

## to be renamed "AssetOwl Limited"



## **PROSPECTUS**

#### Public Offer - Underwritten

For the offer to the public of 17,500,000 Shares at \$0.20 per Share to raise \$3,500,000 (before costs), together with one free-attaching Offer Option for every 2 Shares subscribed. Refer to Section 3.1 for further details.

## **Priority Entitlement**

Shareholders registered as at 5:00pm on 10 November 2016 will receive a Priority Entitlement to subscribe under the Public Offer for up to 5,000,000 Shares with one free-attaching Offer Option for every 2 Shares subscribed. Refer to Section 3.1(d) for further details.

## Underwriting

The Public Offer is fully underwritten to \$3,500,000 on a conditional basis. Refer to Section 3.1(f) for further details.

## Re-compliance

This Prospectus is issued by the Company for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy ASX requirements for reinstatement to the Official List following a change in the nature of the Company's activities. Refer to Section 2.2(c) for further details.

## **ASX Code**

RGU (proposed new Share code 'AO1')

#### **Underwriter and Lead Manager**



Patersons Securities Ltd (AFSL No. 239 052)

#### **IMPORTANT INFORMATION**

This Prospectus and any accompanying Application Forms contain important information and should be read in their entirety. If you have any questions about the Offers or this Prospectus, you should speak to your professional adviser. The Offer Securities offered by this Prospectus should be considered as a highly speculative investment.

## **Corporate Directory**

#### **Directors**

Hon. Shane L. Stone (Non-Executive Chairman)

Mr Simon Trevisan (Executive Director)

Mr Bruce McCracken (Executive Director)

Mr Ian Murchison (Non-Executive Director)

Mr Jack Stone (Alternate Director)

## **Proposed Director**

Mr Andrew Lane (Proposed Non-Executive Director)

## **Company Secretary**

Ms Fleur Hudson

## **Registered and Principal Office**

Level 14, Parmelia House 191 St Georges Terrace Perth, Western Australia 6000

Telephone: (+61) 8 9424 9320 Facsimile: (+61) 8 9321 5832

## **Share Registry\***

Security Transfer Australia Pty Ltd 770 Canning Highway Applecross, Western Australia 6153

Telephone: (+61) 8 9315 2333 Facsimile: (+61) 8 9315 2233

Email: registrar@securitytransfer.com.au

#### **ASX Code**

Current Share Code - RGU

Proposed Share Code - AO1

## Website

www.regalpointresources.com.au

## **Underwriter and Lead Manager**

Patersons Securities Ltd Level 23, Exchange Tower 2 The Esplanade Perth, Western Australia 6000 AFSL No. 239 052

#### Solicitors to the Offers

Jackson McDonald Level 17, 225 St Georges Terrace Perth, Western Australia 6000

#### **Investigating Accountant**

BDO Corporate Finance (WA) Pty Ltd 38 Station Street Subiaco, Western Australia 6008

#### **Patent Attorney**

Wrays Pty Ltd Ground Floor, 56 Ord Street West Perth, Western Australia 6005

#### Auditor\*

BDO Audit (WA) Pty Ltd 38 Station Street Subiaco, Western Australia 6008

<sup>\*</sup>Included for information purposes only. This entity has not been involved in the preparation of this Prospectus.

## **Important Notice**

#### Offers

This Prospectus is for:

- Public Offer an offer to the public of 17,500,000 Shares at \$0.20 per Share to raise \$3,500,000 (before costs), together with one free-attaching Offer Option for every 2 Shares subscribed;
- Vendor Offer an offer to the Vendors (or their nominees) of 15,000,000 Shares and 5,000,000 Vendor Options for nil cash consideration; and
- Underwriter Offer an offer to the Underwriter (or its nominees) of 11,000,000 Offer Options for nil cash consideration.

#### **Prospectus**

This Prospectus is dated 9 November 2016 and was lodged with ASIC on that date. Neither ASIC nor ASX take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

The Company will apply to ASX within 7 days following the Prospectus Date for the Shares offered by this Prospectus and the Offer Options to be listed for quotation by ASX. The Company will not apply for quotation of the Vendor Options offered by this Prospectus.

The Company will not issue any Offer Securities on the basis of this Prospectus later than 13 months after the Prospectus Date.

Before applying for Offer Securities under this Prospectus, potential investors should carefully read this Prospectus so that they can make an informed assessment of:

- the rights and liabilities attaching to the Offer Securities (including in the case of Options, the underlying Shares);
- in the case of Options, the Company's capacity to issue or deliver the underlying Shares;
- the assets and liabilities of the Company; and
- the Company's financial position, performance and prospects.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Offer Securities the subject of the Offers should be considered highly speculative.

The Company has not authorised any person to give any information or make any representation in connection with the Offers which is not contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company or the Directors.

# Company's proposed change in activities and acquisition

The Company has entered into the Transaction Agreement, being a binding agreement for the purchase of all of the AssetOwl Shares on the terms and conditions set out in this Prospectus.

The Company's proposed acquisition of AssetOwl will involve a significant change in the nature and scale of the Company's activities which requires approval of Shareholders under Chapter 11 of the ASX Listing Rules. At the AGM of the Company to be held on 5 December 2016, the Company will

seek Shareholder approval of, amongst other things, the Acquisition, the change in the nature and scale of the Company's activities, the issue of Securities to the Vendors, the Offers, a consolidation of the Company's share capital on a 10:1 basis and the change of the Company's name from "Regalpoint Resources Limited" to "AssetOwl Limited"

# Re-compliance with ASX listing requirements and suspension from trading on ASX

The Company must comply with ASX requirements to re-list on ASX, which include re-complying with Chapters 1 and 2 of the ASX Listing Rules. This Prospectus is issued to assist the Company to meet these requirements. The Offers under this Prospectus are conditional on the satisfaction of certain conditions. Refer to Section 2.2(c) for further details.

The Company's Securities have been suspended from trading on ASX since 12 July 2016 and will not be reinstated until satisfaction of the conditions of the Offers and ASX approving the Company's recompliance with the admission requirements of Chapters 1 and 2 of the ASX Listing Rules.

There is a risk that the Company may not be able to meet the requirements of ASX for re-instatement to official quotation on ASX. In the event the conditions to an Offer are not satisfied or the Company does not receive conditional approval for re-quotation on ASX, then the Company will not proceed with the Offer or the Acquisition and will repay all Application Moneys (if any) received.

#### **Electronic Prospectus**

This Prospectus may be viewed in electronic form at <a href="https://www.regalpointresources.com.au/">www.regalpointresources.com.au/</a> by Australian investors only. If you receive the electronic form of the Prospectus you should ensure that you download and read the entire Prospectus. A paper copy of the Prospectus may be obtained free of charge on request during the Offer Periods by calling the Share Registry. The information on the Company's website or any other website referred to in this Prospectus does not form part of this Prospectus except where expressly stated to the contrary.

## **Applications**

Applications for Offer Securities may only be made on printed copies of an Application Form attached to or accompanying the Prospectus. The Corporations Act prohibits any person from passing an Application Form to any other person unless it is attached to, or accompanied by, a hard copy of the Prospectus or a complete and unaltered electronic copy of the Prospectus.

An Application Form included in this Prospectus may only be distributed if it is included in, or accompanied by, a complete and unaltered copy of this Prospectus. Each Application Form contains a declaration that the investor has personally received the complete and unaltered Prospectus prior to completing the Application Form. The Company reserves the right not to accept a completed Application Form if it has reason to believe that the Applicant has not received a Prospectus or the Application Form has been altered or tampered with in any way.

#### **Privacy**

If you apply for Offer Securities, you will provide personal information to the Company and the Share Registry. The Company and the Share Registry will collect, hold and use your personal information in order to assess your Application, service your needs as an investor, provide facilities and services that you request and carry out appropriate administration. Certain personal information may be disclosed to the Underwriter for the purposes of underwriting the Offer. Corporate and taxation laws require the Company to collect some personal information. If you do not provide the information requested, your Application may not be able to be processed efficiently, or at all.

#### **Offer Restrictions**

The Company has not taken any action to register or qualify Offer Securities or the Offers, or otherwise to permit a public offering of Offer Securities, in any jurisdiction outside Australia.

The distribution of this Prospectus (including in electronic form) in jurisdictions outside Australia may be restricted by law and therefore persons outside Australia who obtain this Prospectus should seek advice on, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer or invitation in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

In particular, the Offer Securities have not been, and will not be, registered under the US Securities Act of 1993 as amended (**US Securities Act**), and may not be offered, sold or resold:

- in the United States or to, or for the account or benefit of US Persons (as defined in Rule 902 under the US Securities Act) except in a transaction exempt from the registration requirements of the US Securities Act and applicable United States state securities laws; and
- outside the United States, except to non-US persons in offshore transactions in compliance with Regulation S under the US Securities Act.

## **Forward-Looking Statements**

This Prospectus contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These statements are based on an evaluation of current economic and operating conditions, as well as assumptions regarding future events. These events are, as at the Prospectus Date, expected to take place, but there cannot be any guarantee that such events will occur as anticipated or at all given that many of the events are outside the Company's control.

Accordingly, the Company and the Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. Further, other than by lodgement of a replacement or supplementary prospectus during the Offer Periods if required by law, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes

available that affects the original forward-looking statement.

#### **No Prospective Financial Forecasts**

The Directors have considered the matters outlined in ASIC Regulatory Guide 170. The Company will use the proceeds of the Offers to further research and develop the AssetOwl business and its Management Platform. Given AssetOwl is an early stage company, reliable forecasts of any possible revenue and expenses cannot be prepared and accordingly the Directors have not included forecasts in this Prospectus.

#### **Photographs and Diagrams**

Photographs used in this Prospectus which do not have descriptions are for illustration purposes only and should not be interpreted to mean that any person shown endorses the Prospectus or its content. Diagrams are illustrative only and may not be drawn to scale. The people and assets depicted in photographs in this Prospectus are not employees or assets of the Company unless specifically stated.

#### **Meaning of Terms**

Capitalised terms and certain other terms used in this Prospectus are defined in the Glossary in Section 13.

References to "our", "us" and "we" are references to the Company.

References to "I", "you" and "your" are references to the Applicant.

#### Currency

References to "\$", "A\$", "AUD", or "dollar" are references to Australian currency, unless otherwise stated.

#### Time

References to time relate to the time in Perth, Western Australia, unless otherwise stated.

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## **Key Information on the Offers**

## **Indicative Timetable**

Event	Target Date
Lodgement of Prospectus with ASIC	Wednesday, 9 November 2016
Expiry of Exposure Period / Opening Date for Offers	Wednesday, 16 November 2016
AGM / Closing Date for Offers	Monday, 5 December 2016
Consolidation of Securities	Friday, 9 December 2015
Satisfaction of ASX re-compliance conditions	Thursday, 15 December 2016
Completion of Acquisition and issue of Securities	Thursday, 15 December 2016
Securities re-instated to trading on ASX	Monday, 19 December 2016

**Note:** These dates are indicative only and subject to change. The Company, acting in consultation with the Underwriter, may vary these dates without notice, including whether to close an Offer early or accept late Applications, either generally or in particular cases, without notification. Potential Applicants who wish to submit an Application and subscribe for Shares are encouraged to do so as soon as possible after the Offers open as an Offer may close at any time without notice.

## **Key Offer Details**

Item	Full subscription (\$3,500,000)
Public Offer – Shares and Offer Options	
Price per Share under the Public Offer	\$0.20
Number of Shares offered under the Public Offer	17,500,000
Issue price per Offer Option under the Public Offer – exercisable at \$0.40 on or before 30 June 2019	Nil
Number of Offer Options offered under the Public Offer	8,750,000
Cash proceeds of the Public Offer (before costs)	\$3,500,000
Vendor Offer – Shares and Vendor Options	
Price per Share under the Vendor Offer	Nil
Number of Shares offered under the Vendor Offer	15,000,000
Issue price per Vendor Option under the Vendor Offer – exercisable at \$0.25 on or before 31 March 2019	Nil
Number of Vendor Options offered under the Vendor Offer	5,000,000
Cash proceeds of the Vendor Offer (before costs)	Nil
Underwriter Offer – Offer Options	
Issue price per Offer Option under the Underwriter Offer – exercisable at \$0.40 on or before 30 June 2019	Nil
Number of Offer Options offered under the Underwriter Offer	11,000,000
Cash proceeds of the Underwriter Offer (before costs)	Nil

## Chairman's Letter

Dear Investor.

On behalf of the Company's Board of Directors, I am pleased to present this Prospectus to you to participate in the Public Offer of 17,500,000 Shares at an offer price of \$0.20 per Share to raise \$3,500,000 (before costs of the Offers), together with one free-attaching Offer Option for every two Shares subscribed. The Public Offer is fully underwritten by Patersons Securities Limited, subject to the conditions outlined in Section 9.3. Eligible Shareholders will also receive a Priority Entitlement to subscribe under the Public Offer for up to 5,000,000 Shares. Details of the Offers – Public Offer, Vendor Offer and Underwriter Offer – are outlined in Section 3.

The Company is currently undertaking the acquisition of AssetOwl, an innovative technology company which has developed an enterprise asset visibility and change platform (**Management Platform**) for retail site management and analysis, with application to other industries. The Management Platform is a cloud-based solution which provides an internal visualisation system that combines geographic information systems and virtual reality technologies to enable retailers to visualise, question, analyse and interpret data at each site and collectively across all properties within a network. The platform can provide material efficiency and cost savings to the utilisation and management of retail sites. Details of the AssetOwl business (including an industry overview), together with details of the Company's existing minerals assets, are outlined in Section 2 of the Prospectus.

The acquisition of AssetOwl will constitute a significant change in the nature of the Company's activities from mineral exploration and development to technology and software development, and the Company is required by ASX to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking initial admission to the Official List of ASX. This process is well advanced with the Company's annual general meeting scheduled to be held on 5 December 2016 for approval of the necessary resolutions, including a consolidation of the Company's Securities to be undertaken prior to completion of the Offers. The Public Offer will provide sufficient funds to satisfy the minimum net tangible asset requirements for re-instatement of the Company's Securities to trading on the ASX. It will also provide the funds required for further development and commercialisation of the AssetOwl business as well as necessary working capital for the Company.

The Company proposes to change its name to "AssetOwl Limited" in line with its change in activity, with the Company's ASX code proposed to change from "RGU" to "AO1". Following the completion of the Acquisition and the re-commencement of trading in the Company's Securities on the ASX, which we anticipate will occur this calendar year, the Board proposes to undertake a strategic review of the existing minerals projects to evaluate options to maximise value for Shareholders, as the existing mineral projects will no longer be a core part of the Company's activities. It is noted that the Vendors have agreed to renounce any right to participate in a sale or spin out of the existing minerals exploration assets.

The Prospectus contains important information regarding the Offers as well as the financial position, operations, management team and future plans of AssetOwl. The key risks associated with an investment in the Company are set out in Section 6, and should be considered by Applicants in detail. I encourage you to read this Prospectus thoroughly and carefully before making any investment decision and consult with your independent professional adviser in connection with the Offers. In particular, investors should be aware that AssetOwl is an early stage technology and software development company with a limited trading history. It has incurred losses since its inception while it has been engaged in investing in software technology and product research and development. Historical financial information of AssetOwl is contained in the Investigating Accountants Report in Section 8.

On behalf of the Board I invite you to consider this opportunity to invest in the Company. I look forward to the support from our existing Shareholders and to welcoming new investors to the Company.

Yours faithfully

Hon. Shane L. Stone AC PGDK QC FACE FAIM FAICD F FIN

Chairman

# 1. Investment Overview

Topic	Summary	Further Information
Prospectus		
Who is the issuer of this Prospectus?	Regalpoint Resources Ltd (ACN 122 727 342), referred to as "Regalpoint" or the "Company" in this Prospectus.	
What is the	Public Offer	Section 3.4
purpose of this Prospectus and	The primary purpose of this Prospectus is to:	
the Offers?	• make the Public Offer and raise \$3,500,000 (before costs) to:	
	<ul> <li>complete the Acquisition and fund the further development of the AssetOwl business and Management Platform modules;</li> </ul>	
	<ul> <li>maintain the Company's existing exploration tenements in good standing;</li> </ul>	
	<ul> <li>fund the Company's corporate overheads and administrative costs; and</li> </ul>	
	<ul> <li>provide general working capital;</li> </ul>	
	<ul> <li>enable the Company to satisfy the ASX admission requirements for its Securities to be re-instated to official quotation; and</li> </ul>	
	<ul> <li>otherwise position the Company to meet its business objectives as outlined in Section 2.</li> </ul>	
	Vendor Offer and Underwriter Offer	
	The secondary purpose of this Prospectus is for the Company to make the Vendor Offer to the Vendors (or their nominees) under the Transaction Agreement and the Underwriter Offer to the Underwriter (or its nominees) under the Underwriting Agreement.	
	By this Prospectus, the Shares and Vendor Options to be issued under the Vendor Offer, as well as the Offer Options to be offered under the Underwriter Offer, will be issued with disclosure under Chapter 6D of the Corporations Act.	
	Accordingly, it is the intention that these Securities (including any Shares issued on the exercise of the Vendor Options or Offer Options) will not be subject to secondary trading restrictions.	
Company Overview		
What does the Company currently do?	The Company is an ASX-listed public company which currently carries on the business of mineral exploration. It has two exploration projects located in Queensland and the Northern Territory, with a primary focus on exploration for uranium deposits.	Section 2.1
What are the Company's projects and where are they	The Company's <b>Paroo Range Project</b> is a uranium exploration project located adjacent to the Paladin/Summit Valhalla project north of Mt Isa in Queensland. It is operated over 5 exploration licenses which are wholly owned by the Company.	Sections 2.1 and 2.2(d)

Topic	Summary	Further Information
located?	The Company's <b>Rum Jungle Project</b> is a uranium exploration project located approximately 55 kilometres south of Darwin in the Batchelor area. The project is operated over one exploration licence held by the Company.	
	If the Acquisition completes, the Company will undertake a strategic review of these projects with a view to realising these assets and maximising their value for Shareholders.	
Why is the Company required to re-comply with Chapters 1 and 2	The Acquisition will constitute a significant change in the nature of the Company's activities from mineral exploration and development to information technology and software development.	Section 2.2(c)
of the ASX Listing Rules?	Therefore, the Company is required by ASX to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking initial admission to the Official List of ASX.	
AssetOwl and the A	acquisition	
Who is the Acquisition	The Acquisition is between the Company, AssetOwl and the Vendors (i.e. the shareholders of AssetOwl).	Sections 2.2 and 9.2
transaction with?	Neither AssetOwl nor any of the Vendors have any shareholding interest in the Company.	
What is the Acquisition?	The Acquisition is the proposed purchase by the Company of all of the AssetOwl Shares from the Vendors under the Transaction Agreement.	Sections 2.2 and 9.2
What does AssetOwl do?	AssetOwl is an innovative information technology and software development company which is primarily focused on addressing the issues faced by retailers with large geographically dispersed stores and a large number of aging company assets.	Section 2.3
	AssetOwl has developed a software platform primarily aimed at use by retail businesses for site management and analysis (known as the <b>Management Platform</b> ).	
	Through the Management Platform, AssetOwl intends to provide its customers with the ability to maintain visibility of their assets (e.g. store fit-outs, shelving, machinery etc) across a network of sites, as well as the ability to monitor and manage those assets, thereby potentially providing material efficiency and cost savings to the utilisation and management of multiple retail sites.	
What is the Management Platform?	The Management Platform is a cloud-based enterprise asset visibility and change software platform for retail site management and analysis which also has potential application to other industries, such as property management.	Section 2.3(c)
	The Management Platform is an internet portal application which can be operated from any computer. It is supported by a mobile application which can be operated off mobile phones or mobile tablet devices at a site location in a customer's network.	
	The Management Platform currently operates three core modules to assist users to visualise, question, manage, direct, analyse and interpret data within a particular property, and collectively across all properties within a network, being an a <b>properties module</b> , an	

Topic	Summary	Further Information
	audits module and a projects module.	
	In addition, AssetOwl has identified a further five potential modules for development in relation to defects, activities planning, merchandising, facilities management and asset management.	
What is	Target markets	Section 2.3
AssetOwl's business model and strategy?	AssetOwl's target market in the near-term is primarily focused on the retail business sector in Australia, such as supermarkets and hardware stores.	
	It has conducted paid trials of the Management Platform with Australian based retailers of varying different products and store formats. These trials have assisted to demonstrate the potential application of the Management Platform across different types of businesses and store formats.	
	AssetOwl also intends to assess potential expansion into overseas retail markets, such as North America. However, it intends to complete a successful implementation and roll-out of the Management Platform with reputable Australian retailers before implementing a targeted international strategy.	
	AssetOwl has received significant interest in the Management Platform from potential customers, primarily in retail business sector.	
	Proposed service offering	
	AssetOwl's business model focuses on the following three core service offerings:	
	<ul> <li>implementation: an initial implementation service whereby AssetOwl captures, processes and delivers a virtual tour of each asset, property or project for the customer;</li> </ul>	
	<ul> <li>licence: a service offering the use of the Management Platform to customers on a licence basis (i.e. 'Software-as-a-Service' (SaaS) model); and</li> </ul>	
	<ul> <li>renewal: a service whereby AssetOwl re-captures, processes and delivers a virtual tour of an asset, property or project for a customer.</li> </ul>	
	Proposed revenue streams	
	AssetOwl proposes to generate revenue in relation to the Management Platform by charging one-off fees for the implementation and renewal services, and an annual licence fee for use of the Management Platform pursuant to the SaaS service.	
Who will be the key personnel of	The key personnel who will continue engagement with AssetOwl following completion of the Acquisition are:	Sections 2.3(f
AssetOwl	Mr Giuseppe Di Franco –chief executive officer;	
following the Acquisition?	Mr Andrew Lane – non-executive director; and	
	Mr Timothy (Tim) Brady – business development and sales consultant.	
Has AssetOwl registered its key	AssetOwl was granted a provisional patent in Australia for the Management Platform. It subsequently applied for patent	Section 2.3(e

Topic	Summary	Further Information
intellectual property?	protection outside of Australia through the Patent Cooperation Treaty ( <b>PCT</b> ) process. At the date of this Prospectus, the PCT application is on-going.	Patent Attorney's Report
	Neither the provisional patent nor the PCT application will provide AssetOwl with any enforceable rights in relation to the Management Platform unless and until a full patent is granted.	
What is	Operating history	Section 2.6(b)
AssetOwl's financial position?	AssetOwl was incorporated in 2014. Since that time, it has focused on development and commercial roll-out of its Management Platform. This process has resulted in AssetOwl incurring significant start-up expenses and generating only very limited revenue.	Investigating Accountant's Report
	Accordingly, AssetOwl has minimal operating history and has very limited historical financial performance on which an assessment of its prospects can be made. Therefore, the Company is not in a position to disclose any key financial ratios in relation to AssetOwl.	
	Vendor loans	
	AssetOwl does not currently have any third party debt financing or borrowings. AssetOwl has historically been funded by loans from Vendors for necessary working capital ( <b>Vendor Loans</b> ).	
	At the Prospectus Date, the balance owing by AssetOwl under Vendor Loans is \$350,744.	
	Under the terms of the Transaction Agreement, AssetOwl may have up to \$140,000 in undischarged net indebtedness at completion of the Acquisition.	
	Financial statements	
	AssetOwl has completed financial statements for the financial years ended 30 June 2015 and 30 June 2016 which have been audited.	
	Further financial information on AssetOwl (including the audited financial information) is considered in the Investigating Accountant's Report.	
What are the key terms of the	The key terms of the Acquisition (as set out in the Transaction Agreement) are as follows:	Section 9.2
Acquisition?	<ul> <li>share acquisition: the Company will purchase 100% of the AssetOwl Shares from the Vendors;</li> </ul>	
	<ul> <li>initial consideration: the Company will issue the Vendor Securities to the Vendors at completion of the Acquisition (on a post-Consolidation basis);</li> </ul>	
	<ul> <li>deferred consideration: the Company will grant 30,000,000 Performance Rights to the Vendors at completion of the Acquisition, being performance-based deferred consideration subject to the milestones in Section 10.5(f)(i)(C);</li> </ul>	
	<ul> <li>consolidation: the Company will undertake the Consolidation, being a consolidation of its share capital on a 10:1 basis;</li> </ul>	

**Topic Summary Further** Information capital raising: the Company will undertake a capital raising to raise a minimum of \$2,750,000 (before costs) (i.e. the Public Offer); change of name: the Company will change its name to "AssetOwl Limited" or such other name agreed between the parties, subject to Shareholder approval; conditions precedent: the Acquisition is subject to various conditions precedent being satisfied by 31 December 2016, including: the Company obtaining Shareholder approval under the ASX Listing Rules for the change in nature of activities associated with the Acquisition; the Company receiving Shareholder approval to undertake the Consolidation; the Company receiving Shareholder approval to undertake the Public Offer (and subsequently closing and issuing Securities under the Public Offer); and the Company complying with the requirements of the  $\circ$ ASX Listing Rules and receiving conditional approval from ASX for re-instatement of its Securities to official quotation: a party may terminate the termination for breach: Transaction Agreement if there is a breach of a material term which is not remedied within 14 days of a request by one of the other parties to do so; and material adverse change: the Company may terminate the Transaction Agreement if an event occurs which has a material adverse effect on AssetOwl. What is the overall If the Acquisition is approved and completes, the primary focus of Sections effect of the the Company's business activities will change from that of mineral 2.2(c), 2.3(b) Acquisition on the exploration to information technology and software development. and 2.3(c)(vii) Company's business? What is the effect The Company does not anticipate that the Acquisition will have a Section 3.9 material effect on control of the Company immediately following of the Acquisition on control of the completion under the Transaction Agreement. Company? The Vendors and their corporate advisor, Maiden Capital, will collectively hold 15,000,000 Shares after the Acquisition. This represents approximately 24.76% of the Shares then on issue. However, the Company is not aware of any Vendor being an associate of any other Vendor. Accordingly, none of the Vendors will individually control more than 5% of the Shares on issue post-Acquisition. What is the Please refer to the Investigating Accountant's Report for details of Section 8 financial effect of the financial effect of the Acquisition on the Company. the Acquisition on the Company?

