

ASX ANNOUNCEMENT**Quarterly Activity Report and Appendix 4C**

PERTH, AUSTRALIA, 29 JANUARY 2016: Peppermint Innovation Limited is pleased to report on the ongoing progress of the Company with the release of its Appendix 4C – Quarterly Cashflow report for the quarter ended 31 December 2015.

The Company (formerly known as Chrysalis Resources Limited) announced on 21 May 2015 that it had entered into an option agreement to acquire Peppermint Technology Limited (then Peppermint Innovation Limited) subject to due diligence and fund raising conditions. On 22 July 2015 the Company announced it had completed its due diligence and exercised the option to acquire, and on 16 October 2015 it released a Prospectus. The fund raising under the Prospectus was completed on 18 November 2015 and on 2 December 2015 the Company completed the acquisition of Peppermint Technology Limited. The Company relisted on the ASX as Peppermint Innovation Limited on 4 December 2015.

Peppermint Innovation Ltd (**ASX:PIL**) (Peppermint) is an Australian mobile banking, payments and remittance technology platform focused on providing vital access to banking services for millions of people not currently linked to traditional banks.

In the period from 4 December 2015 to 31 December 2015 Peppermint:

- **Appointed** Dr Vincent Power to the Peppermint Board as a non-executive director and consultant with the objective of driving profitability and pursuing opportunities to leverage Peppermint's core mobile application internationally. (Dr Power has experience over more than 20 years in domestic and international payment schemes, has worked with numerous leaders in the payment industry including; VocaLink (London), The European Banking Association (roll out of SEPA STEP 1 Paris), European Central Bank (Frankfurt), Alberta Treasury Bank (Canada), Royal Bank of Scotland (UK), SEB Bank (Stockholm), the Bank of Tokyo Mitsubishi, and this work included the setup of the Euro Clearing system consolidation in London and numerous other tier 1 financial institutions).
- **Agreed with Norwood Systems (ASX:NOR)** to explore the development of a payment method to serve unbanked customers in developing markets and assist the penetration of Norwood's consumer Apps outside the international roaming market into the long distance telecommunication market and beyond. (Norwood Systems have developed platforms that realize the world's largest federated telco network and allow customers to connect their

smartphones to local networks around the world to provide clear and secure conversations for less than international roaming costs.)

On 15 January 2016, Peppermint also announced agreement with **migme Limited (ASX:MIG)** (a global digital media company with more than 24 million users) to explore the possibility of a Peppermint payment solution for customers in the Philippines where migme recently began expanding.

Mr Chris Kain, CEO of Peppermint Innovation, said: "Our activity over the period and into the new year is in line with Peppermint's growth strategy and we look forward to updating the market in more detail when we report on our half year results in February."

The Peppermint Platform is used by the leading commercial banks in the Philippines, generating around one million transactions per month and is currently in pilot as a domestic remittance and mobile banking business in joint venture with MyWepS International Inc. and 1Bro Global Inc., a group with more than 70,000 agents or members and 40 business centres across the Philippines.

Prior to Peppermint being admitted to the ASX, Chrysalis Resources carried on a mining business with mining projects in Zambia. Peppermint does not intend to spend any money on the development of these residual assets and notes that it will be looking to divest them for the best possible return for shareholders in due course. Further, Peppermint wishes to note that it has not received any results in relation to these residual assets that require disclosure.

-ENDS-

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About Peppermint Innovation Ltd

Peppermint Innovation is an Australian company focused on the commercialisation and further development of the Peppermint Platform, a mobile banking, payments and remittance technology designed for banks, mobile money operators, money transfer and funds remittance companies, payment processors, retailers/merchants, credit card companies and microfinance institutions. Peppermint currently operates the Peppermint Platform in the Philippines.

Peppermint has a particular focus in the developing world (starting with the Philippines) and on providing an attractive tool to the unbanked population to access mobile banking and remit money to and from family and others through a system not tied to a particular bank or telephony company.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Peppermint Innovation Ltd

ABN

56 125 931 964

Quarter ended ("current quarter")

31 December 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from customers		
1.2	Payments for (a) staff costs	(18)	(18)
	(b) advertising and	-	-
	marketing	-	-
	(c) research and	-	-
	development	(235)	(235)
	(d) leased assets		
	(e) other working capital		
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	1
1.5	Interest and other costs of finance paid	(4)	(4)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	10	10
	Net operating cash flows	(246)	(246)

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (..... months) \$A'000
1.8 Net operating cash flows (carried forward)		
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	(500)	(500)
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	(500)	(500)
1.14 Total operating and investing cash flows	(746)	(746)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	3,623	3,623
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	240	240
1.18 Repayment of borrowings	(290)	(290)
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Net financing cash flows	3,573	3,573
Net increase (decrease) in cash held	2,827	2,827
1.21 Cash at beginning of quarter/year to date	8	8
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	2,835	2,835

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	(9)
1.25	Aggregate amount of loans to the parties included in item 1.11	(500)
1.26	Explanation necessary for an understanding of the transactions Loan to Subsidiary – Peppermint Technology Ltd to be used by its subsidiary Peppermint Tech. Inc (Philippines) for operations in the Philippines, and to be used for required business travel, office expenses, administration expenses, payments to consultants including professional fees associated with the RTO, and directors fees.	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

On 4th December 2015 the Company was readmitted to the ASX after Peppermint Innovation Ltd was acquired by way of reverse takeover by Chrysalis Resources Ltd by the issue of shares. No cash was exchanged.

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	
3.2 Credit standby arrangements		

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	2,835	8
4.2	Deposits at call		
4.3	Bank overdraft		
4.4	Other (provide details)		
Total: cash at end of quarter (item 1.23)		2,835	8

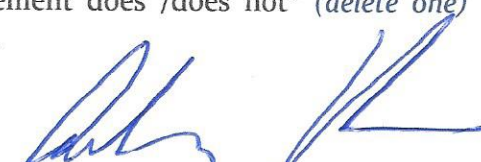
Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity		
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:


 (Director/Company secretary)

Date:

29/1/2016

Print name:

ANTHONY KAIN

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.