as to the ultimate effect of the FOFA legislation.

Major markets

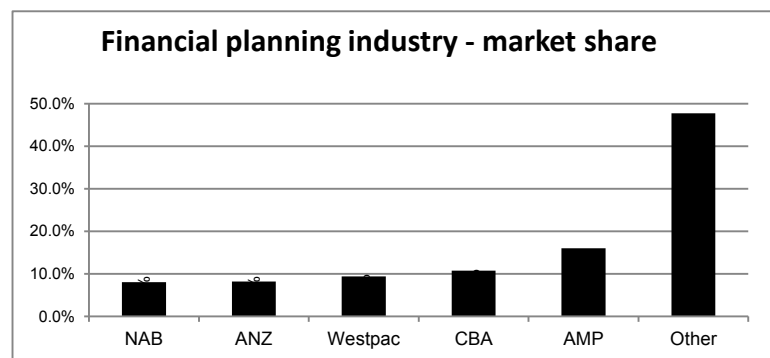
The major global markets for financial services are generally defined by the level of disposable incomes of households in the market.

In Australia, high income households (defined as a household with income of \$1,058 or higher per week) comprise around 54.1% of the market.

Financial planning businesses are generally located in major business centres and financial hubs. In Australia, New South Wales is estimated to have the highest number of financial planners in the country. The recent mining boom resulted in Western Australia (WA) becoming a state with an increasing number of high income households and the number of advisers in WA has increased to address this market.

Competition

In Australia Market share concentration in the industry is medium, however the top five operators are estimated to hold a combined market share of 44.3%. In recent times there have been increasing numbers of acquisitions and mergers in the industry as the regulatory requirements increase costs for smaller operators.



Source: IBIS World

Other demand drivers

In addition to the ageing population, there is a strong demand for funds management services from retail and institutional investor as they seek advice on placement of additional funds. The superannuation funds management is expect to grow by 3.4% per annum in the five years to 2020.

Barriers to entry

Barriers to entry in the financial planning industry are medium, however are increasing with the increased level of legislative reform.

In order to operate in the industry an adviser must hold an AFSL. The AFS licence has many ongoing conditions and requirements which must be met and which can be costly. Accordingly, the market has seen a trend away from individual or small groups holding an AFSL to the large corporates.

4. Profile of Goldminex

History

Goldminex has historically been a company with principal operations involving the exploration of minerals in Australia and the Asia Pacific region, with a particular focus on nickel, copper and gold exploration.

Operating activities

As at 30 June 2014, the Company held exploration licences (EL's) over three tenements in Papua New Guinea as summarised in the table below:

Project	Licence	Area (km ²)	Expiry date
Sibium, Jag	EL 1547	176.3	29 June 2015
Liamu	EL 1606	267.5	2 Nov 2015
Mt Cameron (Giro)	EL 2166	419.8	26 June 2015

Source: Goldminex Annual Report 2014

On 30 September 2014, the Directors announced to the ASX that Goldminex was placing all its tenements in care and maintenance and would be incurring no further exploration expenditure in relation to them. Further, on 11 November 2014, the Directors announced the Proposed Transaction.

Financial information

Historical financial performance

Set out below is the historical audited financial performance of Goldminex for the years ended 30 June 2014 and the unaudited financial performance for the three months to 30 September 2014 (extracted from management accounts).

Financial performance for the period ended \$	30 June 2013 Audited	30 June 2014 Audited	30 Sep 2014 Unaudited
Revenue			
Management fee	309,651	37,299	-
Interest revenue	51,716	5,076	101
Other	22,657	-	13,217
Total revenue	384,025	42,375	13,318
Expenses			
Corporate	(697,019)	(478,656)	(41,853)
Administration	(201,584)	(122,390)	(74,766)
Occupancy	(85,322)	(68,635)	(3,571)
Employees	(837,369)	(467,965)	(101,166)
Finance costs	(277)	(41)	(18)
Depreciation	(10,496)	(6,774)	(57,232)
Exploration expenditure written off	(319,511)	(13,460,901)	-
Foreign exchange loss	-	(32,469)	-
Other	-	(14,427)	-
Total expenses	(2,151,578)	(14,652,258)	(276,606)
Loss from operations before tax	(1,769,533)	(14,609,883)	(265,288)
Income tax	-	-	-
Total profit after tax	(1,769,533)	(14,609,883)	(265,288)

Source: Goldminex Annual Report 2014, management accounts

In relation the Goldminex's financial performance for the year ended 30 June 2014, we note:

- No material revenues were generated during the period;
- Administration included employee benefits such as salaries, fees and leave paid to key management;
- Exploration expenditure written off takes into consideration the Director's view of the economic appetite for gold / copper exploration in Papua New Guinea and the prospects of moving from exploration to development stage in the respective areas of interest.

As at 30 June 2014, the Company had written down all exploration assets to \$nil.

- The balance of expenses consist of corporate, occupancy and other costs.

In the three month period since 30 June 2014, Goldminex earned no operating income and continued to incur costs in relation to the ongoing administration of the Company. According to management accounts, the operating loss for the three months to 30 September 2014 was approximately \$270,000 and which was funded from cash reserves.

Financial position

Goldminex's audited financial position as at 30 June 2013 and 30 June 2014, together with the unaudited financial position as at 30 September 2014 (extracted from management accounts) is set out in the table below.

Financial position as at \$	30 June 2013 Audited	30 June 2014 Audited	30 Sep 2014 Unaudited
Current assets			
Cash and cash equivalents	1,835,805	768,296	554,500
Trade and other receivables	844,205	7,216	16,451
Other assets	343,751	77,441	5,005
Total current assets	3,023,761	852,953	594,956
Non-current assets			
Property plant and equipment	50,273	2,361	2,027
Exploration and evaluation expenditure	15,173,168	-	9
Total non-current assets	15,233,441	2,361	2,036
Total assets	18,247,202	855,314	596,992
Current liabilities			
Trade and other payables	542,429	228,536	223,937
Employee related provisions	58,161	19,645	36,514
Total current liabilities	600,590	248,181	260,451
Non-current liabilities			
Employee related provisions	1,436	3,116	-
Total non-current liabilities	1,436	3,116	-
Total liabilities	602,026	251,297	260,451
Net assets	17,645,176	604,017	336,541

Source: Goldminex

In relation to Goldminex's unaudited financial position as at 30 September 2014, we note:

- Trade and other receivables relate to a GST refund due from the Australian Tax Office;
- Non-current assets have been written down based on the director's view of their recoverable amount. Exploration and evaluation expenditure in relation to the Company's EL's has been written down to a nominal value;
- Trade and other payables include approximately \$193,000 in trade payables and \$37,000 in other payables relating to accounting, consulting, legal and audit fees; and
- Provisions relate to employee benefits such as annual and long service leave.

We have been advised by the Directors of Goldminex that all assets and liabilities at 30 September 2014 are recorded at their recoverable market values.

Goldminex directors

The Directors of Goldminex and their relevant interests in the Company are set out in the table below:

Individual	Position	Relevant interest
Mr Niall Cairns	Non-Executive Chairman	12,195,498
Dr Phillip Carter	Independent Non-Executive Director	Nil
Mr Adrian Fleming	Independent Non-Executive Director	227,000
Mr Simon O'Loughlin	Independent Non-Executive Director	300,000
Mr David Sode	Independent Non-Executive Director	Nil

Source: Goldminex Annual Report 2014

The Director's qualifications and experience has been provided to the Shareholders in previous communications.

Goldminex capital structure

Goldminex's capital structure consists of a single class of ordinary share. We note it is the Director's intention to consolidate the issued capital of the company on a 10:1 basis. The information in the table below is presented on a pre-consolidation basis.

Share capital

The following table illustrates the company's top twenty shareholders as at 31 October 2014.

Shareholder	Ordinary shares	% of total
Carnethy Evergreen Pty Ltd <Carnethy Evergreen Fund A/C>	12,453,651	11.04%
Mango Bay Enterprises Inc	12,068,167	10.70%
Talbot Group Investments Pty Ltd	11,830,667	10.49%
Mr Christopher Ian Wallin + Ms Fiona Kay Wallin <Chris Wallin Superfund A/C>	5,489,465	4.87%
Mr David Norman Edgley	5,000,000	4.43%
Gumbalie Pty Ltd <Short Term Trading A/C>	5,000,000	4.43%
J P Morgan Nominees Australia Limited	4,794,010	4.25%
National Nominees Limited	3,881,088	3.44%
Mr Stuart Turner	2,334,951	2.07%
VBS Investments Pty Ltd	1,837,470	1.63%
Citicorp Nominees Pty Limited	1,698,622	1.51%
Mambat Pty Ltd	1,615,162	1.43%
Coal Industry Services Pty Ltd <Super Fund A/C>	1,589,225	1.41%
Ooranook Pastoral Pty Ltd	1,500,000	1.33%
Mr Peter Tambanis	1,496,889	1.33%
Mango Bay Enterprises Inc	1,334,951	1.18%
HSBC Custody Nominees (Australia) Limited	1,231,714	1.09%
Chan Consolidated Limited	1,112,459	0.99%
Foresight Pty Ltd	1,112,459	0.99%
D P Gallagher Nominees Pty Ltd	1,000,000	0.89%
Top 20 shareholders	78,380,950	69.49%
Other shareholders	34,412,928	30.51%
Total issued capital	112,793,878	100.00%

Source: Goldminex

The following table illustrates the distribution of shareholders in Goldminex as at 31 October 2014.

