

ASX ANNOUNCEMENT

Sydney, Monday 17 August 2020

InPayTech executes BizIntegration (TipsGo) acquisition deed

Integrated Payment Technologies Limited (ASX: IP1) (InPayTech or Company), a leader in integrated electronic payment remittance, is pleased to announce that the Company has executed a deed to acquire 100% of the shares in an associated company of Biz Integration Pty Ltd, TipsGo Pty Ltd (TipsGo), owner of an Open Banking and Marketplace Platform.

The proposed acquisition of BizIntegration was announced to the ASX on 16 June 2020. As part of the Company's due diligence, an extensive investigation and confirmation of the Intellectual Property (IP) rights of Biz Integration Pty Ltd was undertaken by InPayTech's IP attorney. It was subsequently agreed by all parties for InPayTech to acquire TipsGo Pty Ltd to gain full IP rights to the platform.

Although TipsGo is currently a non-operating business, the InPayTech directors believe the IP held by TipsGo is of value to InPayTech's growth strategy.

The acquisition terms provide for:

- a payment of \$30,000 (plus GST) to be made to Biz Integration Pty Ltd for work undertaken in supplying, loading and testing the TipsGo platform on InPayTech's infrastructure on completion of the acquisition;
- the issue of 30,000,000 fully paid ordinary shares by InPayTech to the TipsGo shareholder as consideration shares on completion of the acquisition;
- the issue of 3,000,000 fully paid ordinary shares by InPayTech to a third party associated with TipsGo for the assignment of their IP rights to TipsGo as consideration shares on completion of the acquisition;
- the issue of such shares by InPayTech is conditional upon approval of InPayTech shareholders (with a general meeting planned for October 2020); and
- shares issued by InPayTech will be subject to a 12 month voluntary escrow agreement.

The acquisition terms provide for the proposed completion of the acquisition following shareholder approval by InPayTech shareholders.

The director of TipsGo, who is a co-inventor of InPayTech's payment patents, has agreed to provide up to 10 hours of consulting time per month until 31 December 2021, at no cost until InPayTech is cash flow positive, including periodically reviewing the technical architecture of InPayTech and the integration of the TipsGo platform into the ClickSuper service.

The integration of TipsGo's 140+ Application Programming Interfaces (APIs), covering topics such as payments, cash flow analysis, financial calculators, budgeting, product comparators and more, powered with rich payroll data from ClickSuper's growing integrated payroll network, is expected to reposition ClickSuper as the proposed digital engagement solution, ClickVu.

Initially it is proposed that the ClickVu platform will cater for superannuation funds, payroll vendors and employers. However, InPayTech is already in initial discussions with other service providers who may be able to provide additional functionality to the ClickVu platform on a collaborative and mutually beneficial basis.

By working with some existing customers and third party vendors, a proof of concept of ClickVu is currently in progress. The proof of concept aims to demonstrate the utility and simplicity of the platform and to position ClickSuper beyond a compliance payment solution. On the basis that completion of the acquisition takes place as planned, ClickSuper should therefore benefit during this financial year.

InPayTech's Chief Executive Officer, Dean Martin, said: "The proposed acquisition of BizIntegration (TipsGo) is expected to uniquely enable InPayTech to leverage ClickSuper's integrated payroll network and rich payroll data to power the proposed digital engagement platform, ClickVu. Further, by using periodic payments and employment data, including contribution or salary payments, ClickVu is expected to facilitate regular frictionless engagement with employees or members by enabling employers, payroll vendors, superannuation funds and other suppliers to leverage its payroll data and payment events to better serve and engage with working Australians."

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