Topic	Summary	Further Information
What Shareholder approvals are	The Acquisition is subject to Shareholder approval being received for the following:	Section 11.1
required for the Acquisition?	<ul> <li>change in nature of activities: the Company obtaining Shareholder approval under the ASX Listing Rules for the change in nature of activities associated with the Acquisition;</li> </ul>	
	• <b>Consolidation</b> : the Company receiving Shareholder approval to undertake the Consolidation; and	
	<ul> <li>capital raising: the Company receiving Shareholder approval to undertake the Public Offer (and subsequently closing and issuing Securities under the Public Offer).</li> </ul>	
Investment Highligh	nts and Risks	
What are the perceived investment highlights and benefits?	<ul> <li>AssetOwl's business has innovative patent-pending technology, early-mover advantage and a unique business model which, although not fully commercialised, has seen significant interest from large-scale retail businesses.</li> </ul>	Section 2
benefits?	<ul> <li>The Management Platform has potential application to a broad range of customers, from small businesses to large- scale multi-site operators.</li> </ul>	
	<ul> <li>The Management Platform is focused on providing a more efficient means of managing assets, properties and projects with a view to providing substantial cost savings to AssetOwl's customers.</li> </ul>	
	<ul> <li>AssetOwl's business represents an exciting new growth platform for the Company which, if successfully commercialised, has the potential to create value for Shareholders.</li> </ul>	
	<ul> <li>The Acquisition will re-focus the Company's operations away from mineral resources exploration which has been subject to subdued investment activity.</li> </ul>	
What are the key investment risks?	The key risks associated with investing in the Company following the Acquisition are set out below. The risks focus on the AssetOwl business, being the Company's proposed main undertaking should the Acquisition complete.	Section 6
	These risks are not exhaustive. Refer to Section 6 for further details of specific risks and general investment risks.	
	The Securities offered pursuant to this Prospectus should be considered speculative due to the nature of the Company's proposed new business (i.e. AssetOwl) and stage of commercial development. There is no guarantee as to payment of dividends, return of capital or the market value of Shares.	
	Prospective investors must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.	
	Commercialisation: AssetOwl is an early stage company. While AssetOwl is advanced in the commercialisation of its Management Platform and has received significant interest from potential customers, there cannot be any assurance that AssetOwl will	Section 6.2(a)

Topic	Summary	Further Information
	successfully commercialise the Management Platform, or that, if it is commercialised, it will generate ongoing market interest.	
	<b>Development:</b> As with all new technology, there is an inherent risk that development of the Management Platform may encounter development or operational problems, may require refinement or rectification, or may encounter delays.	Section 6.2(b)
	Operational risk: AssetOwl has limited operational history in the development of an enterprise software solution and the unproven potential of its proposed new business model makes any evaluation of the business or is prospects difficult. No assurances can be given that AssetOwl will achieve commercial viability through the implementation of its business plan.	Section 6.2(c)
	<b>Competition:</b> There is a risk that competitors or new entrants to the market may develop new, superior or more cost effective software platforms and service offerings to the Management Platform which could have an adverse effect on AssetOwl's business and financial position.	Section 6.2(d)
	Reliance on key personnel: AssetOwl's key management personnel, senior employees and contractors have played an integral part in developing its Management Platform and proprietary technology. AssetOwl's future prospects are partly reliant upon its ability to retain its key personnel, or obtain suitable replacement personnel.	Section 6.2(e)
	Patent application: AssetOwl has been granted a provisional patent and filed a PCT patent application, neither of which currently provide any enforceable rights. Its commercial success is partly reliant upon the PCT application being granted in order for AssetOwl to obtain enforceable intellectual property rights. There cannot be any assurance that the PCT application will be granted in the jurisdictions in which AssetOwl applies for protection, or that it will be granted at all. Further, a granted patent may not provide the commercial advantages intended.	Section 6.2(f)
	<b>Re-instatement:</b> If the Company is not be able to meet ASX's admission requirements, the Company's Securities may remain suspended from quotation resulting in Shareholders being unable to trade their Shares until such time as those requirements can be met.	Section 6.3(a)
What are the key dependencies of the AssetOwl business?	The key dependencies which underpin AssetOwl's business model and plans outlined above include:  • successful completion of customer trials;  • negotiation of contracts for use of the Management Platform;	Section 2.3(d)
	<ul> <li>scaling personnel for capture and delivery of virtual tours of customer sites; and</li> </ul>	
	<ul> <li>maintaining on-going services levels for customers to generate reliable revenue.</li> </ul>	

Topic	Summary	Further Information		
Financial Information	Financial Information			
What is the Company's financial position?	The Company is currently listed on ASX and its financial history is available on the ASX announcements platform, <a href="http://www.asx.com.au/asx/statistics/announcements.do">http://www.asx.com.au/asx/statistics/announcements.do</a> , using the Company's ASX code 'RGU'. This includes the Company's audited financial statements for the period ended 30 June 2016.	Sections 2.6(a) and 8		
	The Company has operated as a mineral exploration company since its incorporation and it has not generated any revenue from its mineral exploration operations.			
	The Acquisition will result in the change in nature of the Company's operations from mineral exploration to technology and software development. Accordingly, the Company's past financial performance will have limited relevance to its proposed future operations.			
	A summary of the Company's historical financial information is set out in Section 2.6 and the Investigating Accountant's Report.			
	The Investigating Accountant's Report also contains an audited statement of financial position for the Company as at 30 June 2016 and a pro forma audited statement of financial position incorporating the effect of the Acquisition and the Offers on the Company.			
How will the Company generate revenue?	Following completion of the Acquisition, the Company intends to generate revenue through AssetOwl, as a wholly-owned subsidiary, and the further development of the AssetOwl business and additional Management Platform modules.	Sections 2.2(a) and 2.3(c)(vii)		
	The Company's ability to generate revenue will be dependent upon AssetOwl's successful commercialisation of the Management Platform and AssetOwl securing contracts with its targeted customers.			
	An overview of AssetOwl's business and targeted revenue streams is outlined above ('What is AssetOwl's business model and strategy?').			
Will the Company pay dividends?	Following completion of the Acquisition the Company's focus in the short to medium term will be to develop the AssetOwl business and complete the commercial roll-out of the Management Platform.	Section 2.7		
	Accordingly, the Company does not have any plan or intention to pay a dividend in the immediate future. Payment of any dividend in the future will depend on the future profitability and financial position of both the Company and AssetOwl.			
Directors and Key Managers				
Who are the Directors and key managers of the Company?	Current management The current Directors and key management of the Company are:	Section 4		
Company:	Hon. Shane L. Stone – Non-Executive Chairman;			

Mr Bruce McCracken – Executive Director; Mr Simon Trevisan – Executive Director; Topic

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Further Information

Mr Ian Murchison – Non-Executive Director; and

Ms Fleur Hudson – Company Secretary.

Proposed management changes

Following the Acquisition, it is proposed that Mr Andrew Lane, who is a non-executive director of AssetOwl, will become a Non-Executive Director of the Company and Mr Giuseppe Di Franco will be employed as the chief executive officer of AssetOwl.

Further, Mr Simon Trevisan will move from an executive to a non-executive position.

What are the interests of Directors in the Company?

## **Existing interests**

Various Directors have relevant interest in Shares in the Company. These interests are set out in Section 11.3.

Sections 3.1(a) 3.1(d), 11.1 and 11.3

## Participation in the Public Offer

Subject to Shareholder approval being obtained at the AGM, the Directors (or their nominees) will be permitted to participate in the Public Offer and subscribe for up to a total of 1,000,000 Shares in aggregate, together with one free-attaching Offer Option for every two Shares subscribed, on the same terms as the general public.

Directors who are, or control, Eligible Shareholders may also participate under the Priority Entitlement, subject to the above limit on approved participation.

What payments and benefits are to be made or given to Directors?

## **Transaction Agreement**

Proposed Director, Mr Andrew Lane, holds an indirect interest in the Vendor Securities and Performance Rights to be issued to his related entity, NCKH Pty Ltd (ACN 008 867 810) as trustee for the AML Trust, under the Transaction Agreement and the Vendor Offer.

Sections 3.16(b), 9.2, 9.4, 9.5, 9.6, 9.7, 9.8, 9.9 and 11.2

#### Firm commitments by Transcontinental Investments

Subject to Shareholder approval being obtained at the AGM, Transcontinental Investments has given a firm commitment to the Underwriter that it (or its nominee) will subscribe for 1,250,000 Shares under the Public Offer to raise \$250,000, together with one free-attaching Offer Option for every two Shares subscribed (i.e. 625,000 Offer Options).

Transcontinental Investments will also be entitled to receive, as a nominee of the Underwriter, 4 Offer Options for every 5 Shares subscribed, from those Offer Options to be issued pursuant to the Underwriter Offer. This will result in Transcontinental Investments receiving an additional 1,000,000 Offer Options.

Transcontinental Investments is controlled by Executive Director, Mr Simon Trevisan, and his associates, and is a related party of the Company.

#### Sub-underwriting by Mr Bruce McCracken

Subject to Shareholder approval being obtained at the AGM, Mr Bruce McCracken has agreed with the Underwriter that he will sub-underwrite subscriptions for up to 875,000 Shares under the Public Offer to raise \$175,000, together with one free-attaching Offer Option for every two Shares subscribed (i.e. 437,500 Offer

## **Topic Summary Further** Information Options). Mr McCracken will also be entitled to receive, as a nominee of the Underwriter, one Offer Option for every 3 Shares subscribed, from those Offer Options to be issued pursuant to the Underwriter This will result in Mr McCracken receiving up to an additional 291,666 Offer Options. Mr McCracken is an Executive Director and a related party of the Company. **Executive Directors** Mr McCracken is employed under a letter of employment pursuant to which he is entitled to a salary and other benefits as described in Section 9.8. Mr Trevisan is also an Executive Director but does not receive any salary. He performs his services pursuant to the Administration Services Agreement discussed below. Non-Executive Directors' remuneration The Non-Executive Directors are entitled to be paid fees for their services as Directors as set out in Section 11.2. **Administration Services Agreement** Transcontinental Investments (a related party) is entitled to be paid fees for the provision of services under the Administration Services Agreement, as set out in Section 9.6. Mr Trevisan may receive an indirect benefit in his capacity as a director and shareholder of Transcontinental Investments. Deeds of Indemnity, Insurance and Access The current and proposed Directors each have, or will have, the benefit of an indemnity from the Company in respect of certain liabilities they may incur in acting as Directors, and have, or will have, liability insurance premiums paid for by the Company, on the terms generally described in Section 9.9. The Consolidation What is the The Company is seeking approval of its Shareholders at the AGM Section 3.7 to undertake a consolidation of its Securities on a 10:1 basis. Consolidation? The Consolidation will apply to all holders of Securities on 8 December 2016, on an equal basis. What will be the The table below sets out the existing and post-Consolidation Sections 3.7 effect of the capital structure of the Company. and 3.8 Consolidation on the capital Security type Pre-Consolidation **Post-Consolidation** structure of the Company? Shares on issue 270,421,120 27,042,112 Options on issue 101,427,928 10,142,793 Notes: 1. The above table does not include any of the Securities to be issued under the Transaction Agreement or the Offers.

The above table assumes that other Shares are not issued and

Topic	Summary	Further Information	
	Existing Options are not exercised prior to the Consolidation.		
Why is the Consolidation being undertaken?	The Consolidation is intended to support the Public Offer issue price of \$0.20 per Share, being the minimum price required for reinstatement to official quotation on ASX.	Section 3.7	
Are the figures in this Prospectus pre or post Consolidation?	All references to Securities in this Prospectus are Securities on a post-Consolidation basis unless expressly stated otherwise.	Section 3.7	
The Offers			
What are the	Public Offer	Sections 3.1,	
Offers?	The Company invites eligible investors to apply for 17,500,000 Shares at \$0.20 per Share to raise \$3,500,000.	3.2 and 3.3	
	Each Applicant will receive one free-attaching Offer Option (each exercisable at \$0.40 on or before 30 June 2019) for every 2 Shares subscribed under the Public Offer.		
	Existing Shareholders will also be invited to participate in a Priority Entitlement of up to 5,000,000 Shares of the Public Offer.		
	Vendor Offer		
	The Company invites the Vendors (or their nominees) to apply for up to 15,000,000 Shares and 5,000,000 Vendor Options (each exercisable at \$0.25 on or before 31 March 2019) for nil cash consideration, pursuant to the Transaction Agreement.		
	Each Vendor may subscribe for their allocation of the Vendor Securities in proportion to the number of AssetOwl Shares held by that Vendor at completion of the Transaction Agreement.		
	Underwriter Offer		
	The Company invites the Underwriter (or its nominees) to apply for 11,000,000 Offer Options (each exercisable at \$0.40 on or before 30 June 2019) for nil cash consideration, pursuant to the Underwriting Agreement.		
Are the Offers	The Public Offer is conditional upon:	Sections 3.1,	
conditional?	• the Company raising \$3,500,000 under the Public Offer (before costs);	3.2 and 3.3	
	<ul> <li>Shareholders approving the Transaction Resolutions required to undertake the Acquisition and the Offers;</li> </ul>		
	<ul> <li>the Acquisition becoming unconditional and completing in accordance with the Transaction Agreement; and</li> </ul>		
	<ul> <li>ASX approving the Company's application for re-instatement to the Official List.</li> </ul>		
	The Vendor Offer and the Underwriter Offer are conditional upon the Public Offer closing successfully.		
What will the capital structure of the Company	The table below sets out the capital structure of the Company after the Offers close, assuming full subscription, on a post-Consolidation basis.	Section 3.8	

Topic	Summary		Further Information
be on completion of the Offers?	Security type	Full subscription	
	Shares on issue	27,042,112	
	Shares to be issued under the Offers	32,500,000	
	Shares to be issued to advisors / promoters	1,000,000	
	Total Shares post-Offers	60,542,112	
	Options on issue	10,142,793	
	Options to be issued under the Offers	24,750,000	
	Total Options post-Offers	34,892,793	
	Performance Rights on issue	Nil	
	Performance Rights to be issued under the Transaction Agreement	30,000,000	
	Total Performance Rights post-Offers	30,000,000	
	Notes:		
	1. The above table assumes that other new Shares	are not issued.	
	<ol><li>The Performance Rights comprise Class A, C Performance Rights on the terms outlined in Sec</li></ol>		
	<ol><li>The Vendors will nominate their corporate advisor receive 6% of the Securities to be provided to Company as consideration for the Acquisition.</li></ol>		
How will funds raised from the	The Company intends to use the funds raise Offer as follows:	ed from the Public	Section 3.5
Offers be used?	<ul> <li>to enable the Company to complete AssetOwl;</li> </ul>	the Acquisition of	
	<ul> <li>following completion of the Acquisition         Company to fund AssetOwl's further soft         business development and marketing, and</li> </ul>	ware development,	
	<ul> <li>to maintain the Company's existing n assets in good standing until those assets</li> </ul>		
	<ul> <li>to fund the Company's corporate administrative costs;</li> </ul>	overheads and	
	<ul> <li>for working capital purposes; and</li> </ul>		
	<ul> <li>to pay for the costs of the Offers.</li> </ul>		
	Refer to Section 3.5 for a more detailed budget use of funds.	for the Company's	
	The Board reserves the right to vary the way applied.	in which funds are	

Tonic	Summary	Further
Topic	Summary	Information
What are the	Public Offer	Sections 3.1,
Securities being offered?	Shares and Offer Options will be offered under the Public Offer.	3.2, 3.3, 10.1, 10.3 and 10.4
	Vendor Offer	
	Shares and Vendor Options will be offered under the Vendor Offer.	
	Underwriter Offer	
	Offer Options will be offered under the Underwriter Offer.	
Will the Offer	Shares	Section 3.17
Securities be quoted on ASX?	The Company will apply for quotation of the Shares under its proposed new ASX code "AO1".	
	Offer Options	
	The Company will apply for quotation of the Offer Options under the proposed ASX code "AO1OA".	
Is there a	Public Offer	Section 3.1(b),
minimum subscription requirement for	The minimum subscription amount for the Public Offer is 17,500,000 Shares to raise \$3,500,000 (before costs).	3.2(a) and 3.3(a)
the Offers?	Offer Securities will not be issued under the Public Offer unless and until Applications for full subscription have been received.	
	Other Offers	
	Neither the Vendor Offer nor the Underwriter Offer have a minimum subscription requirement.	
Are the Offers	Public Offer	Sections
underwritten?	The Public Offer is underwritten to \$3,500,000 on a conditional basis.	3.10(a), 3.2(a) and 3.3(a)
	Other Offers	
	Neither the Vendor Offer nor the Underwriter Offer is underwritten.	
What are the expenses of the Offers?	The expenses of the Offers will be approximately \$535,219 if the maximum subscription is raised under the Offers.	Section 11.5
Will any Offer	Public Offer	Section 3.10
Securities be subject to escrow restrictions?	The Company expects that the Offer Securities issued under the Public Offer will not be subject to ASX imposed escrow restrictions and will be freely transferable from the date of their issue.	
	Vendor Offer	
	The Company anticipates that approximately 13,683,103 Shares and 5,000,000 Vendor Options will be subject to ASX escrow restrictions.	
	Accordingly, the Vendor Securities will be issued on the condition that each Vendor is subject to ASX's escrow requirements, including execution by the Vendor of a restriction agreement in the form required by ASX	
	Further, 1,675,111 Shares to be issued to the Vendors will be subject to voluntary escrow restrictions for up to 12 months from	

Topic	Summary	Further Information
	issue.	
	Underwriter Offer	
	The Company anticipates that approximately all of the 11,000,000 Offer Options issued under the Underwriter Offer will be subject to ASX escrow restrictions.	
	Accordingly, these Offer Options will be issued on the condition that the Underwriter (or its nominee) is subject to ASX's escrow requirements, including execution by the Underwriter (or its nominee) of a restriction agreement in the form required by ASX	
	Others	
	The Company anticipates that some Securities to be issued to promoters, consultants, advisors and service providers of the Company and AssetOwl who received those Securities for services provided in relation to the Acquisition or the Offers will be subject to escrow restrictions as a condition of the Company being re-instated to the Official List.	
Are there any taxation consequences?	The acquisition and disposal of Offer Securities may have tax consequences for Applicants depending on their individual taxation circumstances and affairs.	Section 11.6
	Each Applicant should consult their own taxation advisers for advice about any taxation consequences associated with subscribing for and disposing of Offer Securities.	
	Neither the Company, the Underwriter nor any of the Directors have given any advice regarding the taxation consequences of subscribing for Offer Securities.	
	To the extent permitted by law, the Company, the Directors and the Company's advisers and officers, do not accept any responsibility or liability for any taxation consequences for persons subscribing for Offer Securities.	
Applying for Offer S	Securities	
Who can apply for	The following persons may apply for Offer Securities:	Section 3 1(a)
Offer Securities	<ul> <li>Public Offer – members of the public;</li> </ul>	Section 3.1(a), 3.2(a) and
under each Offer?	<ul> <li>Vendor Offer – the Vendors (or their nominees); and</li> </ul>	3.3(a)
	<ul> <li>Underwriter Offer – the Underwriter (or its nominees).</li> </ul>	
	,	
What is required to apply for Offer Securities?	This Prospectus is accompanied by separate Application Forms for each Offer.	Sections 3.11 and 3.12
	An Applicant must complete the Application Form accompanying this Prospectus for the relevant Offer, in accordance with the instructions on that Application Form.	Application Forms
	A cheque for the relevant Application Money must accompany the completed Application Form when submitted to the Company.	
Can an Offer be withdrawn?	The Company reserves the right to withdraw an Offer at any time before the issue of Offer Securities to Applicants under that Offer. If an Offer is withdrawn, Application Money will be refunded to relevant Applicants in full without interest.	Section 3.1

Topic	Summary	Further Information		
Further information	1			
How can further information be obtained?	Prospectus ir	sidering applying under an Offer should read this full and should consult their own qualified visors if they have any questions.		
	Certain information referred to in this Prospectus, including copies of the Company's corporate governance charters and policies, is available on the Company's website at <a href="https://www.regalpointresources.com.au">www.regalpointresources.com.au</a> .			
How can the Company be		's contact details for enquires regarding the Offers ctus are as follows:		
contacted?	By telephone:	(+61) 8 9424 9320		
	By email:	enquiry@regalpointresources.com.au		
	By mail:	Level 14, Parmelia House, 191 St Georges Terrace Perth, Western Australia 6000		
	Attention:	Company Secretary		
		er's contact details for enquires regarding the Public rospectus are as follows:		
contacted?	By telephone:	(+61) 8 9263 1111		
	By email:	corporate@psl.com.au		
	By mail:	GPO Box W2024, Perth, Western Australia 6846		
	Attention: Sue Clarkson or George Garnett			

## 2. Corporate and Business Overview – Company and AssetOwl

## 2.1 Background

#### (a) Overview

The Company is an Australian public company that was admitted to ASX on 26 May 2011.

The Company currently carries on the business of mineral exploration, with a primary focus on exploration for uranium and gold deposits. It has two uranium exploration projects located in Queensland (Paroo Range) and the Northern Territory (Rum Jungle).

## (b) Paroo Range Project

The Company's Paroo Range Project is located adjacent to the Paladin/Summit Valhalla project north of Mt Isa in Queensland, and operated over 5 exploration licenses held by the Company.

The Paroo Range Project focuses on targeting structurally controlled metasomatic uranium mineralisation that occurs within albitised meta-basalts with breccia zones developed through the quartz-haematite-carbonate alteration zone. The Company believes that this mineralisation style, which is similar to the nearby Valhalla and Skal deposits, and the Anderson Lode deposit, has strong potential to host economic mineralisation.

Other than the cost of maintaining the Paroo Range Project in good standing, the Company is not aware at the Prospectus Date of any other existing or future liabilities in relation to the same.

#### (c) Rum Jungle Project

The Company's Rum Jungle Project is located approximately 55 kilometres south of Darwin in the Batchelor area where there are numerous uranium, gold and base metal prospects and abandoned mines. The project is operated over one exploration licence held by the Company, the area of which is approximately 28 square kilometres.

The Rum Jungle Project focuses on exploration for uranium and gold deposits. The Company has completed drilling, sampling and geophysical surveys within the area of the exploration licence, and has confirmed that the Highlander gold prospect is a high quality target in an under-explored region. It has identified that gold is hosted in pyrite-arsenopyrite-rich quartz veins on the project area.

Other than the cost of maintaining the Rum Jungle Project in good standing, the Company is not aware at the Prospectus Date of any other existing or future liabilities in relation to the same.

#### (d) Operational information – incorporated by reference

The 'Operational Report' section of the Company's 2016 Annual Report (at pages 5 to 8 of that document) is incorporated into this Prospectus by reference pursuant to section 712 of the Corporations Act.