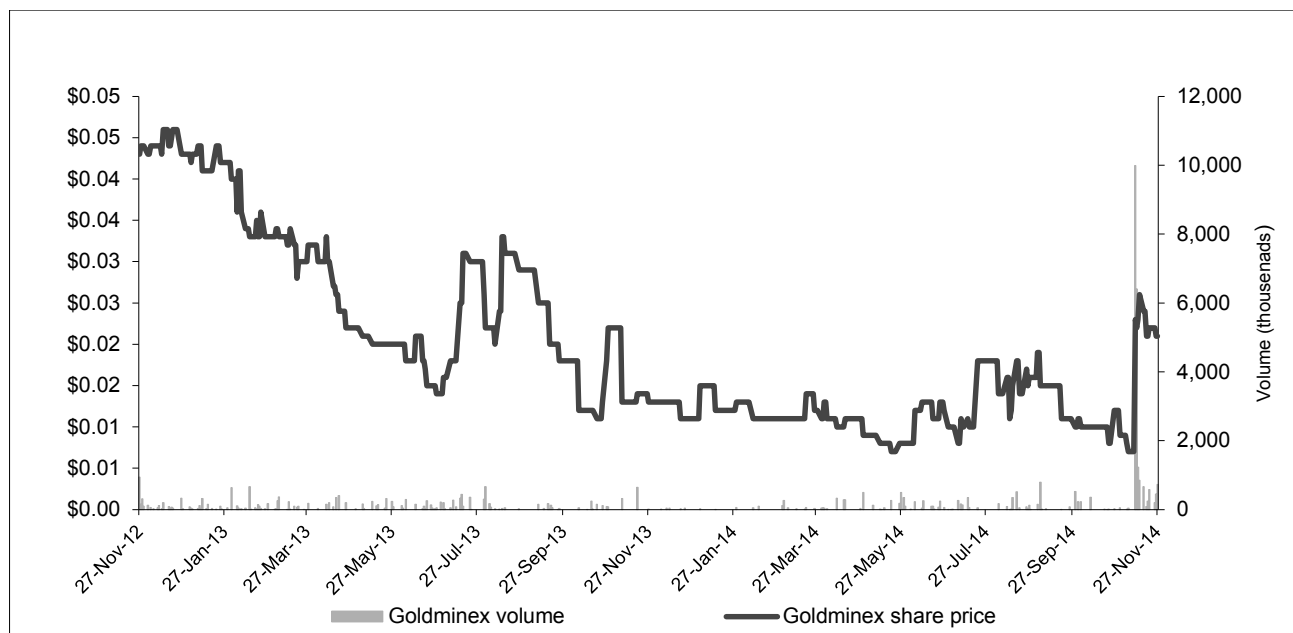
Range	Number	Ordinary shares	% of total
1-1,000 shares	40	19,034	0.02%
1,001 – 10,000 shares	170	913,936	0.81%
10,001 – 100,000	195	7,258,044	6.43%
100,001 – 1,000,000	80	27,221,914	24.13%
1,000,000 +	19	77,380,950	68.60%
Total	504	112,793,878	100.00%

Source: Goldminex

Based on the above, should the 10 for 1 share consolidation be approved by the shareholders, the post consolidation number of ordinary share on issue will be approximately 11,279,388 (rounded).

Share trading

The table below illustrates the trading in Goldminex's ordinary shares on the ASX for the two year period to 26 November 2014.



Source: Capital IQ

Over the past two years the share price has been in steady decline and trading in the stock has been in the range \$0.05 to \$0.01, with the latest trade prior to the announcement of the Proposed Transaction, on 11 November 2014, occurring at \$0.01.

The share price responded favourably to the announcement of the Proposed Transaction, increasing from \$0.01 to \$0.02 on 11 November 2014 on increased volume.

The shares are relatively thinly traded. Transactions occurred on 85 of the 246 trading days in the twelve months prior to the announcement of the Proposed Transaction, and over that period approximately 10.9 million shares, or 10% of the issued capital of Goldminex, has traded.

The following table outlines key announcements made by Goldminex to the ASX over the over the past twelve months.

Date	Price sensitive	Event
26 November		Results of AGM
26 November		Investor update
17 November		Change of Director's Interest Notice
11 November	\$	Announcement of New Strategic Direction
10 November	\$	Trading halt requested
31 October	\$	Quarterly cashflow and activities reports
24 October		Notice of Annual General Meeting
24 October		Annual report to shareholders
30 September		2014 statutory accounts released
1 August	\$	Quarterly activities report
31 July	\$	Quarterly cashflow report
1 May	\$	Quarterly activities report
30 April	\$	Quarterly cashflow report
17 February		Half yearly report and accounts
31 January	\$	Quarterly cashflow and activities reports

Source: ASX

Set out below is an analysis of the volume weighted share price (VWAP) over the 12 months prior to announcement of the Proposed Transaction.

Days	Low value \$	High value \$	VWAP \$
1	0.01	0.03	0.02
7	0.01	0.03	0.02
30	0.01	0.03	0.02
60	0.01	0.03	0.02
90	0.01	0.03	0.02
180	0.01	0.03	0.02
360	0.01	0.03	0.02

Source: S&P Capital IQ

Over all periods reviewed the share price has traded in the range \$0.01 to \$0.03 with a VWAP of \$0.02. The limited trading range appears to be a function of, inter alia, the thin trading in Goldminex shares over the period.

5. Profile of the Enzumo Group

Background!

The Enzumo Group is Brisbane based and was founded in 2004 to provide financial software consulting, customisation and workflow solutions to the financial planning and advisory industry. Enzumo also provides e-learning management and e-learning content to the same industry.

Enzumo works with their clients to customise implement and support efficiency improvements to their financial planning software. Clients include some of Australia's largest banks, mid-tier wealth institutions medium sized financial advisory groups and individual financial advisory practices.

Enzumo's revenues comprise consulting and implementation fees together with recurring monthly subscription and support fees.

Overview of operations

The Enzumo group has focussed on the provision of Xplan customisation services. The Enzumo strategy is to work with customers to provide tailored and customised solutions to increase efficiency, maximise performance and reduce costs.

Enzumo has established itself as a Xplan customisation advisor for many large corporates, dealer groups and financial planners including MLC, CUA, ANZ and Fitzpatrick's Private Wealth.

Products and services

Enzumo provides the following Xplan services:

- SOA Advice Builder – to assist planners produce professional and compliant SOA documents;
- Document Solutions – document storage, retrieval, automated compliance and reporting options;
- Xplan Training – the online Learning Management System (LMS) provides extensive training, tutorials and help advice;
- Workflow Solutions – automation majority of planners' administrative tasks;
- Site Development and Administration – dealer group custom designed sites to meet the needs of users, along with administration services; and
- Turnkey Xplan Sites – predesigned Xplan sites for the operators who do not want the responsibility of managing their own site.

Key clients

Revenue earned from the top ten clients in 2014 is summarised in the table below.

Top ten clients – 2014		\$
National Wealth Management		225,335
Equity Trustees Limited		72,510
FTS Securities Ltd		49,705
M&S Group Administration Pty Ltd (Pinnacle Financial Planning)		33,842
Headspace (Aust) Pty Ltd		25,630
FRH Services Pty Ltd		24,904
McQueen Wealth Management		23,938
Equiti Financial Services Pty Ltd		21,120
Whittle & Skok Financial Services		18,700
C&K Partners Financial Services Pty Ltd		15,276
Total		510,959

Source: Enzumo

Enzumo's top 10 customers accounted for around 20% of revenue for the year with the top 20 accounting for approximately 25%. During 2014, key clients were drawn largely from the financial services sector.

Management of Enzumo

The following table illustrates key management personnel and their roles as at the date of this report:

Individual	Role
Stephen Bell	Founder and Director of Innovation
Lyn Bell	Founder and Managing Director
Andrew Rawlinson	Chairman

Source: Enzumo

Financial information

Financial position

Set out below is the financial position of Enzumo as at 30 June 2014 extracted from management accounts.

