

ASX ANNOUNCEMENT**26 April 2018**

Issue of Securities - Cleansing Statement

First tranche funds received at \$0.03 per share in \$1 million placement with strategic investors

- On 3 April 2018 Peppermint announced restructuring of its \$1 million placement with Smidge Digital Unit Trust so the next \$1 million from Smidge was to flow to Peppermint in two tranches - \$300,000 in April and \$700,000 by end May.
- Under that arrangement 10,000,000 shares have now been subscribed for at 3 cents per share to complete the first tranche.

PERTH, AUSTRALIA, 26 APRIL 2018: Peppermint Innovation Limited (ASX: PIL) ("Peppermint" or "the Company") is pleased to announce that it has placed 6,667,666 shares at \$0.03 per share to sophisticated and professional investors. The issue completes two thirds of the first tranche of funds to be raised under an agreement with Smidge Digital Unit Trust (or its nominees) ("Smidge"), to place shares to the value of \$1 million with strategic investors announced 3 April 2018.

Now under Section 708A(6) of the Corporations Act 2001 (the 'Act') the Company hereby gives notice that:

1. The Company issued the shares without disclosure to investors under Part 6D.2 of the Act;
2. The Company is providing this notice in accordance with this exemption;
3. As at the date of this notice the Company has complied with the:
 - a. the provisions of Chapter 2M of the Act as they apply to the Company; and
 - b. section 674 of The Act; and
4. As at the date of this Notice, there is no information:
 - a. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - b. that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - i. the assets and liabilities, financial position and performance, profits and losses and the prospects of the Company; or



- ii. the rights and liabilities attaching to the securities.

The shares were issued within the available limit under ASX Listing Rule 7.1 and an Appendix 3B is attached.

The Company is also pleased to announce that the remaining \$100,000 for the first tranche at 3 cents per share is committed to be paid in April.

ENDS

For more information, please contact:

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About Peppermint Innovation Limited:

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, 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.



Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Peppermint Innovation Limited

ABN

56 125 931 964

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|-----------------|
| 1 | +Class of +securities issued or to be issued | Ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 6,666,667 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid |

+ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	Yes
5	Issue price or consideration	3 cents per share for total consideration of \$200,000
6	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Working capital</p> <p>First tranche of a private placement announced on 3 April 2018</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	28 November 2017
6c	Number of +securities issued without security holder approval under rule 7.1	6,666,667

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	N/A	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of +securities issued under an exception in rule 7.2	N/A	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	7.1 – 36,200,702 7.1A – 89,244,912	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	24 April 2018	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		950,115,795	Fully paid ordinary shares

+ See chapter 19 for defined terms.

9 Number and ⁺class of all ⁺securities not quoted on ASX (including the ⁺securities in section 2 if applicable)

Number	⁺ Class
100,000,000	Performance shares subject to the terms and conditions as set out in the Notice of General Meeting held on 2 Oct 2015.
10,000,000	Options to acquire fully paid ordinary shares at 3 cents each, exercisable conditional upon the optionholder successfully raising \$2 million to \$5 million of capital under an engagement letter which either party may terminate with 1 month notice, and the 30 day volume weighted average price of fully paid ordinary shares share price exceeding 5 cents at the date of completing the \$2 million to \$5 million of capital raising;

⁺ See chapter 19 for defined terms.

10,000,000	Options to acquire fully paid ordinary shares at 3 cents each, exercisable conditional upon the optionholder successfully raising \$2 million to \$5 million of capital under an engagement letter which either party may terminate with 1 month notice, and the 30 day volume weighted average price of fully paid ordinary shares share price exceeding 10 cents within 2 months of the optionholder successfully raising \$2 million to \$5 million;
10,000,000	Options to acquire fully paid ordinary shares at 5 cents each, exercisable conditional upon the optionholder successfully raising \$2 million to \$5 million of capital under an engagement letter which either party may terminate with 1 month notice, and the 30 day volume weighted average price of fully paid ordinary shares share price exceeding 15 cents within 4 months of the optionholder successfully raising \$2 million to \$5 million; and

+ See chapter 19 for defined terms.

10,000,000	Options to acquire fully paid ordinary shares at 5 cents each, exercisable conditional upon the optionholder successfully raising \$2 million to \$5 million of capital under an engagement letter which either party may terminate with 1 month notice, and the 30 day volume weighted average price of fully paid ordinary shares share price exceeding 20 cents within 6 months of the optionholder successfully raising \$2 million to \$5 million.
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- 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

N/A

Part 2 - Pro rata issue

- 11 Is security holder approval required?

- 12 Is the issue renounceable or non-renounceable?

- 13 Ratio in which the ⁺securities will be offered

- 14 ⁺Class of ⁺securities to which the offer relates

- 15 ⁺Record date to determine entitlements

⁺ See chapter 19 for defined terms.

- | | | |
|----|--|--|
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |

+ See chapter 19 for defined terms.

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements <i>in full</i> through a broker?	
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	

+ See chapter 19 for defined terms.

- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)

(a) ☒ ⁺Securities described in Part 1

(b) ☐ All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
- 1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought					
39	+Class of +securities for which quotation is sought					
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 					
41	<p>Reason for request for quotation now</p> <p><small>Example: In the case of restricted securities, end of restriction period</small></p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>					
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">+Class</th> </tr> </thead> <tbody> <tr style="height: 100px;"> <td></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



(Executive Director/Company secretary)

Date: 26/4/2018

Print name: Anthony Kain

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	892,499,128
Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	Nil
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	892,449,128

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	133,867,369
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 Note: <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	1,000,000 (under the placement which is the subject of the Appendix 3B dated 8 August 2017) 15,000,000 (under the placement which is the subject of the Appendix 3B dated 11 October 2017) 17,500,000 (under the placement which is the subject of the Appendix 3B dated 18 December 2017) 17,500,000 (under the placement which is the subject of the Appendix 3B dated 9 February 2018) 40,000,000 (under the issue of options which is the subject of the Appendix 3B dated 9 February 2018) 6,666,667 (under the placement which is the subject of the Appendix 3B dated 26 April 2018)
“C”	97,666,667
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	133,867,369
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	97,666,667
Total [“A” x 0.15] – “C”	36,200,702

+ See chapter 19 for defined terms.

	<i>[Note: this is the remaining placement capacity under rule 7.1]</i>
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Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	892,449,128
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	89,244,912
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	
“E”	Nil

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	89,244,912
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.10] – “E”	89,244,912 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.