The Annual Report was announced by the Company to ASX on 30 September 2016 ('Annual Report to shareholders'). It is available free-of-change on the Company's website, <a href="http://www.asx.com.au/asxpdf/20160930/pdf/43bmfn7ghcvrwx.pdf">http://www.asx.com.au/asxpdf/20160930/pdf/43bmfn7ghcvrwx.pdf</a>, or by request to the Company Secretary on +61 (0)8 9424 9320. It is also available on the

ASX announcement platform at the following website address – <a href="http://www.asx.com.au/asxpdf/20160930/pdf/43bmfn7ghcvrwx.pdf">http://www.asx.com.au/asxpdf/20160930/pdf/43bmfn7ghcvrwx.pdf</a>.

## 2.2 Acquisition of AssetOwl

## (a) Overview

As a result of the constrained investment activity in the uranium sector over recent years, the Company is seeking to diversify its business and pursue new investment opportunities with a view to increasing value for Shareholders. The Company has evaluated a number of potential alternative business and asset acquisition opportunities, outside of mineral exploration.

From its assessment of these opportunities, the Board determined to pursue the Acquisition. It considers that AssetOwl presents an exciting opportunity for the Company and its Shareholders.

AssetOwl is an information technology and software development company, with a primary focus on addressing the issues faced by retailers with large geographically dispersed stores and a large number of aging company assets. It has developed a cloud-based enterprise asset visibility software platform for retail site management and analysis (i.e. the Management Platform) which also has application to other industries.



**Figure 1:** The AssetOwl Management Platform allows imagery captured via its proprietary hardware or mobile application to easily be geolocated, uploaded and shared for viewing remotely from any computer or mobile device.

AssetOwl's Management Platform is innovative technology which, if successfully commercialised, has the potential to fundamentally change existing processes for the management of assets, properties and projects, with the potential to also be expanded into workload and resource management.

The Company proposes for its primary business undertaking following the Acquisition to be the AssetOwl business. Accordingly, the Company will seek to generate value for Shareholders through its ownership of AssetOwl.

## (b) Consideration and key terms of the Acquisition

The consideration to be provided by the Company for its acquisition of all of the AssetOwl Shares is in the form of equity consideration which aligns the interests of the Vendors with the financial and operational success of the Company and AssetOwl.

The Company must issue 15,000,000 Shares and 5,000,000 Vendor Options (i.e. the Vendor Securities) to the Vendors at completion of the Acquisition. It must also grant 30,000,000 Performance Rights, as a form of deferred performance-based consideration, with the following milestones:

Performance Right class	Number to be granted	Milestones
Class A	15,000,000	At least 320 stores (or levels on a multi-story site) using the Management Platform in 2017.
		The Company generating revenue of at least \$3,008,000 in 2017.
		The Company breaking-even in relation to its net-profit before tax for 2017.
Class B	7,500,000	At least 1,152 stores (or levels on a multi- story site) using the Management Platform in 2018.
		The Company generating revenue of at least \$5,760,000 in 2018.
		The Company generating net-profit before tax of at least \$1,792,000 in 2018.
Class C	7,500,000	At least 1,408 stores (or levels on a multi- story site) using the Management Platform in 2019.
		The Company generating revenue of at least \$10,400,000 in 2019.
		The Company generating net-profit before tax of at least \$5,696,000 in 2019.

**Note:** The above milestones are not, and should not be interpreted as, financial or operational forecasts. They are contractual milestones negotiated between the Company and the Vendors.

For further details regarding the terms of the Acquisition, including the consideration payable by the Company, refer to the summary of the Transaction Agreement in Section 9.2.

#### (c) ASX re-compliance

The Acquisition will result in the Company changing the nature of its business activities from mineral exploration to information technology and software development business of AssetOwl.

This change constitutes a significant change in the nature of the Company's activities for the purposes of ASX Listing Rule 11.1. As a result, the Company's Securities were placed into trading halt on 12 July 2016 and have been suspended from quotation at the request of the Company since 14 July 2016.

The Company will seek the Shareholder approvals necessary to undertake the Acquisition at its AGM on 5 December 2016, including the change in the nature of its activities (refer to Section 11.1).

In addition, ASX requires that the Company re-comply with the admission requirements in Chapters 1 and 2 of the ASX Listing Rules as if it was seeking admission to the Official List of ASX.

The suspension of the Company's Securities is expected to continue until the Company completes the Acquisition and the Company satisfies ASX that it has complied with these re-compliance requirements.

## (d) Intentions for mineral exploration assets following Acquisition

The Company does not have any plans to dispose of its existing mineral exploration assets at this stage. However, if the Acquisition proceeds, the Company will focus its efforts on the commercial roll-out of the Management Platform and the further development of the AssetOwl business.

Accordingly, the Company intends to undertake a strategic review of the Paroo Range and Rum Jungle Projects and evaluate the opportunities to maximise the value for Shareholders other than the Vendors.

Although a decision on realisation of the mineral exploration assets has not been made at the Prospectus Date, a preferred option being considered by the Board is to spin-out the assets into a separate wholly owned subsidiary that could be acquired by another listed entity with complementary assets, or could itself seek to acquire complementary assets with a view to listing on the ASX. The Company would then consider distributing the shares in the subsidiary company, or any consideration otherwise received as a result of the sale of the subsidiary company, to Shareholders other than the Vendors.

The Vendors have agreed under the Transaction Agreement to renounce any rights to participate in, or receive any proceeds from, any eventual transaction to realise the Company's mineral exploration assets in whatever form, so that the benefit from realising the mineral exploration assets is received by Shareholders other than the Vendors.

The Company will focus on the AssetOwl business but will continue its minimum expenditure commitments for the Paroo Range and Rum Jungle Projects so as to maintain them in good standing and maximise their potential value for Shareholders until a determination as to how they will be dealt with is made.

## 2.3 AssetOwl's business

(a) Background and history

The AssetOwl business was conceptualised in November 2013 and AssetOwl Pty Ltd was incorporated in August 2014. Its founders sought to revolutionise the delivery of asset and site management services to retailers through the application of geospatial mapping and virtual tours. They planned a solution for retailers experiencing issues with large geographically dispersed networks and ageing company assets that would encourage not only domestic but also global retailers to move away from the traditional 'paper based' audit that was then being used.

Following incorporation, the founders commenced scoping sessions with key executives from one of Australia's (and the world's) leading retailers. This process resulted in the development of a BETA version of the Management Platform<sup>1</sup>, and a provisional application for a patent with IP Australia was subsequently filed.

In July 2015, after receiving feedback from a number of unpaid trials, and presentations to some of Australia's leading retailers, AssetOwl commenced

REGALPOINT RESOURCES LIMITED - PROSPECTUS

<sup>&</sup>lt;sup>1</sup> BETA testing refers to second phase end-user testing to identify problems before commercial release.

developing a minimal viable product (**MVP**)<sup>2</sup> for the initial 3 core modules of the Management Platform – properties, audits and projects. AssetOwl subsequently filed a patent application with the World Intellectual Property Organisation in September 2015, seeking international registration and protection under the PCT process.

In April 2016, AssetOwl commenced a paid trial with one of Australia's leading retailers to test its MVP. It has subsequently been engaged for further paid trials which are ongoing, and is now in advanced negotiations for the full implementation of its Management Platform. AssetOwl has also entered into discussions with a leading property asset manager for a paid trial to demonstrate the potential application of the Management Platform to sectors other than retail business.

## (b) Overview of AssetOwl business

AssetOwl's primary business focuses on addressing the issues faced by retailers with large geographically dispersed stores and a large number of aging company assets, such as department stores, supermarkets and hardware chains.

The Management Platform allows centrally based management to visualise the existing conditions of stores, both internally and externally, which are often geographically dispersed, enabling potential reductions in the time taken to make critical business decisions and facilitates significant savings in travel and staff costs.

The Management Platform has been under development for more than 2 years. During 2015 and 2016, AssetOwl has moved from a BETA phase to an MVP in a production setting and has developed significant traction with potential customers.

Near-term geographic and industry expansion potential is being evaluated through non-commercial trials with partners in other market segments, such as property asset management, in both the private and public sectors.

The Management Platform is currently being used by two retail customers on a trial basis in their business operations. AssetOwl is also currently in negotiations with a further four retailers regarding the commencement of commercial trials and anticipates that, if secured, the trials will be completed by mid to late 2017.

AssetOwl is seeking to demonstrate the value of the Management Platform through the customer trials in order to support a business case for the full roll-out of the platform across a customer's site or store network.

AssetOwl intends to focus on the implementation and commercial roll-out of the Management Platform with Australian retailers over 2016 and 2017 before pursuing a targeted international strategy.

#### (c) AssetOwl's key product and technology – Management Platform

#### (i) Overview

AssetOwl's primary asset is the Management Platform.

The Management Platform is an asset, visibility and change software platform, that is intended for use in retail site management and analysis.

To deliver value to customers, AssetOwl has combined geographic information systems (or GIS)<sup>3</sup> and virtual reality technologies to develop an

<sup>&</sup>lt;sup>2</sup> A minimum viable product refers to the first version of the Management Platform that has all required functionality to be implemented with a customer in a commercial environment.

<sup>&</sup>lt;sup>3</sup> A geographic information system or 'GIS' is a computer system which captures, stores, reviews, alters, manages and displays spatial or geographic data relative to a position or place on the Earth.

internal visualisation system<sup>4</sup> which allows centrally based management to visualise the interior and existing condition of a large and geographically dispersed store network, from the convenience of their office.

The Management Platform currently provides for three core modules – properties, audits and projects – to assist users to visualise, question, manage, direct, analyse and interpret data within a particular property, and collectively across all properties within a network.

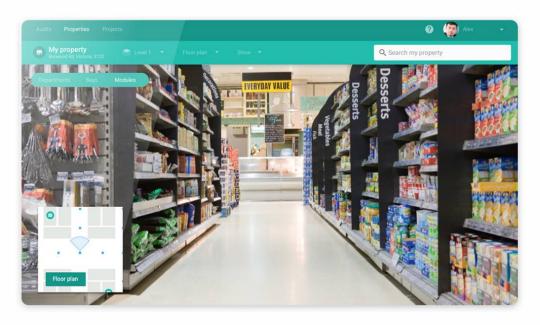
The Management Platform has undergone extensive user testing through customer trials. The Management Platform is in the final phase of development before being rolled-out to customers. AssetOwl has received significant interest from multi-site retail businesses, including department stores, supermarkets and hardware stores.

The Management Platform is available to clients via the 'Software-as-a-Service' (SaaS) model. The SaaS model ensures that the software remains centrally hosted, but can be accessed by clients using an internet browser or the mobile application on iOS devices (i.e. Apple devices). The AssetOwl mobile application is currently only available on iOS devices (e.g. for Apple products), but feedback from clients has indicated a need for an Android application, which is currently in development.

## (ii) Properties module – production deployed phase

The properties module enables access to photographs of properties/stores and virtual tours to the interior and exterior of stores/properties, with a view to checking asset locations, assisting with auditing and monitoring store condition (including presentation and displays) so as to provide complete visibility of all properties.

Virtual tours enable platform users to step into a store and look at all parts of the store/property. The tours include high-definition panoramic images, all mapped to a floor plan with bays and modules.



**Figure 2:** Navigating a virtual tour of a site using the Management Platform's properties module.

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<sup>&</sup>lt;sup>4</sup> A system which brings together computer-aided design (CAD) or satellite based maps with a virtual tours and other information in relation to an asset or site in a single platform.

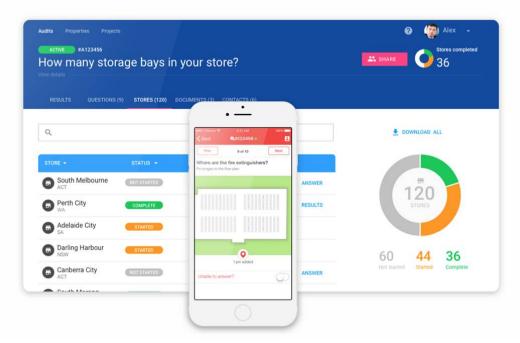
Platform users can ask questions linked to the virtual tour or floor plan which on-site operators can receive on a mobile device (e.g. a mobile phone or tablet device). The on-site operators can also respond with images taken on the device.

The ability to effectively communicate and share information about assets means that organisations can reduce costs associated with travelling to store/property locations to gather and maintain information about assets.

The properties module is currently operable on computers but not yet mobile or tablet devices.

#### (iii) Audits module – production deployed phase

The audits module enables the management of small and large-scale asset audits, including the collation of information, monitoring of staff progress, easy access to information compiled, and allocation of the information to floor plan locations. Organisations can gather reliable, comparable and reportable data on their assets.



**Figure 3:** Answering an audit using the mobile application for the Management Platform's audits module, and viewing the progress and results of audits across a network of sites.

Audits can be designed and assigned to multiple properties. The corresponding results (which include map and virtual tour references, images from devices and a range of text based types) are continuously visible within the platform, prompting re-use and further cost reduction.

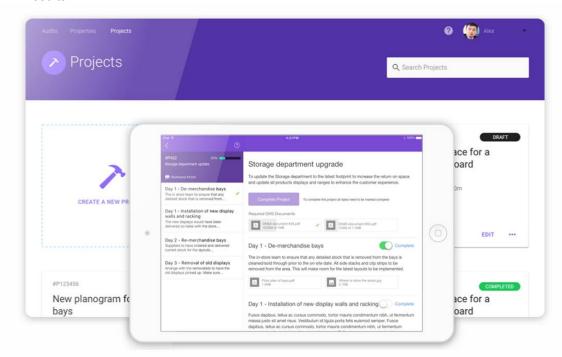
The audits module can be operated on computers as well as mobile and tablet devices.

#### (iv) Projects module – production deployed phase

The projects module enables management of projects against assets with onsite teams submitting task information and updates via mobile applications, including creating, scoping, rolling-out and tracking progress.

The module allows organisations to manage change throughout their stores/properties. Managers can define activities and assign them to

numerous locations. The module tracks completion and provides reporting on results.



**Figure 4:** Managing projects across a network of sites using the Management Platform's projects module. The module helps to ensure that the execution of projects is done to a specified standard across the network.

Project results that can be submitted include images, floor plans and virtual tour references, and textual data is available in raw and aggregated reports. These reports can be shared throughout the organisation, making the information easily accessible and actionable.

The projects module can be operated on computers as well as mobile and tablet devices.

## (v) Software development

AssetOwl plans to focus on the following areas of software development following completion of the Acquisition and the close of the Public Offer:

- ➤ Platform improvements: Continual improvements to the Management Platform. AssetOwl continually improves its platform based on user feedback via a strategic product roadmap in order to increase the value proposition to its customers.
- Android application: Developing an Android mobile and tablet application to allow users on the Android operating system to access the Management Platform. The current trial customer base iOS devices are being used on site for auditing and project purposes. For potential customers who have a 'bring your own device' policy, AssetOwl will look to provide an Android application.
- Capture hardware: Part of AssetOwl's distinctive offering is a capture service by which it has developed a proprietary hardware device to perform this function. This device has completed its final stage of R&D and AssetOwl proposes to procure sufficient units in order to enable a roll-out to Australian customers.

## (vi) Additional modules

AssetOwl is also developing new modules for functions that are considered to be of potential value and assistance to customers. In this regard, AssetOwl is working on the following additional modules:

- **Defects:** A module to provide customers with real-time identification and triage of asset issues.
- Planner: A module to provide customers with a diary of planned activities for each store or property.
- Merchandising: A module to provide customers with a tool that assists in the automation of plan-o-gram compliance.
- Facilities management: A module to provide customers with a tool that assists in the proactive and reactive maintenance of assets.
- Asset management: A module to provide customers with a tool which assists in maintaining an accurate record of all assets.

### (vii) Proposed revenue streams

AssetOwl proposes to generate revenue through three main revenue streams:

- The first involves the initial implementation service whereby AssetOwl captures, processes and delivers a virtual tour of each asset, property or project for the customer. A one-off implementation fee is to be charged for this service.
- The second proposed revenue stream involves the provision of the Management Platform to the customer on a SaaS basis. An annual licence fee is to be charged for each store/location (or floor on a multi-level store/location) at which the Management Platform is used by the customer.
- Finally, AssetOwl will charge a re-imaging fee if a customer requests that a property/store be re-captured, processed and delivered into the Management Platform.

AssetOwl is not generating any significant revenue at the Prospectus Date. Further, it is not able to accurately forecast any potential revenue going forward. However, subject to successfully completing trials, AssetOwl expects that the Management Platform will be commercialised by late 2017, subject to the dependencies outlined below.

#### (d) Key dependencies

AssetOwl's business strategy is primarily dependent upon the following key matters:

- Trials: AssetOwl successfully completing its customer trials and meeting all predefined business case objectives;
- Contracts: AssetOwl successfully negotiating contracts for use of the Management Platform with customers and ensuring that the scope of each customer's requirements can be delivered;
- Personnel: AssetOwl being able to scale its personnel for capture and delivery of virtual tours of customer sites; and

Ongoing servicing: AssetOwl being able to service its customers on an ongoing basis to the contractual services standards in order to generate sustained and reliable revenue.

## (e) Protection of intellectual property

AssetOwl has filed a number of patent applications in relation to its technology.

On 26 September 2014, AssetOwl lodged a provisional patent application with IP Australia (PCT/AU2015/050579) in respect of its Management Platform, which was subsequently granted.

On 28 September 2015, AssetOwl lodged an International (PCT) patent application with the World Intellectual Property Organisation (PCT/AU2015/050579) in respect of its Management Platform technology.

Specifically, AssetOwl's patent application covered the following:

- the business process of AssetOwl's core modules, comprising:
  - properties virtual tour of each asset (internet application);
  - audits an auditing tool (internet and mobile device application); and
  - projects a project management tool (internet and mobile device application);
- the computer vision method for geolocation and processing of imagery; and
- the mobile geolocation method for updated imagery.

Further details of AssetOwl's patent applications are set out in the Patent Attorney's Report at Section 7.

In addition, AssetOwl seeks to protect its key trade secrets and proprietary information under the ISO/IEC 27001:2013 framework for which it has been certified. Pursuant to this, AssetOwl has internal procedures regulating the disclosure of trade secrets and proprietary information at relevant staff authority levels within its organisation.

This certification reflects that AssetOwl has implemented processes and procedures to protect against unauthorised disclosure or use of trade secrets and proprietary information.

#### (f) AssetOwl's key personnel following the Acquisition

The key personnel who will continue engagement with AssetOwl following completion of the Acquisition are:

- Mr Giuseppe Di Franco chief executive officer of AssetOwl (refer to Section 9.10);
- Mr Andrew Lane non-executive director of AssetOwl (refer to Section 4.1); and
- Mr Tim Brady business development and sales consultant for AssetOwl (refer to Section 9.11).

The Company will also look to appoint additional directors to the board of AssetOwl from the Company's Board and management. The identities of these nominees have not yet been determined.

## 2.4 AssetOwl's target industries

## (a) Retail industry

The retail sector in Australia comprises the following 6 main industry groups (which in turn comprise 28 sub-groups) as identified by the Australian Bureau of Statistics:

- household goods retailing comprises 8 sub-groups, including hardware and garden supplies, furniture and electrical;
- food retailing comprises 6 sub-groups including, supermarkets, liquor and convenience;
- departments stores;
- clothing, footwear and personal accessory retailing;
- other retailing comprises news agencies, sports and equipment, toys and games, and stationary; and
- cafes, restaurants and takeaway food services.<sup>5</sup>

The size of the Australian retail market is significant when considering the supermarket sub-group. Across the 4 major supermarkets brands in Australia (Woolworths, Coles, Aldi and IGA), there are approximately 4,000 outlets.

The Australian based retailers with which trials of the Management Platform have been conducted are from a diverse range of classifications and wide ranging store format sizes (e.g. 100 square metres up to 10,000 square metres). This has demonstrated that the application of the Management Platform's benefits is transferrable across a broad number of business types and store format sizes.

The issues that retailers face in relation to a lack of visibility of their store networks are not unique to Australia. Retailers globally are faced with the same issues which may in some cases be due to some having significantly larger store networks which may be dispersed across multiple countries.

The size of the market and opportunity in Northern America is best illustrated through understanding the size of the grocery market in the United States which has approximately 293,000 outlets, of which the supermarket subgroup has approximately 25,000 outlets.<sup>6</sup>

Grocery Retailers Brand Shares: Outlets 2011-2014					
Brand	Company	2011	2012	2013	2014
7-Eleven	7-Eleven Inc	7,370	8,070	8,155	8,475
Shell Shop	Shell Oil Co	4,831	4,934	4,950	5,000
Circle K	Circle K Stores Inc	4,087	4,229	4,342	4,455
Walmart	Wal-Mart Stores Inc	3,206	3,405	3,599	3,793

<sup>&</sup>lt;sup>5</sup> Australian Bureau of Statistics, Retail Trade, Australia, September 2016,

<a href="mailto:</a>/www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/8501.0Main+Features1Sep%202016?OpenDocument">mailto:</a>//www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/8501.0Main+Features1Sep%202016?OpenDocument

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<sup>&</sup>lt;sup>6</sup> Euro Monitor International, Retailing in the US Report, Grocery Retails Outlines by Channel: Units 2009-2014, January 2016.

Amoco FoodMart	BP America Inc	3,270	3,170	3,060	2,960
Speedway	Marathon Oil Co	1,371	1,464	1,478	2,788
Albertson's	Albertson's Inc	205	190	1,024	2,349
Kroger	Kroger Co	2,309	2,296	2,297	2,307
Texaco	Chevron USA Inc	2,126	2,166	2,200	2,215
Chevron	Chevron USA Inc	1,861	1,891	1,916	1,933
Casey's General Stores	Casey's General Stores Inc	1,616	1,731	1,783	1,870
Kangaroo Express	Pantry Inc, The	1,649	1,572	1,538	1,527
Aldi	Aldi Inc	1,215	1,280	1,325	1,400
Save-A-Lot	Supervalu Inc	1,332	1,331	1,330	1,395
Food Lion	Delhaize America Inc	1,188	1,138	1,124	1,113
Publix	Publix Super Markets Inc	1,046	1,069	1,079	1,084
Valero	Valero Energy Corp	998	1,032	1,036	1,052
Cumberland Farms	Cumberland Farms Inc	904	881	841	814

**Table 1:** Grocery retailer outlets by brand in the United States of America between 2011 and 2014. Source – Euro Monitor International – June 2015: Grocery Retailers in the US.

#### (b) Other industries

Through their experience in dealing with retailers, AssetOwl's founders identified that centrally based management structures have inherent issues with gaining and maintaining visibility of assets which are large and diverse in number. This issue is not unique to the retail sector and is equally applicable to industries such as property management.

AssetOwl has also been in negotiations with both public and private real property asset management service providers since April 2016. In this regard, AssetOwl has been working with a leading property asset manager since November 2014. It is in advanced discussions to enter a paid trial for several of the manager's Australian based properties to assist the manager to communicate, market, monitor and manage its assets. AssetOwl is seeking to finalise arrangements for the trial by the end of March 2017.

The successful completion of this trial is intended to validate AssetOwl's belief that the market for the Management Platform is not confined to the retail industry, but can be applied to other industries both in Australia and globally.

## 2.5 AssetOwl's potential competitive advantage

AssetOwl's key competitors are businesses which offer software solutions for auditing and asset management. However, AssetOwl considers that the Management Platform has a significant competitive advantage for the following reasons:

- the Management Platform incorporates a revolutionary approach to virtual tours, floor plans, imaging, user interfaces, reporting and data visualisation which are not available in other competitors' products currently on the market;
- AssetOwl's Information Security Management System has been audited by an independent third party and attained ISO/IEC 27001:2013 accreditation from the International Organization for Standardization, for the design, development and support of cloud based asset management software solutions; and
- AssetOwl's industry knowledge and experience enables it to effectively position its Management Platform with potential clients to highlight significant potential benefits, including the ways in which it can address both existing and future problems clients may be experiencing, together with excellent functionality.

## 2.6 Summary of historical financial information

## (a) The Company

The table below sets out a summary of the key historical financial information of the Company in relation to the financial years ended 30 June 2014, 30 June 2015 and 30 June 2016.