Consolidated financial position \$	30 June 2014 Unaudited
Current assets	
Cash and cash equivalents	49,364
Trade and other receivables	160,797
Other assets	358,320
Total current assets	568,481
Non-current assets	
Property plant and equipment	32,766
Other assets	81,588
Total non-current assets	114,354
Total assets	682,835
Current liabilities	
Trade and other payables	223,644
Income tax liability	15,991
Other current liabilities	290,469
Total current liabilities	530,104
Non-current liabilities	
Finance lease	8,404
Total non-current liabilities	8,404
Total liabilities	538,508
Net assets	144,126
Equity	
Issued capital	110,002
Retained earnings	34,124
Total equity	144,126

Source: Enzumo

We note the following with respect to the financial position of Enzumo as at 30 June 2014:

- Trade receivables includes goods and services tax of \$62,000;
- Other assets of \$358,320 as at 30 June 2014 is primarily a loan to related party, ELMS Solutions Unit Trust, of \$345,000.;
- Other non-current assets include \$82,000 of intangible assets; and
- Trade and other payables include trade creditors of \$62,000 together with credit cards, superannuation and GST.

As at 30 June 2014, the net asset position of Enzumo was \$144,126. We have held discussions with management and reviewed Enzumo's balance sheet for surplus assets and liabilities. Based on those discussions and our analysis, no surplus assets or liabilities were identified.

Financial performance

Summarised below is the unaudited financial performance of Enzumo for the three years ended 30 June 2014.

Enzumo Financial performance \$'000	30 June 2012 Unaudited	30 June 2013 Unaudited	30 June 2014 Unaudited
Revenue			
Professional fees	1,611,128	1,647,991	1,434,779
Sales	-	850,000	1,080,000
Total revenue	1,611,128	2,497,991	2,514,779
Cost of sales			
Professional services	(29,882)	(69,786)	(29,942)
Contractors	-	189,945	(445,089)
Software development costs	-	(501,132)	(296,859)
I.T. expenses	(348,647)	(51,592)	(67,283)
Admin & other	(205,919)	(45,001)	(31,943)
Total cost of sales	(584,448)	(856,456)	(871,116)
Gross profit	1,026,680	1,641,535	1,643,663
<i>Gross margin</i>	<i>64%</i>	<i>66%</i>	<i>65%</i>
Operating expenses			
Employee expenses	(859,653)	(991,834)	(987,069)
Occupancy	(33,185)	(75,760)	(132,369)
Xplan software	-	(29,707)	(83,550)
Travel and entertainment	(88,298)	(88,095)	(55,412)
Other	(13,301)	(78,010)	(13,253)
Total operating expenses	(994,407)	(1,317,157)	(1,271,653)
EBITDA	32,273	324,378	372,010
<i>EBITDA margin</i>	<i>2%</i>	<i>13%</i>	<i>15%</i>
Depreciation	(32,909)	(22,803)	(15,015)
EBIT	(636)	303,575	356,995
Interest paid	(2,405)	(548)	(546)
Net profit before tax	(3,041)	303,027	356,431
Income tax	-	-	-
Profit after tax	(3,041)	303,027	356,431

Source: Enzumo

We note the following with respect to the financial performance of the consolidated Enzumo Group for the periods presented above:

- Professional fee revenue has fallen across the period from \$1.6 million to \$1.4 million in FY 2014;
- Sales revenue has grown from \$850,000 in FY 2013 to \$1.1 million in FY 2014;
- Cost of sales consists of professional services, software development costs, admin and IT. expenses which have moved in line with revenue;
- Gross profit margin has remained in the range of 64% to 66% across the three years to 30 June 2014 and Gross Profit was around \$1.64 million in FY 2014 (up from \$1.61 million in FY 2013);
- Operating expenses have moved in line with revenue growth over the period, primarily driven by increasing employee expenses;
- Rent has increased to \$132,000 in FY 2014 (up from \$76,000 in FY 2013);
- EBITDA margin has remained consistent over the two years to 30 June 2014 (at 13% to 15% of revenue) and has increased from around 2% in FY 2012. The increase in EBITDA post FY 2012 was primarily driven by the increase in sales revenue; and
- Enzumo had no tax expense across the period presented.

Enzumo experienced a small loss in FY 2012 year, however since then has been profitable. In FY 2014, profit after tax was \$356,431 which was an increase of approximately \$53,000 over the prior year.

6. Valuation approach

In assessing the Proposed Transaction, we have had regard to RG 111 which applies the 'fair' and 'reasonable' test as two distinct criteria.

In order to assess the fairness of the Proposed Transaction, we have assessed the value of a share in Goldminex prior to and immediately after the Proposed Transaction to determine whether a Shareholder would be better or worse off should the Proposed Transaction be approved.

Valuation methodologies

In assessing the value of the shares in Goldminex, we have considered a range of valuation methodologies. RG 111 proposes that it is generally appropriate for an expert to consider using the following methodologies:

- the discounted cash flow (DCF) method and the estimated realisable value of any surplus assets;
- the application of earnings multiples to the estimated future maintainable earnings or cashflows added to the estimated realisable value of any surplus assets;
- the amount which would be available for distribution for the company's net assets, on a going concern basis;
- the quoted price for listed securities; and
- any recent genuine offers received.

Market based methods

Market based methods estimate value by considering the market value of a company's securities or the market value of comparable companies. Market based methods include:

- The quoted price for listed securities; and
- Industry specific methods.

The recent quoted price for listed securities method provides evidence of the fair value of a company's securities where they are publicly traded in an informed and liquid market.

Industry specific methods usually involve the use of industry rules of thumb to estimate the fair value of a company and its securities. Generally rules of thumb provide less persuasive evidence of the fair value of a company than other market based valuation methods because they may not account for company specific risks and factors.

Income based methods

Income based methods estimate value by calculating the present value of a company's estimated future stream of earnings or cash flows. Income based methods include:

- Capitalisation of maintainable earnings; and
- Discounted cash flow methods.

The capitalisation of earnings methodology is generally considered a short form DCF, where an estimation of the future maintainable earnings of the business, rather than a stream of cash flows is capitalised based on an appropriate capitalisation multiple. Multiples are derived from the analysis of transactions involving comparable companies and the trading multiples of comparable companies.

The DCF technique has a strong theoretical basis, valuing a business on the net present value of its future cash flows. It requires an analysis of future cash flows, the capital structure and costs of capital and an assessment of the residual value or the terminal value of the company's cash flows at the end of the forecast period. This method of valuation is appropriate when valuing companies where future cash flow projections can be made with a reasonable degree of confidence.

Asset based methods

Asset based methodologies estimate the value of a company's securities based on the market value of its identifiable net assets. Asset based methods are particularly appropriate for businesses with relatively high asset values compared to earnings and cash flows, and include:

- Orderly realisation of assets method;
- Liquidation of assets method; and
- Net assets on a going concern basis.

The value achievable in an orderly realisation of assets is estimated by determining the net realisable value of the assets of a company which would be distributed to security holders after payment of all liabilities, including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner.

The liquidation of assets method is similar to the orderly realisation of assets method except the liquidation method assumes that the assets are sold in a shorter time frame.

The net assets on a going concern method estimates the market values of the net assets of a company but unlike the orderly realisation of assets method it does not take into account realisation costs.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when an entity is not making an adequate return on its assets, a significant proportion of the entity's assets are liquid or for asset holding companies.

Selected valuation approach for Goldminex pre the Proposed Transaction

Given the lack of operating assets (exploration assets written down to \$nil as at 30 June 2014) or profitable trading history under the current corporate structure, we do not consider the income or market approaches to be relevant for the valuation of Goldminex.

In light of the above, we consider the most appropriate valuation methodology for valuing the shares in entities in a similar financial position to Goldminex, is on the basis of the fair value of the underlying net assets. Accordingly, our valuation has been based on the net assets of Goldminex as at 30 September 2014 on a going concern basis.

We have cross checked our valuation by reference to the recent share trading in Goldminex shares, noting the thin trading discussed above.

For the purposes of our analysis, we have assumed the 10:1 consolidation of shares, for which the Directors are seeking approval concurrently with the Proposed Transaction, has occurred. This assumption facilitates the comparison of the value per share pre the Proposed Transaction with the value per share post transaction.

In accordance with RG 111, we have assessed the value of Goldminex's shares pre the Proposed Transaction on a 100% interest, or control, basis.

Our valuation analysis is included at Section 7 of this report.

Selected valuation approach for Enzumo

We have not been provided with, and understand Enzumo does not prepare, long or medium term budgets or cash flow projections.

Accordingly, we have adopted the market approach and based our valuation analysis on the historical financial performance of Enzumo together with a review and discussion with management in relation to the FY2015 budget.

Our valuation analysis is included at Section 8 of this report.

Selected valuation approach for Goldminex post the Proposed Transaction

The value of a Goldminex share post the Proposed Transaction is based on the value of Goldminex pre the Proposed Transaction plus the net increment to the value of Goldminex as a result of the Proposed Transaction, divided by the total number of post transaction shares on issue (after the effect of the share consolidation and the issue of shares to the Enzumo Vendors).

