

**ASX Announcement**

Wednesday 24 June 2020

**ENTITLEMENT OFFER BOOKLET**

Integrated Payment Technologies Limited (ASX: IP1) (**InPayTech**) announced to the ASX on 16 June 2020 the launch of a 1 for 2 non-renounceable rights issue of fully paid ordinary shares in InPayTech seeking to raise up to \$2.316 million (**Entitlement Offer**) at an offer price of \$0.015 per share.

InPayTech confirms that today the attached Offer Booklet and an accompanying personalised Entitlement and Acceptance Form were sent to eligible shareholders under the Entitlement Offer.

The terms and conditions under which eligible shareholders may apply under the Entitlement Offer are outlined in the Offer Booklet.

Shareholders who have questions relating to the Entitlement Offer should call 1300 55 66 35 (within Australia) or +61 3 9909 9909 (outside Australia) between office hours (Sydney time) Monday to Friday before the close of the Entitlement Offer.

**Authorised by the Board**

# Integrated Payment Technologies Limited

ABN 50 611 202 414

## Entitlement Offer

A 1 for 2 pro-rata non-renounceable entitlement offer of Integrated Payment Technologies Limited (**InPayTech**) ordinary shares (**New Shares**) at an offer price of A\$0.015 per New Share (**Offer Price**) to raise up to \$2.316 million (before costs) (**Entitlement Offer**).

The Entitlement Offer closes at 5.00pm (Sydney time) on Friday, 3 July 2020 (unless extended).

## NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This Offer Booklet requires your immediate attention. It is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety. This Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. Please consult your stockbroker, accountant or other professional adviser if you have any questions.

# Important Notices

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## **NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES.**

Defined terms used in these important notices have the meaning given in this Offer Booklet.

### **Future performance and forward looking statements**

This Offer Booklet contains certain “forward looking statements” and comments about future matters. Forward looking statements can generally be identified by the use of forward looking words such as “expect”, “anticipate”, “likely”, “intend”, “propose”, “should”, “could”, “may”, “predict”, “plan”, “will”, “believe”, “forecast”, “estimate”, “target”, “outlook”, “guidance”, and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, the outcome and effects of the Entitlement Offer and the use of proceeds. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. Any such statements, opinions and estimates in this Offer Booklet speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates. Forward-looking statements are provided as a general guide only. The forward looking statements contained in this Offer Booklet are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of InPayTech, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the “Key Risks” section of the Investor Presentation enclosed at Section 3 of this Offer Booklet for a non-exhaustive summary of certain general and specific risk factors that may affect InPayTech. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the key risk factors included in Section 3 of this Offer Booklet. Investors should consider the forward looking statements contained in this Offer Booklet in light of those risks and disclosures.

The forward looking statements are based on information available to InPayTech as at the date of this Offer Booklet. Except as required by law or regulation (including the ASX Listing Rules), InPayTech has no obligation to supplement, revise or update any forward looking statements, regardless of whether new information, future events or results or other factors affect the information contained in this Offer Booklet.

### **Past performance**

Investors should note that past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) future InPayTech performance including future share price performance.

### **No representation other than in this Offer Booklet**

No person is authorised to provide any information or to make any representation in connection with the Entitlement Offer that is not contained in this Offer Booklet. Any information or representation not contained in this Offer Booklet may not be relied upon as having been authorised by InPayTech.

### **Not investment advice**

This Offer Booklet does not provide investment advice and has been prepared without taking into account your investment objectives, financial situation or particular needs (including financial and taxation issues). It is important that you read this Offer Booklet in full before deciding to invest in New Shares and any Additional New Shares and consider the risks that could affect the performance of New Shares and Additional New Shares.

### **International offer restrictions**

This Offer Booklet and the Entitlement and Acceptance Form may not be distributed outside Australia and New Zealand except that it may be distributed to other foreign jurisdictions approved by InPayTech in compliance with applicable securities laws. See the foreign selling restrictions set out in the Cautionary Statements section of the Investor Presentation included in Section 3 of this Offer Booklet for more information. The distribution of this Offer Booklet and the Entitlement and Acceptance Form, or any other material relating to the Entitlement Offer, in other jurisdictions outside Australia and New Zealand may be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

### **Not for release or distribution in the United States**

This Offer Booklet and the Entitlement and Acceptance Form have been prepared for publication in Australia and New Zealand and may not be released in the United States. They do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States. The entitlements and the New Shares (and any Additional New Shares) have not been, nor will they be, registered under the US Securities Act of 1933, as amended (“Securities Act”) or the securities laws of any state or other jurisdiction of the United States and accordingly the entitlements and the New Shares (and any Additional New Shares) may only be offered and sold outside the United States in “offshore transactions” (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act. Because of these legal restrictions, you must not distribute, release or send copies of this Offer Booklet and the Entitlement and Acceptance Form, or any other material relating to the Entitlement Offer, to any person in the United States.

### **References to “you” and “your Entitlement”**

In this Offer Booklet, references to “you” are references to Eligible Shareholders and references to “your Entitlement” (or “your Entitlement and Acceptance Form”) are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Shareholders.

**Times and dates**

Times and dates in this Offer Booklet are indicative only and subject to change. All times and dates refer to the time in Sydney, Australia. Refer to the "Key Dates" section of this Offer Booklet for more details.

**Currency**

Unless otherwise stated, all dollar values in this Offer Booklet are in Australian dollars (A\$).

**Trading New Shares (and any Additional New Shares)**

InPayTech will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares or any Additional New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by InPayTech or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares or any Additional New Shares in error or which they do not hold or are not entitled to.

**Disclaimer and acknowledgement**

None of InPayTech's affiliates, related bodies corporate, representatives, agents, partners, consultants and advisers (together the **Advisor Parties**), have permitted or caused the issue, submission, or operation of this Offer Booklet, or authorised, approved or verified any forward-looking statements or any other statements. To the maximum extent permitted by law, the Advisor Parties expressly disclaim all liabilities (including, without limitation, any liability arising from fault or negligence on the part of any person) and any direct, indirect, consequential or contingent loss or damage whatsoever arising from, make no representations regarding, and take no responsibility for, any part of this Offer Booklet and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Offer Booklet.

The Advisor Parties make no recommendation as to whether you or your related parties should participate in the Entitlement Offer nor do they make any representations or warranties, express or implied, to you concerning the Entitlement Offer or any such information, and by returning an Entitlement and Acceptance Form or otherwise paying for your New Shares or Additional New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you represent, warrant and agree that you have not relied on any statements made by Advisor Parties in relation to the New Shares, Additional New Shares or the Entitlement Offer generally.

You acknowledge and agree that: (a) determination of eligibility of investors for the purposes of this Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of InPayTech; (b) each of InPayTech and InPayTech's advisors and their respective affiliates, officers, employees, agents and advisers disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law; and (c) the information in this Offer Booklet remains subject to change without notice.

If you are in any doubt, as to these matters you should first consult with your stockbroker, accountant or other professional adviser.

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## Key Dates

Event	Date
Announcement of the Entitlement Offer	Tuesday, 16 June 2020
Record Date for the Entitlement Offer	7.00pm (Sydney time) Friday, 19 June 2020
Issue of shares under the Placement	Monday, 22 June 2020
Offer Booklet dispatched Entitlement Offer opens	Wednesday, 24 June 2020
Entitlement Offer closes	5.00pm (Sydney time) Friday, 3 July 2020
Announcement of results of the Entitlement Offer	Wednesday, 8 July 2020
Issue of New Shares (and any Additional New Shares) under the Entitlement Offer	Friday, 10 July 2020
Trading of New Shares (and any Additional New Shares) issued under the Entitlement Offer	Monday, 13 July 2020

The timetable above is indicative only and may be subject to change. InPayTech reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, InPayTech reserves the right to extend the closing date of the Entitlement Offer, to accept late applications under the Entitlement Offer (either generally or in particular cases) and to withdraw the Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares (and any Additional New Shares) issued under the Entitlement Offer.

The commencement of quotation of New Shares issued under the Entitlement Offer is subject to confirmation from ASX.

Cooling off rights do not apply to an investment in New Shares or any Additional New Shares. You cannot withdraw your application once it has been accepted. Eligible Shareholders wishing to participate in the Entitlement Offer are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Entitlement Offer opens.

## Letter from the Chairman

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24 June 2020

Dear Shareholder,

### **Integrated Payment Technologies Limited (ASX: IP1) – Entitlement Offer**

On behalf of the Board of Integrated Payment Technologies Limited, I am pleased to invite you to participate in a 1 for 2 non-renounceable pro-rata entitlement offer of fully paid ordinary shares in InPayTech at an offer price of A\$0.015 per New Share (**Offer Price**) to raise approximately \$2.316 million (before costs).

### **Entitlement Offer**

The Entitlement Offer was announced to the ASX on Tuesday, 16 June 2020.

The Entitlement Offer follows an institutional placement (**Placement**), led by Sanlam Private Wealth, of 77,000,000 new shares at the Offer Price to eligible institutional and sophisticated investors to raise approximately \$1.155 million. As announced on 16 June 2020, no existing eligible institutional and sophisticated investors chose to participate in the Placement.

Under the Entitlement Offer, Eligible Shareholders are being offered the opportunity to subscribe for 1 New Share for every 2 existing InPayTech shares held on the Record Date of 7.00pm (Sydney time) on Friday, 19 June 2020 (**Entitlement**). The Entitlement Offer may raise up to \$2.316 million.

Eligible Shareholders who take up their full Entitlement may also apply for additional New Shares in excess of their Entitlements at the Offer Price (**Additional New Shares**). Certain institutional and sophisticated investors will be invited by InPayTech to participate in any shortfall remaining after Additional New Shares are allocated to Eligible Shareholders. The allocation of Additional New Shares and any scale back will be in the Board's absolute discretion. The Entitlement Offer is underwritten by the Directors of InPayTech being Paul Collins, Don Sharp and Sandra Barns (or entities associated with them) along with InPayTech's largest shareholder Colin Scully (or entities associated with him) up to the value of \$500,000, \$250,000, \$20,000 and \$250,000 respectively (\$1.020 million in aggregate), each for a fee of \$1.00.

New Shares and any Additional New Shares will rank equally with existing shares in all respects from date of quotation.

The Entitlement Offer closes at 5.00pm (Sydney time) on Friday, 3 July 2020 (unless extended).

### **Taking up your Entitlement**

Accompanying this Offer Booklet is your personalised Entitlement and Acceptance Form which contains details of your Entitlement. If you choose to do nothing, your Entitlement will lapse and you will receive no value for your Entitlement.

To participate in the Entitlement Offer, you need to ensure that your personalised Entitlement and Acceptance Form is completed in accordance with the instructions provided on the form and the instructions in this Offer Booklet under "Offer Details & How to Apply". You may also apply for Additional New Shares using the Entitlement and Acceptance Form.

To participate, you must ensure that you have completed your application by paying Application Monies by BPAY® before 5:00pm (Sydney time) on Friday, 3 July 2020 or by lodging your completed Entitlement and Acceptance Form with your Application Monies paid by cheque, so that they are received by the Share Registry before 5:00pm (Sydney time) on Friday, 3 July 2020.

If you do not wish to take up any of your Entitlement, you do not have to take any action.

**Further information and application instructions**

Further details of the Entitlement Offer, as well as the key risks associated with investing in the Entitlement Offer are set out in this Offer Booklet which you should read carefully and in its entirety.

You should consult your stockbroker, accountant, or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

If you have any questions about the Entitlement Offer, please call 1300 55 66 35 (within Australia) or +61 3 9909 9909 (outside Australia) between office hours (Sydney time) Monday to Friday before the close of the Entitlement Offer.