Company Historical Financial Information	Audited for the year ended 30 June 2016 \$	Audited for the year ended 30 June 2015 \$	Audited for the year ended 30 June 2014 \$
Profit and loss statement (extract)			
Revenue	667	6,119	18,700
Other income	-	-	3,343
Total expenses	(430,731)	(779,990)	(865,209)
Loss before income tax	(430,064)	(773,871)	(843,166)
Income tax expense		-	-
Total comprehensive loss for the year	(430,064)	(773,871)	(843,166)
Balance Sheet (extract)			
Current assets	1,108,967	81,379	406,380
Non-current assets	1,582,707	1,497,926	1,736,518
Total assets	2,691,674	1,579,305	2,142,898
Current liabilities	78,631	482,354	272,075
Non-current liabilities		_	
Total liabilities	78,631	482,354	272,075
Net assets	2,613,043	1,096,951	1,870,823
Equity Issued capital	11,704,402	9,758,246	9,758,246
Reserves	59,361	59,361	59,361

Accumulated losses	(9,150,720)	(8,720,656)	(7,946,784)
Total equity	2,613,043	1,096,951	1,870,823

This information is in abbreviated form. It does not contain all of the information and disclosures that would ordinarily be included in annual financial statements under the Corporations Act and applicable accounting standards.

Accordingly, the information in the table below should be read in conjunction with the Investigating Accountant's Report and the full financial statements contained in the Company's Annual Reports for 2014, 2015 and 2016 respectively which have each been audited by the Company's auditor, BDO Audit. The Company's full Annual Reports are available on the Company's website, <a href="http://www.regalpointresources.com.au/investors/annual-reports.html">http://www.regalpointresources.com.au/investors/annual-reports.html</a>.

The Investigating Accountant has not reviewed the above table in preparing the Investigating Accountant's Report.

#### (b) AssetOwl

The table below sets out a summary of the key historical financial information of AssetOwl in relation the financial years ended 30 June 2015 and 30 June 2016 (having been incorporated on 7 August 2014). AssetOwl's annual financial statements were audited by BDO Audit in accordance with the Australian Auditing Standards.

AssetOwl Historical Financial Information	Audited for the year ended 30 June 2016 \$	Audited for the period 7 August 2014 to 30 June 2015 \$
Profit and loss statement (extract)		
Sales	20,000	20,000
R&D tax incentive	1,411,521	484,195
Other income	4,910	-
Total expenses	(3,526,543)	(1,090,628)
Loss before income tax	(2,090,112)	(586,433)
Income tax expense  Total comprehensive loss for	<del>_</del> _	(320)
the period	(2,090,112)	(586,753)
Balance Sheet (extract)		
Current assets	1,503,252	746,251
Non-current assets	100,000	7,826
Total assets	1,603,252	754,077
Current liabilities	1,714,270	890,701
Non-current liabilities		<u>-</u> _
Total liabilities	1,714,270	890,701
Net assets	(111,018)	(136,624)
Equity Issued capital	2 - 2 - 2 - 2	4=0.400
Accumulated losses	2,565,847	450,129
Total equity	(2,676,865) (111,018)	(586,753) (136,624)

This information is in abbreviated form. It does not contain all of the information and disclosures that would ordinarily be included in annual financial statements under the accounting standards applicable to AssetOwl. Accordingly, the information in the table below should be read in conjunction with the Investigating Accountant's Report.

The Investigating Accountant has not reviewed the above table in preparing the Investigating Accountant's Report.

# 2.7 Dividend policy

The Company does not have a dividend policy as it does not foresee payment of dividends in the immediate future. However, the Board will review this from time to time having regard to the Company's financial position and business objectives.

# 3. Details of the Offers

## 3.1 Public Offer

#### (a) Offer structure

The Public Offer in this Prospectus invites investors to participate in an offer of 17,500,000 Shares at \$0.20 per Share to raise \$3,500,000 (before costs), together with one free-attaching Offer Option for every 2 Shares subscribed.

All Shares issued pursuant to the Public Offer will be issued as fully paid and will rank equally in all respects with the Existing Shares. Further details of the rights attaching to Shares are set out in Section 10.1.

All Offer Options issued pursuant to Public Offer will have an exercise price of \$0.40 and an expiry date of 30 June 2019. They will otherwise be issued on the terms and conditions set out in Section 10.3.

The Company, in consultation with the Underwriter, reserves the right to reject any Application or to allocate any Applicant fewer Shares than the number applied for.

The Company reserves the right to withdraw the Public Offer at any time before Offer Securities are issued under it.

Please refer to Section 3.11 for details on how to apply for Shares under the Public Offer.

#### (b) Minimum subscription

The minimum subscription for the Public Offer is \$3,500,000 (before costs) through the issue of 17,500,000 Shares (i.e. full subscription).

#### (c) Oversubscription

An allocation for oversubscription under the Public Offer has not been made.

#### (d) Priority Entitlement to Eligible Shareholders

Australian resident Shareholders registered as at 10 November 2016 (**Eligible Shareholders**) will be offered, in priority to other Applicants, up to 5,000,000 Shares under the Public Offer, together with one free-attaching Option Offer for every 2 Shares subscribed (**Priority Entitlement**).

Each Eligible Shareholder may apply for Shares under the Priority Entitlement up to the higher of the following (calculated on a post-Consolidation basis):

- the number of Shares that, when added to the Shareholder's existing holding, would equal 10,000 Shares; or
- the number of Shares that the Eligible Shareholder would be entitled to apply for if the Priority Entitlement was made on a pro rata basis.

The balance of any Shares not applied for by Eligible Shareholders under the Priority Entitlement will be available for subscription by general Applicants under the Public Offer.

The allocation policy for the Priority Entitlement and Public Offer generally will be determined by the Directors in consultation with the Underwriter.

Accordingly, Eligible Shareholders intending to take up their Priority Entitlement are encouraged to submit Priority Entitlement Application Forms as soon as possible after the Opening Date.

#### (e) Conditions of the Public Offer

The Public Offer is conditional upon all of the following events occurring:

- **full subscription**: the full subscription requirement of \$3,500,000 being satisfied (refer to Section 3.1(b));
- Shareholder approvals: the Transaction Resolutions required for the Company to undertake the Acquisition and the Offers, being approved by Shareholders at the AGM (refer to Section 11.1);
- completion of Acquisition: all conditions precedent to completion of the Acquisition under the Transaction Agreement being satisfied and completion occurring; and
- confirmation of ASX re-instatement: ASX approving the Company's application for re-instatement to official quotation and the Company receiving conditional approval for the quotation of the Shares and Offer Options on the ASX, within 3 months of the Prospectus Date (refer to Section 3.17).

If any of the above conditions to the Public Offer are not satisfied, the Company will issue a supplementary or replacement prospectus to Applicants allowing them one month to withdraw their Applications and obtain a refund of their Application Money. Alternatively, the Company may decide not to proceed with the Public Offer and will then repay all Application Money received (without interest) in accordance with the Corporations Act.

If the Public Offer does not proceed, the Vendor Offer and the Underwriter Offer will also not proceed.

#### (f) Underwriting

The Public Offer is underwritten by the Underwriter (Patersons Securities Ltd) on a conditional basis for the full amount of \$3,500,000, being equal to 17,500,000 Shares.

The Underwriter will be entitled to receive the Offer Options the subject of the Underwriter Offer (i.e. 11,000,000 Offer Options) as consideration for it agreeing to underwrite the Public Offer.

A summary of the terms and conditions of Underwriting Agreement, including the circumstances in which the Underwriter may terminate its underwriting commitment, is set out in Section 9.3.

# (g) Lead manager

The Underwriter (Patersons Securities Ltd) has been appointed by the Company under the Underwriting Agreement to manage the Public Offer.

The Underwriter will be entitled to a fee of 6% of the total amount raised under the Public Offer as well as a corporate advisory fee of \$60,000. Refer to Section 9.3 for further details of the terms under which the Underwriter has been engaged by the Company.

#### 3.2 Vendor Offer

## (a) Offer structure

The Vendor Offer under this Prospectus invites the Vendors (or their nominees) to participate in an offer of up to 15,000,000 Shares and 5,000,000 Vendor Options for nil cash consideration, pursuant to the terms of the Transaction Agreement.

The Vendor Offer does not have a minimum subscription requirement and does not have any allocation for oversubscriptions. Further, the Vendor Offer is not underwritten.

All Shares issued pursuant to the Vendor Offer will be issued as fully paid and will rank equally in all respects with the Existing Shares. Further details of the rights attaching to Shares are set out in Section 10.1.

All Vendor Options pursuant to the Vendor Offer will have an exercise price of \$0.25 and an expiry date of 31 March 2019. They will otherwise be issued on the terms and conditions set out in Section 10.4.

The Company reserves the right to withdraw the Vendor Offer at any time before Offer Securities are issued under it.

Please refer to Section 3.12 for details on how to apply for Offer Securities under the Vendor Offer.

## (b) Eligibility

Only a Vendor (or the Vendor's nominee) may apply under the Vendor Offer.

Each Vendor may apply for up to the number of Shares and Vendor Options as that Vendor is entitled to receive under the Transaction Agreement.

#### (c) Conditions of the Vendor Offer

The Vendor Offer is subject to all the conditions to the Public Offer being satisfied. If the Public Offer conditions are not satisfied and the Public Offer does not proceed, the Company may elect not to proceed with the Vendor Offer.

#### 3.3 Underwriter Offer

#### (a) Offer structure

The Underwriter Offer under this Prospectus invites the Underwriter (or its nominees) to participate in an offer of 11,000,000 Offer Options for nil cash consideration.

The Underwriter Offer is made in consideration of the Underwriter agreeing to perform its underwriting commitments pursuant to the terms of the Underwriting Agreement.

The Underwriter Offer does not have a minimum subscription requirement and does not have any allocation for oversubscriptions. Further, the Underwriter Offer is not underwritten.

All Offer Options issued pursuant to the Underwriter Offer will have an exercise price of \$0.40 and an expiry date of 30 June 2019. They will otherwise be issued on the terms and conditions set out in Section 10.3.

The Company reserves the right to withdraw the Underwriter Offer at any time before Offer Options are issued under it.

Please refer to Section 3.12 for details on how to apply for Offer Options under the Underwriter Offer.

#### (b) Eligibility

Only the Underwriter or a person nominated by the Underwriter may apply under the Underwriter Offer.

# (c) Conditions of the Underwriter Offer

The Underwriter Offer is subject to all the conditions to the Public Offer being satisfied. If the Public Offer conditions are not satisfied and the Public Offer does not proceed, the Company may elect not to proceed with the Underwriter Offer.

## 3.4 Purpose of the Offers

#### (a) Public Offer

The purpose of the Public Offer is to raise \$3,500,000 (before costs) in order to:

- enable the Company to complete the Acquisition;
- > fund the following:
  - the further development and commercial roll-out of the AssetOwl Management Platform, including further software development, business development and marketing;
  - the costs of patenting the AssetOwl Management Platform;
  - the maintenance of the Company's existing resources assets (including the existing exploration tenements) in good standing;
  - the costs of the Offers and the Acquisition; and
  - corporate overheads and administrative costs of the Company;
- provide the Company with general working capital; and
- enable the Company to satisfy the ASX admission requirements for its Securities to be re-instated to official quotation, thereby providing a market for Shares to better enable the Company to access capital markets.

Please refer to Section 3.5 for further details of the proposed use of the funds raised under the Public Offer.

# (b) Vendor Offer

The purpose of the Vendor Offer is for the Company to satisfy its obligation under the Transaction Agreement to provide the Vendors with 15,000,000 Shares and 5,000,000 Vendor Options as consideration for the sale by the Vendors of the AssetOwl Shares to the Company.

#### (c) Underwriter Offer

The purpose of the Underwriter Offer is for the Company to satisfy its obligation under the Underwriting Agreement to provide the Underwriter with 11,000,000 Offer Options in consideration of the Underwriter underwriting the full subscription amount of the Public Offer.

#### 3.5 Use of funds

The Company intends to use its current funds of approximately \$750,000 cash on hand as at the Prospectus Date, and the funds raised from the Public Offer as follows:

	Full subscription (\$3,500,000)
Funds available	
Cash on hand	\$775,000
Funds from the Offers	\$3,500,000
Total funds available	\$4,275,000
Use of funds	
AssetOwl business	
Software development	\$1,550,000
Business development and marketing	\$350,000
Patent costs	\$100,000
Resources business	
Maintenance of exploration project tenements	\$300,000
Common business matters	
Outstanding costs of the Acquisition, Offers and ASX recompliance	\$380,000
Corporate overheads and administrative costs	\$600,000
General working capital	\$995,000
Total	\$4,275,000

#### Notes:

- 1. Costs of the Offers include the other costs identified in Section 11.5.
- 2. Working capital costs comprises the Company's administration and overhead costs, and include operating expenses, accounting costs, auditing costs, insurance costs, legal costs, share registry costs, Directors' fees, ASX fees and regulatory compliance costs and expenses.
- 3. Refer to Section 2.3(c)(v) for additional details of planned software development.
- 4. The Company has paid approximately \$155,000 of the costs of the Acquisition, Offers and ASX recompliance as at the Prospectus Date.
- 5. The stated use of funds is current as at the Prospectus Date. The use of funds may change depending on any intervening events or changes in the Company's circumstances. The Board reserves the right to change the way funds are used and applied.

## 3.6 Working capital

On completion of the Offers and the issue of Offer Securities, the Company will have enough working capital to carry out its objectives as stated in this Prospectus.

#### 3.7 Consolidation

The Company will seek Shareholder approval at the AGM to undertake the Consolidation, being a capital consolidation on a 10:1 basis, with fractional entitlements to Securities to be rounded to the nearest whole number.

The Consolidation is proposed to apply on an equal basis to the holder of Securities registered on 8 December 2016. It will occur prior to any Securities or Performance Rights being issued under the Offers or otherwise in relation to the Acquisition.

The Consolidation will, if approved, have the following effect (assuming that no other Shares are issued or Options exercised prior to that date):

- reduce the number of Shares on issue from 270,421,120 to approximately 27,042,112;
- reduce the number of Existing Options on issue from 101,427,928 to 10,142,793 Options; and
- increase the exercise price of Existing Options from \$0.02 to \$0.20.

Where a fractional entitlement to a post-Consolidation Security occurs, the Directors will round that fraction to the nearest whole number.

All references to Securities in this Prospectus are to Securities on a post-Consolidation basis unless expressly stated otherwise.

Please refer to the anticipated capital structure both before and after the Consolidation in Section 3.8 below.

## 3.8 Capital structure

The table below sets out the existing and the proposed capital structure of the Company following completion of the Acquisition and Offers, noting the effect of the Consolidation.

Holder	Shares	Existing Options	Vendor Options	Offer Options	Performance Rights
Existing Secu	rities (pre-Cons	olidation)			
Existing security holders	270,421,120	101,427,928	Nil	Nil	Nil
Securities after	er Acquisition a	nd full subscrip	tion (post-Cons	solidation)	
Existing Regalpoint shareholders	27,042,112	10,142,793	Nil	Nil	Nil
Vendors	15,000,000	Nil	5,000,000	Nil	30,000,000
Public Offer investors	17,500,000	Nil	Nil	8,750,000	Nil
Underwriter or its nominees	Nil	Nil	Nil	11,000,000	
Advisors/ promoters	1,000,000	Nil	Nil	Nil	Nil
TOTAL	60,542,112	10,142,793	5,000,000	19,750,000	30,000,000

#### Notes:

- 1. The figures in the above table are indicative only and are subject to change.
- 2. The Performance Rights in the table above comprise Class A, Class B and Class C Performance Rights.

- 3. The Vendors have nominated their corporate advisor, Maiden Capital, to receive 6% of the Securities and Performance Rights to be issued to the Vendors by the Company as consideration for the Acquisition.
- 4. The table assumes that the Consolidation proceeds on a 10:1 basis and that the Shares and Options on issue do not change.

#### 3.9 Effect on control

#### (a) Public Offer

The shareholding interests of Existing Shareholders will be diluted by the issue of Shares under the Public Offer by approximately 64.71%. Further, if all free-attaching Offer Options are exercised, the shareholding interests of Existing Shareholders will be further diluted by approximately 32.36%.

If the Underwriter is required to subscribe for any shortfall in subscription, it has advised the Company it intends to discharge this obligation by procuring subscription from third party investors. Accordingly, the Underwriter will not subscribe for the entire shortfall in its own right.

Noting the additional Offer Securities to be issued under the other Offers, the Company does not anticipate that the Public Offer will have a material effect on control.

## (b) Acquisition and Vendor Offer

The Company does not consider that the Acquisition or the Vendor Offer will have a material effect on control of the Company immediately following completion under the Transaction Agreement.

The Vendors will collectively hold 14,100,000 Shares following completion of the Acquisition and the Offers, excluding the allocation to Maiden Capital. This represents a shareholding interest of approximately 23.29% on a full subscription basis.

However, the Vendors will also receive Vendor Options and Performance Rights (excluding the portion to be provided to Maiden Capital) which, if exercised or vested, would result in the Vendors being issued 32,900,000 additional Shares, excluding the allocation to Maiden Capital.

If all Vendor Options were exercised and all Performance Rights vested, the Vendors would collectively hold 47,000,000 Shares. This would represent approximately 50.30% based on full subscription under the Offers.

However, no single Vendor will, pursuant to the Transaction Agreement or the Vendor Offer, obtain a shareholding of more than 5% based on the anticipated capital structure following the Offers.

The Company is not aware of any relationship or arrangement between any of the Vendors whereby any Vendors vote collectively or in concert as associates.

#### (c) Underwriter Offer

The shareholding interests of Existing Shareholders will not be diluted by the issue of Offer Options under the Underwriter Offer as the Offer Options do not carry any voting rights unless and until Shares are issued on their exercise.

Further, the Underwriter has advised the Company that it intends to allocate the majority of the Offer Options between investors who provide an early firm commitment to subscribe under the Public Offer and sub-underwriters to the Public Offer.

If all Offer Options under the Underwriter Offer were exercised, 11,000,000 Shares would be issued. This would dilute the shareholding interests of Existing Shareholders by approximately 40.68%, assuming that no other Shares are issued prior to this time.

## (d) Substantial Shareholders

A "substantial holding" under the Corporations Act means a relevant interest in 5% or more of the votes attaching to voting shares.

The Company anticipates that the parties in the table below will have a substantial holding (i.e. control 5% or more of the issued Shares) following completion of the Acquisition and the Offers.

Name	Current holding (pre- Consolidation)	Current percentage interest	Post- Acquisition holding (post- Consolidation)	Post- Acquisition percentage interest
Transcontinental Investments Pty Ltd	68,831,928	25.45%	8,133,193	13.43%
Chesapeake Capital Ltd	26,830,207	9.92%	3,179,021	5.25%
TOTAL	95,662,135	35.37%	12,584,714	18.68%

#### Notes:

- 1. The parties in the table above are Existing Shareholders. The table assumes that Chesapeake Capital Ltd participate under the Priority Entitlement up to its full entitlement but that Transcontinental Investments does not participate in the Priority Entitlement.
- 2. Transcontinental Investments has given a firm commitment to the Underwriter to subscribe for 1,250,000 Shares under the Public Offer (refer to Section 9.4).
- The table above does not include interests pursuant to Options or Performance Rights, nor the potential holdings if Shares are issued on the exercise of Options or vesting of Performance Rights.

## (e) Potential dilutive effect of Options and Performance Rights

The table below sets out the potential dilutive effect on Shareholders if Shares are issued on the exercise of all Existing Options, the exercise of all Options to be offered under this Prospectus, and the vesting of all Performance Rights to be granted to the Vendors.

Event	Number of Shares pre- issue	Number of Shares issued	Cumulative number of Shares post- issue	Dilution (rounded)
Exercise of Existing Options	60,542,112	10,142,793	70,684,905	16.75%
Exercise of Vendor Options	70,684,905	5,000,000	75,684,905	7.07%
Exercise of Offer Options	75,684,905	19,750,000	95,434,905	26.10%

Vesting of Class A Performance Rights	95,434,905	10,000,000	105,434,905	10.48%
Vesting of Class B Performance Rights	105,434,905	7,500,000	112,934,905	7.11%
Vesting of Class C Performance Rights	112,934,905	7,500,000	120,434,905	6.64%

#### Notes:

The figures shown in the table above assume:

- 1. full subscription under the Offers;
- 2. the maximum number of Performance Rights vest without adjustment (refer to Section 10.5);
- 3. that each of the events specified occurs in the order set out in the table; and
- 4. that other Shares are not issued prior the events specified in the table.

#### 3.10 Escrow restrictions

#### (a) Public Offer

The Company expects that the Offer Securities issued under the Public Offer will not be subject to ASX imposed escrow restrictions and will be freely transferable from the date of their issue.

#### (b) Voluntary escrow for Vendors

The Major Vendors and two Minor Vendors have agreed to voluntary escrow in relation to the Shares that they will receive under the Transaction Agreement and which are not otherwise subject to ASX imposed escrow. The Company estimates that voluntary escrow will apply to approximately 1,675,111 Shares in addition to the ASX escrow.

The voluntary escrow period will operate for up to 12 months, but the Major Vendors may apply to the Company for release of the escrow after 6 months.

#### (c) Other Securities and Performance Rights

The Company anticipates that the following will be classified by ASX as "restricted securities" for the purposes of the ASX Listing Rules:

- part of the Shares and all of the Vendor Options to be issued to the Vendors under the Vendor Offer;
- all Performance Rights to be issued to the Vendors under the Transaction Agreement;
- all Offer Options to be issued to the Underwriter under the Underwriter Offer; and
- all Securities to be issued or otherwise received by advisors of the Company or AssetOwl in relation to the Acquisition or the Public Offer.

Therefore, they will be required to be held in escrow for a period determined by ASX and will not be able to be sold, mortgaged, assigned or transferred for the escrow period without the consent of ASX.

#### (d) Existing Securities

The Company does not anticipate that the Existing Securities will be subject to ASX imposed escrow restrictions.

#### (e) Estimated escrow

The Company anticipates that, upon re-instatement to official quotation, the following Securities will be required to be held in escrow for the period of time set out below, as determined by ASX.

Period of restriction	Shares	Options	Performance Rights
ASX escrow			
12 months from issue of security	3,222,882 (5.32%)	1,153,284 (3.31%)	6,919,717 (23.07%)
24 months from re- instatement to the Official List	10,952,007 (18.09%)	14,846,716 (42.55%)	23,080,283 (76.93%)
Total restricted securities	14,174,889 (23.41%)	16,000,000 (45.85%)	30,000,000 (100%)
Voluntary escrow			
Up to 12 months from re- instatement to the Official List	1,675,111 (2.77%)	Nil	Nil

#### Note:

- 1. The percentages in the table above represent the approximate percentages of Securities in each relevant class that are restricted securities, after the close of the Offers.
- 2. Approximately 99% of the Shares to be issued to the Vendors will be escrowed.
- 3. All of the Options and Performance Rights in the table above are expected to be subject to ASX imposed escrow. Therefore, voluntary escrow is not expected apply to them.

The Securities in the table above include some or all of the Securities to be issued to the Vendors, the Underwriter, promoters, advisors and others in relation to the Acquisition or the Public Offer.

The Company will announce to ASX the details of its Securities and Performance Rights which are classified by ASX as "restricted securities" and the escrow restrictions applicable to the same, prior to the Company's re-instatement to official quotation.

#### 3.11 Applications for Offer Securities under the Public Offer

# (a) Public Offer – general Applications

Applications for Shares under the Public Offer must be made on the Public Offer Application Form that accompanies this Prospectus. An Application Form must be completed in accordance with the instructions set out on the back of the form.

Applications must be for a minimum of 10,000 Shares at \$0.20 totalling \$2,000 and thereafter increments of 1,000 Shares at \$0.20 each totalling \$200.

Brokerage or transfer/stamp duty is not payable in relation to the Public Offer.

Applicants who wish to apply under the Public Offer are urged to lodge their Application Form as soon as possible as the Public Offer may close early without notice.

The Company, in consultation with the Underwriter, reserves the right to accept or reject a lesser amount to the total amount of Shares applied for by an Applicant under the Public Offer Application Form at its complete discretion.

An original, completed and lodged Public Offer Application Form together with a cheque, money order or **BPAY**® payment for the Application Money constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in that Application Form. The form does not need to be signed to be valid.

The Company reserves the right to refuse a completed Public Offer Application.

If the Public Offer Application Form is not completed correctly or if the accompanying payment is for an incorrect amount, it may be treated by the Company as valid at its discretion. The Directors' decision as to whether to treat such an application as valid and how to construe, amend or complete the Public Offer Application Form is final. However, an Applicant will not be treated as having applied for more Shares than is indicated by the amount of Application Money.

## (b) Priority Entitlement

Applications by Eligible Shareholders for Shares under the Priority Entitlement must be made on the Priority Entitlement Application Form that accompanies this Prospectus.

An Eligible Shareholder may apply for more Shares that their Priority Entitlement. Any such additional Shares applied for will be dealt with on the same basis as the general public.

All Applications with Application Moneys pursuant to the Priority Entitlement must be received by the Company by <u>5:00pm on Friday</u>, <u>25 November 2016</u> in the same manner as other Applications, set out below.