Given the capital raising is condition precedent to the Proposed Transaction, any net increment in the value of Goldminex as a result of the Proposed Acquisition should also consider the value to Goldminex arising from the issue of between 15 million and 25 million shares at \$0.20 each.

Goldminex is currently non-operational and has traditionally operated in a significantly different industry to Enzumo. Based on our discussions, we understand there are limited opportunities for synergy benefits from the Proposed Transaction.

Accordingly, we have assessed the value of the businesses of Goldminex and Enzumo on a stand-alone basis for the purposes of our analysis. In assessing the value of a Goldminex share post the Proposed Transaction we have calculated a theoretical value of the merged entity.

Our analysis in this regard is included at Section 9 of this report.

7. Valuation of Goldminex

As mentioned above, we have assessed the value of a Goldminex share by employing the net assets on a going concern basis.

Accordingly, our valuation assessment does not consider any special synergies or benefits which may be available to an acquirer of the listed Goldminex shell, and is based on the market value of the net assets of Goldminex.

In undertaking our valuation using the net assets on a going concern basis methodology, we have considered the following:

- The financial position of Goldminex as at 30 June 2014 being the date of the latest audited accounts prior to the Proposed Transaction;
- The unaudited financial position of Goldminex as at 30 September 2014; and
- Any potential adjustments to the financial position of Goldminex to restate individual balances to recoverable market values.

Net asset approach

In considering the value of Goldminex pre the Proposed Transaction, we have based our analysis on the audited net assets of Goldminex as at 30 June 2014 and the unaudited financial position as at 30 September 2014 together with our estimate of the market value of Goldminex's business assets.

In forming our opinion, we have considered the following:

- Our analysis of, and discussions with the directors of Goldminex in relation to, the assets and liabilities of Goldminex as stated in the unaudited financial statements; and
- Goldminex is effectively is a listed shell. Based on discussions with analysts, we consider the value of a listed shell to be in the range \$400,000 to \$600,000.

As a cross check we have considered the likely costs of an initial public offer (IPO) which are avoided by undertaking a backdoor listing. In our experience, the costs of an IPO for a company of similar size to Goldminex (post the Proposed Transaction) would not be dissimilar to the range presented above.

In light of the above, we have assessed the market value of the net assets (and therefore the equity) in Goldminex pre the Proposed Transaction to be approximately in the range \$740,000 to \$840,000 (rounded) with a midpoint of \$790,000.

Based on Goldminex's current outstanding share balance of approximately 112.8 million ordinary shares, our analysis implies a value range of \$0.0066 to \$0.0083 per share with a midpoint value of approximately \$0.0074 per share. On a post consolidation basis, the midpoint value per share is \$0.074 per share

Our findings are summarised in the table below.

Valuation of Goldminex - pre Proposed Transaction	Low	High
\$		
Cash	554,500	554,500
Other assets and liabilities	(217,959)	(217,959)
Listed shell	400,000	600,000
Value of the equity in Goldminex (marketable, control)	736,541	936,541
Value of the equity in Goldminex (marketable, control)- rounded	740,000	940,000
Total shares outstanding in Goldminex (pre consolidation)	112,793,878	112,793,878
Value of a pre consolidation share in Goldminex (marketable, control)	\$0.0066	\$0.0083
Total shares outstanding in Goldminex (post consolidation)	11,279,388	11,279,388
Value of a post consolidation share in Goldminex (marketable, control)	\$0.066	\$0.083

Source: RSMBCC analysis

Analysis of share trading in Goldminex

The share trading history of a deeply traded stock in an informed and liquid public market can normally be expected to provide evidence of the fair market value of the shares in a company.

As noted above, the shares are relatively thinly traded. Transactions occurred on 85 of the 246 trading days in the twelve months prior to the announcement of the Proposed Transaction, and over that period approximately 10.9 million shares, or 10% of the issued capital of Goldminex, has traded.

As there are no operating assets in Goldminex, we consider the any trading in the share price reflects market expectations of future creation of value in Goldminex. However as this value has not been delivered we consider it speculative and have placed limited reliance on the traded share price.

Conclusion

In light of the analysis above, we have assessed the fair value of the shares in Goldminex (on a post consolidation, control basis) to be in the range \$0.066 per share to \$0.083 with a midpoint of \$0.074 per share.

8. Valuation of Enzumo

As outlined above, we have valued the equity in Enzumo using the market approach. In undertaking our valuation, we have used EBITDA as our measure of earnings. We have elected to use EBITDA as:

- analysis based on EBITDA is not affected by different financing structures and effective tax rates;
- EBITDA is not affected by different depreciation policies across companies (although we note that IT companies are not typically capital intensive).

When performing our valuation we have considered the following key issues:

- analysis of the historical financial performance and management's expectation of the future financial performance of Enzumo to assist us in assessing the future maintainable earnings (EBITDA) for Enzumo;
- trading multiples of companies with activities comparable to Enzumo and its key activities;
- multiples implied in transactions involving companies with activities comparable to Enzumo;
- the level of debt carried in Enzumo; and
- the value of any surplus assets or liabilities held by Enzumo as at the date of our valuation.

Assessment of future maintainable EBITDA for Enzumo

We have been provided with unaudited historical financial information for the three years ended 30 June 2014, as presented above, Enzumo's financial performance in the period to November 2014 (the latest available management accounts) and discussed the FY 2015 revenue budget with management. No forecast information has been made available for presentation at the date of this report.

The financial performance for the five months ended 30 November 2014 (as extracted from the management accounts in the Enzumo Board Report for November 2014) is summarised below:

Enzumo Financial performance \$	5 months to 30 November 2014 Management
Total revenue	1,209,920
Wages & on costs	
Wages	(338,589)
Consultants	(91,527)
Other	(35,789)
Total wages & on costs	(465,906)
Profit after wages & on costs	744,014
<i>Margin</i>	<i>62%</i>
Other operating expenses	
Occupancy	(78,096)
Xplan software	(64,687)
Travel and entertainment	(41,718)
Other operating expenses	(200,103)
Total operating expenses	(384,604)
EBITDA	359,683
<i>EBITDA margin</i>	<i>29.7%</i>
Interest	(273)
Depreciation	-
Net profit before tax	359,410

Source: Enzumo Board report – November 2014

In relation to the financial performance of Enzumo (as presented in the management accounts for the five months to 30 November 2014, we note:

- On an annualised basis, FY 2015 Enzumo revenue is estimated to be around 15% higher than revenue in FY 2013 and FY 2014;
- Wages and on costs over the period are consistent (as a percentage of revenue) with employee expenses in FY 2013 and FY 2014;

- EBITDA margin of around 30% is higher than earned in FY 2013 (13%) and FY 2014 (15%). In this regard, we note certain expenses included in the year-end financial statements (e.g. ongoing software development costs) are not present in the management accounts to 30 November 2014.

In arriving at our assessment of future maintainable EBITDA for Enzumo we have considered the revenue and EBITDA of Enzumo for FY 2013 and FY2014, together with annualised revenue for FY 2015 (based on the five months to 30 November 2014) and an estimated FY 2015 EBITDA margin of 14% (based on the actual EBITDA margin in FY 2013 and FY 2014), as summarised in the table below.

EBITDA analysis \$	FY 2013 Unaudited	FY 2014 Unaudited	Annualised FY 2015 Estimated
Revenue	2,497,991	2,514,779	2,903,808
EBITDA	324,378	372,010	406,133
<i>EBITDA margin</i>	<i>13%</i>	<i>15%</i>	<i>14%</i>

Source: Enzumo & RSMBCC analysis

Accordingly, for the purposes of our valuation analysis we have adopted future maintainable EBITDA in the range \$375,000 to \$425,000.

Selection of an EBITDA multiple

The process of assessing a capitalisation multiple appropriate to apply to the future maintainable EBITDA of Enzumo requires consideration of the following:

- The stability and quality of earnings of Enzumo;
- The quality of the management and the likely continuity of management employed across the business;
- The nature and size of the business;
- The spread and financial standing of customers;
- The multiples attributed by share market investors to listed companies involved in similar activities or the same broad industry sectors, including as assessment of whether a premium for control is appropriate; and
- The future prospects of the business including the growth potential of the Cloud computing industry, strength of competitors, barriers to entry, etc.

In selecting a capitalisation multiple to apply in the valuation of Enzumo, we considered the trading multiples of Australian listed companies with financial software and IT related operations. We then assessed the comparability of these companies to Enzumo.

The following table provides a summary of the comparable companies identified together with their respective EV/EBITDA multiples based on historical and forecast financial information. As we are valuing 100% of Enzumo we have incorporated a control premium of 25% at the equity level in the data presented.

The EV/EBITDA ratios of a number of companies have been excluded from our average and mean calculations on the basis that they were considered to be outliers.