On behalf of the Board of Directors and management team of Integrated Payment Technologies Limited, I invite you to consider this investment opportunity and thank you for your continued support.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Don Sharp', with a stylized, flowing script.

**Don Sharp**  
Chairman



# 1 Summary of Options Available to You

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If you are an Eligible Shareholder (see Section 5.1), you may take any of the following steps:

1. take up all or part of your Entitlement (see Section 2.4.1);
2. take up all of your Entitlement and apply for Additional New Shares (see Section 2.4.2);  
or
3. do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements (see Section 2.4.3).

Further information is provided below.

## 2 Offer Details & How to Apply

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### 2.1 Overview of the Entitlement Offer

InPayTech intends to raise up to approximately \$2.316 million under the Entitlement Offer.

Eligible Shareholders are being offered the opportunity to purchase 1 New Share for every 2 existing Shares held as at the Record Date of 7.00pm (Sydney time) on Friday, 19 June 2020, at the Offer Price of \$0.015 per New Share. The Offer Price of \$0.015 per share is the same offer price as that of the Placement of 77,000,000 new shares announced on 16 June 2020. The Offer Price represents a 25% discount to the closing price of InPayTech shares of \$0.02 per share as at 9 June 2020, and a 24.94% discount to the 15-day volume weighted average price (VWAP) prior to the announcement of the Entitlement Offer on 16 June 2020.

The Entitlement Offer provides Eligible Shareholders with the opportunity to take up all or part of their Entitlement. Entitlements under the Entitlement Offer are non-renounceable. Eligible Shareholders who take up all of their Entitlement can also apply for Additional New Shares.

You have a number of decisions to make in respect of your Entitlement. You should read this Offer Booklet carefully before making any decisions in relation to your Entitlement.

The Entitlement Offer opens on Wednesday, 24 June 2020 and will close at 5.00pm (Sydney time) on Friday, 3 July 2020 (unless extended).

Based on the underwriting arrangements (see page 9 of the Investor Presentation enclosed at Section 3 of this Offer Booklet), InPayTech is expected to raise a minimum amount of approximately \$1.020 million of new equity under the Entitlement Offer. This, combined with the \$1.155 million raised under the Placement means that the minimum amount to be raised under the Placement and the Entitlement offer is \$2.175 million.

Further details on the Entitlement Offer are set out below.

### 2.2 Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and calculated on the basis of 1 New Share for every 2 existing Shares you hold as at the Record Date (rounded up to the nearest whole number of New Shares).

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding. New Shares and any Additional New Shares issued under the Entitlement Offer will be fully paid and rank equally in all respects with existing shares.

## **2.3 Consider the Entitlement Offer carefully in light of your particular investment objectives and circumstances**

The Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow entitlement offers to be made without a prospectus. This Offer Booklet does not contain all of the information which may be required in order to make an informed decision regarding an application for New Shares and any Additional New Shares under the Entitlement Offer.

As a result, it is important for you to read carefully and understand the information on InPayTech and the Entitlement Offer that has been made publicly available, prior to deciding whether to take up all or part of your Entitlement, apply for any Additional New Shares, or do nothing in respect of your Entitlement. In particular, please refer to this Offer Booklet, the investor presentation and other announcements made available on the ASX website relating to InPayTech.

Please consult with your stockbroker, accountant or other professional adviser if you have any queries or are uncertain about any aspect of the Entitlement Offer. You should also refer to the “Key Risks” section of the Investor Presentation which is included in Section 3 of this Offer Booklet.

## **2.4 Options available to you**

### **2.4.1 If you wish to take up all or part of your Entitlement**

If you wish to take up all or part of your Entitlement, please either:

- complete and return the personalised Entitlement and Acceptance Form (indicating the number of New Shares) with the requisite Application Monies; or
- pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form,

in each case, by no later than 5.00pm (Sydney time) on Friday, 3 July 2020.

InPayTech will treat you as applying for as many New Shares as your payment will pay for in full. If you are paying by BPAY®, please make sure to use the specific biller code and unique reference number on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the reference number specific to the Entitlement on that Entitlement and Acceptance Form.

If you take up and pay for all of your Entitlement before the close of the Entitlement Offer, it is expected that you will be issued New Shares on Friday, 10 July 2020.

InPayTech’s decision on the number of New Shares to be issued to you will be final. InPayTech also reserves the right (in its absolute discretion) to reduce the number of New Shares issued if it believes an applicant’s claim to be overstated or if an applicant or their nominees or custodians fail to provide information to substantiate their claims to the InPayTech’s satisfaction.

### **2.4.2 If you wish to take up all of your Entitlement and apply for Additional New Shares**

If you wish to take up all of your Entitlement and apply for Additional New Shares, please either:

- complete and return the personalised Entitlement and Acceptance Form (indicating the number of New Shares and Additional New Shares) with the requisite Application Monies; or

- pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form,

in each case, by no later than 5.00pm (Sydney time) on Friday, 3 July 2020.

InPayTech will treat you as applying for as many New Shares and Additional New Shares as your payment will pay for in full.

Additional New Shares will only be available to the extent that there are Entitlements which are not taken up by other Eligible Shareholders. For further details on the allocation of any Additional New Shares, please see Section 2.4.4.

If you take up and pay for all of your Entitlement (and apply and pay for your Additional New Shares) before the close of the Entitlement Offer, it is expected that you will be issued New Shares and any Additional New Shares on Friday, 10 July 2020.

#### **2.4.3 If you wish to do nothing, your Entitlement will lapse and you will receive no value for those lapsed Entitlements**

The Entitlement Offer is non-renounceable. If you take no action you will not be allocated New Shares and your Entitlement will lapse. Shareholders who do not take up their Entitlements will not receive any payment or value for those Entitlements they do not take up.

Eligible Shareholders who do not participate fully in the Entitlement Offer will have their percentage holding in InPayTech diluted.

#### **2.4.4 Additional New Shares**

Eligible Shareholders may also apply for Additional New Shares in excess of their Entitlement at the same offer price of \$0.015 per New Share under a shortfall facility.

Additional New Shares will be drawn from New Shares that relate to Entitlements which have not been taken up under the Entitlement Offer.

There is no guarantee regarding the number of Additional New Shares (if any) that will be available to Eligible Shareholders under the shortfall facility, in addition to their Entitlement under the Entitlement Offer. This will depend on how many Entitlements are taken up. If all Entitlements are taken up under the Entitlement Offer then there will be no Additional New Shares available.

An Eligible Shareholder will not be issued any Additional New Shares under the shortfall facility if the issue of such Additional New Shares would cause InPayTech or that Eligible Shareholder to breach any applicable law.

In the event that demand for Additional New Shares under the shortfall facility exceeds the number of Additional New Shares that are available then, subject to the above, the number of Additional New Shares issued to Eligible Shareholders under the shortfall facility will be scaled back.

If, following the issue of New Shares and any Additional New Shares to Eligible Shareholders, there is any shortfall under the Entitlement Offer, certain institutional and sophisticated investors will be invited by InPayTech to subscribe for New Shares.

Decisions regarding the operation of the shortfall facility (including the issue of any Additional New Shares) and any necessary scale back will be made by the Directors in their absolute discretion having regard to the pro rata entitlement of eligible shareholders who apply for Additional New Shares.

The Entitlement Offer is underwritten by the Directors of InPayTech being Paul Collins, Don Sharp and Sandra Barns (or entities associated with them) along with InPayTech's largest shareholder Colin Scully (or entities associated with him) up to the value of \$500,000, \$250,000, \$20,000 and \$250,000 respectively (\$1.020 million in aggregate), each for a fee of \$1.00.

## 2.5 Ineligible Shareholders

All shareholders who are not Eligible Shareholders are Ineligible Shareholders. Ineligible Shareholders will not be entitled to participate in the Entitlement Offer.

Under the Entitlement Offer, InPayTech expects to be able to make offers to Eligible Shareholders holding shares in InPayTech at 7.00pm (Sydney time) on the Record Date.

## 2.6 Payment

You can pay in the following ways:

- by BPAY®; or
- by cheque; or
- as otherwise authorised by InPayTech.

Cash payments will not be accepted. Receipts for payment will not be issued.

InPayTech will treat you as applying for as many New Shares (up to your Entitlement) or Additional New Shares as your payment will pay for in full.

Any Application Monies received for more than your final allocation of New Shares and any Additional New Shares will be refunded as soon as practicable after the close of the Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

### Payment by BPAY®

For payment by BPAY®, please follow the instructions on your personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your application will not be recognised as valid.

Please note that where you pay by BPAY®:

- you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (Sydney time) on Friday, 3 July 2020. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

## **Payment by cheque or bank draft**

For payment by cheque or bank draft, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque in Australian currency for the amount of the Application Monies, payable to "Registry Direct Limited OBO Integrated Payment Technologies Limited" and crossed "Not Negotiable".

Your cheque must be:

- for an amount equal to \$0.015 multiplied by the number of New Shares and any Additional New Shares that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution. Payment cannot be made in New Zealand dollars. New Zealand resident shareholders must arrange for payment to be made in Australian dollars.

You should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies, as your cheque will be processed on the day of receipt. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares and any Additional New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower whole number of New Shares and any Additional New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares and any Additional New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

## **2.7 Mail**

To participate in the Entitlement Offer, your payment must be received no later than the close of the Entitlement Offer, being 5.00pm (Sydney time) on Friday, 3 July 2020. If you make payment via cheque, you should mail your completed personalised Entitlement and Acceptance Form together with Application Monies to:

### **Mailing Address**

Registry Direct  
PO Box 18366, Collins Street East,  
Melbourne Victoria 8003

Personalised Entitlement and Acceptance Forms and Application Monies will not be accepted at other offices of the Share Registry or if mailed to InPayTech's registered office or PO Box.

## **2.8 Representations by acceptance**

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be deemed to have represented to InPayTech that you are an Eligible Shareholder and:

- acknowledge that you have read and understand this Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- agree to be bound by the terms of the Entitlement Offer, the provisions of this Offer Booklet (including Section 4.1), and InPayTech's constitution;
- authorise InPayTech to register you as the holder(s) of New Shares and any Additional New Shares allotted to you;
- declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;

- declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- acknowledge that once InPayTech receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY®, you may not withdraw your application or funds provided except as permitted by law;
- agree to apply for and be issued up to the number of New Shares and any Additional New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY®;
- authorise InPayTech, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares and any Additional New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- declare that you were the registered holder(s) at the Record Date of the shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- acknowledge that the information contained in this Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares and any Additional New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- acknowledge that this Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in InPayTech and is given in the context of InPayTech's past and ongoing continuous disclosure announcements to ASX;
- acknowledge (and have read) the Key Risks section of the Investor Presentation enclosed at Section 3 of this Offer Booklet, and acknowledge that investments in InPayTech are subject to risk;
- acknowledge that none of InPayTech or its related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of InPayTech, nor do they guarantee the repayment of capital;
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and, should you choose to do so, the shortfall facility, and of your holding of shares on the Record Date;
- authorise InPayTech to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- represent and warrant (for the benefit of InPayTech and its related bodies corporate and affiliates) that you are not an Ineligible Shareholder and are otherwise eligible to participate in the Entitlement Offer;
- represent and warrant that the law of any place does not prohibit you from being given this Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares or Additional New Shares and that you are otherwise eligible to participate in the Entitlement Offer;
- represent and warrant that you, and each person on whose account you are acting, are not in the United States;

- you, and each person on whose account you are acting, understand and acknowledge that neither the New Shares nor the Additional New Shares have been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia and New Zealand and accordingly, the Entitlements may not be taken up, and the New Shares and Additional New Shares may not be offered, sold or otherwise transferred, directly or indirectly, in the United States, except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws;
- you have not and you will not send this Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Entitlement Offer to any person in the United States;
- if in the future you decide to sell or otherwise transfer the New Shares or any Additional New Shares, you will only do so in transactions exempt from, or not subject to, the registration requirements of the Securities Act. Notwithstanding the foregoing, after quotation and the commencement of trading of the New Shares and any Additional New Shares, you may sell such New Shares or Additional New Shares in regular transactions on the ASX or otherwise where neither you nor any person acting on your behalf know, or has reason to know, that the sale has been pre-arranged with, or that purchaser is, a person in the United States; and
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia, New Zealand or Singapore or such other country that does not prohibit the beneficial holder from being given this Offer Booklet or the personalised Entitlement and Acceptance Form, or prohibit the beneficial holder from making an application for New Shares or Additional New Shares and is not in the United States, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Entitlement Offer to any such person.