#### (c) Payment by cheque

Unless an Applicant pays using **BPAY**® as outlined below, the Public Offer Application Form must be accompanied by a personal cheque, payable in Australian dollars, for an amount equal to the number of Shares for which the Applicant wishes to apply, multiplied by the Offer Price of those Shares (i.e. \$0.20 per Share).

Cheques must be made payable to "Regalpoint Resources Limited – Application Account" and should be marked "Not Negotiable".

Completed Public Offer Application Forms and accompanying cheques must be received by the Company before <u>5.00pm (WST) on the Closing Date</u> at either of the following addresses:

Delivery	Post
Regalpoint Resources Limited	Regalpoint Resources Limited
c/- Security Transfer Australia	c/- Security Transfer Australia
770 Canning Highway	PO Box 535
APPLECROSS WA 6153	APPLECROSS WA 6953

#### (d) Payment using BPAY®

Applicants may complete a Public Offer Application Form and pay their Application Moneys by internet or telephone using **BPAY®** available on the Share Registry's

website, <u>www.securitytransfer.com.au</u>, under the link on the website for the Public Offer. Applicants should follow the additional payment instructions on the Share Registry's website.

Payments must be made in Australian dollars for an amount equal to the number of Shares for which the Applicant wishes to apply, multiplied by the Offer Price of those Shares (i.e. \$0.20 per Share).

Completed Public Offer Application Forms and the associated **BPAY®** payments of Application Moneys must be received before **5.00pm (WST) on the Closing Date**.

### (e) Applications through the Underwriter

Persons who have received a firm allocation of Shares from the Underwriter acting as lead manager to the Public Offer (either directly or via their stockbroker) may apply for Shares by arrangement with the Underwriter.

Each such Applicant must submit a completed Public Offer Application Form together with the relevant Application Money before <u>5.00pm (WST) on the Closing Date</u>, in accordance with the Underwriter's directions.

By making an Application to the Underwriter, an Applicant will be taken to have confirmed that they have received a copy of the Prospectus together with the Public Offer Application Form.

## 3.12 Other Applications

#### (a) Vendor Offer

Applications for Vendor Securities may only be submitted by the Vendors (or their nominees) and must be made using the Vendor Offer Application Form that accompanies this Prospectus. The Vendor Offer Application Form must be completed in accordance with the instructions set out on the back of the form.

## (b) Underwriter Offer

Applications for Offer Options under the Underwriter Offer may only be submitted by the Underwriter (or its nominees) and must be made using the Underwriter Offer Application Form that accompanies this Prospectus. The Underwriter Offer Application Form must be completed in accordance with the instructions set out on the back of the form.

#### (c) General

Brokerage or transfer/stamp duty is not payable in relation to the Vendor Offer nor the Underwriter Offer.

Completed Application Forms for the Vendor Offer and the Underwriter Offer must be received by the Company before the Closing Date for the relevant Offer at either of the following addresses:

Delivery	Post
Regalpoint Resources Limited	Regalpoint Resources Limited
c/- Security Transfer Australia	c/- Security Transfer Australia
770 Canning Highway	PO Box 535
APPLECROSS WA 6153	APPLECROSS WA 6953

An original, completed and lodged Vendor Offer Application Form or Underwriter Offer Application Form constitutes a binding and irrevocable offer to subscribe for the

number of Offer Securities specified in that Application Form. An Application Form does not need to be signed to be valid.

If a Vendor Offer Application Form or Underwriter Offer Application Form is not completed correctly, it may be treated by the Company as valid at its discretion. The Directors' decision as to whether to treat such a Vendor Offer Application Form or Underwriter Offer Application Form as valid and how to construe, amend or complete a form is final.

# 3.13 Application Money to be held on trust

Application Money will be held by the Company on trust in accordance with the requirements of the Corporations Act until the Offer Securities to which the Application Money pertains are issued under the Public Offer, or a refund of Application Money occurs in the circumstances described in this Prospectus. The Company will retain any interest earned on Application Money, including in the event of any refund of Application Money.

## 3.14 Applicants outside of Australia

This Prospectus does not constitute an offer of Offer Securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offers.

It is the responsibility of any Applicant who is resident outside Australia to ensure compliance with all laws of any country relevant to their Application, and any such Applicant should consult their professional adviser as to whether any government or other consents are required, or whether any formalities need to be observed to enable them to apply for and be issued Offer Securities. Return of a duly completed Application Form will constitute a representation and warranty by an Applicant that there has not been any breach of such regulations.

The Company has not taken any action to register or qualify the Offer Securities or the Offers, or otherwise to permit a public offering of the Offer Securities, in any jurisdiction outside Australia.

#### 3.15 Allotment of Offer Securities

Subject to ASX granting approval for the Company to be re-instated to the Official List, the allotment and issue of Offer Securities to Applicants will occur as soon as practicable after the relevant Closing Date for each Offer, following which Holding Statements will be despatched.

It is the responsibility of Applicants to determine their allocation prior to trading Offer Securities. Applicants who sell Offer Securities before they receive their Holding Statements do so at their own risk.

#### 3.16 Allocation of Offer Securities

## (a) Public Offer

Subject to the obligations set out in the Underwriting Agreement, the Directors have the right to allocate Shares under the Public Offer at their discretion.

The Directors, in consultation with the Underwriter, may reject any Application or allocate to any Applicant fewer Shares than applied for.

Under the Priority Entitlement, the Directors have determined to allocate Shares to Eligible Shareholders in accordance with their respective Relevant Entitlements.

The Directors will otherwise generally allocate Shares subscribed under the Public Offer at their discretion in the manner which they consider to be fair and reasonable, having regard to the requirements of the ASX Listing Rules that the Company must have a prescribed minimum number of Shareholders holding a marketable parcel of Shares.

If an Application is not accepted, or is accepted in part only, the relevant part of the Application Money will be returned to the Applicant without any interest.

#### (b) Vendor Offer

The Vendor Securities subscribed under the Vendor Offer will be allocated by the Directors in accordance with each Vendor's entitlement under the Transaction Agreement, being an entitlement which is proportionate to the Vendor's holding of AssetOwl Shares.

The proposed allocations at the Prospectus Date are summarised in the table below.

Vendor	Shares	Vendor Options
Christopher Charles Indermaur and Rena Elizabeth Indermaur as trustees for the Indermaur Family Super Fund	2,676,308	892,103
Grace Audrey Pty Ltd (ACN 123 712 201) as trustee for both of the T & C Brady Superannuation Fund and the Brady Investment Trust	142,501	47,500
Imprint Investments Pty Ltd (ACN 604 122 849) as trustee for the Broadwater Trust	2,676,308	892,103
NCKH Pty Ltd (ACN 008 867 810) as trustee for the AML Trust	2,676,308	892,103
Ogee Australia Pty Ltd (ACN 008 725 531) as trustee for the Lane Superannuation Fund	2,676,308	892,103
Broadway Pty Ltd (ACN 009 426 215) as trustee for the Criddle Family Trust	5,130	1,710
Criddle Holdings Pty Ltd (ACN 155 639 295) as trustee for the SJ Criddle Family Trust	1,026	342
David John Brady, Kathleen Ellen Brady and Robert Francis Brady as trustees for both of the Brady Family Trust and the Brady Superannuation Fund	1,820,007	606,668
Catherine Ellen Argall	1,426,104	475,368
Sub-Total Sub-Total	14,100,000	4,700,000
Maiden Capital allocation	900,000	300,000
TOTAL	15,000,000	5,000,000

**Notes:** A Vendor's allocation may change if the number of AssetOwl Shares held by that Vendor changes prior to the issue of the Vendor Securities. However, the total number of Vendor Securities will remain the same.

## (c) Underwriter Offer

The Offer Options subscribed under the Underwriter Offer will be allocated to the Underwriter or any nominee that the Underwriter nominates to the Company.

# 3.17 ASX re-instatement and quotation

The Company will apply to ASX within 7 days after the Prospectus Date for re-instatement to the Official List and for quotation of the Shares and Offer Options offered under this Prospectus (apart from any that may be designated by ASX as "restricted securities") on the Official List.

The Company will not apply to ASX for quotation of any other Options or restricted securities issued under this Prospectus. However, the Company reserves the right to do so at a later time in accordance with the terms of those Securities.

If approval for quotation of the Shares or Offer Options to be issued pursuant to this Prospectus is not granted within 3 months after the Prospectus Date, the Company will not allot or issue any Offer Securities and will repay all Application Moneys without interest as soon as practicable.

ASX does not take any responsibility for the contents of this Prospectus. The fact that ASX may re-instate the Company to the Official List is not to be taken in any way as an indication of the merits of the Company or the Offer Securities.

## 3.18 CHESS and issuer sponsorship

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**), operated by ASX Settlement (a wholly owned subsidiary of ASX), in accordance with the ASX Listing Rules and ASX Settlement Rules. The Company operates an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of Securities.

Under CHESS, the Company will not issue certificates to successful Applicants. Instead, the Company will provide Applicants with a Holding Statement (similar to a bank account statement) that sets out the number of Offer Securities allotted to them under this Prospectus.

This statement also advises Applicants of either their Holder Identification Number (**HIN**) in the case of a holding on the CHESS sub-register or Security Holder Reference Number (**SRN**) in the case of a holding on the issuer sponsored sub-register.

A statement will be routinely sent to holders at the end of any calendar month during which their holding changes. A holder may request a statement at any other time. However, a charge may be incurred for additional statements.

## 3.19 Privacy disclosure

The Company collects information about each Applicant from the Application Forms for the purpose of processing the Application and, if the Applicant is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, an Applicant agrees that the Company may use the information in the Application Form for the purposes set out in this privacy disclosure statement.

The Company and the Share Registry may disclose an Applicant's personal information for purposes related to the Applicant's investment to their agents and service providers including those listed below or as otherwise authorised under the *Privacy Act* 1988 (Cth) (**Privacy Act**):

- the Share Registry for ongoing administration of the Company's register;
- the Underwriter for the purposes of underwriting the Public Offer and determining any shortfall in Shares;
- the Underwriter for the purposes of the capital raising part of the Public Offer; and
- the printers and the mailing house for the purposes of preparation and distribution of Holding Statements and for the handling of mail.

If an Applicant becomes a security holder of the Company, the Corporations Act requires the Company to include information about the security holder (name, address and details of the securities held) in its public register. This information must remain in the Company's register even if that person ceases to be a security holder of the Company. Information contained in

the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If an Applicant does not provide the information required on the Application Form, the Company may not be able to accept or process their Application.

Under the Privacy Act, a person may request access to that person's personal information held by (or on behalf of) the Company or the Share Registry. An Applicant can request access to the Applicant's personal information by writing to the Company through the Share Registry.

## 3.20 Forward-looking statements

As the Company's and AssetOwl's businesses are at an early stage of commercial development, there are significant uncertainties associated with forecasting future revenue. On this basis, the Directors, having considered ASIC regulatory guidance, do not believe that reliable forecasts can be prepared and accordingly have not included forecasts in this Prospectus.

Refer to Section 2 for further information about the business and activities of the Company and AssetOwl.

Notwithstanding the above, this Prospectus includes, or may include, forward-looking statements including, without limitation, forward-looking statements regarding the financial position, business strategy, and plans and objectives for projects and future operations (including development plans and objectives) of the Company and AssetOwl, which have been based on current expectations about future events.

These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the present and future business strategies of the Company and AssetOwl, as well as the environment in which those entities will operate in the future.

Matters not yet known to the Company or not currently considered material to the Company may impact on these forward-looking statements. The statements reflect views held only as at the Prospectus Date. In light of these risks, uncertainties and assumptions, the forward-looking statements discussed in this Prospectus might not occur. Investors are therefore cautioned not to place undue reliance on these statements.

# 4. Board and Key Personnel - Company and AssetOwl

# 4.1 Company's Board and management

The Company is managed by the Board of Directors. The Board currently comprises 4 Directors: 1 Executive Director and 3 Non-Executive Directors.

After the Offers close and the Acquisition completes, the Company proposes to appoint Mr Andrew Lane as a Non-Executive Director.

Biographies of the current Directors are detailed below.

#### **Directors**



Hon. Shane L. Stone - Non-Executive Chairman

AC, PDGDK, QC, FACE, FAIM, FAICD, F FIN

Mr Stone is chairman of Anne Street Partners. He is also deputy chairman of Impellam PLC (AIM UK IPEL) and non-executive director of Australia Pacific Coal (ASX AQC). He is an alumnus of the Australian National University, Melbourne Law School, Adelaide and Sturt Universities and a Fellow of the Australian Institute of Management, the Australian Institute of Company Directors and the Financial Services Institute of Australasia.

Mr Stone has a strong background in the export of Australian commodities. He has at various times acted as Independent Director to various public and private companies. He formerly served as a senior Cabinet Minister, Chief Minister of the Northern Territory, and Federal President of the Liberal Party. He was a barrister prior to his entry into politics.

In 2006 he was made a Companion of the Order of Australia in the Queen's Birthday Honours list. Mr Stone has also received national awards from Indonesia and Malaysia.

His not-for-profit activities include the Australian Children's Television Foundation, Defence Reserves Support Council, the Order of Australia Association and National Chairman of the Duke of Edinburgh's Award.

Mr Stone is Chairman of the Share Trading Committee and a member of both the Audit and Risk Committee and Nomination and Remuneration Committee. He is considered to be an independent Director because he is free from any business or other relationship with the Company that could materially interfere with, or reasonably be perceived to materially interfere with, the independent exercise of his judgement as a Director.

Mr Stone currently holds, or has held, the following key directorships in addition to his role with the Company:

- chairman of Mayfair Ltd in Australia (including Anne Street Partners, QNV and subsidiaries);
- executive chairman of the APAC Group;
- deputy chairman and independent non-executive director of Impellam plc (UK);
- chairman of Impellam subsidiaries in Australia Medacs and Commensura;
- formerly chairman of Energex Limited; and

non-executive director of Australia Pacific Coal Limited (ASX AQC).



Mr Bruce McCracken - Executive Director

B.Com, LLB, MBA, GAICD

Mr McCracken is an experienced business executive having spent over 20 years working across a broad range of industries based in Perth, Melbourne and Sydney, and is currently the managing director of mineral resource explorer BMG Resources Ltd.

Mr McCracken has worked in the corporate sector as a Senior Executive with the Kirin Group-owned Lion Pty Ltd (previously Lion Nathan) and the private equity owned Amatek Group, now part of the Fletcher Building Group.

Before working in the corporate environment he was an investment banker based in both Perth and Melbourne in specialist corporate advisory and project finance roles, and has also practiced as a banking and finance solicitor. During his time as an investment banker, Mr McCracken worked across a broad range of corporate and financial advisory assignments, primarily in the diversified industrials and mining and resources sectors.

Mr McCracken holds a Bachelor of Commerce and a Bachelor of Laws degree from the University of Western Australia, an MBA from the Melbourne Business School and is a graduate of the Australian Institute of Company Directors.

Mr McCracken is a member of the Share Trading Committee.



Mr Simon Trevisan - Executive Director

B.Econ, LLB (Hons), MBT (UNSW)

Mr Trevisan is the managing director of the Transcontinental Group of companies, including TRG Properties Pty Ltd and Transcontinental Investments. He has significant experience in public and private investments, corporate finance and the management of large public and private businesses.

Mr Trevisan has been responsible for the funding and management of a number of public companies and the Transcontinental Group's substantial property investments. His experience includes the establishment and listing of Mediterranean Oil & Gas plc, an AIM listed oil and gas company with production assets and a substantial oil discovery in Italy, as well as the listing of Ausgold Ltd and the Company. Mr Trevisan has also been involved in the relisting on ASX of BMG Resources Ltd and Aurex Consolidated Ltd amongst other ASX-listed companies. Further, he was also responsible for arranging debt funding for the development of in excess of \$500 million of property and significantly involved in arranging and drawing down of one of the first foreign bank project facilities for a resources development in Indonesia.

Mr Trevisan was executive chairman of Aurex Consolidated Ltd and a founding executive director of both Ausgold Limited and the Company. Mr Trevisan initially practised as a solicitor with Allens Arthur Robinson Legal Group firm, Parker & Parker, in the corporate and natural resources divisions.

Mr Trevisan is currently a director of ASX-listed a medical devices company, Neurotech International Limited, ASX-listed Zeta Petroleum plc, ASX-listed BMG Resources Ltd and is a board member of not for profit St George's College Foundation and St George's College Inc.

Mr Trevisan is the chairman of the Company's Nomination and Remuneration Committee and a member of both the Share Trading Committee and the Audit and Risk Committee.



Mr Ian Murchison - Non-Executive Director

B.Com, FCA, Dipl Naut Sc

Mr Murchison is an Investment Director and a founding shareholder of Perth-based private equity fund manager Foundation Management Pty Ltd. Foundation Management was established in 1994 and has invested institutional funds of over \$125 million, primarily in Western Australia.

Mr Murchison is a Fellow of the Institute of Chartered Accountants and was a founding Partner of Sothertons Chartered Accountants. Mr Murchison is a director of ACP Group Pty Ltd and Primary Securities Ltd.

Mr Murchison is the Chairman of the Audit and Risk Committee and a member of the Share Trading Committee and Nomination and Remuneration Committee. He is considered to be an independent Director because he is free from any business or other relationship with the Company that could materially interfere with, or reasonably be perceived to materially interfere with, the independent exercise of his judgement as a Director.

In addition to his role with the Company, Mr Murchison is a director of Primary Securities Ltd, Foundation Management (WA) Pty Ltd and ACP Group Pty Ltd.

## **Company Secretary**



Fleur Hudson - Company Secretary

BA, LLB, LLM

Ms Hudson has been a director of Transcontinental Group since 2009 and was appointed as a Company Secretary of the Company in 2010. Prior to that, Ms Hudson practised as a solicitor with international firms in Perth and in London since 1998.

As a solicitor, Ms Hudson has advised large national and international companies with respect to a variety of civil construction, infrastructure and commercial issues.

# 4.2 AssetOwl's key personnel

Set out below are biographies of the key personnel of AssetOwl.



Giuseppe Di Franco – Chief Executive Officer of AssetOwl

Mr Giuseppe Di Franco is an executive director and the chief executive officer of AssetOwl. Following completion of the Acquisition and the close of the Offers, it is proposed that he will remain as chief executive officer of AssetOwl.

Mr Di Franco is a passionate technologist with broad industry experience in software development and information technology. He previously worked with Google as part of its Business View program from inception in Australia before co-founding AssetOwl.

At AssetOwl, Mr Di Franco leads the teams developing the web and

## Board and Key Personnel – Company and AssetOwl

mobile applications, robotic hardware and vision systems which have successfully built an ISO 27001 certified enterprise solution and developed hardware for high speed data acquisition.



**Andrew Lane** – Non-Executive Director of AssetOwl and Proposed Non-Executive Director of the Company

B.Bus, FCPA, CTA

Mr Andrew Lane is currently a non-executive director of AssetOwl. Following completion of the Acquisition, it is proposed that he will remain a director of AssetOwl and become a Non-Executive Director of the Company.

Mr Lane is a Certified Practising Accountant and Chartered Tax Advisor. He is currently the managing director of Matrix Partners, Tax and Business Advisors, having been made a director in 1991.

Mr Lane specialises in the area of taxation and has professional expertise in strategic planning and business consultancy. Over the last 30 years, he has had considerable experience in public practice, including as a company secretary of an ASX-listed company. During this time he has offered consultancy advice to a wide range of corporate businesses including IT, mining services, property, building, wholesale, sporting, financial services, transport and high net worth individuals.

Mr Lane has held, and continues to hold, non-executive director and advisory board positions. Other than AssetOwl, he has been involved with Access Group Australia Pty Ltd since 2002 and was subsequently appointed chairman in March 2009.

Mr Lane holds a Bachelor of Business degree from Edith Cowan University. He has also completed the Certified Practising Accountants Programme at Deakin University and is a holder of a Public Practice Certificate. Mr Lane is a member of the Australian Institute of Company Directors, the Australian Society of Certified Practising Accountants and is a Fellow Member of the Taxation Institute of Australia.



**Mr Timothy (Tim) Brady** – Business Development and Sales Consultant to AssetOwl

B.Comm

Mr Tim Brady is a consultant and a co-founder of AssetOwl. He has strong strategic business development experience with a particular focus on the retail business sector.

Mr Brady was awarded a 40-under-40 award by WA Business News in 2010.

Mr Brady is currently engaged by AssetOwl as a consultant in relation business development and sales. He is not engaged in a management position.

# 5. Corporate Governance

#### 5.1 Overview

The Company's corporate governance policies and procedures have been designed to be consistent with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3<sup>rd</sup> edition) (**ASX Recommendations**) and are outlined below.

The Board has adopted the corporate governance policies described below. Copies of the policies are available on the Company's website at <a href="https://www.regalpointresources.com.au">www.regalpointresources.com.au</a>.

As the Company's activities develop in size, nature and scope, the implementation of additional corporate governance policies will be given further consideration.

#### 5.2 The Board

The Board is responsible for the overall corporate governance of the Company, and it recognises the need for the highest standards of ethical behaviour and accountability. The Board is committed to administering its corporate governance structures to promote integrity and responsible decision making.

### 5.3 Composition of the Board

The Constitution requires the Company to have a minimum number of 3 Directors, and a maximum number of 7 Directors, unless the Shareholders in a general meeting resolve otherwise.

The relevant provisions in the Constitution, the Corporations Act and the ASX Listing Rules determine the terms and conditions relating to the appointment and resignation of Directors. All Directors, other than the Managing Director (currently this office is vacant), are subject to re-election by rotation every 3 years.

Identification of potential Board candidates includes consideration of the skills, experience, personal attributes and capability to devote the necessary time and commitment to the role.

#### 5.4 Charters and policies

Set out in the table below is a list of the Company's corporate governance charters and policies and a brief description of the purpose of each. Copies of the charters and policies are in the Corporate Governance section of the Company's website.

Charter / policy	Purpose
Board Charter	Sets out the various responsibilities of the Board with regard to the overall operation and stewardship of the Company (and any future subsidiaries of the Company).
Code of Conduct	The Code of Conduct aims to develop a consistent understanding of, and approach to, the desired standards of conduct and behaviour of the Directors, officers, employees and consultants in carrying out their roles for the Company.

Charter / policy	Purpose	
<b>Continuous Disclosure</b>	The purpose of the Continuous Disclosure Policy is to:	
Policy	<ul> <li>(a) ensure that the Company, as a minimum, complies with its continuous disclosure obligations under the Corporations Act and the ASX Listing Rules;</li> </ul>	
	<ul><li>(b) provide Shareholders and the market with timely, direct and equal access to information issued by the Company; and</li></ul>	
	(c) promote investor confidence in the integrity of the Company and its Securities	
Share Trading Policy	The Share Trading Policy states the requirements for all Directors, senior executives, employees and consultants of the Company when dealing in its Shares.	
Share Trading Committee Charter	The Share Trading Committee Charter states the roles and responsibilities of the Share Trading Committee which oversees the enforcement and monitoring of the Share Trading Policy.	
Shareholder Communication Policy	The Shareholder Communication Policy states the processes through which the Company will endeavour to ensure timely and accurate information is provided to all Shareholders and the broader market.	
Audit and Risk Committee Charter	The Audit and Risk Committee Charter states the roles and responsibilities of the Audit Committee, which oversees the Company's internal and external audit functions. The primary objectives of the Audit Committee are to assist the Directors to discharge their obligations with respect to:	
	<ul> <li>the integrity and quality of interim and annual financial reporting and disclosures;</li> </ul>	
	<ul><li>(b) identification of key business, financial and regulatory risks;</li></ul>	
	(c) compliance with relevant laws, regulations, standards and codes;	
	(d) the adequacy of the internal control framework; and	
	(e) the integrity of internal and external audit.	

Charter / policy	Purpose	
Nomination and Remuneration Committee Charter	The Nomination and Remuneration Committee Charter sets out the roles and responsibilities of the Nomination and Remuneration Committee, which is responsible for overseeing the nomination and remuneration of officers and senior management, including in relation to the Managing Director, to ensure that they are fair and meet market conditions.	
Diversity Policy	The Diversity Policy seeks to do the following in order to improve the Company's business:	
	(a) actively manage diversity by finding ways to utilise the differences that exist;	
	(b) actively and flexibly accommodate the unique needs of many different employees; and	
	(c) ensure that all employees are treated with respect and dignity.	

# 5.5 Corporate governance compliance with ASX Recommendations

The Company has prepared a Corporate Governance Statement setting out its compliance and departure from the ASX Recommendations to the extent that they are applicable to the Company, on an "if not, why not basis".