Company Name	Market Capitalisation	Trailing 12M Revenue	EBITDA (FY 2014)	NPAT (FY 2014)	Forecast EBITDA (FY 2015)	EV/EBITDA (FY 2014)	EV/EBITDA (FY 2015)
Amcom Telecommunications Ltd.	599.4	170.4	46.0	22.4	52.5	12.8x	11.3x
ASG Group Limited	145.7	159.1	19.4	9.0	22.6	8.6x	7.4x
Bulletproof Group Limited	24.4	17.9	1.4	-3.1	4.8	18.7x	5.3x
Data#3 Ltd.	104.7	832.1	11.4	7.5	15.4	0.2x	0.2x
DWS Limited	139.6	94.4	18.5	12.9	17.5	6.7x	7.0x
Empired Limited	72.8	66.8	4.4	3.8	12.3	17.9x	6.4x
Hansen Technologies Ltd.	270.1	86.0	22.5	14.8	27.7	12.3x	10.0x
iiNet Ltd.	1,307.0	1,005.5	169.7	63.0	210.9	9.5x	7.6x
Inabox Group Limited	16.6	46.9	2.4	1.1	n/a	5.6x	n/a
My Net Fone Limited	237.3	59.3	8.9	5.8	11.4	25.7x	20.2x
Reckon Ltd.	207.4	99.8	26.0	17.8	38.5	8.4x	5.7x
RXP Services Limited	78.8	55.7	9.1	6.5	13.9	6.6x	4.3x
Salmat Limited	197.4	452.8	16.7	0.3	17.9	9.3x	8.7x
Min		17.9	1.4	-3.1	4.8	0.2x	0.2x
Max		1,005.5	169.7	63.0	210.9	25.7x	20.2x
Average		242.1	27.4	12.4	37.1	11.0x	7.8x
Median		94.4	16.7	7.5	17.7	9.3x	7.2x

Source: S&P Capital IQ

Whilst we found that the operations of these companies are not necessarily identical to those of Enzumo, we consider the selected companies to be broadly comparable as they perform similar operations and thus are influenced by similar demand drivers and are exposed to similar risks as Enzumo.

Accordingly, we are satisfied that they provide an appropriate benchmark against which to determine a capitalisation multiple for the valuation of Enzumo.

In making our selection we have excluded those companies with a negative EBITDA or with insufficient forecast data to allow us to determine a prospective EBITDA multiple.

Further information on these companies has been included at Appendix 3 to this IER.

Discounts and premiums

Control premium

As noted above we have incorporated a control premium (at the equity level) in our analysis.

Size discount

Empirical evidence suggests that smaller companies will trade, all other things being equal, at lower multiples than larger companies. The discount may be due to, inter alia, less diversification, limited geographic and customer spread to get with other additional risks faced by smaller entities. We note that Enzumo is smaller than most of the comparable companies and have incorporated a discount in selecting our multiple for our valuation.

EBITDA multiple for Enzumo

We have selected a prospective EBITDA multiple in the range 5.0x to 5.5x apply to our assessed future maintainable EBITDA. We note our selected multiple range is slightly lower than the average calculated of the comparable companies above and reflects, in our opinion:

- the size of the Enzumo as compared to comparable companies;
- the business risks faced by the Enzumo operations; and
- the growth potential inherent in the businesses.

Enterprise valuation

In light of the above, we have estimated the Enterprise Value of Enzumo is in the range \$1.9 million to \$2.4 million with a midpoint of \$2.1 million as summarised in the table below.

Enterprise value of the Enzumo Group \$	Low	High	Midpoint
FM EBITDA	375,000	425,000	400,000
EBITDA multiple	5.0x	5.5x	5.25x
Enterprise value of Enzumo (marketable, control)	1,875,000	2,337,500	2,100,000

Source: RSM Bird Cameron Corporate analysis

Other matters

Net debt

According to the latest available balance sheet, the Enzumo Group had no interest bearing debt. We are advised this position had not changed up until the date of this report.

Surplus assets

We have analysed the financial position of Enzumo and discussed the latest available balance sheet with management. Our review has not identified any assets or liabilities which are surplus to the ongoing operation of the Enzumo Group.

Valuation summary – Enzumo

In, light of the above, we have assessed the value of the equity in Enzumo to be in the range \$ 1.9 million to \$2.4 million with a midpoint of approximately \$2.1 million. Our analysis is summarised in the table below:

Value of the equity in the Enzumo Group \$	Low	High	Midpoint
Enterprise value	1,875,000	2,337,500	2,100,000
Adjustments:			
Net debt	-	-	-
Surplus assets / liabilities	-	-	-
Value of equity in the Enzumo Group (marketable, control)	1,875,000	2,337,500	2,100,000
Value of equity in the Enzumo Group (marketable, control) - rounded	1,900,000	2,400,000	2,100,000

Source: RSMBCC analysis

9. Valuation of Goldminex post the Proposed Transaction

In considering the position of the existing shareholders post the Proposed Transaction, we have assessed the value of a Goldminex share assuming completion of the Proposed Transaction (i.e. after the proposed capital raising), the success of which is a condition precedent to the Proposed Transaction.

We have undertaken our analysis in this form to allow assessment of the Proposed Transaction on its own merits and after all conditions precedent have been met.

As Goldminex has not operated in a sector similar to Enzumo, we understand there are limited opportunities for synergy benefits from the Proposed Transaction. Accordingly, our analysis does not incorporate the effect of any operational or financial synergies which might otherwise be achieved by a merged group.

Value of a Goldminex share post the Proposed Transaction

As mentioned above, we have undertaken our valuation of Goldminex post the proposed after considering:

- the value of Goldminex pre the Proposed Transaction; plus
- the net increment to value as a result to the Proposed Transaction; plus
- the net funds received in the proposed capital raising; less
- the cash consideration paid to the Vendors.

We have used, as the basis of our analysis, the information and valuation opinions set out in the prior sections of this IER.

In relation to the proposed capital raising, we have been advised:

- the company intends to raise \$3.0 million (in accordance with the conditions precedent to the Proposed Transaction) with the capacity to accept oversubscription of a further \$2.0 million. For the purposes of our analysis we have estimated the value under the minimum and maximum subscription scenarios;
- the Directors have estimated the costs of the Proposed Transaction (incl. capital raising) are estimated to be \$573,000 plus broker costs of 5% of funds raised; and
- the Directors intend to offer the shares at \$0.20 per share.

Accordingly, our value of the equity in Goldminex post the Proposed Transaction is the range \$3.3 million to \$5.9 million, with a midpoint of \$4.6 million as summarised in the table below.

In light of the above, the value of a Post Transaction Goldminex share (minority basis) is estimated to be in the range \$0.066 to \$0.094, with a midpoint of \$0.080.

Valuation of Goldminex - post Proposed Transaction \$	Low/minimum capital raising	High/maximum capital raising
Value of equity in Goldminex pre the Proposed Transaction	740,000	940,000
Add:		
Value of equity in Enzumo	1,900,000	2,400,000
Funds raised in the capital raising	3,000,000	5,000,000
Less		
Cash paid to the Vendors	(1,600,000)	(1,600,000)
Estimated cash costs of the capital raising	(723,000)	(823,000)
Value of equity in Goldminex - post the Proposed Transaction (marketable, control)	\$3,317,000	\$5,917,000
Ordinary shares on issue prior to the Proposed Transaction (post consolidation)	11,279,388	11,279,388
Ordinary shares issued to the Enzumo Vendors	14,000,000	14,000,000
Ordinary shares issued pursuant to the capital raising	15,000,000	25,000,000
Ordinary share issue post the Proposed Transaction	40,297,388	50,297,388
Value of a Goldminex share post the Proposed Transaction (marketable, control)	\$0.082	\$0.118
Less –minority discount (20%)	(0.016)	(0.024)
Value of a Goldminex share post the Proposed Transaction (marketable, minority)	0.066	0.094

Source: RSMBCC analysis

As indicated previously in our report, our valuation of Goldminex has been based on the net assets on a going concern methodology. We note that in the event that the Proposed Transaction proceeds the Company's shares may trade at levels significantly different to our valuation. Reasons for this may include:

- Individual investors may have their own views on value of the Enzumo Group and its projects; and
- the ability to trade Goldminex's shares may provide an opportunity for existing shareholders to sell their holdings, potentially placing downward pressure on the Company's share price post any re-quotation.

Performance shares

We note the CSPA allows for the issue of performance shares to the vendors which will convert to ordinary shares in Goldminex should certain profit performance targets be met at certain future testing dates. As discussed above, should any ordinary shares be issued upon the conversion of any performance shares (and assuming no other capital transactions occur) the existing shareholders will be further diluted from their post Proposed Transaction position.