## 2.9 Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions, please contact InPayTech on 1300 55 66 35 (within Australia) or +61 3 9909 9909 (outside Australia) between office hours (Sydney time) Monday to Friday before the close of the Entitlement Offer. If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.





ASX Release Date: 16 June 2020

## **Capital Raising via Placement and Rights Issue and signing of non-binding conditional term sheet to acquire Biz Integration**

- Successful placement of 77m shares at \$0.015 per share to raise \$1,155,000;
- Announces a non-renounceable rights issue to raise up to approximately \$2.3 million with 1 new share offered for each 2 shares held at \$0.015 per new share; and
- Has entered into a non-binding conditional term sheet to acquire Biz Integration Pty Ltd ("Biz Integration").

### **Capital Raising**

Integrated Payment Technologies Limited ("IP1" or "InPayTech") is pleased to announce a successful institutional placement and a non renounceable rights issue.

#### **Placement**

The Company has conducted a successful institutional Placement, led by Sanlam Private Wealth, of 77,000,000 new shares at \$0.015 per share to eligible new institutional and sophisticated investors to raise \$1,155,000<sup>1</sup>. InPayTech is relying on the Temporary Extra Placement Capacity Class Order Waiver to take advantage of the 25% placement capacity to raise urgently required funds. Placement broker fees:

- A capital raising fee of 6% plus GST of the gross proceeds raised under the Placement;
- Corporate Administration and Management fee of \$5,000 plus GST; and
- The issue of 1,850,000 unlisted options (subject to shareholder approval) with a strike price of 3.5 cents with an expiry date of 2 years from the date they are issued. These options are to be paid for at a deemed issue price of \$0.00001 and will be issued to Sanlam Private Wealth, assuming the necessary shareholder approvals are obtained.

#### **Non Renounceable Rights Issue**

InPayTech announces a non-renounceable rights issue to raise up to approximately \$2.316 million. The Entitlement Offer comprises:

- a 1 for 2 partially underwritten (to the value of \$1.02m) non-renounceable Entitlement Offer to existing shareholders to raise up to A\$2.316 million;
- Up to 154,420,149 new InPayTech shares may be issued under the Entitlement Offer at \$0.015 per share (New Shares) (subject to rounding down of fractional entitlements); and
- Eligible shareholders who take up their full entitlement under the Entitlement Offer, and new

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<sup>1</sup> No eligible institutional/professional shareholders of InPayTech chose to participate in the Placement. An eligible institutional/professional shareholder's existing holding was estimated by reference to InPayTech's latest available beneficial register which shows historical holdings as at the date of that register (being 11/6/2020) which is necessarily not fully up to date. No verification or reconciliation of the holdings as shown in the historical beneficial register was undertaken and accordingly this may not truly reflect the participating eligible institutional/professional shareholder's actual holding. InPayTech and Sanlam Private Wealth do not have any obligation to reconcile assumed holdings (e.g. for recent trading or swap positions) when determining allocations. InPayTech and Sanlam Private Wealth disclaim any duty or liability (including for negligence) in respect of the determination of an eligible institutional/professional shareholder's allocation using their assumed holdings

institutional/sophisticated investors will be able to apply for New Shares under the Entitlement Offer (subject to allocation and scaleback in the Board's absolute discretion having regard to the pro rata entitlement of eligible shareholders who apply for additional New Shares).

Three directors of InPayTech, Paul Collins, Don Sharp and Sandra Barns (or entities associated with them) along with InPayTech's largest shareholder Colin Scully (or entities associated with him) have irrevocably agreed to underwrite the Entitlement Offer to the value of \$500,000, \$250,000, \$20,000 and \$250,000 respectively for the fee of \$1.

### **Purpose of the Capital Raising**

With strong institutional support, the placement (conducted under the Temporary Extra Placement Capacity Class Order Waiver) raised \$1,155,000. The Entitlement Offer is underwritten up to \$1.02m. It is therefore expected that the minimum amount to be raised in the Capital Raising will be \$2.175m. On this basis, IP1 proposes funds raised to be used as follows:

- Balance sheet repair by repaying \$750,000 of shareholder loans;
- the payment of existing Creditors and Redundancy payments; and
- as working capital to assist IP1 to continue to trade through COVID-19, including 'business as usual' software development, customer acquisition and business development opportunities, and other growth initiatives.

If more funds are raised under the Entitlement Offer than the minimum expected through the partial underwriting noted above, those funds will also be used for additional working capital.

### **Proposed acquisition of Biz Integration**

InPayTech is pleased to announce it has entered into a non-legally binding conditional terms sheet to acquire Biz Integration Pty Ltd by acquiring 100% of the shares of Biz Integration. If it proceeds, the transaction should allow InPayTech to integrate its ClickSuper and PayVu technologies with the Biz Integration's extensive employee and superannuation member application and API platform and enable InPayTech to offer an extended suite of products and services for the payroll, SME and Superannuation markets.

Biz Integration is a privately held, non operating Sydney based technology company which has developed a methodology and an extensive set of applications and APIs for implementing comprehensive, digital, customer engagement solutions for financial services customers.

The InPayTech Development team would take over the development of the Biz Integration platform under the limited guidance of Biz Integration's existing directors who were also original founders of the precursor companies of InPayTech and co inventors of the InPayTech payment patents.

The consideration to acquire Biz Integration Pty Ltd, should that be the agreed outcome, is expected to be by:

- the issue of 20,000,000 shares in IP1 to Biz Integration ordinary shareholders. Any such issue of shares as consideration will be subject to shareholder approval. If issued, the shares will be escrowed for period of 12 months from the issue date;

- further consideration is expected to be \$30,000 up front cash payment as a reimbursement for loading and testing the platform on the InPayTech infrastructure to a demonstrable level; and
- Biz Integration shareholders are expected to participate in a performance share issue in 2 tranches as follows:
  - IP1 is expected to issue a further 5,000,000 shares if by 31 December 2021, the Biz Integration platform has 100,000 individuals on the platform who are either directly or indirectly contributing a recurring revenue to IP1; and
  - IP1 is expected to issue a further 5,000,000 shares if by 31 December 2021, it has achieved 2 consecutive quarters of positive operating cash flows.
  - The issue of any performance shares may also be subject to shareholder approval.

### **Conditions**

Key conditions to the proposed acquisition include:

- Completion of confirmatory due diligence;
- Biz Integration shareholders and InPayTech execute appropriate legally binding transaction documentation;
- No material adverse change to the business, assets or prospects of Biz Integration between now and execution of definitive transaction documents; and
- Approval from all relevant regulatory and government bodies, and receipt of any relevant third party consents.

### **Authorised by the Board**

#### **Contact Details:**

Don Sharp  
Executive Chairman  
M: 0419 632 315



**InPayTech**  
Integrated Payment Technologies Limited

# Entitlement Offer Presentation

16 June 2020

Authorised by the Board

Contact details:  
Executive Chairman  
Don Sharp  
M: 0419 632 315



## Cautionary Statements



### Nature of this document

This presentation has been prepared by Integrated Payment Technologies Limited (**InPayTech, IP1 or Company**) in relation to an institutional placement (**Placement**) and pro rata non-renounceable entitlement offer (**Entitlement Offer**) of new ordinary shares (**New Shares**) in InPayTech to be made under section 708AA of the Corporations Act 2001 (Cth) (Corporations Act) (as modified by ASIC Corporations Instrument 2016/84). The Entitlement Offer will be made to eligible shareholders of InPayTech (**Entitlement Offer**). The Placement and Entitlement Offer are together referred to as the **Capital Raising**.

### Summary information

This presentation contains summary information about InPayTech as at the date of the presentation. The information in this presentation is of a general nature and does not purport to be complete or contain all information that a prospective investor should consider when evaluating an investment decision in InPayTech or that would be required in a prospectus, disclosure document, product disclosure statement or other offering document prepared in accordance with the requirements of the Corporations Act 2001 (Cth) (Corporations Act) or any other law. It is for information purposes only and is not an invitation nor offer of securities for subscription, purchase or sale in any jurisdiction. Any decision to purchase New Shares must be made on the basis of the information to be contained in a separate offer document to be issued to eligible investors. The offer booklet for the Entitlement Offer will be available following its lodgement with ASX. Any eligible shareholder who wishes to participate in the Entitlement Offer should consider the offer booklet before deciding to apply under that offer. Anyone who wishes to apply for New Shares under the Entitlement Offer will need to apply in accordance with the instructions contained in the offer booklet and the entitlement and application form.

No representation or warranty, express or implied, is provided in relation to the accuracy or completeness of the information. None of the advisers to InPayTech or any other person, have authorised, permitted or caused the issue, submission, dispatch or provision of this presentation and, except to the extent referred to in this presentation, none of them makes or purports to make any statement in this presentation and there is no statement in this presentation which is based on any statement by any of them. relation to the accuracy or completeness of the information.

This presentation should be read in conjunction with InPayTech's other periodic news releases or ASX disclosure documents as available from time to time.

### Forward looking statements

This presentation contains forward-looking statements and information that are necessarily subject to risks, uncertainties, and other factors, many of which are beyond the control of InPayTech, and may involve significant elements of subjective judgement and assumptions. Forward looking statements can generally be identified by the use of forward looking words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "will", "could", "may", "target", "plan" and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include statements regarding outcome and effects of the equity raising. Indications of, and guidance or outlook on future earnings, distributions or financial position or performance are also forward looking statements. Many factors could cause actual results, performance or achievements of the InPayTech to be materially different from those expressed or implied in this release including, amongst others, changes in general economic and business conditions, regulatory environment, results of advertising and sales activities, competition, and the availability of resources. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this presentation. Except as required by law, InPayTech assumes no obligation to update or correct the information in this presentation. To the maximum extent permitted by law, InPayTech and its subsidiaries and officers do not make any representation or warranty as to the likelihood of fulfilment of any forward-looking statements and disclaim responsibility and liability for any forward-looking statements or other information in this presentation.

## Cautionary Statements



### Past performance

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its future financial performance or condition. Investors should note that past performance, including past share price performance, of InPayTech, cannot be relied upon as an indicator of (and provides no guidance as to) future InPayTech performance including future share price performance.

### Investment Risk

This presentation has been prepared without taking account of any person's investment objectives, financial situation or particular needs, and prospective investors should conduct their own independent investigation and assessment of the Capital Raising and the information contained in, or referred to in, this presentation. This presentation does not constitute financial product advice and does not and will not form any part of any contract for the acquisition of New Shares.

An investment in InPayTech is subject to investment and other known and unknown risks, some of which are beyond the control of the InPayTech. InPayTech does not guarantee any particular rate of return or the performance of InPayTech, nor does it guarantee the repayment of capital from InPayTech, or any particular tax treatment. Persons should read the Key Risks section of this presentation for a non-exhaustive summary of the key issues that may affect InPayTech and its financial and operating performance.

### Financial data

All dollar values are in Australian dollars (A\$) and financial data is presented as at the date stated. The pro forma financial information and past information provided in this presentation is for illustrative purposes only and is not represented as being indicative of InPayTech's views on its future financial condition and/or performance.