The Corporate Governance Statement was announced by the Company to ASX on 10 September 2015 ('Corporate Governance Statement'). It is available free-of-change on the Company's website, <a href="http://www.regalpointresources.com.au/company/corporate-governance.html">http://www.regalpointresources.com.au/company/corporate-governance.html</a>, or by request to the Company Secretary on +61 (0)8 9424 9320. It is also available on the ASX announcement platform at <a href="http://www.asx.com.au/asxpdf/20150910/pdf/4317jvh2spvm0y.pdf">http://www.asx.com.au/asxpdf/20150910/pdf/4317jvh2spvm0y.pdf</a>.

The Corporate Governance Statement is incorporated into this Prospectus by reference pursuant to section 712 of the Corporations Act.

# 6. Risk Factors

#### 6.1 Introduction

Offer Securities offered by this Prospectus should be viewed as speculative and, whilst the Directors commend the Offers, investors should be aware of, and take into account, the risk factors involved.

This Section is not intended to be an exhaustive list of the considerations to be taken into account by investors in deciding whether to subscribe for Offer Securities, nor all of the risk factors to which the Company is exposed. Some of these risks can be mitigated by the use of safeguards and appropriate systems and actions, but many are outside the control of the Company and cannot be mitigated.

There are risks associated with investing in any form of business and with investing in the share market generally. All investors should consult their professional advisers if they are in any doubt as to any aspect of this Prospectus, the Offers or any other matter relating to an investment in the Company.

### 6.2 AssetOwl specific risks

The following risks have been identified as being key risks specific to AssetOwl and its business. If the Acquisition proceeds, the Company may be affected by these matters through its ownership of AssetOwl.

#### (a) Technology and commercialisation risk

AssetOwl is an early stage company. While AssetOwl is advanced in the commercialisation of its key asset (i.e. the Management Platform) and is in discussions with several potential key customers, there cannot be any assurance that it (or the Company) will be able to fully and successfully complete this process in relation to the Management Platform or other products under development, or, if fully commercialised, that they will continue to generate ongoing market interest. Accordingly, AssetOwl's success (and therefore the Company's success) will depend upon AssetOwl's ability to commercialise and expand its products and services, grow its user base and generate revenue. Failure to do so may impact upon the success of AssetOwl and the Company.

In addition, AssetOwl is seeking to provide services based on historical and existing market trends, as well as to create new markets. There cannot be any assurance of the continued growth in existing markets nor that the new markets that AssetOwl is seeking to supply will develop as targeted.

#### (b) **Design and development**

The Management Platform, whilst advanced in development, is not fully operational for commercial use at this stage and is yet to reach full commercial release. There is an inherent risk with new and untested technology or system that development will not progress as planned, may encounter problems or may be subject to delays. The AssetOwl board is confident that AssetOwl will be able to successfully complete all testing and roll-out the Management Platform to full operational use. However, there cannot be any assurance that this will occur within the timeframes targeted or at all. Developmental problems or delays may have an adverse effect on AssetOwl's business and financial position.

#### (c) Operational risk

AssetOwl has limited operational history in the development of an enterprise software solution and the unproven potential of its proposed new business model makes any

evaluation of the business or its prospects difficult. Assurances cannot be given that AssetOwl will achieve commercial viability through the implementation of its business plan.

#### (d) Competition

The software development industry is a competitive sector that is reliant upon continual technological advancement. Though AssetOwl is not aware of any competitors directly focusing on the same concept as the Management Platform, there cannot be any assurance that this is the case or that market competitors will not focus on this concept in the future.

There is a risk that existing competitors or new entrants to the market may develop superior or more cost effective products or systems which could have an adverse effect on AssetOwl's ability to commercialise the Management Platform, and therefore AssetOwl's business and financial position.

## (e) Reliance on key personnel

AssetOwl's success depends to a significant extent upon its key management personnel, as well as other employees and technical personnel, including subcontractors.

AssetOwl's innovative technological developments have come about through its team of key operational personnel. It has sought to foster a workplace environment which encourages innovation and technical thought-leadership.

The loss of the services of AssetOwl's key personnel could have an adverse effect on AssetOwl if adequate replacement personnel cannot be found.

#### (f) Intellectual property risk

AssetOwl was granted a provisional patent and subsequently filed an application under the PCT in relation to its proprietary technology, as set out in the Patent Attorney's Report. Neither the provisional patent nor the PCT application currently gives AssetOwl any currently enforceable rights. Further, AssetOwl will need to select the PCT member jurisdictions outside of Australia in which it will seek patent protection. At the Prospectus Date, AssetOwl intends to seek patent protection under the PCT in Australia, Canada, China, the European Union and the United States of America, and is also considering additional countries. The final selection of PCT jurisdictions may change from these member states.

If the PCT application is granted, the resulting patent would constitute a significant asset to AssetOwl. Its ability to commercialise its products and services successfully is largely dependent upon it obtaining the monopoly rights to exploit the inventions and methods described in the PCT application.

AssetOwl anticipates that its PCT application will be granted. However, there cannot be any assurance of this or that a patent will be granted in all PCT jurisdictions eventually selected.

Third parties may also object to the grant of AssetOwl's PCT application on grounds which may include alleged infringement of their patents. AssetOwl is not aware of any of its technology infringing any third party's patent. However, AssetOwl has not undertaken an extensive assessment of existing patents to determine any overlapping technology or potential infringement, as the cost of such would be prohibitive. Accordingly, there is a risk that a third party may claim that AssetOwl's technology (including as set out in its PCT application) infringes that third party's patent.

#### (g) Software development risk

The Management Platform contains, and other products developed by AssetOwl will contain, complicated software programming. AssetOwl is pursuing an expedited programme to develop and launch new and innovative functionality. Its products may therefore contain (now or in the future) errors or vulnerabilities. Any errors or vulnerabilities discovered could result in (among other consequences) damage to AssetOwl's (and therefore the Company's) brand, loss of users and liability for damages, any of which could adversely affect AssetOwl or the Company's business and operating result.

#### (h) Security breaches

AssetOwl's business is predominately operated through the use of computer and internet systems. If AssetOwl's cyber security measures are breached, or if its products are subject to cyber-attacks that restrict user access to its products, its ability to service its customers may be adversely affected and its products may be perceived as less secure than those of any competitors, which could negatively affect AssetOwl's reputation, business and operating results.

#### (i) Data loss, theft or corruption

AssetOwl stores data with a variety of third party service providers. Hacking or exploitation of some unidentified vulnerability in the third party service provider's network could lead to loss, theft or corruption of data and negatively affect AssetOwl's reputation, business and operating results.

#### (j) No profit to date and limited operating history

AssetOwl has incurred losses since its inception. It is therefore not possible to evaluate its prospects based on past performance. Since AssetOwl intends to invest in the commercial development of its Management Platform and the supply of associated services, its directors anticipate making further losses in the foreseeable future until AssetOwl is able to effectively commercialise and generate revenue.

While the Directors have confidence in the future revenue-earning potential of AssetOwl, there cannot be any certainty that AssetOwl will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

## 6.3 Company specific risks

The following risks have been identified as being key risks specific to an investment in the Company. These risks have the potential to have a significant adverse impact on the Company.

#### (a) Re-instatement

The Acquisition constitutes a significant change in the nature of the Company's activities and therefore the Company needs to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the Official List of ASX.

There is a risk that the Company may not be able to meet ASX's admission requirements for re-instatement of its Shares to quotation. This would result in Shares remaining suspended from quotation, and therefore Shareholders being unable to trade their Shares until such time as those requirements can be met, if at all.

#### (b) Completion of Acquisition

The completion of the Acquisition is subject to various conditions precedent being satisfied or waived by either or both of the Company and the Vendors. The Company's ability to effect completion and achieve its post-completion objectives is reliant upon performance by all parties of their respective obligations under the

Transaction Agreement. There cannot be any assurance that this will occur as envisaged under the Transaction Agreement or without delay.

#### (c) **Dilution**

As part of the Acquisition and the Public Offering, the Company proposes to issue or grant various Options and Performance Rights to the Vendors, the Underwriter and Applicants. The Company also has a number of Existing Options on issue.

If all such Options and Performance Rights were exercised or vested, it would result in the Company issuing a further 58,017,793 Shares on a full subscription basis. Depending upon the number of Shares on issue at the time of exercise or vesting, the shareholding interests of Shareholders at that time may be significantly diluted. For additional details in this regard, please refer to Section 3.9(e)

#### (d) **Liquidity & volatility**

It is anticipated that, on re-instatement to ASX, the Company will be a small company in terms of its market capitalisation and may have a narrow Shareholder base. 14,850,000 Shares to be issued to the Vendors will be subject to ASX and/or voluntary escrow for between 12 and 24 months.

As a consequence, there is a risk that, particularly in times of share market turbulence or negative investor sentiment, there will not be a very liquid market for the Company's Shares and the price of Shares may decrease. There may be relatively few buyers or sellers of Shares on ASX at any given time and the market price may by highly volatile.

This may result in Shareholders wishing to sell their Shares in circumstances where they may receive considerably less than the price paid.

#### (e) Future capital requirements

The Company's ongoing activities, including further development of the AssetOwl business and Management Platform modules, are likely to require substantial further financing in the future, in addition to amounts raised pursuant to the Public Offer. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the Offer Prices or may involve restrictive covenants which limit the Company's operations and business strategy.

Although the Directors believe that additional capital can be obtained, there can be no assurance that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations which may have a material adverse affect on the Company's activities and its ability to continue as a going concern.

#### (f) No profit to date and limited operating history

The Company has incurred losses since its inception and has significantly changed the nature and scale of its business operations. It is therefore not possible to evaluate its prospects based on past performance. Since the Company intends to invest in the commercial development of the AssetOwl business, the Directors anticipate making further losses in the foreseeable future.

While the Directors have confidence in the future revenue-earning potential of AssetOwl, there cannot be any certainty that the Company, as the owner of AssetOwl, will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

#### 6.4 General investment risks

The business activities of the Company are subject to various general economic and investment risks that may impact on the future performance of the Company. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. There are a number of general economic and investment risk factors that apply to companies generally and may include economic, financial, market or regulatory conditions. These risk factors include, but are not limited to, the following:

#### (a) General economic conditions

Economic conditions, both domestic and global, may affect the performance of the Company. Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, supply and demand and industrial disruption may have an impact on operating costs and share market prices. The Company's future possible revenues and Share price can be affected by these factors, all of which are beyond the control of the Company or its Directors.

# (b) Equity market conditions

Shares listed on the securities market, and in particular securities of small companies at any early stage of commercial development, can experience extreme price and volume fluctuations that are often unrelated to the operating performance of such companies. The market price of securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. These security market conditions may affect the value of the Company's quoted Shares regardless of the Company's operating performance.

General factors that may affect the market price of securities include economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

#### (c) Changes in government policy & legislation

Any material adverse changes in relevant government policies or legislation of Australia or internationally may affect the viability and profitability of the Company, and consequently may affect returns to investors.

#### (d) Investment risk

The Shares offered pursuant to this Prospectus should be considered speculative due to the nature of the Company's business. There is no guarantee as to payment of dividends, return of capital or the market value of Shares. In particular, the prices at which an investor may be able to trade Shares may be above or below the price paid for those Shares.

Prospective investors must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.

## (e) Insurance

The Company intends to adequately insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event

that is not covered or only partially covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

## (f) Other

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk, and other matters that may interfere with the business or trade of the Company.

# 7. Patent Attorney's Report



Contact: Peter Caporn 2 November 2016

Principal/Associate: Peter Caporn

The Directors
Regalpoint Resources Limited
Level 14,
191 St Georges Terrace
Perth WA 6000

Dear Sirs,

Independent Expert's Report AssetOwl Pty Ltd (ACN 601 135 282) Our ref: 265141

This report has been prepared for inclusion in the Prospectus to be issued by Regalpoint Resources Limited ("Regalpoint") in or about November 2016 relating to the following proposed offers:

- an offer to the public of 17,500,000 fully paid ordinary shares in Regalpoint at an issue price of \$0.20 per share to raise \$3,500,000 (before costs), together with one freeattaching option (exercisable at \$0.40 on or before 30 June 2019) for every 2 shares subscribed;
- an offer to the shareholders of AssetOwl Pty Ltd (hereinafter "AssetOwl") or their nominees
  of 15,000,000 fully paid ordinary shares and 5,000,000 options (exercisable at \$0.25 on or
  before 31 March 2019) pursuant to the terms of the Share Sale and Purchase Agreement
  dated in or about November 2016 between Regalpoint, AssetOwl and the shareholders of
  AssetOwl; and
- an offer to Patersons Securities Limited or its nominees of 11,000,000 options (exercisable at \$0.40 on or before 30 June 2019) pursuant to the terms of the Underwriting Agreement dated in or about November 2016 between Regalpoint and Patersons Securities Limited."

# 1.0 Summary Contents

Section 2.0 briefly sets out the background of the AssetOwl Pty Ltd (hereinafter 'AssetOwl') intellectual property portfolio and the basis of the summary of the patent applications given in this report.

Section 3.0 describes the patent applications in the patent family owned by AssetOwl.

Section 4.0 explains that we are not aware of any issues that affect proprietorship of the patent applications.

Section 5.0 and 6.0 provide general comments on patent procedures and protection.

Section 7.0 addresses AssetOwl's non-patent intellectual property.

## 2.0 Background

AssetOwl has a portfolio of patent applications, coupled with confidential information, trade Perth secrets and in-house know-how to protect its technologies, software and data (hereinafter 56 Ord Street, West Perth, WA 6005

PO Box Z5466
St Georges Terrace, Perth, WA 6831 Sydney Melbourne Perth Adelaide Brisbane Gold Coast Sunshine Coast

'AssetOwl technologies').

This Report has been prepared by Wrays Patent and Trade Mark Attorneys. The status summary of patent applications provided in this Report is correct to the best of our knowledge.

# 3.0 The AssetOwl Patent Applications

This Report summarises the status of the Asset Owl patent applications. In compiling this Report, the filing particulars have been confirmed and the current status ascertained. AssetOwl is the owner of the patent applications discussed below.

## 3.1 Australian Provisional Patent Application 2014903851

Title A Management Platform for a Distribution Network

Filing Date 26 September 2014 Applicant Asset View Pty Ltd\*

## 3.2 International Patent Application PCT/AU2015/050579

Title A Management Platform for a Distribution Network

Filing Date 28 September 2015<sup>#</sup> Applicant Asset Owl Pty Ltd\*

Inventors Tim Brady and Giuseppe Di Franco

Priority Australian Provisional Patent Application 2014903851 (recited at 3.1)

The PCT Application provides the basis on which national and/or regional phase patent applications may be filed in any one or more of the many countries and regions designated (the designated states) in that application. The due dates by which any such national and/or regional phase patent applications must be filed are <u>26 March 2017</u> and <u>26 April 2017</u>, depending upon the specific country or region of interest.

## Outline of the Technology

Both the Australian Provisional Patent Application and the International Patent Application describe a management platform for a distribution network, the platform being able to deliver mapping and virtual tours of assets through the use of images and geospatial identifiers. The information utilised is suitable for panoramic rendering and consequently allows the panoramic representation of the assets. The technology described is suitable for use by, for example, retailers and suppliers, but may be applied more broadly.

#### 4.0 Proprietorship

A patent for an invention may only be granted to the inventor(s) or to a person who has entitlement to the invention by way of assignment, an employment contract or some other means.

<sup>\*</sup>see information under the heading 'Proprietorship' for further details

<sup>\*</sup>Whilst the PCT Application appears to be filed 2 days outside of the 12 month period provided under the Paris Convention, the priority claim is still valid as Article 4C(3) of the Paris Convention provides that if the last day of the priority period is an official holiday or a day when the Office (in this case the Australian Patent Office as Receiving Office) is not open for the filing of applications, the period shall be extended until the next working day of the Office.

<sup>\*</sup>see information under the heading 'Proprietorship' for further details

The entitlement for the Provisional Patent Application 2014903851 was to Asset View Pty Ltd.

The entitlement for the International Patent Application PCT/AU2015/05057 was to AssetOwl Pty Ltd.

We understand that the Applicant for the Provisional Patent Application 2014903851, Asset View Pty Ltd, is the same corporate entity as Asset Owl Pty Ltd [sic – see immediately below], the Applicant in respect of the International Patent Application PCT/AU2015/050579. The name of the company was recorded as changed on 4 August 2015.

The Applicant of International Patent Application PCT/AU2015/050579 is recorded as Asset Owl Pty Ltd, a misspelling of AssetOwl Pty Ltd that is readily correctable as a clerical error either whilst the International Patent Application is pending or once any national and/or regional phase patent applications are filed from the International Patent Application.

We are not aware of any issues regarding the ownership or entitlement of AssetOwl with regard to the patent applications listed in Section 3.0.

## 5.0 Patent Protection and the Requirements for Patentability

Patent rights constitute an important component of intellectual property, and provide protection for new, non-obvious and useful inventions for a limited period. Patents may be granted in respect of new or improved products, compositions and processes in almost all areas of current scientific, commercial and industrial activities, including pharmaceuticals.

Patent rights are essentially national rather than trans-national and a patent must be obtained in each country where protection of an invention is required. A fundamental requirement of the patent system is that the invention be 'new' at the time of lodging a patent application. Newness in this sense is judged in relation to what was publicly known or used at the date of the application. Another requirement is for a distinct inventive advance over what was previously known. This means that valid patent protection cannot be obtained for trivial or obvious developments.

Pursuant to the Paris Convention, the filing of an initial patent application in, for example, Australia establishes a priority date for the invention in Australia and all other countries that are a party to this Convention.

The usual steps towards obtaining a patent in Australia and other countries in respect of an invention begin with the filing of a provisional patent application accompanied by a provisional specification. The filing of a provisional application establishes the priority date in respect of the invention disclosed in the provisional specification.

Within twelve months from the date of the filing of the provisional application, a complete application must be lodged otherwise the provisional application, which remains pending for only one year, ceases to exist, along with the priority date set thereby. Thus, if no application is filed within one year of the provisional application, the priority date is no longer valid. Within the one year pendency of the provisional application, in order to obtain protection in other countries, the applicant may file separate national patent applications in each of the countries in which protection is required. Alternatively, the applicant may file a single International application under the provisions of the Patent Cooperation Treaty (generally referred to as a 'PCT' application or an 'International' application) in which it is possible to designate countries or regions in which protection is required. The International application itself does not mature into a worldwide patent, but at the end of the international phase, steps can be taken to file the application into any or all of the countries or regions designated in the original International

application.

Regional patent applications, such as a European regional application, may also be filed. A European application may designate any or all countries that are a party to the European Patent Convention. A European patent application may also be extended to certain other jurisdictions including those that are not full signatories to the European Patent Convention. The European patent application is processed centrally and in a single language and, if ultimately successful, can mature into a granted European patent, which must then be validated in each country in which protection is sought, some of which require translation into that country's native language. The term 'European patent' thus actually constitutes a bundle of national patent rights, each of which can be enforced separately through national Courts.

In Australia and most other countries, patent rights may be kept in force for a period of 20 years from the date of filing of the complete application on which the patent is granted, and while the patent is in force the owner has the exclusive right to exploit the invention.

#### 6.0 Potential Limitation of Patent Protection

In most countries, a patent application is subjected to examination for novelty (and obviousness) before a patent is granted. There can be no assurance that each of the patent applications set out in Section 3.0 will result in the grant of a patent, or that the scope of protection provided by any granted patent will be identical to the scope of the application as originally filed. Furthermore, the scope of protection provided by a granted patent in one jurisdiction may differ from that provided by a granted patent in another jurisdiction, due to differences in examination and scope of available protection.

It should be noted that the grant of a patent does not guarantee validity of that patent since it may be revoked on the grounds of invalidity at any time during its life. If none of the claims of a granted patent are valid then the patent is unenforceable. For example, relevant prior disclosures may be discovered that were not raised during examination, which may limit the scope of patent protection sought, perhaps to a very narrow field.

Further, it should also be noted that the granting of a patent does not guarantee that the patentee has freedom to operate the invention claimed in the patent. It may be that working of a patented invention is prevented by the existence of another patent.

## 7.0 AssetOwl Copyright, Confidential Information, Trade Secrets and Know-How

AssetOwl and the inventors have conducted, and continue to conduct, considerable research and development activity in respect of the AssetOwl technologies. This activity gives rise to a pool of knowledge, some of which provides a basis for registrable or formal protection (such as patents), some of which is the subject of copyright protection, and some of which is retained confidentially for internal use to aid subsequent development activities (such as confidential information, trade secrets and know-how). That is, in our opinion, AssetOwl has a degree of protection that extends beyond the formal protection described above. Further, in addition to this, it our understanding that AssetOwl takes steps to prevent the abuse of their intellectual property through a combination of:

- Taking active steps to ensure that confidential information, trade secrets and know-how are treated as such, including its documentation;
- All software is documented and stored in a central code repository, allowing ready identification and location of copyright protected material;

- Confidentiality clauses are incorporated into employment agreements;
- Confidentiality agreements are used with any potential licensees;
- All relevant commercial documentation, including licence agreements, includes confidentiality and intellectual property ownership clauses.

#### 8.0 Disclaimers and Limitations

The Report is not to be construed as a legal opinion as to the registrability of the patent applications recited in Section 3. It should also be appreciated that this Report is not a validity opinion. No conclusions as to validity based on the Report should be made. Moreover, the Report does not provide any guarantee that the subject inventions may be commercially exploited without risk of infringement of earlier patents.

#### 8.1 Patent Disclaimer

#### No Guarantee of Grant

It should be noted that the filing of a patent application does not, in most situations, guarantee the subsequent grant of that patent application. The scope of the claims of a patent specification may change during the application process, most commonly as a result of examination.

#### Limitation of Protection

Typically, it is what is defined in the claims of the specification of a granted patent that defines the monopoly granted thereby. That is, the patentee has the exclusive right to exploit the invention(s) defined in the claims of the granted Patent. In general terms, a granted patent provides the owner of that patent with an exclusive right to exercise or practise the invention defined and claimed therein, and to prevent others from exercising the invention, in the country by which that patent is granted.

#### No Guarantee of Ability to Practise

The granting of a patent does not guarantee that the patentee is entitled to practice the invention claimed in the patent. It may be that the working of a patented invention is prevented by the existence of another patent or a patent application which has still to mature to a patent and which has an earlier priority date than the patented invention.

#### No Guarantee of Validity

The grant of a patent does not guarantee validity of that patent since it may be revoked on the grounds of invalidity at any time during its life. If none of the claims of a granted patent are valid then the patent is unenforceable. For example, relevant prior disclosures may be discovered which may limit the scope of patent protection sought, perhaps to a very narrow field.

# Limitation of Records Relied Upon

The views expressed herein are based on publically available records, including the Australian Patent Office/IPAustralia, the World Intellectual Property Organisation (WIPO) and the European Patent Register, as at 15 August 2016.

#### 9.0 Statement of Independence

Wrays is a firm of patent and trade marks attorneys specialising in the law and practice relating to intellectual property in Australia and New Zealand. The firm was established in 1920 and has a long history in servicing the intellectual property needs of both Australian and overseas clients.

Neither Wrays nor any of its Partners/Directors has any direct entitlement to any shares in Regalpoint, nor in AssetOwl Pty Ltd, or has any interest in the promotion of these companies.

Wrays has not acted in the prosecution and filing of the Provisional Application or PCT Application noted herein. Wrays will be paid its usual professional fee for the preparation of this report.

The views expressed herein are based on publically available records, including the Australian Patent Office/IPAustralia, the World Intellectual Property Organisation (WIPO) and the European Patent Register, as at 15 August 2016.

We have given our consent to the issuance of the Prospectus with this Report appearing therein.

Yours sincerely

**WRAYS** 

Peter Caporn

Principal

## 8. Investigating Accountant's Report











8 November 2016

The Directors

Regalpoint Resources Limited

Level 14, 191 St Georges Terrace

PERTH WA 6000

**Dear Directors** 

## INVESTIGATING ACCOUNTANT'S REPORT

#### 1. Introduction

BDO Corporate Finance (WA) Pty Ltd ('BDO') has been engaged by Regalpoint Resources Limited ('Regalpoint' or 'the Company') to prepare this Investigating Accountant's Report ('Report') in relation to the historical financial information and pro forma historical financial information of Regalpoint, for inclusion in the Prospectus. The Prospectus is required under Australian Securities Exchange ('ASX') requirements for Regalpoint to re-comply with Chapters 1 and 2 of the ASX Listing Rules, as a result of Regalpoint executing a Share Sale and Purchase Agreement for the acquisition of AssetOwl Pty Ltd ('AssetOwl') ('the Acquisition').