Due to the prospective nature of the EBITDA targets, we make no comment as to whether any or all of the performance targets will or are able to be achieved or whether any performance shares will, or are likely to, convert to ordinary shares. For illustrative purposes only, however, we make the following observations:

- Should all performance targets be met and each class of performance share convert to ordinary shares, the dilutive impact will be to reduce the existing shareholders holding in the Company from 22.4% on a post Proposed Transaction basis (assuming \$5.0 million capital raising) to 20.3%, in increments as follows:
 - Class A - 0.78%;
 - Class B - 0.72% (assuming Class A has converted); and
 - Class C - 0.66% (assuming Class A and Class B have converted);
- Had all the performance shares been issued as ordinary shares as part of the Proposed Acquisition (and holding all other variables in the table of page 31 of this report constant) our post Proposed Transaction share valuation range would have been \$0.058 to \$0.079;
- An illustrative 'pro forma' share price (which is not an opinion of value) may be calculated upon the conversion of each tranche of performance shares by:
 - replacing our FM EBITDA (of \$375,000 to \$425,000) with the EBITDA required for the conversion of each class of performance shares;
 - holding all other variables in the analysis (including the EBITDA multiples) constant;
 - assuming Class A converts prior to Class B, and Class A and Class B convert prior to Class C; and
 - assuming all shares convert as at the valuation date

The result of the illustrative 'pro-forma' calculation (which is not an opinion of value) is set out in the table below:

	EBITDA target	Ordinary shares issued	Dilutive impact (per tranche)	Progressive dilution of existing holdings	Illustrative 'pro-forma' share price
Class A	\$2 million	1,800,000	0.8%	21.7%	\$0.20 - \$0.21
Class B	\$3 million	1,800,000	0.7%	20.9%	\$0.26 - \$0.29
Class C	\$5 million	1,800,000	0.7%	20.2%	\$0.39 - \$0.44

Source: RSMBCC calculation

10. Summary of assessment

Fairness

Our assessed value of Goldminex share (control basis) prior to the Proposed Transaction of \$0.066 to \$0.083, with a midpoint to \$0.074 is not less than our range of assessed values for a Goldminex share post the Proposed Transaction (minority basis) of \$0.066 to \$0.094 with a midpoint of \$0.080, we are of the opinion that the Proposed Transaction is fair to the shareholders of Goldminex.

The analysis we have undertaken to support our opinion is set out in the earlier sections of this report and summarised in the table below:

Fairness evaluation	Low \$	High	Midpoint \$
Value of a Goldminex share pre the Proposed Transaction (control)	0.066	0.083	0.074
Value of a Goldminex share post the Proposed Transaction (minority)	0.066	0.094	0.080

Source: RSMBCC analysis

Reasonableness

With regard to control transactions, according to RG 111, an offer is considered reasonable if it is considered fair. However, in certain situations an offer may be considered not fair but reasonable. In such circumstances, other significant factors such as advantages and disadvantages for the Shareholders if the Proposed Transaction were to proceed, is taken into consideration.

According to RG 111, despite a transaction not being fair, it may be reasonable if the expert considers there are sufficient reasons for the relevant shareholders to vote for the proposal.

In completing our analysis of the Proposed Transaction we have considered the advantages and disadvantages to the Shareholders of the Proposed Transaction.

Advantages and disadvantages of the Proposed Transaction

The Goldminex Directors have set out in the shareholder booklet, their view of the advantages and disadvantages of the Proposed Transaction.

In forming our opinion, we have considered the following points:

Reasonableness

As the Proposed Transaction is fair, according to RG 111 it must be reasonable. In completing our analysis as to whether the Proposed Transaction is reasonable for the Shareholders, we have also considered:

- The future prospects of Goldminex if the Proposed Transaction does not proceed; and
- Any other commercial advantages and disadvantages to the Shareholders as a consequence of the Proposed Transaction proceeding.

Future prospects of Goldminex if the Proposed Transaction do not proceed

The directors of Goldminex have advised that prior to the announcement of the Proposed Transaction, the company actively sought and considered a range of new business ventures, however none were progressed to the point of executing a formal agreement. Should the Proposed Transaction not proceed (for any reason), the Directors will continue to consider, assess and pursue other technology related acquisitions, as well as the potential development of the Company's existing assets

Further, if the Proposed Transaction does not proceed, we understand Goldminex will remain without income producing assets in the near term and continue to incur compliance and administrative costs. Depending on the timing to find another transaction, it may necessitate a potential need to raise additional capital to fund working capital.

Commercial advantages of the Proposed Transaction

In our opinion, the key advantages to the existing shareholders in approving the Proposed Transaction are:

- The Proposed Transaction is fair;
- Enzumo is a platform acquisition on which to build a broader base of complementary technology and e-learning businesses;

- Through the Proposed Transaction, Goldminex will have access to executive management with a proven track record in the financial advisory IT industry and who will become actively involved in the direction of Goldminex, complementing the strategy as set by the Board;
- A potential increase in market capitalisation may lead to increased coverage from the investment community, with improved access to equity capital markets and increased liquidity in the company's shares.
- The business will have active operations and the potential to earn profits. On a standalone basis, Goldminex has no material operating business and has to meet the cost of administration and compliance from shareholders' funds. The acquisition of Enzumo may allow the directors to operate Goldminex profitably and potentially return funds to shareholders through dividends and capital appreciation;
- The company may be able to restore shareholder value through the opportunity to participate in the future opportunities and any potential commercial upside of the Enzumo Group operations;
- Goldminex shareholders may benefit from increased liquidity in Goldminex shares due to the increase in market capitalisation of the Company and the increased number of shareholders;
- No alternatives – the directors have advised there are no alternative offers for Goldminex shares. Other than a similar 'backdoor' transaction, we consider the likelihood of an alternative transaction for Goldminex shareholders to be low.

Commercial disadvantages of the Proposed Transaction

In our opinion, the key disadvantages to the existing shareholders in approving the Proposed Transaction include:

- the existing Goldminex shareholders ownership in the Company will be diluted by the shares being received by the Vendors;
- Change of business - the new business model may not fit with the risk profile of the existing shareholders. However, affected shareholders may choose to dispose of their shareholding in these circumstances;
- The Company may be required to outlay additional funds to support the Enzumo Group; and
- Shareholders will lose control of Goldminex.

After consideration of the above matters, we consider, on balance, the Proposed Transaction is reasonable to the existing shareholders. Further, in our opinion, should the Proposed Transaction proceed, the disadvantages noted above would not place the Goldminex shareholders in a worse position than if the Proposed Transaction did not proceed.

A full list of risks identified by the directors of Goldminex in relation to the new operations of the company should the Proposed Transaction proceed is included in the NoM.

Appendix 1 - Glossary

<i>Act, the</i>	the Corporations Act 2001
<i>ASIC</i>	Australian Securities and Investments Commission
<i>ASX</i>	ASX Limited
<i>Capital raising</i>	The issue of 15 million shares at \$0.20 each to raise at least \$3.0 million, with the ability to accept oversubscriptions of up to a further 10 million shares at \$0.20 to raise a further \$2 million
<i>Company</i>	Goldminex Resources Limited
<i>CSPA</i>	the conditional sale & purchase agreement under which Goldminex has conditionally agreed to acquire the 100% of the equity in Enzumo
<i>DCF</i>	Discounted cash flow
<i>EBITDA</i>	Earnings before interest, tax, depreciation and amortisation
<i>EL</i>	Exploration licence
<i>Enzumo</i>	the Enzumo Group
<i>FOFA</i>	Future of Financial Advice
<i>FOS</i>	Financial Ombudsman Service
<i>FSG</i>	Financial Services Guide
<i>FY</i>	Financial year
<i>GFC</i>	Global financial crisis
<i>Goldminex</i>	Goldminex Resources Limited
<i>IER</i>	Independent Expert's Report
<i>IPO</i>	Initial Public Offer
<i>NoM</i>	Goldminex's notice of extraordinary meeting document dated [DD MM YYYY]
<i>Ordinary share</i>	Ordinary share in Goldminex
<i>Performance share</i>	Class A, Class B or Class C performance shares which convert to ordinary shares on the achievement of certain performance criteria
<i>Proposed Acquisition</i>	the acquisition of the equity in the Enzumo Group by Goldminex
<i>Proposed Transaction</i>	the Proposed Acquisition, the capital; raising and all related transactions
<i>RG 111</i>	Regulatory Guide 111 – Content of Experts Reports
<i>RSMBCC</i>	RSM Bird Cameron Corporate Pty Ltd
<i>SMSF</i>	Self-managed super fund

Appendix 2 – Sources of information

In preparing this report we have relied upon, inter alia, the following principal sources of information:

- Audited annual report for Goldminex for the year ended 30 June 2014;
- Management accounts for Goldminex for the period to 30 September 2014
- The CSPA executed between Goldminex and Enzumo dated 10 November 2014;
- Goldminex's draft Notice of General Meeting to be held in relation to the Proposed Transaction;
- Unaudited management accounts for the Enzumo Group for the two years ending 30 June 2014 (including directors normalisations);
- Unaudited management accounts for the Enzumo Group for the five months ending 30 November 2014;
- Reserve Bank of Australia Limited data;
- S&P Capital IQ; and
- Publically available information such as ASX databases, information found on the internet, etc.