### General disclaimer

No person is authorised to give any information or make any representation in connection with the Capital Raising which is not contained in this presentation. Any information or representation not contained in this presentation may not be relied upon as having been authorised by InPayTech in connection with the Capital Raising. To the maximum extent permitted by law, InPayTech and its affiliates, officers, employees, agents and advisers disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Capital Raising and the information in this presentation being inaccurate or due to information being omitted from this presentation, whether by way of negligence or otherwise, make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of the information in this presentation. The information in this presentation remains subject to change without notice. InPayTech reserves the right to withdraw or vary the timetable for the Capital Raising without notice.

### Overseas offerings

New shares may not be offered or sold in any other jurisdiction, except to persons to whom such offer, sale or distribution is permitted under applicable law.

### New Zealand disclaimer

This presentation has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the FMC Act). The New Shares are not being offered to the public within New Zealand other than to existing shareholders of InPayTech with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. Other than in the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;

## Cautionary Statements



- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

### Singapore Disclaimer

This presentation and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this presentation and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA. This presentation has been given to you on the basis that you are (i) an existing holder of the InPayTech's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore. Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly. Notification under Section 309B(1)(c) of the SFA -- In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 (the "CMP Regulations 2018"), InPayTech has determined the classification of the New Shares as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the **Provinces**) and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such New Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators. No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of New Shares and any representation to the contrary is an offence. No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the New Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the New Shares. The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada. Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

*Statutory rights of action for damages and rescission*



## Cautionary Statements



Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser. The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Company if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Company, provided that (a) the Company will not be liable if it proves that the purchaser purchased the New Shares with knowledge of the misrepresentation; (b) in an action for damages, the Company is not liable for all or any portion of the damages that the Company proves does not represent the depreciation in value of the New Shares as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the New Shares were offered.

Section 138 of the *Securities Act (Ontario)* provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

*Certain Canadian income tax considerations.* Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

### U.S. disclaimer - not for distribution in the United States of America

This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States of America (United States). This presentation may not be distributed or released in the United States. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 (U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States absent registration except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws.



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# Capital Raising Overview



**Capital Raising** Comprises the institutional **Placement** and the **Entitlement Offer**.

**Entitlement Offer size and structure** **Entitlement Offer** comprises:

- a 1 for 2 partially underwritten non-renounceable entitlement offer to existing shareholders to raise up to A\$2.316 million.
- Up to 154,420,149 new InPayTech shares may be issued under the Entitlement Offer at \$0.015 per share (**New Shares**) (subject to rounding down of fractional entitlements).
- Eligible shareholders who take up their full entitlement under the Entitlement Offer, and new institutional/sophisticated investors will be able to apply for New Shares under the Entitlement Offer (subject to allocation and scaleback in the Board's absolute discretion).<sup>1</sup>
- New Shares issued under the Entitlement Offer will rank equally with existing InPayTech shares on issue.

1. Eligible shareholders who take up their full Entitlement may also apply for additional New Shares in excess of their Entitlement. Additional New Shares will only be available to the extent there is a shortfall between applications received from eligible Shareholders and the number of New Shares proposed to be issued under the Entitlement Offer. InPayTech retains the flexibility to scale back applications for additional New Shares at its discretion having regard to the pro rata entitlement of eligible shareholders who apply for additional New Shares.

## Capital Raising Overview (cont)



### Placement

#### Successful institutional **Placement**.

This Entitlement Offer immediately follows an institutional Placement, led by Sanlam Private Wealth, of 77,000,000 new shares at \$0.015 per share to eligible institutional and sophisticated investors to raise \$1,155,000. No eligible existing institutional/professional shareholders of InPayTech chose to participate in the Placement.<sup>1</sup> InPayTech is relying on the Temporary Extra Placement Capacity Class Order Waiver to take advantage of the 25% placement capacity to raise urgently required funds. Placement broker fees:

- A capital raising fee of 6% plus GST of the gross proceeds raised under the Placement;
- Corporate Administration and Management fee of \$5,000 plus GST; and
- The issue of 1,850,000 unlisted options (subject to shareholder approval) with a strike price of 3.5 cents with an expiry date of 2 years from the date they are issued. These options are to be paid for at a deemed issue price of \$0.00001 and will be issued to Sanlam Private Wealth, assuming the necessary shareholder approvals are obtained.

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<sup>1</sup> An eligible institutional/professional shareholder's existing holding was estimated by reference to InPayTech's latest available beneficial register which shows historical holdings as at the date of that register (being 11/6/2020) which is necessarily not fully up to date. No verification or reconciliation of the holdings as shown in the historical beneficial register was undertaken and accordingly this may not truly reflect the participating eligible institutional/professional shareholder's actual holding. InPayTech and Sanlam Private Wealth do not have any obligation to reconcile assumed holdings (e.g. for recent trading or swap positions) when determining allocations. InPayTech and Sanlam Private Wealth disclaim any duty or liability (including for negligence) in respect of the determination of an eligible institutional/professional shareholder's allocation using their assumed holdings.

## Capital Raising Overview (cont)



### Partial underwriting

- Three directors of the company, Paul Collins, Don Sharp and Sandra Barns (or entities associated with them) along with InPayTech's largest shareholder Colin Scully (or entities associated with him) have irrevocably agreed to underwrite the Entitlement Offer to the value of \$500,000, \$250,000, \$20,000 and \$250,000 respectively for a fee of \$1.

### Price

- A\$0.015 per New Share
  - 25% discount to InPayTech's closing price on Tuesday, 9 June 2020 of A\$0.02; and
  - 24.94% discount to InPayTech's 15 day volume weighted average price (VWAP)<sup>2</sup> of A\$0.019983

### Purpose

- With strong institutional support, the placement (conducted under the Temporary Extra Placement Capacity Class Order Waiver) raised \$1,155,000. The Entitlement Offer is underwritten up to \$1.02m. It is therefore expected that the minimum amount to be raised in the Capital Raising will be \$2.175m. On this basis, IP1 proposes funds raised to be used as follows:
  - Balance sheet repair by repaying \$750,000 of shareholder loans;
  - the payment of existing Creditors and Redundancy payments; and
  - as working capital to assist IP1 to continue to trade through COVID-19, including 'business as usual' software development, customer acquisition and business development opportunities, and other growth initiatives.
- If more funds are raised under the Entitlement Offer than the minimum expected through the partial underwriting noted above, those funds will also be used for additional working capital.

### Brokerage

- If the Company uses a broker to offer any New Shares from the Entitlement Offer shortfall facility (if any), then the Company may pay a brokerage fee of up to 6%.

2. The volume weighted average price (VWAP) is the average price a security has traded at throughout the day, based on both volume and price.

## Current Business

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### ClickSuper

- ClickSuper is InPayTech's current main income generating product.
- Since its launch in 2010, ClickSuper has processed millions of superannuation and e-commerce transactions representing more than \$20 billion in value.
- ClickSuper has been developed with the intention to deliver enhanced security, automated and compliant payment and message handling services, including SuperStream data transfers to the ATO.
- The company has maintained its ISO 27001 accreditation making it compliant with ATO requirements.
- The company is continuing with its ISAE 3402 SOC2 accreditation audit, and if passed, will make it one of the most compliant Superstream service suppliers
- ClickSuper is one of ten active SuperStream service providers, operating in a highly competitive market.
- The Company aims to package its ClickSuper offering with Biz Integration under the brand name of ClickVu, and to increase revenues by implementing comprehensive, digital, customer engagement and payment solutions for employers, payroll companies, superannuation funds and financial services customers.

## Current Business (cont)



### PayVu

- PayVu has evolved from a simple payment assistant for SME business owners to a fully automated multi-feature payments platform.
- PayVu's main features comprise:
  - complete display of all due payments from the client's accounting system (eg XERO);
  - payment recommendations communicated by smart phone to business owners to approve or reject;
  - direct credit and BPay payments made via internet banking;
  - full accounting system synchronization;
  - automated supplier payment notifications;
  - multi-factor authentication for security;
  - smart phone application for business owners to allow a "swipe"- approve/reject a payment at an item level; and
  - full payroll and SuperStream compliance.
- The major development phase of PayVu is now complete with the release into production of PayVu's partner API integration with Xero. It was planned to launch this release at the Accounting Business Expo Conference in Sydney in March 2020. Unfortunately, this conference was cancelled due to COVID-19 and has been rescheduled for later in the year.
- In the interim, the Company is assisting targeted clients to onboard to PayVu as well as exploring partnering opportunities.

## Growth Opportunity



### Biz Integration

#### Potential Acquisition of Biz Integration Pty Ltd

- InPayTech has made a non legally binding terms sheet to purchase the company Biz Integration Pty Ltd, thereby acquiring the rights to an extensive employee and superannuation member application and API platform which should enable InPayTech to offer an extended suite of products and services for the payroll, SME and Superannuation markets;
- The consideration to acquire Biz Integration Pty Ltd, should that be the agreed outcome, is expected to be by:
  - the issue of 20,000,000 shares in IP1 to Biz Integration ordinary shareholders. Any such issue of shares as consideration will be subject to shareholder approval. If issued, the shares will be escrowed for period of 12 months from the issue date;
  - further consideration is expected to be \$30,000 up front cash payment as a reimbursement for loading and testing the platform on the InPayTech infrastructure to a demonstrable level; and
  - Biz Integration shareholders are expected to participate in a performance share issue in 2 tranches as follows:
    - IP1 is expected to issue a further 5,000,000 shares if by 31 December 2021, the Biz Integration platform has 100,000 individuals on the platform who are either directly or indirectly contributing a recurring revenue to IP1; and
    - IP1 is expected to issue a further 5,000,000 shares if by 31 December 2021, InPayTech has achieved 2 consecutive quarters of positive operating cash flows.
  - The issue of any performance shares may also be subject to shareholder approval.










## Growth Opportunity (cont)

### Biz Integration

The functionality of Biz Integration can be summarized at a high level as follows:

#### The Bizintegration pre built API's

Bizintegration provides over 140 API's that can be used to build engaging apps for customers

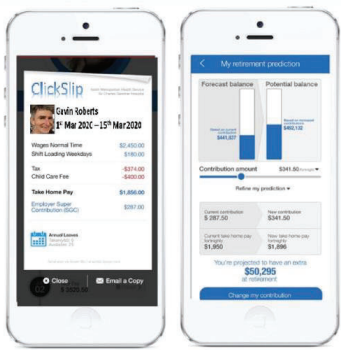
	Membership API's used to manage information for individuals, families and businesses. Supports financial, employment family and loyalty relationships.
	Product API's used to manage banking and non-banking products including accounts, funds, insurance, property and other asset classes. Supporting financial education and literacy through to advice.
	Deals, tips / recommendations and notification API's that marry tips to 'life moments' and help people minimize expenses and maximise their savings and investments.
	A comprehensive range of investment, insurance, retirement and loan calculators used to assess personal financial needs and match with products and services
	Aggregated financial analysis API's such as cashflow analysis, income and expense analysis, future payment schedules
	A set of API's that help manage service providers / go to market partners on the platform, enabling a true digital market place
	A collection of ecosystem API's used to manage relationships. For example employer : employee, fund : member, parent : child, SME : supplier, merchant : customer
	Location, Country, Currency and Language API's that allow engagement across geographically distributed ecosystem.
	The Administration API's manage and connect products and services on a platform across the ecosystem.