Under the Acquisition, the shareholders of AssetOwl ('Vendors') will receive the following as Initial Consideration:

- 15,000,000 Shares in the Company ('Consideration Shares'); and
- 5,000,000 Options to subscribe for ordinary shares in the Company, each exercisable at \$0.25 on or before 31 March 2019 ('Consideration Options').

The Company will also provide Deferred Consideration to the Vendors as follows:

- 15,000,000 Class A Performance Rights;
- 7,500,000 Class B Performance Rights; and
- 7,500,000 Class C Performance Rights;

Each Performance Right will vest subject to satisfaction of applicable milestones which relate to the financial performance, operations and expansion of the AssetOwl business over 3 years following completion of the Acquisition.

Broadly, the Prospectus will offer up to 17,500,000 Shares at \$0.20 per Share to raise up to \$3,500,000 (before costs) ('the Offer'). For every two shares subscribed under the Offer, there will be an entitlement to receive a free-attaching option exercisable at \$0.40 on or before 30 June 2019. The Offer will be fully underwritten up to \$3,500,000 on a conditional basis. The Prospectus also includes secondary offers.

The Company will hold an Annual General Meeting whereby, among other things, Shareholders will vote on the consolidation of the Company's issued capital on a 1 for 10 basis ('Capital Consolidation'). All references in our Report are on a post Capital Consolidation basis unless otherwise stated.

Expressions defined in the Prospectus have the same meaning in this Report. BDO Corporate Finance (WA) Pty Ltd ('BDO') holds an Australian Financial Services Licence (AFS Licence Number 316158).

This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

## 2. Scope

You have requested BDO to perform a review engagement in relation to the historical and proforma historical financial information described below and disclosed in the Prospectus.

The historical and pro forma historical financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

You have requested BDO to review the following historical financial information (together the 'Historical Financial Information') included in the Prospectus:

- the audited Statement of Financial Position for Regalpoint as at 30 June 2016 and Statements of Performance and Cash Flows for Regalpoint for the years ended 30 June 2014, 30 June 2015 and 30 June 2016; and
- the audited Statements of Financial Position, Performance and Cash Flows for AssetOwl for the period 7 August 2014 (incorporation) to 30 June 2015 and the year ended 30 June 2016.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the company's adopted accounting policies.

The Historical Financial Information for Regalpoint has been extracted from the financial reports for the years ended 30 June 2016, 30 June 2015 and 30 June 2014, which was audited by BDO Audit (WA) Pty Ltd in accordance with the Australian Auditing Standards. BDO Audit (WA) Pty Ltd issued unmodified audit opinions on each of the financial reports stated above.

The Historical Financial Information for AssetOwl has been extracted from the financial reports of AssetOwl for the year ended 30 June 2016 and the period 7 August 2014 (incorporation) to 30 June 2015, which was audited by BDO Audit (WA) Pty Ltd in accordance with the Australian Auditing Standards. BDO Audit (WA) Pty Ltd issued unmodified audit opinions on each of the financial reports stated above other than the inclusion of an emphasis of matter noting that the ability of the Company to continue as a going concern is dependent upon the future successful raising of necessary funding through equity and sales of the AssetOwl's products.

Pro Forma Historical Financial Information

You have requested BDO to review the following pro forma historical financial information (the 'Pro Forma Historical Financial Information') included in the Prospectus:

• the pro forma historical Statement of Financial Position as at 30 June 2016.

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information, after adjusting for the effects of the subsequent events described in Section 6 of this Report and the pro forma adjustments described in Section 7 of this Report. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in Section 7 of this Report, as if those events or transactions had occurred as at the date of the Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the company's actual or prospective financial position or financial performance.

The Pro Forma Historical Financial Information has been compiled by the Company to illustrate the impact of the events or transactions described in Section 6 and Section 7 of the Report on the Company's financial position as at 30 June 2016. As part of this process, information about the Company's financial position has been extracted by the Company from its financial statements for the year ended 30 June 2016.

## 3. Directors' responsibility

The directors of Regalpoint are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

## 4. Our responsibility

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.

Our review procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

#### Conclusion

#### Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in the Appendices to this Report, is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

#### Pro Forma Historical Financial information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information as described in the Appendices to this Report, is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

## 6. Subsequent Events

The Pro Forma Historical Statement of Financial Position reflects the following events that have occurred subsequent to the period ended 30 June 2016:

- AssetOwl issued shares by way of three capital raisings to raise a total of approximately \$300,000. An amount of approximately \$75,000 was funded through shareholder loans with the balance being received in cash;
- AssetOwl received a research and development ('R&D') tax refund for the financial year ended 30 June 2016 for the amount of \$1,394,504; and
- AssetOwl paid out its R&D funding liability amount, totaling \$1,249,455 (including interest).

Apart from the matters dealt with in this Report, and having regard to the scope of this Report and the information provided by the Directors, to the best of our knowledge and belief no other material transaction or event outside of the ordinary business of either Regalpoint or AssetOwl not described above, has come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

## 7. Assumptions Adopted in Compiling the Pro-forma Statement of Financial Position

The Pro Forma Historical Statement of Financial Position is shown in Appendix 2. This has been prepared based on the audited financial statements as at 30 June 2016, the subsequent events set out in Section 6, and the following transactions and events relating to the issue of Shares under this Prospectus:

- The Company proposes to change its name from Regalpoint Resources Limited to AssetOwl Limited;
- The Company will undertake the Capital Consolidation on a 10 for 1 basis;
- The issue of up to 17,500,000 Shares at an offer price of \$0.20 each, to raise up to \$3,500,000 before costs based on the full subscription. For every two shares subscribed for in the Offer there will be an entitlement to receive a free-attaching option, exercisable at \$0.40 on or before 30 June 2019;
- Costs of the Offer are estimated to be \$350,000 based on the full subscription, which are to be offset against the contributed equity;

- The Vendors will receive the following Initial Consideration for the Acquisition:
  - o 15,000,000 Consideration Shares in the Company; and
  - o 5,000,000 Consideration Options;
- The Vendors will also receive the following Deferred Consideration:
  - o 15,000,000 Class A Performance Rights;
  - o 7,500,000 Class B Performance Rights; and
  - o 7,500,000 Class C Performance Rights;

Currently there are no reasonable grounds in which to assess the likelihood of the various performance milestones being met, resulting in the conversion or payment of the Deferred Consideration. AssetOwl's business is at an early stage of commercial development and has therefore been loss making in each financial year since incorporation, including the most recent year ended 30 June 2016. In addition to this, the Prospectus does not include financial forecasts as the Directors do not consider that they have a reasonable basis to reliably forecast future revenue, at this point in time. Therefore, at the date of the pro forma balance sheet we do not consider that it is probable the performance milestones will be met (this being the best available estimate) and as such no value has been assigned to the Deferred Consideration at the pro forma date. However, in accordance with AASB 2 Share based payments, the Company will be required to re-assess the probability of each performance milestone being achieved up until expiry of the Performance Rights.

- The issue of 11,000,000 Options, each exercisable at \$0.40 on or before 30 June 2019 ('Capital Raising Options'). The Capital Raising Options are being issued to Patersons Securities Limited (or its nominees) for services provided as lead manager and underwriter to the Offer. The Capital Raising Options have been valued using the Black Scholes option pricing model; and
- The issue of 1,000,000 Shares in the Company to the corporate advisors in consideration for the provision of services in respect of the Transaction. These Shares have been valued at \$0.20 each.

## 8. Independence

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the Offer other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received. BDO Audit (WA) Pty Ltd is the auditor of Regalpoint and AssetOwl and from time to time, BDO provides Regalpoint and AssetOwl with certain other professional services for which normal professional fees are received.

#### Disclosures

This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 2 of this Report, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully

BDO Corporate Finance (WA) Pty Ltd

**Sherif Andrawes** 

Director

APPENDIX 1

REGALPOINT RESOURCES LIMITED (TO BE RENAMED ASSETOWL LIMITED)

HISTORICAL STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Audited for the	Audited for the	Audited for the
Historical Statements of Community Income	year ended	year ended	year ended
Historical Statements of Comprehensive Income	30-Jun-16	30-Jun-15	30-Jun-14
	\$	\$	\$
Revenue	667	6,119	18,700
Other income	-	-	3,343
Accounting expenses	(28,602)	(39,456)	(40,208)
Legal expenses	(78,681)	(4,424)	(4,767)
Corporate and administrative expenses	(304,745)	(303,887)	(403,887)
Depreciation and amortisation expenses	-	-	(536)
Impairment of loan	-	-	(112,682)
Impairment of exploration expenditure	(2,626)	(413,068)	(277,641)
Tenements administration expenses	(2,420)	(2,420)	(2,440)
Other expenses from ordinary activities	(13,657)	(16,735)	(23,048)
Loss before income tax	(430,064)	(773,871)	(843,166)
Income tax benefit/(expense)	-	-	-
Loss after income tax	(430,064)	(773,871)	(843,166)
Total comprehensive loss for the year	(430,064)	(773,871)	(843,166)

The Historical Statements of Profit or Loss and Other Comprehensive Income show the historical financial performance of Regalpoint and are to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 4. Past performance is not a guide to future performance.

APPENDIX 2

REGALPOINT RESOURCES LIMITED (TO BE RENAMED ASSETOWL LIMITED)

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Regalpoint	AssetOwl			
		Audited as at	Audited as at	Subsequent	Pro-forma	Pro-forma
		30-Jun-16	30-Jun-16	events	adjustments	after Offer
	Notes	\$	\$	\$	\$	\$
CURRENT ASSETS						
Cash and cash equivalents	2	1,097,149	50,701	370,049	3,150,000	4,667,899
Trade and other receivables		11,818	17,832	-	-	29,650
Other current assets	3	_	1,434,719	(1,319,504)	-	115,215
TOTAL CURRENT ASSETS		1,108,967	1,503,252	(949,455)	3,150,000	4,812,764
NON CURRENT ASSETS						
Exploration expenditure		1,582,707	-	-	-	1,582,707
Intangible assets	4	-	100,000	-	4,336,231	4,436,231
TOTAL NON CURRENT ASSETS		1,582,707	100,000	-	4,336,231	6,018,938
TOTAL ASSETS		2,691,674	1,603,252	(949,455)	7,486,231	10,831,702
CURRENT LIABILITIES						
Trade and other payables		78,631	470,055	-	-	548,686
Provisions		-	14,304		-	14,304
Borrowings	5	-	1,229,911	(1,229,911)	-	-
TOTAL CURRENT LIABILITES		78,631	1,714,270	(1,229,911)	-	562,990
NON CURRENT LIABILITIES						
Deferred tax assets	6	-	-	-	1,000,669	1,000,669
TOTAL NON CURRENT LIABILITIES		-	-	-	1,000,669	1,000,669
TOTAL LIABILITIES		78,631	1,714,270	(1,229,911)	1,000,669	1,563,659
NET ASSETS/(LIABILITES)		2,613,043	(111,018)	280,456	6,485,562	9,268,043
EQUITY						
Contributed equity	7	11,704,402	2,565,847	300,000	2,538,153	17,108,402
Reserves	8	59,361	-	-	1,451,000	1,510,361
Accumulated losses	9	(9,150,720)	(2,676,865)	(19,544)	2,496,409	(9,350,720)
TOTAL EQUITY		2,613,043	(111,018)	280,456	6,485,562	9,268,043

The pro forma consolidated statement of financial position after the Offer is as per the consolidated statement of financial position before the Offer adjusted for any subsequent events and the transactions relating to the issue of shares pursuant to this Prospectus. The pro forma consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 4.

APPENDIX 3

REGALPOINT RESOURCES LIMITED (TO BE RENAMED ASSETOWL LIMITED)

HISTORICAL STATEMENTS OF CASH FLOWS

Historical Statements of Cash Flows	Audited for the year ended 30-Jun-16 \$	Audited for the year ended 30-Jun-15 \$	Audited for the year ended 30-Jun-14 \$
Cash flows from operating activities			
Payments to suppliers and employees	(218,249)	(135,339)	(327,085)
Interest received	667	6,119	18,700
Net cash flows used in operating activities	(217,582)	(129,220)	(308,385)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure	(92,680)	(186,669)	(368,423)
Net cash flows used in investing activities	(92,680)	(186,669)	(368,423)
Cash flows from financing activities			
Proceeds from issue of shares	1,320,013	-	-
Proceeds from borrowings	90,945	-	-
Payment of Share Issue costs	(82,003)	-	-
Net cash flows used in financing activities	1,328,955	-	-
Net increase/(decrease) in cash and cash equivalents held	1,018,693	(315,889)	(676,808)
Cash and cash equivalents at beginning of period	78,456	394,345	1,071,153
Cash and cash equivalents at end of financial year	1,097,149	78,456	394,345

The Historical Statement of Cash Flows show the historical cash flows of Regalpoint and are to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 4.

#### **APPENDIX 4**

## REGALPOINT RESOURCES LIMITED (TO BE RENAMED ASSETOWL LIMITED) NOTES TO AND FORMING PART OF THE HISTORICAL FINANCIAL INFORMATION

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the Historical Financial Information included in this Report have been set out below.

Basis of preparation of Historical Financial Information

The Historical Financial Information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements of the Australian equivalents to International Financial Reporting Standards ('AIFRS'), other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

#### Going Concern

The Historical Financial Information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The ability of the Company to continue as a going concern is dependent on the success of the fundraising under the Prospectus. The Directors believe that the Company will continue as a going concern. As a result the Financial Information has been prepared on a going concern basis. However should the fundraising under the Prospectus be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

#### Reporting Basis and Conventions

The Report is also prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the company in the preparation of the Financial Information. The accounting policies have been consistently applied, unless otherwise stated.

#### a) Income tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current tax and deferred tax are recognised in profit or loss except to the extent that they are recognised directly in equity or in other comprehensive income. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of profit or loss when the tax relates to items that are credited or charged directly to equity.

No deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

#### b) Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of acquisition. Intangible assets acquired separately are initially recognised at cost. Intangible assets are subsequently measured at cost less amortisation. The gains or losses recognised in profit or loss arising from derecognition of an intangible asset is measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangibles are reviewed annually. Changes in expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

#### c) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### d) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 90 days of recognition of the liability.

#### e) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred and are subsequently stated at amortised cost. Any difference between the amounts originally received (net of transaction costs) and the redemption value is recognised in the income statement over the period to maturity using the effective interest method.

Borrowings and other financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

#### f) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

### g) Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

#### Sale of goods

Sale of goods revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

#### Rendering of services

Rendering of services revenue is recognised by reference to the stage of completion of the contracts. Implementation fees are recorded when invoiced.

## h) Government grants

Government grants are recognised at their fair value when there is reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Refundable tax incentives are accounted for as Government Grants. Refundable tax incentives are recognised as Other Income to the extent that the claim related to costs which had been expensed in the statement of profit or loss. For refundable tax incentives that relate to costs which have been capitalised to an asset, the tax incentive received is offset against the carrying amount of the asset.

#### i) Accounting estimates and judgements

In the process of applying the accounting policies, management has made certain judgements or estimations which have an effect on the amounts recognised in the financial information.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

#### Valuation of share based payment transactions

The valuation of share-based payment transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black Scholes model taking into account the terms and conditions upon which the instruments were granted.

#### Determination of fair values of consideration paid in business combinations

At the time of acquisition, consideration transferred is required to be measured at it acquisition date fair value. With respect to performance shares issued (contingent consideration), management are required to estimate the probability of performance milestones being achieved in determining the acquisition date fair value. Management will continue to monitor and assess the likelihood of this outcome based upon information available at each reporting period.

#### Impairment of intangible assets

At each reporting date, the Company will review the carrying values of its intangible assets to determine whether there is any indication that those assets have been impaired. As at the date of this Report, the Company does not consider there to be any impairment on the carrying value of the intangible assets acquired. However, on subsequent reporting dates, the carrying value of the intangible assets acquired will be assessed for impairment and any assessment may result in changes to the carrying value of the intangible assets.

	Audited	Pro-forma
	30-Jun-16	after Offer
NOTE 2. CASH AND CASH EQUIVALENTS	\$	\$
Cash and cash equivalents	1,097,149	4,667,899
Adjustments to arise at the pro-forma balance:		
Audited balance of Regalpoint at 30 June 2016		1,097,149
Audited balance of AssetOwl at 30 June 2016		50,701
Subsequent events:		
Cash raised through AssetOwl capital raisings		225,000
Receipt of R&D refund by AssetOwl		1,394,504
Repayment of R&D funding liability by AssetOwl (including interest)		(1,249,455)
	_	370,049
Pro-forma adjustments:		
Proceeds from shares issued under the Offer		3,500,000
Capital raising costs of the Offer		(350,000)
		3,150,000
Pro-forma Balance		4,667,899

	Audited	Pro-forma
	30-Jun-16	after Offer
NOTE 3. OTHER CURRENT ASSETS	\$	\$
Other current assets		115,215
Adjustments to arise at the pro-forma balance:		
Audited balance of Regalpoint at 30 June 2016		-
Audited balance of AssetOwl at 30 June 2016		1,434,719
Subsequent events:		
Shareholder loans		75,000
Receipt of R&D refund by AssetOwl		(1,394,504)
	_	(1,319,504)
	_	
Pro-forma Balance	_	115,215
	Audited	Pro-forma
	30-Jun-16	after Offer
NOTE 4. INTANGIBLE ASSETS	\$	\$
Intangible assets	-	4,436,231
Adjustments to arise at the pro-forma balance:		
Audited balance of Regalpoint at 30 June 2016		-
Audited balance of AssetOwl at 30 June 2016		100,000
Pro-forma adjustments:		
Intangible assets acquired under Acquisition		4,336,231
intangible assets acquired and ricquisition	_	4,336,231
		7,000,201
Pro-forma Balance	_	4,436,231
	_	

For the purposes of the pro forma adjustments the Acquisition is deemed to be a business combination. The consideration paid has been allocated to the intangible assets acquired at their fair value in accordance with AASB 3 Business Combination. This business combination has been provisionally accounted for at the pro forma date as allowed under AASB 3. As at the date of this pro forma consolidated statement of financial position the Directors do not consider there to be any impairment on the carrying value of the intangible assets acquired and recognised on acquisition as they believe the consideration paid under the Proposed Acquisition represents the fair value of the intangibles acquired. However, on the successful acquisition date and subsequent reporting dates, the carrying value of the intangible assets acquired will be assessed for impairment and any assessment may result in changes to the carrying value of the intangible assets.

Audited	Pro-forma
30-Jun-16	after Offer
\$	\$
-	-
	-
	1,229,911
	19,544
	(1,249,455)
_	(1,229,911)
_	-
	30-Jun-16

	Audited	Pro-forma
	30-Jun-16	after Offer
NOTE 6. DEFERRED TAX LIABILITIES	\$	\$
Deferred tax liabilities	-	1,000,669
Adjustments to arise at the pro-forma balance:		
Audited balance of Regalpoint at 30 June 2016		-
Audited balance of AssetOwl at 30 June 2016		-
Pro-forma adjustments:		
DTL arising under Acquisition		1,000,669
	_	1,000,669
Pro-forma Balance	_	1,000,669

Under the accounting standards, the carrying value of the underlying assets of the Company is, on consolidation, reflected at its 'fair value' including any fair value increase in the intangible assets acquired under the Proposed Acquisition, as explained in Note 4 and Note 10.

Where the 'tax base' of an asset differs from its 'fair value', a deferred tax liability exists which reflects temporary differences between the Company's accounting and tax carrying values. This liability may or may not result in an obligation to pay income tax in any given year hence the deferred status. This tax liability is debited to the intangible asset and the credit is made to the deferred tax liability. This results in a final carrying value of intangible assets of \$4,436,231 of which \$1,000,669 relates to the deferred tax liability (at a tax rate of 30%).

	Audited	Pro-forma
	30-Jun-16	after Offer
NOTE 7. CONTRIBUTED EQUITY	\$	\$
Contributed equity	2,565,847	17,108,402
	Number of	\$
	shares	
Adjustments to arise at the pro-forma balance:		
Fully paid ordinary share capital of Regalpoint as at 30 June 2016	27,042,112	11,704,402
Fully paid ordinary share capital of AssetOwl as at 30 June 2016	-	2,565,847
Subsequent events:		
AssetOwl capital raisings	-	300,000
	-	300,000
Pro-forma adjustments:		
Proceeds from shares issued under the Offer	17,500,000	3,500,000
Capital raising costs of the Offer	-	(350,000)
Issue of Consideration Shares to the Vendors under the Acquisition	15,000,000	3,000,000
Elimination of AssetOwl issued capital upon Acquisition	-	(2,865,847)
Issue of shares to the advisors of the Acquisition	1,000,000	200,000
Issue of Capital Raising Options considered costs of the Offer	-	(946,000)
	33,500,000	2,538,153
Pro-forma Balance	60,542,112	17,108,402

Following the Offer and the Acquisition, the Company will also have the following Performance Rights on issue:

Performance Rights on issue following the Offer	Number
Performance Rights on issue prior to the Offer	-
Class A Performance Rights	15,000,000
Class B Performance Rights	7,500,000
Class C Performance Rights	7,500,000
Total Performance Rights on issue following the Offer	30,000,000

Refer Note 10 of this Report for the full terms of the Performance Rights.

	Audited	Pro-forma
	30-Jun-16	after Offer
NOTE 8. RESERVES	\$	\$
Reserves	59,361	1,510,361
Adjustments to arise at the pro-forma balance:		
Audited balance of Regalpoint at 30 June 2016		59,361
Audited balance of AssetOwl at 30 June 2016		-
Pro-forma adjustments:		
Elimination of AssetOwl reserves upon Acquisition		
Issue of Consideration Options to the Vendors under the Acquisition		505,000
Issue of Capital Raising Options		946,000
		1,451,000
Pro-forma Balance	_	1,510,361

Using the Black-Scholes option valuation methodology the fair value of the Options to be issued to the Vendors has been calculated. The following inputs were used:

Options	\	/endors	Cap	ital Raising
Number of options	5,0	000,000		11,000,000
Underlying share price	\$	0.20	\$	0.20
Exercise price	\$	0.25	\$	0.40
Expected volatility		100%		100%
Expiry date (years)		2.4		2.6
Expected dividends		Nil		Nil
Risk free rate		1.73%		1.73%

	Audited	Pro-forma
	30-Jun-16	after Offer
NOTE 9. ACCUMULATED LOSSES	\$	\$
Accumulated Losses	(9,150,720)	(9,350,720)
Adjustments to arise at the pro-forma balance:		
Audited balance of Regalpoint at 30 June 2016		(9,150,720)
Audited balance of AssetOwl at 30 June 2016		(2,676,865)
Subsequent events:		
Interest charge on R&D funding liability		(19,544)
	_	(19,544)
Pro-forma adjustments:		
Elimination of AssetOwl accumulated losses upon Acquisition		2,696,409
Issue of shares to the advisors of the Acquisition		(200,000)
	_	2,496,409
	_	
Pro-forma Balance		(9,350,720)

#### NOTE 10: PROVISIONAL ACCOUNTING FOR THE ACQUISITION OF ASSETOWL

A summary of the acquisition details with respect to the acquisition of AssetOwl as included in our Report is set out below. The acquisition accounting has been determined under AASB 3: Business Combinations. The fair value of the consideration paid, assets acquired and liabilities assumed by the Company have been determined for the purposes of the pro-forma adjustments based on preliminary fair value estimates as at 30 June 2016 however will require redetermination at completion of the Acquisition which may result in changes to the values as disclosed below.

Details of the net assets acquired, purchase consideration and notional fair value attributable to intangible assets is show below:

	Fair value
	\$
Total assets acquired	1,603,252
Total liabilities acquired	(1,714,270)
Net identifiable assets/(liabilities) to be acquired	(111,018)
Adjustments to net assets prior to Proposed Acquisition:	
Adjustments to net assets post 30 June 2016	280,456
Adjusted net identifiable assets/(liabilities) to be acquired	169,438
Purchase consideration for AssetOwl comprises:	
15 million Consideration Shares issued at \$0.20 each	3,000,000
5 million Consideration Options (refer Note 8)	505,000
15 million Class A Performance Rights	-
7.5 million Class B Performance Rights	-
7.5 million Class C Performance Right	-
	3,505,000
Fair value attributable to intangible assets acquired	3,335,562
DTL uplift recognised at 30% of the value of intangible assets (refer Note 6)	1,000,669
Pro-forma adjustment to intangible assets incorporating DTL	4,336,231

The Vendors will also receive the following Deferred Consideration:

- o 15,000,000 Class A Performance Rights;
- o 7,500,000 Class B Performance Rights; and
- o 7,500,000 Class C Performance Rights.