In addition we have had the benefit of discussions with the directors and management of Goldminex and Enzumo, in particular:

- | | |
|-----------------------|---|
| • Mr Niall Cairns | Chairman of Goldminex; |
| • Mr Phillip Carter | Independent non-executive director of Goldminex |
| • Mr Wayne Longbottom | CFO of Goldminex |
| • Ms Stephen Bell - | Managing Director of the Enzumo Group |
| • Mr Andrew Rawlinson | Chairman of the Enzumo Group |

Appendix 3 – Comparable company data

The following descriptions of the comparable companies are provided by S&P Capital IQ:

Company Name	Market Capitalisation	Trailing 12M Revenue	EBITDA (FY 2014)	NPAT (FY 2014)	Forecast EBITDA (FY 2015)	EV/EBITDA (FY 2014)	EV/EBITDA (FY 2015)
Amcom Telecommunications Ltd.	599.4	170.4	46.0	22.4	52.5	12.8x	11.3x
ASG Group Limited	145.7	159.1	19.4	9.0	22.6	8.6x	7.4x
Bulletproof Group Limited	24.4	17.9	1.4	-3.1	4.8	18.7x	5.3x
Data#3 Ltd.	104.7	832.1	11.4	7.5	15.4	0.2x	0.2x
DWS Limited	139.6	94.4	18.5	12.9	17.5	6.7x	7.0x
Empired Limited	72.8	66.8	4.4	3.8	12.3	17.9x	6.4x
Hansen Technologies Ltd.	270.1	86.0	22.5	14.8	27.7	12.3x	10.0x
iiNet Ltd.	1,307.0	1,005.5	169.7	63.0	210.9	9.5x	7.6x
Inabox Group Limited	16.6	46.9	2.4	1.1	n/a	5.6x	n/a
My Net Fone Limited	237.3	59.3	8.9	5.8	11.4	25.7x	20.2x
Reckon Ltd.	207.4	99.8	26.0	17.8	38.5	8.4x	5.7x
RXP Services Limited	78.8	55.7	9.1	6.5	13.9	6.6x	4.3x
Salamat Limited	197.4	452.8	16.7	0.3	17.9	9.3x	8.7x
Min		17.9	1.4	-3.1	4.8	0.2x	0.2x
Max		1,005.5	169.7	63.0	210.9	25.7x	20.2x
Average		242.1	27.4	12.4	37.1	11.0x	7.8x
Median		94.4	16.7	7.5	17.7	9.3x	7.2x

Amcom Telecommunications Ltd (Amcom)

Amcom operates as an IT and telecommunications company in Australia. It operates in Telecommunications, Hosted and Cloud Services, and IT Services segments. The company offers data and network solutions, including Internet and Ethernet services, fibre-optic point-to-point connectivity solutions, managed layer 3 VPN services, and VPN link services; unified solutions, such as cloud collaboration, SIP lines, and on premise services for communication needs, as well as Amcom IP Tel, a customised solution to access unified communications features and functions; and cloud services comprising Web solutions. It also provides managed IT services, including network, infrastructure, desktop, and IT service management services, as well as WiFi as a service; licensing and maintaining solutions, such as Amcom Active, which consolidates, controls, and maintains the licensing and maintenance requirements of organization's IT; and data centre management services. In addition, the company provides IT services, such as systems; communications; information, communication, and technology consulting (ICT) services comprising technology and infrastructure audits, and ICT strategy; and security, governance, risk, and compliance services. Further, it offers consumer DSL services; and infrastructure-as-a-service. Amcom is headquartered in Perth, Australia.

ASG Group Limited (ASG)

ASG provides information technology services in Australia. The company offers managed services comprising service and delivery management, services desk, desktop services, database administration, network management, storage area network administration, security management, data centre hosting, remote DBA, and HP managed application services; business solutions, including Oracle business solutions and Oracle PeopleSoft services; SAP projects and services; and reporting and analytic solutions for large and small organizations. It also provides professional services consisting of project services and Microsoft professional services; specialist technical services; architecture consulting services; and IT service management solutions, such as ITSM process design and implementation, ITSM administration, knowledge management, change calendar, and HP software implementation services. In addition, the company offers consulting services, including strategic business analysis, IT service transformation, supply chain transformation, and multi-channel transformation; and cloud services, including infrastructure as a managed service solutions, platform as a service solutions, software as a service solutions, and consulting services. It serves mining, transport and manufacturing, communications and technology, government, healthcare, corporate, utilities, education, not for profit, and construction sectors. The company was founded in 1996 and is headquartered in Perth, Australia.

Bulletproof Group Limited (Bulletproof)

Bulletproof provides managed cloud and hosting services for business, enterprise, and government customers in Australia and the United States. Its products and services include managed Amazon Web Services (AWS), managed AWS on demand, managed AWS for magento, managed AWS for sitecore, managed AWS topology, managed VMware hosting, and managed VMware topology services; dedicated server options and database clustering services; and SAN, NAS, and reverse proxies. The company also offers professional services in the areas of audit and design, implementation, troubleshooting, project management, and application management. In addition, it provides cloud solutions for use in various business applications, Websites, campaigns, and e-commerce sites. The company is based in Rosebery, Australia.

Data#3 Limited (Data#3)

Data#3, together with its subsidiaries, provides information technology solutions in Australia. The company operates through two segments, Product and Services. The Product segment designs, deploys, and operates hardware and software licenses for its customers' desktop, network, and data centre infrastructure. The Services segment provides consulting, project, and managed and maintenance contracts, as well as workforce recruitment and contracting services in relation to the design, implementation, operation, and support of ICT solutions. The company also provides software licensing, software asset management, business consumer productivity, security, hardware lifecycle management, mobility, and people solutions. In addition, it offers selective sourcing, maintenance, cloud as a service, datacentre, systems management, network integration, collaboration, datacentre infrastructure, and enterprise productivity applications. Data#3 was founded in 1977 and is headquartered in Toowong, Australia.

DWS Limited (DWS)

DWS provides information technology services to corporations and government bodies in Australia. It offers a suite of integrated solutions, including IT consulting services, such as IT strategy and architecture advice, program and project management, business and technical analysis, custom application development, and systems integration and solution testing; and digital solutions incorporating data automation and capture systems, data optimization solutions, content management and distribution, and API creation and management services. The company also provides business analytics comprising advanced analytics, as well as Power BI and Data Warehouse as a Service; cloud services consisting of strategy and architecture advice, pilots and proofs of concepts, and planning services; and managed application services using a mix of offshore, on-site, off-site, and high-security models depending on client requirements. In addition, it offers iSolutions cloud products for financial institutions and telecommunications companies. The company was incorporated in 1991 and is headquartered in Melbourne, Australia.

Empired Limited (Empired)

Empired provides various IT services and solutions primarily in Australia. The company's IT services include software systems, consulting, and infrastructure design and deployment services. It offers infrastructure services comprising managed services; project services, such as professional application and infrastructure services to upgrade and enhance key IT platforms; and cloud-based solutions, including its FlexScale product that delivers Infrastructure-as-a-Service, Software-as-a-Service, Disaster Recovery-as-a-Service, and Backup-as-a-Service to the business benefits of their customers. The company's application and consulting services provide consulting and business services in research, business case creation, business model verification, requirements analysis, product selection, program management, project management, and PMO review practices; custom application services; and system support and application management services to monitor and control over the business activities. In addition, the company provides Microsoft office365, a subscription-based online service that offers access to communication, collaboration, and productivity applications through the Internet; and systems support services for organizations to deliver services to their customers, partners, and employees through Microsoft technologies. Empired serves government and private sectors. Empired was founded in 1999 and is headquartered in Perth, Australia.