## Growth Opportunity (cont)

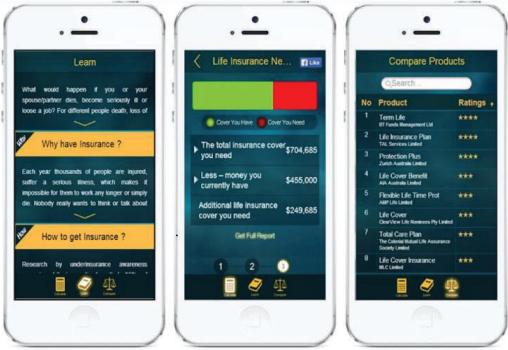
### Biz Integration

**Some example Apps built using BizIntegration APIs**  
Applicable across multiple customer segments



**Digital Payslip**      **Retirement Investments**

**An investment + retirement planning calculator that is integrated with your digital payslip**



**Educate**      **Inform**      **Compare / decide**

**A Financial Literacy App that helps people understand their insurance needs and helps find the best product**

## Use of Funds – \$2.175 m (Placement Funds and the underwritten component of the Entitlement Offer)



This table displays intended use of the Placement funds and minimum funds to be raised under the Entitlement Offer (ie 44.04% underwritten).			
Sources	\$m	Uses	\$m
Cash balance and receivables at 30 April 2020	0.175	Payment of existing Creditors and Redundancy payments	0.332
Cash raised from Placement	1.155	Pay down debt	0.750
Cash raised from Entitlement Offer	1.020	ISAE 3402 SOC 2 Accreditation application and maintenance	0.100
		Cost of the Capital Raising	0.120
		Cash on hand for working capital to continue to trade through COVID-19 and grow the business	1.048
<b>Total sources of funds</b>	<b>2.350</b>	<b>Total uses of funds</b>	<b>2.350</b>

## Use of Funds – \$3.471 m (Placement Funds and 100% of the Entitlement Offer)



This table displays intended use of the Placement funds and 100% of funds to be raised under the Entitlement Offer.			
Sources	\$m	Uses	\$m
Cash balance and receivables at 30 April 2020	0.175	Payment of existing Creditors and Redundancy payments	0.332
Cash raised from Placement	1.155	Pay down debt	0.750
Cash raised from Entitlement Offer	2.316	ISAE 3402 SOC 2 Accreditation application and maintenance	0.100
		Cost of the Capital Raising	0.210
		Cash on hand for working capital to continue to trade through COVID-19 and grow the business	2.254
<b>Total sources of funds</b>	<b>3.646</b>	<b>Total uses of funds</b>	<b>3.646</b>

## Proforma Balance Sheet Summary



### Pro forma balance sheet summary

\$'000	Dec-19 Reviewed	Dec-19 Minimum Pro forma	Dec-19 Maximum Pro forma
<b>Current assets</b>			
Cash and cash equivalents	348	2,402	3,609
Trade receivables	394	403	409
<b>Total current assets</b>	<b>742</b>	<b>2,805</b>	<b>4,017</b>
<b>Non current assets</b>			
PP&E	27	27	27
Intangibles	3,391	3,391	3,391
Deferred tax	423	423	423
<b>Total non current assets</b>	<b>3,840</b>	<b>3,840</b>	<b>3,840</b>
<b>Total assets</b>	<b>4,582</b>	<b>6,645</b>	<b>7,857</b>
<b>Current liabilities</b>			
Trade payables	226	226	226
Deferred government grant	68	68	68
Borrowings	300	750	750
Employee benefits	266	266	266
<b>Total current liabilities</b>	<b>859</b>	<b>1,309</b>	<b>1,309</b>
<b>Non current liabilities</b>			
Deferred government grant	102	102	102
Deferred revenue	423	423	423
<b>Total non current liabilities</b>	<b>524</b>	<b>524</b>	<b>524</b>
<b>Total liabilities</b>	<b>1,383</b>	<b>1,833</b>	<b>1,833</b>
<b>Net assets</b>	<b>3,199</b>	<b>4,812</b>	<b>6,024</b>
<b>Equity</b>			
Issued capital	21,601	23,694	24,903
Share option reserve	740	740	740
Accumulated losses	(19,142)	(19,622)	(19,620)
<b>Total shareholder's equity</b>	<b>3,199</b>	<b>4,812</b>	<b>6,024</b>

## Timetable

Event	Date
<b>Announcement of Entitlement Offer</b>	<b>Tuesday 16 June 2020</b>
<b>Record date for Entitlement Offer (7pm, Sydney time)</b>	<b>Friday 19 June 2020</b>
<b>Issue of shares under the Placement</b>	<b>Monday 22 June 2020</b>
<b>Entitlement Offer opens and Entitlement Offer booklet dispatched</b>	<b>Wednesday 24 June 2020</b>
<b>Entitlement Offer closes</b>	<b>Friday 3 July 2020</b>
<b>Issue of New Shares under the Entitlement Offer</b>	<b>Friday 10 July 2020</b>
<b>Normal trading of New Shares issued under the Entitlement Offer</b>	<b>Monday 13 July 2020</b>
The above timetable is indicative only and subject to change without notice. InPayTech reserves the right to vary these dates (or times) or to withdraw the Entitlement Offer at any time.	

## Post Offer and Placement Capital Structure



	Pre Entitlement Offer and Placement	Post Entitlement Offer (assuming \$1.02m) and Placement	Post Entitlement Offer (if 100% accepted) and Placement
Shares	308.84Million	453.8Million	540.26Million
Cash	\$0.175M	\$2.35M	\$3.65M
Market Cap (at \$0.02)	\$6.18M	\$9.1M	\$10.81M

# Potential Effect of the Capital Raising on the beneficial ownership of InPayTech



Shareholder	Number of shares over which holder has beneficial ownership as at the date of this presentation	Beneficial ownership percentage of InPayTech as at the date of this presentation	Maximum number of shares over which holder may have beneficial ownership following completion of the Capital Raising	Maximum beneficial ownership percentage of InPayTech following completion of the Capital Raising <sup>3</sup>
Colin Scully and associated entities	75,107,684	24.32%	112,661,526 <sup>1</sup>	22.92%
Don Sharp and associated entities	63,054,794	20.42%	94,582,191 <sup>1</sup>	19.24%
Paul Collins and associated entities	8,373,374	2.71%	41,706,707 <sup>2</sup>	8.48%
Robin Beauchamp and associated entities	4,085,200	1.32%	6,127,800 <sup>1</sup>	1.24%
Sandra Barns and associated entities	0	0%	1,666,666 <sup>2</sup>	0.27%

<sup>1</sup> This calculation is based on Colin Scully, Don Sharp and Robin Beauchamp (or their associated entities) taking up their full entitlement (which may be more than their underwriting value).  
<sup>2</sup> This calculation is based on Paul Collins and Sandra Barns (or their associated entities) being issued shares to the maximum value of their underwriting commitment as referred to on page 9.  
<sup>3</sup> The % shares held post capital raise is calculated off the enlarged capital base including issue of Placement shares and the Entitlement Offer shares assuming no shares are subscribed for under the Entitlement Offer other than those mentioned in footnotes 1 and 2 on this page.

## Key Risks

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### ***Introduction***

An investment in InPayTech will be exposed to a number of risks.

Risks include key risks relating to InPayTech's business that senior management and the Directors focus on when managing the business and have the potential, if they occurred, to result in significant consequences for InPayTech and an investment in it, and also other risks that the Directors regard as being potentially material. These risks are described below.

There are also risks that are common to an investment in shares and which are not specific to an investment in InPayTech; for example, the general volatility of share prices including as a result of general economic conditions (including monetary and fiscal policy settings as well interest rates) in Australia and other events outside the usual course of InPayTech's business such as acts of terrorism or war.

Investors should note that the occurrence or consequences of some of the risks described in this section are partially or completely outside the control of InPayTech, its Directors and senior management. Further, investors should note that this description is a summary only and does not purport to list every risk that InPayTech may face now or in the future. It is important to note that there can be no guarantee that InPayTech will achieve its stated objectives or that any forward looking statements contained in this presentation will be realised or otherwise eventuate.

Investors should satisfy themselves that they have a sufficient understanding of these matters, including the risks described below, and have regard to their own investment objectives, financial circumstances and taxation position. If you do not understand any part of this presentation, it is recommended that you seek professional guidance from your stockbroker, solicitor, accountant or other independent and qualified professional adviser.



### **Current revenue value**

InPayTech's current revenue streams are primarily from clients contracted to use ClickSuper. Client contract renewals occur on a rolling basis. There is a risk that not all contracts with existing clients will be renewed or that new clients will not contract with InPayTech.

### **Regulatory Risks**

In order to maintain its ATO approval and continue to provide the ClickSuper service as intended, InPayTech must maintain its ISO 27001 accreditation. In order to increase market share in the superfund markets and execute its growth strategy, the Directors believe InPayTech should obtain ISAE 3402 SOC2 accreditation. This initiative is hard won and due to the implementation taking so long the Company has opted for a 3 month audit period. There is a risk that InPayTech may not obtain this accreditation, or that when it does obtain this accreditation, it is unable to maintain it. This could be as a result of changes to the accreditation requirements, or an inability to meet the existing requirements. A failure to obtain or maintain these accreditations could restrict InPayTech's business operations and its ability to generate revenues.

As with all companies involved in providing financial services products, InPayTech must comply with a frequently changing regulatory environment. There is a risk that InPayTech may fail to comply with regulatory requirements that exist now or are introduced in the future, which could lead to an increase costs of operations, more onerous legal and administrative hurdles, or restrict InPayTech's business operations and its ability to generate revenues.

***Competing products***

InPayTech operates in a competitive market. It is aware of several other companies providing similar products to ClickSuper and STP. Competitors may be large companies which have access to significant resources with which to compete with InPayTech. Competitors (existing or new) may be able to market and/or develop products that are more effective and/or more cost effective.

Payroll groups or software providers could develop their own Clearing House and establish a Gateway. If this is the case, ClickSuper could lose these payroll groups as clients which would adversely affect the performance and growth prospects of InPayTech.

***Unable to complete the proposed Biz Integration acquisition***

InPayTech has made a non legally binding terms sheet to acquire the company Biz Integration Pty Ltd. If this proposed transaction should not proceed, it may delay the growth prospects of InPayTech.

***Dependence on key personnel***

The operations and future success of InPayTech depends upon the efforts and abilities of its key executives. The loss of any of these people's services could adversely affect InPayTech's performance and its ability to execute its growth strategy.

### ***Funding***

The proposed use of funds set out in this presentation is based on estimates and assumptions about certain events and circumstances which have not yet taken place, and are therefore subject to variation and possible non fulfilment. There can be no assurances as to the accuracy of estimated expenditure or funding needs described in this presentation.

### ***Future capital needs***

If the Entitlement Offer is not fully subscribed, or if InPayTech takes longer to become cash positive, it may be necessary for InPayTech to raise additional funds in order to undertake further product development or fund other working capital needs which arise. There is no assurance that such funding will be available to InPayTech in the future or that it will be available on acceptable terms.

### ***Risk of dilution***

In the future, InPayTech may elect to issue new securities including in connection with fundraisings to deliver its growth strategy. While InPayTech will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital it is able to issue within a 12 month period (other than where exceptions apply), investors may be diluted as result of such issues of securities.

### ***Interest Rates***

ClickSuper receives revenue from interest earned on a cash pool of payments awaiting settlement through its payment clearing house service. This is a common arrangement for Superannuation payment clearing houses, but is a model the Company is working to lessen its reliance on this revenue item through its new initiatives. That said, the amount of interest earned varies month to month subject to the amount of cash in the pool and the prevailing interest rate offered by the holding bank. The impact of the Interest rate decreases over the last 12 months have now been factored in management forecasting however any further rate cuts will have a direct adverse impact on ClickSuper revenues.

### ***Unanticipated Market Changes***

It is possible that the superannuation and/or electronic payments markets may change in a way not anticipated by InPayTech. This change may be caused by the influence of single touch payroll, for example, if superannuation funds were to invest in a methodology to create a path between the employer and the ATO. Such changes may adversely affect the growth prospects, operating results and financial performance of InPayTech.