Hansen Technologies Limited (Hansen)

Hansen develops, implements, and supports proprietary customer care and billing software solutions for service providers in the gas and electricity, telecommunications, Pay TV, and water and wastewater industries in Australia and internationally. The company's energy solutions include customer information system solutions comprising Nirvanasoft, a billing software; Peaceplus, a solution for utilities, retailers, and network companies; Utility Market Gateway solutions that facilitates market interaction and transactional data management for generators, traders, and retailers; Hansen Unified Billing (HUB), a solution for distribution networks operating in deregulated competitive markets; and Banner CIS, a solution for water and municipality customer care and billing. It also provides Intelligent Customer Care, a solution, which integrates billing, customer care, and business intelligence; and HUB solution for telecommunication providers. In addition, the company offers data centre solutions; cloud solutions, such as infrastructure as a service, software as a service, hardware and operating system, network and security, and daily back-up; and IT managed services consisting of technical support, customer support, network, and security services. Further, it offers application services consisting of turnkey, implementation and integration, application management, performance tuning, hosting, and support solutions; and CLASSIC superannuation membership administration solution for superannuation fund management. The company was founded in 1971 and is based in Doncaster, Australia.

iiNet Limited (iiNet)

iiNet provides Internet and telephony services to various residential, regional, corporate, and government customers in Australia. The company offers Internet solutions, such as business bundles, business national broadband network, naked DSL, mobile broadband solutions, ADSL broadband, VPN, fibre connections, and SHDSL that offers high speed connectivity. It also provides business desk phones, PSTN phones, and Voice over Internet Protocol systems, as well as business voice systems and SIP trunking solutions; mobile solutions, such as mobile phones, mobile fleet, mobile broadband, iiNet Microsoft Lync, and tablets; Website solutions, including domain names, Web hosting, Microsoft exchange, and online shopping solutions; cloud computing; and installation and support services. In addition, the company offers Internet Protocol telephony network solutions for hosted voice, cloud, Internet, VPN, and mobile. It supplies approximately 1.8 million broadband, telephony, Internet Protocol TV, mobile, and other services to approximately 950,000 broadband subscribers. iiNet was founded in 1993 and is based in Perth, Australia.

Inabox Group Limited (Inabox)

Inabox operates as a non-carrier telecommunications aggregator. The company offers various telecommunications products, including fixed line, hosted voice, mobile, cloud, and data services. It also provides back office services, including billing, provisioning, product development, training and support, and customer services. The company offers wholesale telecommunications resupply services under the Telcoinabox brand; and Voice over Internet Protocol and hosted voice solutions under the iVox brand. Its customers range from small business operators to offshore telcos with limited domestic operations, telco dealers, and large consumer brands. The company serves approximately 200 retail service providers. Inabox is based in Sydney, Australia.

My Net Fone Limited (Net Fone)

Net Fone provides voice communications, broadband Internet, and cloud based communications services to residential, business, government, and wholesale customers in Australia and internationally. The company offers home phone-VoIP, DSL Internet, national broadband network Internet, and mobile VoIP services, as well as virtual fax service, which delivers faxes directly to email address as PDF documents and sends faxes directly from computer; phone and broadband bundles; high-speed ADSL2+ broadband services; Ethernet broadband services for businesses that require high-speeds for data applications; and enterprise SIP trunking service that acts as an ISDN primary rate replacement. It also provides meet-me conferencing services that allow various participants from various locations to be joined in a conference call; and local call and special service numbers, number porting, gold direct-in-dial numbers, additional DIDs, white pages and location information, Mytext SMS, additional IP addresses, and reverse domain name system services. The company was founded in 2004 and is based in Surry Hills, Australia.

Reckon Limited (Reckon)

Reckon provides software solutions for accounting and bookkeeping professionals, as well as small to medium sized businesses, small office/home office users, and personal wealth management sectors in Australia and New Zealand. The company operates through four divisions: Business, Professional, nQueue Billback, and Virtual Cabinet. It provides Reckon BankData, a bank feed solution; Reckon GovConnect, a SBR-enabled solution for lodging reports to government agencies; Reckon One, a cloud accounting solution for small businesses; point of sale retail and hospitality solutions; and hosted account solutions that enhance the interaction between businesses, accountants, bookkeepers, and the organizations. The company also offers tax return preparation tools, practice management tools, and related solutions for accountants and tax agents for small and medium sized accounting firms under the Elite brand; and a range of corporate services, such as establishment of new companies, trusts, and self-managed superannuation funds, as well as company secretarial services to accountants, financial planners, and lawyers under the Reckon Docs brand. In addition, it develops, distributes, and supports a suite of solutions for professional service firms comprising practice management, business intelligence and reporting, document and E-mail management, taxation, client accounting, client relationship management, resource planning, superannuation, corporate secretarial, workpaper management, SyncDirect, and other solutions under the APS brand. Further, the company provides software and support services in the revenue management, expense management, print solutions, document service automation, and document management markets under the nQueue Billback brand; and document management and client portal products under the Virtual Cabinet brand. Reckon was founded in 1987 and is headquartered in North Sydney, Australia.

RXP Services Limited (RXP)

RXP provides information and communications technology consulting, development, support, and maintenance services for medium to large enterprises and government organizations in Australia. The company offers strategic advisory services in the areas of strategic alignment and sourcing; service optimization; governance, risk, and compliance; business and enterprise architecture; and portfolio management. It also provides BI and information management services, including data governance, master data management, data warehousing, business intelligence and analytics, and data migration and management; and business process optimization and automation services, such as business process and workflow management, e-forms and smart forms, compliance/security, back-end integration, content services, and imaging and print management. In addition, the company offers enterprise service management services comprising ESM architecture and design, business and IT process improvement, ESM tool transformation, process and service automation, enterprise monitoring and reporting, communication and alert management, and workflow and forms tool consolidation. Further, it provides infrastructure and cloud services consisting of application readiness, performance testing, and infrastructure consulting, as well as cloud design, hosting, and support; and PMO-as-a-service, and project management and project management services. Additionally, the company offers change leadership, organizational readiness, stakeholder and communication management, and change and communication framework services; and integration governance and architecture, analysis and design, development and testing, application support, and integration platform training services. It also provides application strategy consulting, mobile development and integration, wire-framing/UI design, salesforce development, and application and portal development. The company is based in Melbourne, Australia.

Salmat Limited (Salmat)

Salmat provides customer communication solutions in Australia, New Zealand, Asia, and internationally. It operates through two segments, Consumer Marketing Solutions and Customer Engagement Solutions. The Consumer Marketing Solutions segment distributes physical and digital catalogue content; and offers campaign management and marketing services. This segment's solutions enable clients to interact and engage with their customers through interactive email, online content management, search optimization, data insights and analytics, loyalty management, e-commerce, SMS, letterbox advertising, and catalogue distribution. The Customer Engagement Solutions segment designs and delivers multi-channel contact centre services and technology solutions, field sales services, and learning and development solutions, as well as provides speech technology and automation solutions comprising natural language speech recognition, voice biometrics, and enterprise class contact centre technology solutions hosted in the cloud. The company was founded in 1979 and is headquartered in North Sydney, Australia.

Appendix 4 - Declarations and disclaimers

RSM Bird Cameron Corporate Pty Ltd holds Australian Financial Services Licence 255847 issued by ASIC pursuant to which they are licensed to prepare reports for the purpose of advising clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate reconstructions or share issues.

Qualifications

Our Report has been prepared in accordance with professional standard APES 225 "Valuation Services" issued by the Accounting Professional & Ethical Standards Board.

RSM Bird Cameron Corporate Pty Ltd is beneficially owned by the partners of RSM Bird Cameron (RSMBC) a large national firm of chartered accountants and business advisors.

Mr Ian Douglas and Mr Glyn Yates are directors of RSM Bird Cameron Corporate Pty Ltd. Both Mr Douglas and Yates are Chartered Accountants with extensive experience in the field of corporate valuations and the provision of independent expert's reports for transactions involving publicly listed and unlisted companies in Australia.

Reliance on this Report

This Report has been prepared solely for the purpose of assisting the Shareholders in considering the Proposed Transaction. We do not assume any responsibility or liability to any party as a result of reliance on this report for any other purpose.

Reliance on Information

Statements and opinions contained in this report are given in good faith. In the preparation of this report, we have relied upon information provided by the directors and management of Goldminex and we have no reason to believe that this information was inaccurate, misleading or incomplete. However, we have not endeavoured to seek any independent confirmation in relation to its accuracy, reliability or completeness. RSMBCC does not imply, nor should it be construed that it has carried out any form of audit or verification on the information and records supplied to us.

We have sought, and received, confirmation from the Goldminex directors that the information provided to us is complete, accurate and appropriate for the purposes of preparing the IER.

In addition, we have considered publicly available information which we believe to be reliable. We have not, however, sought to independently verify any of the publicly available information which we have utilised for the purposes of this report.

The opinion of RSMBCC is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

We assume no responsibility or liability for any loss suffered by any party as a result of our reliance on information supplied to us.

Disclosure of interest

At the date of this report, Mr Douglas, Mr Yates, nor any other member, director, partner or employee of RSMBCC or RSM Bird Cameron has any interest in the outcome of the Proposed Transaction, except that RSMBCC are expected to receive a fee of approximately \$35,000 based on time occupied at normal professional rates for the preparation of this report.

The fees are payable regardless of whether Goldminex shareholders approve the Proposed Transaction, or otherwise.

Consents

RSMCC consents to the inclusion of this report in the form and context in which it is included with the shareholder documentation to be issued to Goldminex shareholders. Other than this report, none of RSMBCC or RSM Bird Cameron Partners has been involved in the preparation of the shareholder documentation. Accordingly, we take no responsibility for the content of the shareholder documentation as a whole.