### ***Contractual and Counterparty Risks***

As a party to many contracts, InPayTech will have various contractual rights in the event of noncompliance by a contracting party. However, no assurance can be given that all contracts will be fully performed by all contracting parties and that InPayTech will be successful in securing compliance with the terms of each contract by the counterparties to its contracts.

InPayTech's material contracts may contain provisions providing for early termination of the contracts, on giving notice and paying a termination amount (which varies between the contracts). The early termination of any of these contracts, for any reason, may mean that InPayTech will not realise the full value of the contract, which is likely to adversely affect the growth prospects, operating results and financial performance of InPayTech.

### ***Litigation***

InPayTech is not currently involved in any material contractual disputes or litigation, arbitration or government prosecution matters. There is a risk that InPayTech may in the future have disputes with its customers/suppliers or other third parties (including payment disputes) and this may have an adverse impact its growth prospects, operating results and financial performance.

### ***Disruption of Business Operations***

InPayTech and its customers are exposed to a large range of operational risks relating to both current and future operations. Such operational risks include equipment failure, accidents, information systems failure, external services failure, industrial action or disputes. While InPayTech endeavours to take appropriate action to mitigate these operational risks and, where the Directors consider it practicable, insure against them, InPayTech cannot remove all possible risks of disruption to its business operations, and it cannot control the risks its clients are exposed to. A disruption in InPayTech's operations or those of its clients may have an adverse impact its growth prospects, operating results and financial performance.

### ***Failure in Technology***

The provision of InPayTech's services is a technically complex business requiring the deployment of sophisticated systems and technology. InPayTech depends on the capability and reliability of its information technology systems, and those of its key service providers to process transactions, report financial results and manage its business. A failure in these systems and technology could adversely affect its ability to deliver its services to clients. This may adversely affect InPayTech's business and severely damage its reputation.

A failure of critical computer equipment may also affect some or all of InPayTech's key service providers or suppliers. In such situations, InPayTech may not be able to source adequate or alternative sources of supply, which could impact on its ability to meet customer demand and impact the financial performance and future prospects of its business. Significant or sustained failure of the information technology systems of InPayTech's key service providers, or a disruption in the relationship between InPayTech and its key service providers would have a material adverse effect on the its financial performance.

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***Data Breach, Misuse and Breach of Privacy***

Through the ordinary course of business, InPayTech collects a wide range of confidential information. The ability to derive an employee's total salary from their superannuation guarantee amount and the emergence of identity theft has meant privacy and confidentiality of employee/employment information is a priority to all employers. Similarly, the secure carriage of superannuation payment details from payroll processing to the respective superannuation funds is also critical.

InPayTech maintains and relies extensively on information technology systems and network infrastructures for the effective operation of its business. It is also dependent on reliable telecommunication and information technology provision by third parties. Cyber-attacks may compromise or breach the technology platform used by InPayTech to protect confidential information. There is a risk that the measures taken by InPayTech may not be sufficient to detect or prevent unauthorised access to, or disclosure of, such confidential information. Any data security breaches or InPayTech's failure to protect confidential information could result in the loss of information integrity, or breaches of InPayTech's obligations under applicable laws (e.g. privacy law) or customer agreements, each of which may materially adversely impact InPayTech's financial performance and reputation.

Techniques used to gain unauthorised access to private networks are constantly evolving and InPayTech may be unable to anticipate or prevent unauthorised access to data pertaining to its customers, which could include personally identifiable information. InPayTech's services are vulnerable to computer viruses, phishing attacks or other attacks and similar disruptions from unauthorized use of its systems, any of which could lead to system interruptions, delays or shutdowns, causing loss of critical data or the unauthorized access to personally identifiable information.

If an actual or perceived breach of security occurs of InPayTech's systems, it may face civil liability and public perception of its security measures could be diminished, either of which would negatively affect InPayTech's ability to attract or maintain customers. InPayTech also would be required to expend significant resources to mitigate any such breach of security and to address related matters.

### ***Liquidity and Realisation Risks***

InPayTech is a small company when compared to other companies listed on ASX. As a result there may be limited liquidity of its shares on ASX at any given time. This may increase the volatility of the market price of the shares as well as the prevailing market price at which shareholders are able to sell their shares. This may result in shareholders receiving a market price for their shares that is less than the price paid for their shares.

### ***Concentration of Shareholding***

Following completion of this capital raising, the Directors and one other shareholder (Mr Colin Scully) or their associated entities will hold the beneficial ownership of: 52.15% at the minimum subscription; or 41.96% at the maximum subscription (if all holders take up their full entitlement) of the shares in InPayTech. As a result these shareholders may be in a position to exert significant influence over the operations and outcomes of InPayTech including the election of Directors and approval of major transactions.

### ***Reliance on Internet Access***

InPayTech will depend on the ability of its customers and the payment recipients to access a deployed solution over telecommunications and internet access and to feel confident processing financial transactions online. Access is provided by various classes of entities in the telecommunications, broadband and internet access marketplace. Should any of these entities experience disrupted or restricted access to InPayTech's products or services, including prohibitive costs, usage of those products or services may be negatively impacted. Further, any reduction in levels of trust or confidence in online integrity may negatively impact usage of InPayTech's products or services.

### ***Programming Errors***

InPayTech's products contain complicated programming and its objectives are to quickly develop and launch new and innovative products and features. They may therefore contain, now or in the future, errors, bugs or vulnerabilities or not be sufficiently documented or tested. Any errors, bugs or vulnerabilities discovered may take time to be remedied if not properly documented and could result in (among other consequences) damage to brand of InPayTech and its products or services, loss of customers, loss of platform partners, fall in revenues or liability for damages, any of which could adversely affect InPayTech's business and operating results.

### ***Failure to Listen and Satisfy Customer Requirements***

The development and refinement of InPayTech's products and services requires InPayTech to work closely with existing and potential customers to listen to and understand their needs. There is the risk that InPayTech may fail to maintain its current service culture, for example by failing to listen to its customers, and may not develop products or provide services that satisfy its customers' requirements. This may negatively impact InPayTech's reputation and its customers' adoption of new products or services, and ultimately adversely impact InPayTech's revenue and profitability.

### ***Uncertainty of market acceptance of InPayTech's products***

Sales and growth in sales of ClickSuper and STP products largely depend on the level of acceptance by medium to large superannuation funds. While InPayTech has made good progress in this market, there is a risk that this progress will not continue and InPayTech will not be able to execute its growth strategy.

Sales and growth in sales of PayVu largely depend on the level of acceptance by bookkeepers using the Xero accounting system and any (or all) of the "big 4" Australian banks. The product is in a position to have a commercial release however the effect of COVID-19 has restricted the sales effort and therefore there is a risk that InPayTech will not be able to grow its client base or expand its offering to enable it to service bookkeepers using other accounting software packages or other banks which will limit its performance and its ability to execute its growth strategy.



***Risks associated with an investment in shares***

There are general risks associated with investments in equity capital such as InPayTech's shares. The trading price of InPayTech's shares may fluctuate with movements in equity capital markets in Australia and internationally.

Generally applicable factors that may affect the market price of shares include:

- general movements in Australian and international stock markets;
- investor sentiment;
- Australian and international economic conditions and outlook;
- changes in the interest rate and the rate of inflation;
- changes in government legislation and policies, in particular taxation laws and International Financial Reporting Standards;
- announcement of new technologies;
- natural disasters and geo-political instability, including international hostilities and acts of terrorism;
- demand for and supply of InPayTech's shares; and
- analyst reports.

No assurances can be given that the New Shares will trade at or above the Offer Price. None of InPayTech, its or any other person guarantees the market performance of the New Shares. The operational and financial performance and position of InPayTech and the price of InPayTech's shares may be adversely affected by a worsening of general economic conditions in Australia, as well as international market conditions and related factors. It is also possible that new risks might emerge as a result of Australian or global markets experiencing extreme stress or that existing risks manifest themselves in ways that are not currently foreseeable.

## Glossary



**A\$** means the lawful currency of the Commonwealth of Australia.

**API** means Application Programming Interface.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

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

**Big 4** means Commonwealth Bank of Australia (CBA), Westpac Banking Corporation (Westpac), Australia and New Zealand Banking Group (ANZ) and National Australia Bank (NAB).

**Board** means the board of Directors unless the context indicates otherwise.

**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.

**Company, IP1 or InPayTech** means Integrated Payment Technologies Limited (ACN 611 202 414) of Suite 1, Level 5, 28 Margaret Street, Sydney, NSW.

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

**Directors** means the directors of the Company as at the date of this presentation.

22 June 2020

Company Announcements Office  
Australian Securities Exchange  
20 Bridge Street  
Sydney NSW 2000

**Integrated Payment Technologies Limited (ASX Code: IP1)**

**Notice under section 708A(5)(e) of the Corporations Act 2001 (Cth)**

This notice is given by Integrated Payment Technologies Limited (**InPayTech**) under section 708A(5)(e) of the Corporations Act 2001 (Cth) (**Corporations Act**).

InPayTech advises that:

1. InPayTech has today issued 77,000,000 ordinary shares at \$0.015 per share without disclosure to sophisticated and professional investors under Part 6D.2 of the Corporations Act (Placement);
2. as at the date of this notice, InPayTech has complied with:
  - (a) the provisions of Chapter 2M of the Corporations Act as they apply to InPayTech; and
  - (b) section 674 of the Corporations Act; and
3. as at the date of this notice, there is no 'excluded information' (as that term is defined in section 708A(7) of the Corporations Act) to be disclosed under section 708A(6)(e) of the Corporations Act.

**Additional Placement disclosures under Class Waiver Decision – Temporary Extra Placement Capacity**

1. Placement results  
The results of the Placement were announced to the ASX on 16 June 2020.
2. Placement allocation policy  
Our lead manager for the Placement, Sanlam Private Wealth, conducted the following process in identifying investors to participate in the Placement and determining respective allocations in the Placement:
  - (a) No eligible institutional/professional shareholders of InPayTech chose to participate in the Placement;
  - (b) Bids from new sophisticated and professional investors were recorded;
  - (c) Initially allocations were made on a pro-rata basis across all those who bid with a scale back conducted;
  - (d) Upon InPayTech determining to raise a greater sum, top ups were conducted for bidders as equitably as could be reasonably managed in the circumstances; and

(e) A number of shares were allocated at the request of InPayTech to a third party known to InPayTech.

3. Listing Rule 10.11

InPayTech confirms that, as far as it is aware, no securities were issued or agreed to be issued in the Placement to any person referred to in Listing Rule 10.11.

**Authorised for release by:**

**Don Sharp (Executive Chairman)**

Contact Details:  
Don Sharp  
Executive Chairman  
M: 0419 632 315

## 4 Australian Tax Considerations

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### 4.1 Introduction

Set out below is a summary of the Australian income tax, goods and services tax (**GST**) and stamp duty implications of the Entitlement Offer for Eligible Shareholders who are residents of Australia for income tax purposes and who hold their InPayTech shares (and will hold their New Shares) on capital account.

The summary below does not apply to Eligible Shareholders who:

- are not residents of Australia for Australian tax purposes;
- hold their InPayTech shares (or will hold their New Shares) as revenue assets (such as assets used in carrying on a business of share trading, banking or insurance), or as trading stock or those who have acquired InPayTech shares for the purpose of on-sale at a profit;
- acquired the InPayTech shares in respect of which their Entitlements are issued under any employee share scheme or where New Shares are acquired pursuant to any employee share scheme;
- may be subject to special tax rules, such as insurance companies, partnerships, tax exempt organisations, trusts (except where expressly stated), superannuation funds (except where expressly stated); or
- are subject to the “TOFA provisions” in Division 230 of the Income Tax Assessment Act 1997 (Cth) in relation to their InPayTech shares.

This taxation summary is based on the Australian tax law as it applies as at 9.00am on the date of this Offer Booklet. Other than as expressly discussed or specified, the comments do not take into account or anticipate changes in Australian tax law or future judicial interpretations of law after this time. This summary also does not take account of any individual circumstances of any particular Eligible Shareholder and does not constitute tax advice. It does not purport to be a complete analysis of the potential tax consequences of the Entitlement Offer and is intended as a general guide to the Australian tax implications. Eligible Shareholders should seek specific advice applicable to their own particular circumstances from their own financial or tax advisors.

InPayTech and its officers, employees, taxation or other advisers do not accept any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

### 4.2 Issue of Entitlements

The issue of an Entitlement should not, of itself, result in any amount being included in your assessable income.

### 4.3 Exercise of Entitlements

You will acquire New Shares where you exercise all or part of your Entitlements under the Entitlement Offer. You may acquire Additional New Shares where you exercise all of your Entitlements and also apply for Additional New Shares in excess of your Entitlement under the Entitlement Offer.

You should not derive any assessable income, or make any capital gain or loss, at the time of exercising (i.e. taking up) your Entitlement. For Australian Capital Gains Tax (**CGT**) purposes, the New Shares or Additional New Shares will be acquired on the day that you exercise your Entitlement. If you exercise all or part of your Entitlement, the cost base of New Shares or Additional New Shares for CGT purposes will be equal to the Offer Price payable by you for those New Shares or Additional New Shares plus certain non-deductible incidental costs you incur in acquiring them. You will need to apportion any non-deductible incidental costs incurred in relation to exercising your Entitlement across each New Share and any Additional New Shares on a reasonable basis.

#### **4.4 Lapse of Entitlement**

If you do not take up all or part of your Entitlement in accordance with the instructions set out above, then that Entitlement will lapse and you will not receive any consideration for your Entitlement that is not taken up. There should be no tax implications for you from the lapse of your Entitlement.

#### **4.5 Dividends on New Shares**

Any future dividends or other distributions made in respect of New Shares or Additional New Shares will be subject to the same income taxation treatment as dividends or other distributions made on InPayTech shares held in the same circumstances.

#### **4.6 Disposal of New Shares**

Each New Share or Additional New Share will constitute a separate CGT asset. The disposal of a New Share or Additional New Share will constitute a disposal for CGT purposes.

On disposal of a New Share or Additional New Share, you will make a capital gain if the capital proceeds on disposal exceed the cost base of the New Share or the Additional New Share (as the case may be). You will make a capital loss if the capital proceeds are less than the reduced cost base of the New Share or Additional New Share. The cost base of New Shares and Additional New Shares is described above in Section 4.3.

If you are an individual, trustee or complying superannuation entity that has held New Shares or Additional New Shares for 12 months or more at the time of disposal (not including the date of acquisition or disposal) you may be entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting capital losses). The CGT discount factor is 50% for individuals and trustees and 33⅓% for complying superannuation entities. Trustees should seek specific tax advice regarding the tax consequences arising to beneficiaries because of the CGT discount.

You will be taken to have acquired the New Shares or the Additional New Shares on the day you exercise your Entitlement. Accordingly, to be eligible for the CGT discount, you must have held New Shares or Additional New Shares for at least 12 months after the date that you exercised your Entitlement.

If you make a capital gain, the total capital gain for the year should be reduced by any capital losses made in the income year or carried forward from a prior income year. The resulting capital gain (if any) should be included in your assessable income for the relevant income year, after applying the applicable CGT discount.

If you make a capital loss, you can only use that loss to offset other capital gains; i.e. the capital loss cannot be used against taxable income on revenue account. However, if the capital loss cannot be used in a particular income year, you can carry it forward to use in future income years, providing certain loss utilisation tests are satisfied.

#### **4.7 Provision of TFN and/or ABN**

InPayTech may be required to withhold tax from you at the highest marginal tax rate plus the Medicare Levy on payments of dividends that are not fully franked, at the specified rate, and remit such amounts to the ATO, unless you have provided an Australian Business Number (**ABN**), Tax File Number (**TFN**), or you have informed us that you are exempt from quoting your TFN or ABN.

You are not required to provide your TFN or ABN to InPayTech, however you may choose to do so. If you have previously quoted your ABN, TFN, or have notified us that an exemption from quoting your TFN/ABN exists, that quotation or exemption will also apply in respect of any New Shares acquired by you.

#### **4.8 GST**

The taking up of the New Shares or the Additional New Shares will be classified as a "financial supply" for Australian GST purposes.

Accordingly, Australian GST should not be payable in respect of amounts paid for the acquisition of the New Shares or the Additional New Shares. Subject to certain requirements, there may be a restriction on the entitlement of Eligible Shareholders to claim an input tax credit for any GST incurred on costs associated with the acquisition of New Shares or Additional New Shares.

#### **4.9 Stamp Duty**

Stamp duty should not be payable by Eligible Shareholders in respect of the taking up of New Shares Additional New Shares on the assumption that all acquisition occur when all of the securities in InPayTech are quoted on the market operated by the ASX and no Shareholder (together with interests of associated persons and interests acquired under associated transaction) holds an interest of 90% or more in InPayTech.

## 5 Important Information

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This Offer Booklet (including the enclosed announcements) and attached personalised Entitlement and Acceptance Form have been prepared by InPayTech.

This Offer Booklet (other than the enclosed announcements) is dated 24 June 2020. The Offer Booklet remains subject to change without notice and, except as required by law or regulation (including the ASX Listing Rules), InPayTech is not responsible for updating this Offer Booklet.

There may be additional announcements made by InPayTech after the date of this Offer Booklet and throughout the period that the Entitlement Offer is open that may be relevant to your consideration to apply for New Shares and any Additional New Shares. Therefore, it is prudent that you check whether any further announcements have been made by InPayTech (by visiting the ASX website at [www.asx.com.au](http://www.asx.com.au)) before submitting your application to apply for New Shares and any Additional New Shares.

No party other than InPayTech has authorised or caused the issue of this Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Offer Booklet.

**This Offer Booklet is important and requires your immediate attention.**

You should read this Offer Booklet carefully and in its entirety before deciding how to deal with your Entitlement. In particular, you should consider the Key Risks section of the Investor Presentation enclosed at Section 3 of this Offer Booklet, any of which could affect the operating and financial performance of InPayTech or the value of an investment in InPayTech.

You should consult your stockbroker, accountant or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

### 5.1 Eligible Shareholders

This Offer Booklet contains an offer of New Shares to Eligible Shareholders and has been prepared in accordance with section 708AA of the Corporations Act as modified by ASIC Corporations Instrument 2016/84.

Eligible Shareholders are those persons who:

- are a shareholder of InPayTech at 7.00pm (Sydney time) on Friday, 19 June 2020 (the Record Date);
- have a registered address in Australia or New Zealand, or any other jurisdiction agreed by InPayTech;
- are not in the United States and are not acting for the account or benefit of a person in the United States; and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without a prospectus, disclosure document or any lodgement, filing, registration or qualifications.

Shareholders who are not Eligible Shareholders are Ineligible Shareholders.

InPayTech reserves the right to determine whether a shareholder is an Eligible Shareholder or an Ineligible Shareholder.



By returning a completed personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Shareholder. Nominees and custodians are therefore advised to seek independent professional advice as to how to proceed.

Under the Entitlement Offer, InPayTech expects to be able to make offers to all Eligible Shareholders holding shares in InPayTech at 7.00pm (Sydney time) on the Record Date.

## **5.2 Ranking of New Shares**

New Shares and any Additional New Shares issued under the Entitlement Offer will be fully paid and rank equally in all respects with existing shares. The rights and liabilities attaching to the New Shares and any Additional New Shares are set out in InPayTech's constitution.

## **5.3 Key Risks**

Key Risks are described in the Investor Presentation which is enclosed at Section 3 of this Offer Booklet. The Key Risks detail important factors and risks that could affect the operating and financial performance of InPayTech or the value of an investment in InPayTech. You should consider these factors in light of your personal circumstances, including financial and taxation issues, before making a decision in relation to your Entitlement. You should also consider general risks applicable to all investments in listed securities.

## **5.4 No cooling off rights**

Cooling off rights do not apply to an investment in New Shares and any Additional New Shares. You cannot withdraw your application once it has been accepted.

## **5.5 No Entitlements trading**

Entitlements are non-renounceable and cannot be traded on ASX or any other exchange, nor can they be privately transferred.

## **5.6 Rounding of Entitlements**

Where fractions arise in the calculation of an Entitlement, they will be rounded up to the nearest whole number of New Shares.

## **5.7 Potential dilution and effect on control of InPayTech**

You should note that if you do not participate in the Entitlement Offer, your holdings may be diluted by as much as approximately 42.8% (as compared to your holdings and number of Shares on issue as at the date of commencement of the Entitlement Offer). This is based on the placement of 77,000,000 shares and all other shareholders taking up their full entitlement.

Illustrative examples of the effect of the Entitlement Offer on control of InPayTech is set out on page 20 of the Investor Presentation enclosed at Section 3 of this Offer Booklet.

## **5.8 Notice to nominees and custodians**

If InPayTech believes you hold shares as a nominee or custodian, you will have received (or will shortly receive) a letter in respect of the Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter.

InPayTech is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing shares.

Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Entitlement Offer by the beneficiary complies with applicable foreign laws. InPayTech is not able to advise on foreign laws.

Persons acting as nominees and custodians for other persons must not take up any Entitlements on behalf of, or send any documents relating to the Entitlement Offer to, any person in the United States.

Nominees and custodians may not distribute any part of this Offer Booklet, and may not permit any beneficial owner of shares to participate in the Entitlement Offer, in any country outside of Australia, New Zealand and Singapore, and except, with the consent of InPayTech, to beneficial holders of shares resident in certain other countries InPayTech may determine it is practical to make the Entitlement Offer.

## **5.9 Not investment advice**

This Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. It also is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. InPayTech is not licensed to provide financial product advice in respect of the New Shares or any Additional New Shares. This Offer Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares or Additional New Shares, nor does it purport to contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with InPayTech's other periodic statements and continuous disclosure announcements lodged with ASX, which are available on the ASX website at [www.asx.com.au](http://www.asx.com.au).

The New Shares and any Additional New Shares offered under this Entitlement Offer should be considered speculative. Before deciding whether to apply for New Shares and any Additional New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Information, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other professional adviser.

## **5.10 Quotation and trading**

InPayTech has applied to the ASX for official quotation of the New Shares and any Additional New Shares in accordance with the ASX Listing Rule requirements. If ASX does not grant quotation of the New Shares or any Additional New Shares, InPayTech will repay all Application Monies (without interest).

Subject to approval being granted, it is expected that normal trading of New Shares and any Additional New Shares allotted under the Entitlement Offer will commence on Monday, 13 July 2020.

## **5.11 Continuous disclosure**

InPayTech is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

InPayTech is required to notify the ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the stock markets conducted by the ASX. In particular, InPayTech has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities. That information is available to the public from the ASX and can be accessed at [www.asx.com.au](http://www.asx.com.au).

Some documents are required to be lodged with ASIC in relation to InPayTech. These documents may be obtained from, or inspected at, an ASIC office.

## **5.12 Information availability**

Shareholders can obtain a copy of this Offer Booklet from ASX at [www.asx.com.au](http://www.asx.com.au) or can request a hard copy of the Offer Booklet by calling 1300 55 66 35 (within Australia) or +61 3 9909 9909 (outside Australia) between office hours (Sydney time) Monday to Friday before the close of the Entitlement Offer.

A replacement Entitlement and Acceptance Form can also be requested by calling 1300 55 66 35 (within Australia) +61 3 9909 9909 (outside Australia) between office hours (Sydney time) Monday to Friday before the close of the Entitlement Offer.

If you access the electronic version of this Offer Booklet, you should ensure that you download and read the entire Offer Booklet. Please note that the electronic version of this Offer Booklet available from [www.asx.com.au](http://www.asx.com.au) will not include an Entitlement and Acceptance Form.

## **5.13 Foreign jurisdictions**

This Information has been prepared to comply with the requirements of the securities laws of Australia and New Zealand.

This Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the Entitlements, the New Shares, any Additional New Shares, or otherwise permit the public offering of the New Shares or any Additional New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Offer Booklet (including an electronic copy) outside Australia and New Zealand may be restricted by law. If you come into possession of this Information, you should observe such restrictions and should seek your own advice on such restrictions. See the foreign selling restrictions set out in the Cautionary Statements section of the Investor Presentation enclosed at Section 3 of this Offer Booklet for more information.

Any non-compliance with these restrictions may contravene applicable securities laws.

### ***New Zealand***

This presentation has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the FMC Act). The New Shares are not being offered to the public within New Zealand other than to existing shareholders of InPayTech with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. Other than in the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;

- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

### ***Singapore***

This presentation and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this presentation and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA. This presentation has been given to you on the basis that you are (i) an existing holder of the InPayTech's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore. Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly. Notification under Section 309B(1)(c) of the SFA – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 (the "CMP Regulations 2018"), InPayTech has determined the classification of the New Shares as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### ***Canada (British Columbia, Ontario and Quebec provinces)***

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the Provinces) and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such New Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators. No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of New Shares and any representation to the contrary is an offence. No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the New Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the New Shares. The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada. Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

### *Statutory rights of action for damages and rescission*

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser. The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Company if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Company, provided that (a) the Company will not be liable if it proves that the purchaser purchased the New Shares with knowledge of the misrepresentation; (b) in an action for damages, the Company is not liable for all or any portion of the damages that the Company proves does not represent the depreciation in value of the New Shares as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the New Shares were offered.

Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

## **5.14 Governing law**

This Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in New South Wales, Australia. Each applicant for New Shares and Additional New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

## **5.15 Disclaimer of representations**

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Offer Booklet.

Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by InPayTech, or its related bodies corporate, in connection with the Entitlement Offer. Except as required by law, and only to the extent so required, none of InPayTech, nor any other person, warrants or guarantees the future performance of InPayTech or any return on any investment made pursuant to this Information or its content.

## **5.16 Withdrawal of the Entitlement Offer**

InPayTech reserves the right to withdraw all or part of the Entitlement Offer and this Offer Booklet at any time, subject to applicable laws, in which case InPayTech will refund Application Monies in relation to New Shares and any Additional New Shares not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to InPayTech will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to InPayTech.

## **5.17 Privacy**

As a shareholder, InPayTech and the Share Registry have already collected certain personal information from you. If you apply for New Shares or Additional New Shares, InPayTech and the Share Registry may update that personal information or collect additional personal information. Such information may be used to assess your acceptance of the New Shares and any Additional New Shares, service your needs as a shareholder, provide facilities and services that you request and carry out appropriate administration.

InPayTech and the Share Registry may disclose your personal information for these purposes to their agents, contractors or third party service providers to whom they outsource services.

If you do not provide us with your personal information we may not be able to process your application. In most cases you can gain access to your personal information held by the Share Registry on behalf of InPayTech. We aim to ensure that the personal information we retain about you is accurate, complete and up to date. To assist us with this please contact us if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information we have about you, we will take steps to correct it. You can request access to your personal information held by the Share Registry on behalf of InPayTech by contacting the Share Registry in accordance with the details set out in the Corporate Directory.

## 6 Glossary

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The below terms are defined as follows for the purposes of this Offer Booklet:

**Additional New Shares** means New Shares which Eligible Shareholders are able to apply for in excess of their Entitlement and sophisticated or institutional shareholders invited by InPayTech are able to subscribe for under the shortfall facility.

**Application Monies** means the money paid by applicants in respect of the New Shares and any Additional New Shares they apply for under the Entitlement Offer.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial products market operated by that entity known as the Australian Securities Exchange.

**Corporations Act** means the Corporations Act 2001(Cth), as modified by ASIC Corporations Instrument 2016/84.

**CRN** means the unique customer reference number allocated to each Eligible Shareholder.

**Directors** means the board of directors of InPayTech from time to time.

**Eligible Shareholder** means those persons who:

- are a shareholder of InPayTech at 7.00pm (Sydney time) on Friday, 19 June 2020 (the Record Date);
- have a registered address in Australia or New Zealand or in any other jurisdiction agreed by InPayTech;
- are not in the United States and are not acting for the account or benefit of a person in the United States; and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without a prospectus, disclosure document or any lodgement, filing, registration or qualifications.

**Entitlement** means the offer to Eligible Shareholders to purchase 1 New Share for every 2 existing shares held as at the Record Date at the Offer Price of \$0.015 per New Share.

**Entitlement and Acceptance Form** means the personalised form accompanying this Offer Booklet.

**Ineligible Shareholder** means a shareholder who is not an Eligible Shareholder.

**New Shares** means the shares offered by InPayTech pursuant to the Entitlement Offer (but excludes any Additional New Shares offered pursuant to the shortfall facility).

**Offer Booklet** means this booklet.

**Offer Price** means \$0.015 per New Share.

**Offer Ratio** means 1 New Share for every 2 existing shares held as at the Record Date.

**Record Date** means 7.00pm on Friday, 19 June 2020.

**Entitlement Offer** means the non-renounceable pro rata entitlement offer at the Offer Ratio of New Shares to Eligible Shareholders entitling each such shareholder to subscribe for their Entitlement to New Shares at the Offer Price and, where applicable, includes the shortfall facility.

**Securities Act** means the U.S. Securities Act of 1933, as amended from time to time.

**Share Registry** means Registry Direct whose details are provided in the "Corporate Directory" section of this Offer Booklet.

**InPayTech** or **Company** means Integrated Payment Technologies Limited (ABN 50 611 202 414).



## Corporate Directory

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### **Integrated Payment Technologies Limited**

Suite 1, Level 5,  
28 Margaret St, Sydney,  
NSW, 2000

Postal Address  
PO Box 1888  
Sydney NSW 2001  
<https://inpaytech.com.au>

### **Share Registry**

Registry Direct  
Level 6, 2 Russell Street,  
Melbourne Victoria 3000

Postal Address  
PO Box 18366, Collins Street East,  
Melbourne Victoria 8003

Telephone  
1300 55 66 35 (within Australia)  
+61 3 9909 9909 (outside Australia)

Fax  
+61 3 9111 5652

SHAREHOLDER NAME

ADDRESS

ADDRESS

ADDRESS

STATE POSTCODE

## Entitlement and Acceptance Form

**Your payment must be received by 5:00pm (Sydney time) on Friday, 3 July 2020.**

This is an important document that requires your immediate attention. This document can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

As an Eligible Shareholder, as defined in the Offer Booklet dated 24 June 2020, you are entitled to subscribe for 1 new share (New Share) for every 2 ordinary shares you held in Integrated Payment Technologies Limited (InPayTech) at 7.00pm on Friday, 19 June 2020 (Record Date) (Entitlement) for an offer price of \$0.015 per New Share. If you accept your full Entitlement you may also apply for additional New Shares, subject to the terms set out in the Offer Booklet (Additional New Shares). Before applying for New Shares or Additional New Shares, you should read the Offer Booklet and this document in their entirety.

### Step 1: Registration Name & Offer Details

Details of the shareholding and entitlements for this Offer are shown overleaf.

Please check the details provided and update your address via [www.registrydirect.com.au](http://www.registrydirect.com.au) if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

### Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. If you apply to accept all of your Entitlement, you can also apply for Additional New Shares in excess of your Entitlement (please see Offer Booklet for more information regarding purchasing Additional New Shares). Enter the total number of New Shares you wish to apply for and the total amount of payment for the New Shares.

By making your payment you will be accepting the Entitlement Offer and be deemed to have represented, warranted, acknowledged and agreed to the benefit of InPayTech and each of its affiliates that you are entitled to exercise such Entitlements and subscribe for New Shares (including any Additional New Shares) in accordance with all applicable laws and that you make the representations, warranties and acknowledgements and agree to all of the terms and conditions as detailed in the Offer Booklet dated 24 June 2020.

Choose one of the payment methods shown below.

**BPAY**<sup>®</sup>: See overleaf.

**By cheque:** Complete the reverse side of the payment slip with your payment. Make your cheque payable in Australian dollars to "REGISTRY DIRECT LIMITED OBO INTEGRATED PAYMENT TECHNOLOGIES LIMITED" and cross "Not Negotiable". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory but will assist us if we need to contact you.

If you have any questions concerning this document or your Entitlement, please contact the Share Registry on 1300 55 66 35 (within Australia) or +61 3 9909 9909 (outside Australia) between office hours (Sydney time) Monday to Friday before the close of the Entitlement Offer.

### Turn over for details of the Offer

#### Sale of your Entitlement rights

The entitlement offer cannot be transferred to another party.

**DO NOT** forward your requests for sale to Registry Direct Limited.

**Payment must be received by 5:00 pm (Sydney time) on Friday, 3 July 2020**

® Registered to BPAY Pty Limited ABN 69079137518

## Entitlement and Acceptance Form

Your payment must be received by 5:00 pm (Sydney time) on 3 July 2020.

### Step 1

#### Registration Name & Offer Details

Registration details: SHAREHOLDER NAME  
ADDRESS  
ADDRESS  
ADDRESS  
STATE POSTCODE

SRN/HIN X\*\*\*\*\*

Offer Details: Shares entitled to participate as at 7.00pm  
19/06/2020 (the Record Date):

Entitlement (1 New  
Share for every 2  
existing shares held at  
the Record Date):

Amount payable on full acceptance  
at \$0.015 per New Share:

\*\*\*\*

\*\*\*\*

\$\*\*.\*

### Step 2

#### Make Your Payment

##### a) Pay by BPAY:



Bill Code: 626010  
Ref No: \*\*\*\*\*

A) Number of Entitlement shares taken: \_\_\_\_\_

B) If you have taken up all of your Entitlement, number of  
Additional New Shares (only applicable if shortfall occurs,  
please see Offer Booklet for further details): \_\_\_\_\_

C) Total number of New Shares applied for (add A+B) \_\_\_\_\_

D) Amount payable at \$0.015 per New Share

\$ \_\_\_\_\_

Contact your bank or financial institution to make this payment from your cheque, savings, debit, credit card or transaction account.

More info: [www.bpay.com.au](http://www.bpay.com.au)

#### Lodgement of Acceptance

If you are applying for New Shares and your payment is being made by BPAY, your payment must be received by no later than 5:00pm (Sydney time) on 3 July 2020. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Registry Direct Limited do not accept any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

#### Privacy Notice

See <https://www.registrydirect.com.au/privacy-policy/>

### Alternative Step 2

#### Integrated Payment Technologies Limited Acceptance Payment Details

##### b) Pay by Cheque:

HIN/SRN: X\*\*\*\*\*

A) Number of Entitlement shares taken: \_\_\_\_\_

B) If you have taken up all of your Entitlement, number of Additional New Shares (only  
applicable if shortfall occurs, please see Offer Booklet for further details): \_\_\_\_\_

C) Total number of New Shares applied for (add A+B) \_\_\_\_\_

D) Amount payable at \$0.015 per New Share: \_\_\_\_\_

\$ \_\_\_\_\_

Payment must be received by 5:00pm (Sydney time) on 3 July 2020

#### Contact Details

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

Telephone \_\_\_\_\_

#### Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$