Subject to any applicable requirements of the ASX Listing Rules, each Performance Right that has vested on achieving the Milestone in the table below entitles the holder to receive either of the following, at the Company's discretion:

- i. one Share for each vested Performance Right ('Share Entitlement'); or
- ii. the cash amount in the table below for each vested Performance Right, in lieu of issuing the Share Entitlement ('Cash Entitlement');

Class	Milestone	Portion of Performance Rights that vest on achieving Milestone	Cash Entitlement
	320 Stores using AssetOwl		
	platform for 2017 calendar	331/4%	
	year		
	Company generating at least		
Class A Performance Right	\$3,008,000 in revenue for	331/3%	\$0.20
	2017 calendar year		
	The Company breaking-even in		
	relation to NPBT for the 2017	331/3%	
	calendar year.		
	1,152 Stores using AssetOwl		
	platform for 2018 calendar	331/4%	
	year		The higher of to 40 and
	Company generating at least	331/4%	The higher of \$0.40 and the VWAP of Shares traded on ASX over the 14 trading days prior to the end of Year 2
Class D Dorform and Dight	\$5,760,000 in revenue for		
Class B Performance Right	2018 calendar year		
	The Company achieving at		
	least \$1,792,000 in relation to	331⁄4%	
	NPBT for the 2018 calendar		
	year.		
	1,408 Stores using AssetOwl		The higher of \$0.40 and the VWAP of Shares traded on ASX over the 14 trading days prior to the end of Year 3
	platform for 2019 calendar	331⁄4%	
	year		
	Company generating at least	331/2%	
Class C Danfarra and Dight	\$10,400,000 in revenue for		
Class C Performance Right	2019 calendar year		
	The Company achieving at	331⁄4%	
	least \$5,696,000 in relation to		
	NPBT for the 2019 calendar		
	year.		

To determine the fair value of the Performance Rights to be issued, the Directors are required to assess the probability of the various performance milestones above being met, which all represents non-market based vesting conditions.

Currently there are no reasonable grounds in which to assess the likelihood of the various performance milestones being met, resulting in the conversion or payment of the Deferred Consideration. AssetOwl's business is at an early stage of commercial development and has therefore been loss making in each financial year since incorporation, including the most recent year ended 30 June 2016. In addition to this, the Prospectus does not include financial forecasts as the Directors do not consider that they have a reasonable basis to reliably forecast future revenue, at this point in time. Therefore, at the date of the pro forma balance sheet we do not consider that it is probable the performance milestones will be met (this being the best available estimate) and as such no value has been assigned to the Deferred Consideration at the pro forma date. However, in accordance with AASB 2 Share based payments, the Company will be required to re-assess the probability of each performance milestone being achieved up until expiry of the Performance Rights.

#### NOTE 11: RELATED PARTY DISCLOSURES

Transactions with Related Parties and Directors Interests are disclosed in the Prospectus.

#### NOTE 12: COMMITMENTS AND CONTINGENCIES

At the date of the report no material commitments or contingent liabilities exist that we are aware of, other than those disclosed in the Prospectus.

APPENDIX 5

REGALPOINT RESOURCES LIMITED (TO BE RENAMED ASSETOWL LIMITED)

HISTORICAL FINANCIAL INFORMATION OF ASSETOWL

Historical Statements of Comprehensive Income	0-Jun-16 \$ 20,000	\$
30	20,000	\$
Sales	20,000	
Sales		20,000
		20,000
Interest received	2,948	-
R&D tax incentive 1	,411,521	484,195
Other income	1,962	-
1	,436,431	504,195
Expenses:		
Amortisation	(25,000)	(909)
Capital raising costs	(25,000)	-
Finance costs (	(175,523)	(201)
Legal costs	(14,517)	(17,567)
Employee expenses (1,	934,002)	(36,364)
R&D costs (	(114,035)	(1,001,785)
Other expenses (1,	238,466)	(33,802)
Loss before income tax (2,0	90,112)	(586,433)
Income tax benefit/(expense)	-	(320)
Loss after income tax (2,	090,112)	(586,753)
Total comprehensive loss for the year (2,0	90,112)	(586,753)

The Historical Statements of Profit or Loss and Other Comprehensive Income show the historical financial performance of AssetOwl and are to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 4. Past performance is not a guide to future performance.

APPENDIX 5

REGALPOINT RESOURCES LIMITED (TO BE RENAMED ASSETOWL LIMITED)

HISTORICAL FINANCIAL INFORMATION OF ASSETOWL

Historical Statements of Financial Position         30-Jun-16         30-Jun-15           \$         \$           CURRENT ASSETS         Cash and cash equivalents         50,701         188,432           Trade and other receivables         17,832         73,944           Other assets         1,434,719         483,875           TOTAL CURRENT ASSETS         1,503,252         746,251           NON CURRENT ASSETS         100,000         7,826           TOTAL NON CURRENT ASSETS         100,000         7,826           TOTAL ASSETS         100,000         7,826           TOTAL ASSETS         100,000         7,826           TOTAL CURRENT LIABILITIES         470,055         521,870           Provisions         14,304         -           Borrowings         1,229,911         368,831           TOTAL CURRENT LIABILITIES         1,714,270         890,701           TOTAL LIABILITIES         1,714,270         890,701           NET ASSETS/(LIABILITIES)         (111,018)         (136,624)           EQUITY           Issued capital         2,565,847         450,129           Accumulated losses         (2,676,865)         (586,753)           TOTAL EQUITY         (111,018)         (136,624) </th <th></th> <th>Audited as at</th> <th>Audited as at</th>		Audited as at	Audited as at
CURRENT ASSETS       Cash and cash equivalents       50,701       188,432         Trade and other receivables       17,832       73,944         Other assets       1,434,719       483,875         TOTAL CURRENT ASSETS       1,503,252       746,251         NON CURRENT ASSETS       100,000       7,826         TOTAL NON CURRENT ASSETS       100,000       7,826         TOTAL ASSETS       1,603,252       754,077         CURRENT LIABILITIES       470,055       521,870         Provisions       14,304       -         Borrowings       1,229,911       368,831         TOTAL CURRENT LIABILITIES       1,714,270       890,701         TOTAL LIABILITIES       1,714,270       890,701         NET ASSETS/(LIABILITIES)       (111,018)       (136,624)         EOUITY       Issued capital       2,565,847       450,129         Accumulated losses       (2,676,865)       (586,753)	Historical Statements of Financial Position	30-Jun-16	30-Jun-15
Cash and cash equivalents       50,701       188,432         Trade and other receivables       17,832       73,944         Other assets       1,434,719       483,875         TOTAL CURRENT ASSETS       1,503,252       746,251         NON CURRENT ASSETS       100,000       7,826         TOTAL NON CURRENT ASSETS       100,000       7,826         TOTAL ASSETS       1,603,252       754,077         CURRENT LIABILITIES       470,055       521,870         Provisions       14,304       -         Borrowings       1,229,911       368,831         TOTAL CURRENT LIABILITIES       1,714,270       890,701         TOTAL LIABILITIES       1,714,270       890,701         NET ASSETS/(LIABILITIES)       (111,018)       (136,624)         EQUITY       1ssued capital       2,565,847       450,129         Accumulated losses       (2,676,865)       (586,753)		\$	\$
Trade and other receivables       17,832       73,944         Other assets       1,434,719       483,875         TOTAL CURRENT ASSETS       1,503,252       746,251         NON CURRENT ASSETS       100,000       7,826         TOTAL NON CURRENT ASSETS       100,000       7,826         TOTAL ASSETS       1,603,252       754,077         CURRENT LIABILITIES       470,055       521,870         Provisions       14,304       -         Borrowings       1,229,911       368,831         TOTAL CURRENT LIABILITIES       1,714,270       890,701         TOTAL LIABILITIES       1,714,270       890,701         NET ASSETS/(LIABILITIES)       (111,018)       (136,624)         EQUITY       Issued capital       2,565,847       450,129         Accumulated losses       (2,676,865)       (586,753)	CURRENT ASSETS		
Other assets         1,434,719         483,875           TOTAL CURRENT ASSETS         1,503,252         746,251           NON CURRENT ASSETS         100,000         7,826           TOTAL NON CURRENT ASSETS         100,000         7,826           TOTAL ASSETS         1,603,252         754,077           CURRENT LIABILITIES         470,055         521,870           Provisions         14,304         -           Borrowings         1,229,911         368,831           TOTAL CURRENT LIABILITIES         1,714,270         890,701           TOTAL LIABILITIES         1,714,270         890,701           NET ASSETS/(LIABILITIES)         (111,018)         (136,624)           EQUITY         Issued capital         2,565,847         450,129           Accumulated losses         (2,676,865)         (586,753)	Cash and cash equivalents	50,701	188,432
TOTAL CURRENT ASSETS  NON CURRENT ASSETS  Intangible assets  Intangible assets  TOTAL NON CURRENT ASSETS  Intangible assets  100,000 7,826  TOTAL ASSETS  100,000 7,826  TOTAL ASSETS  1,603,252 754,077  CURRENT LIABILITIES  Trade and other payables Provisions 14,304 - Borrowings 1,229,911 368,831  TOTAL CURRENT LIABILITIES  TOTAL CURRENT LIABILITIES  1,714,270 890,701  NET ASSETS/(LIABILITIES) (111,018) (136,624)  EQUITY  Issued capital Accumulated losses (2,676,865) (586,753)	Trade and other receivables	17,832	73,944
NON CURRENT ASSETS Intangible assets 100,000 7,826 TOTAL NON CURRENT ASSETS 100,000 7,826 TOTAL ASSETS 1,603,252 754,077 CURRENT LIABILITIES Trade and other payables 470,055 521,870 Provisions 14,304 - Borrowings 1,229,911 368,831 TOTAL CURRENT LIABILITIES 1,714,270 890,701 TOTAL LIABILITIES 1,714,270 890,701 NET ASSETS/(LIABILITIES) (111,018) (136,624) EQUITY Issued capital 2,565,847 450,129 Accumulated losses (2,676,865) (586,753)	Other assets	1,434,719	483,875
Intangible assets         100,000         7,826           TOTAL NON CURRENT ASSETS         100,000         7,826           TOTAL ASSETS         1,603,252         754,077           CURRENT LIABILITIES           Trade and other payables         470,055         521,870           Provisions         14,304         -           Borrowings         1,229,911         368,831           TOTAL CURRENT LIABILITIES         1,714,270         890,701           TOTAL LIABILITIES         1,714,270         890,701           NET ASSETS/(LIABILITIES)         (111,018)         (136,624)           EQUITY           Issued capital         2,565,847         450,129           Accumulated losses         (2,676,865)         (586,753)	TOTAL CURRENT ASSETS	1,503,252	746,251
TOTAL NON CURRENT ASSETS         100,000         7,826           TOTAL ASSETS         1,603,252         754,077           CURRENT LIABILITIES           Trade and other payables         470,055         521,870           Provisions         14,304         -           Borrowings         1,229,911         368,831           TOTAL CURRENT LIABILITIES         1,714,270         890,701           TOTAL LIABILITIES         1,714,270         890,701           NET ASSETS/(LIABILITIES)         (111,018)         (136,624)           EQUITY           Issued capital         2,565,847         450,129           Accumulated losses         (2,676,865)         (586,753)	NON CURRENT ASSETS		
TOTAL ASSETS  CURRENT LIABILITIES  Trade and other payables  Provisions  Borrowings  TOTAL CURRENT LIABILITIES  TOTAL CURRENT LIABILITIES  TOTAL LIABILITIES  NET ASSETS/(LIABILITIES)  EQUITY  Issued capital  Accumulated losses  1,603,252  754,077  1,603,252  754,077  14,005  521,870  14,304  - 1,714,270  890,701  1,714,270  890,701  (111,018)  (136,624)  1,714,270  1,714,	Intangible assets	100,000	7,826
CURRENT LIABILITIES         Trade and other payables       470,055       521,870         Provisions       14,304       -         Borrowings       1,229,911       368,831         TOTAL CURRENT LIABILITIES       1,714,270       890,701         TOTAL LIABILITIES       1,714,270       890,701         NET ASSETS/(LIABILITIES)       (111,018)       (136,624)         EQUITY         Issued capital       2,565,847       450,129         Accumulated losses       (2,676,865)       (586,753)	TOTAL NON CURRENT ASSETS	100,000	7,826
Trade and other payables       470,055       521,870         Provisions       14,304       -         Borrowings       1,229,911       368,831         TOTAL CURRENT LIABILITIES       1,714,270       890,701         TOTAL LIABILITIES       1,714,270       890,701         NET ASSETS/(LIABILITIES)       (111,018)       (136,624)         EQUITY       1	TOTAL ASSETS	1,603,252	754,077
Provisions       14,304       -         Borrowings       1,229,911       368,831         TOTAL CURRENT LIABILITIES       1,714,270       890,701         TOTAL LIABILITIES       1,714,270       890,701         NET ASSETS/(LIABILITIES)       (111,018)       (136,624)         EQUITY         Issued capital       2,565,847       450,129         Accumulated losses       (2,676,865)       (586,753)	CURRENT LIABILITIES		
Borrowings       1,229,911       368,831         TOTAL CURRENT LIABILITIES       1,714,270       890,701         TOTAL LIABILITIES       1,714,270       890,701         NET ASSETS/(LIABILITIES)       (111,018)       (136,624)         EQUITY       1,565,847       450,129         Accumulated losses       (2,676,865)       (586,753)	Trade and other payables	470,055	521,870
TOTAL CURRENT LIABILITIES 1,714,270 890,701  TOTAL LIABILITIES 1,714,270 890,701  NET ASSETS/(LIABILITIES) (111,018) (136,624)  EQUITY  Issued capital 2,565,847 450,129  Accumulated losses (2,676,865) (586,753)	Provisions	14,304	-
TOTAL LIABILITIES 1,714,270 890,701  NET ASSETS/(LIABILITIES) (111,018) (136,624)  EQUITY  Issued capital 2,565,847 450,129  Accumulated losses (2,676,865) (586,753)	Borrowings	1,229,911	368,831
NET ASSETS/(LIABILITIES)  EQUITY  Issued capital 2,565,847 450,129  Accumulated losses (2,676,865) (586,753)	TOTAL CURRENT LIABILITIES	1,714,270	890,701
EQUITY  Issued capital 2,565,847 450,129  Accumulated losses (2,676,865) (586,753)	TOTAL LIABILITIES	1,714,270	890,701
Issued capital       2,565,847       450,129         Accumulated losses       (2,676,865)       (586,753)	NET ASSETS/(LIABILITIES)	(111,018)	(136,624)
Accumulated losses (2,676,865) (586,753)	EQUITY		
(2,070,000)	Issued capital	2,565,847	450,129
TOTAL EQUITY (111,018) (136,624)	Accumulated losses	(2,676,865)	(586,753)
	TOTAL EQUITY	(111,018)	(136,624)

The Historical Statements of Financial Position show the historical financial position of AssetOwl and are to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 4.

APPENDIX 5

REGALPOINT RESOURCES LIMITED (TO BE RENAMED ASSETOWL LIMITED)

HISTORICAL FINANCIAL INFORMATION OF ASSETOWL

	Audited for the	Audited for the
Historical Statements of Cash Flows	year end	period 7-Aug-14
Historical statements of cash flows	30-Jun-16	to 30-Jun-15
	\$	\$
Cash flows from operating activities		
Receipts from customers	15,261	20,000
Payments to suppliers and employees	(3,296,482)	(642,702)
Interest received	2,948	-
Cash received from refundable R&D tax offsets	484,195	-
Other income received	1,962	-
Finance costs	(197,093)	-
Income tax paid	(320)	-
Net cash flows used in operating activities	(2,989,529)	(622,702)
Cash flows from investing activities		
Purchase of property, plant & equipment	-	(7,826)
Net cash flows used in investing activities	-	(7,826)
Cash flows from financing activities		
Proceeds from the issue of shares	1,990,718	450,129
Proceeds from borrowings	1,229,911	368,831
Repayment of borrowings	(368,831)	-
Net cash flows provided by financing activities	2,851,798	818,960
Net increase/(decrease) in cash and cash equivalents held	(137,731)	188,432
Cash and cash equivalents at beginning of period	188,432	-
Cash and cash equivalents at end of financial year	50,701	188,432

The Historical Statement of Cash Flows show the historical cash flows of AssetOwl and are to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 4.

## 9. Material Contracts

#### 9.1 Introduction

Set out below are summaries of various contracts entered into by the Company which are or may be material to the Offers or the operation of the business of the Company or otherwise are or may be relevant to a potential investor in the Company.

## 9.2 Transaction Agreement

The Company entered into the Transaction Agreement with AssetOwl and the Vendors on or about 3 November 2016.

The material terms of the Transaction Agreement are as follows:

Subject	Provision
Form of transaction	The Company has agreed to purchase 100% of the AssetOwl Shares from the Vendors.
Initial consideration	The Company must issue to the Vendors at completion of the Acquisition the following initial consideration (on a post-Consolidation basis):
	• 15,000,000 Shares; and
	• 5,000,000 Vendor Options.
Deferred consideration	The Company must grant to the Vendors the following Performance Rights as performance based consideration ( <b>Deferred Consideration</b> ):
	15,000,000 Class A Performance Rights;
	<ul> <li>7,500,000 Class B Performance Rights; and</li> </ul>
	• 7,500,000 Class C Performance Rights.
	Each class of Performance Rights is intended to provide consideration valued at \$3,000,000 and will vest, resulting in the issue of a Share, (or the provision of cash, at the Company's discretion) subject to satisfaction of applicable milestones which relate to the financial performance, operations and expansion of the AssetOwl business over 3 years following the Acquisition (refer to Section 10.5).
Conditions precedent to completion	The Acquisition is subject to conditions precedent being satisfied by 31 December 2016, including:
	<ul> <li>change in nature of activities: the Company obtaining Shareholder approval under the ASX Listing Rules for the change in nature of activities associated with the Acquisition;</li> </ul>
	<ul> <li>Consolidation: the Company receiving Shareholder approval to undertake the Consolidation;</li> </ul>
	<ul> <li>capital raising: the Company receiving Shareholder approval to undertake a capital raising of at least \$2,750,000 (before costs) and subsequently closing and issuing Securities under it; and</li> </ul>
	<ul> <li>ASX re-compliance: the Company complying with the requirements of the ASX Listing Rules and receiving</li> </ul>

Subject	Provision
•	conditional approval from ASX for reinstatement of its Securities to official quotation.
Escrow of Vendor Securities	The Vendor Securities and Performance Rights to be issued to the Major Vendors which are not subject to ASX imposed escrow will be subject to voluntary escrow for up to 12 months. During this time, the Major Vendors will be restricted from transferring, selling, assigning or mortgaging their respective Vendor Securities.
	The Company must reasonably consider a request by the Major Vendors to release a portion of the escrowed Vendor Securities after 6 months.
	The Vendor Securities and Performance Rights to be issued to the Minor Vendors will not be subject to any voluntary escrow, other than David John Brady, Kathleen Ellen Brady and Robert Francis Brady as trustees for both of the Brady Family Trust and the Brady Superannuation Fund and Catherine Ellen Argall who have separately agreed to the voluntary escrow regime in relation to the majority of their Vendor Securities and Performance Rights which are not subject to ASX imposed escrow.
Adjustments	Following completion of the Acquisition, BDO Australia will be engaged as an independent accountant to review and finalise a statement of the financial position of AssetOwl at completion.
	If the net indebtedness of AssetOwl is greater than \$140,000 (subject to certain exceptions), this excess amount may be off-set against the Deferred Consideration.
	A further review will be conducted by BDO Australia after AssetOwl receives its anticipated R&D tax rebate receivable for the 2016/17 financial year.
	If the actual net indebtedness is greater than \$140,000 (subject to certain exceptions) or the actual R&D tax rebate receivable is less than the estimate made by AssetOwl's accountants immediately prior to completion of the Acquisition, these amounts may be off-set against the Performance Rights.
Consolidation	The Company will undertake a consolidation of its share capital on a 10:1 basis such that every 10 Shares will consolidate into one Share (i.e. the Consolidation).
Capital raising	Following the Consolidation, the Company will issue a prospectus to raise a minimum of \$2,750,000 in new working capital (i.e. the Public Offer) through the issue of Shares at an issue price of not less than \$0.20 each.
	Each applicant under the capital raising will also be entitled to receive one free-attaching Offer Option for every 2 Shares subscribed.
Underwriting	Patersons Securities and/or a Transcontinental Group company are to be engaged to underwrite at least \$2,750,000 of the capital raising.
	AssetOwl must use its best endeavours to introduce potential investors to Patersons Securities resulting in Applications being made to the value of at least \$1,500,000.
Change of name	The Company will seek Shareholder approval to change its name to "AssetOwl Limited".
Restructure	The Company may, at its discretion, look to restructure its existing

Subject	Provision
and/or realisation of exploration assets	exploration and resources assets into a wholly owned subsidiary company. It may also seek to realise these assets for the benefit of Shareholders (excluding the Vendors) by way of sale or otherwise.

The Transaction Agreement otherwise contains terms and conditions considered standard for agreements of this nature.

## 9.3 Mandate and Underwriting Agreement

The Company and the Underwriter (Patersons Securities Ltd) have entered into a corporate advisory and capital raising mandate and the Underwriting Agreement, under which the Underwriter was appointed to act as lead manager and underwriter to the Public Offer.

The material terms of the Underwriter's engagement are as follows:

Subject	Provision
Management of Public Offer	The Underwriter will act as the sole and exclusive lead manager and underwriter to the Public Offer.
Allocation	The Underwriter has the exclusive and unfettered right to offer all of the Offer Securities for sub-underwriting, to any investor and in any quantity, at its sole and absolute discretion.
Underwriting commitment	The Underwriter agrees to underwrite the shortfall in subscriptions under the Public Offer for up to 17,500,000 Shares to raise up to \$3,500,000.
Sub-underwriting and other applicants	The Underwriter may procure that sub-underwriters or other investors subscribe for any underwritten Shares in place of the Underwriter.
Conditions precedent	The Underwriting Agreement is conditional on conditions precedent which are of the type and form that is usual in an underwriting agreement of this nature, and which have been met as at the date of this Prospectus.
Fees and reimbursement	<ul> <li>The Company will pay the Underwriter:</li> <li>a total underwriting fee of 6% of the underwritten amount;</li> <li>a corporate advisory fee of \$60,000; and</li> <li>reimbursement of the Underwriter's reasonable costs, professional fees and expenses in relation, and incidental, to the Public Offer.</li> </ul>
Entitlement to Offer Options	The Company must issue to the Underwriter or its nominees 11,000,000 Offer Options for nil cash consideration.
Termination of underwriting commitment	The Underwriter may terminate its obligations immediately by written notice to the Company in the event of certain circumstances, which are of the type and form that are considered usual for an underwriting agreement of this nature. The termination events include:
	• <b>resolutions not passed</b> : the resolutions to be put to Shareholders at the AGM seeking, among other things, approval for the Company's change in nature of activities, the Consolidation and the Public Offer, are not passed;

#### **Subject**

#### **Provision**

- Acquisition of AssetOwl: the completion of the Acquisition as set out in the Notice of Meeting is not authorised, or delayed for a significant period, or does not proceed, for whatever reason;
- indices fall: any of the All Ordinaries Index or the All Industrial Index as published by ASX is at any time after the date of the Underwriting Agreement fall by 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;
- Prospectus: this Prospectus is not lodged by 9 November 2016 (or such other date agreed by the Underwriter), or this Prospectus or the Public Offer is withdrawn by the Company;
- quotation: official quotation of the Offer Securities that are to be offered under the Prospectus and for which quotation is to be sought has not been granted by 7 December 2016 (or such other date agreed by the Underwriter) or, having been granted, is subsequently withdrawn, withheld or qualified;
- **supplementary prospectus:** the Company lodges a supplementary or replacement prospectus without the prior written agreement of the Underwriter or, if the Underwriter reasonably believes that a supplementary or replacement prospectus should be lodged, fails to do so;
- **default:** default or breach by the Company of its obligations under the Underwriting Agreement;
- non-compliance with disclosure requirements: it is determined that this Prospectus does not contain all the information required by the Corporations Act;
- misleading statement or omission: it is determined that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus; and
- **termination events**: a number of other termination events, the right to terminate being subject to a requirement that the termination event is likely to have a "Material Adverse Effect".

# Entitlement to fees on discontinuance of Acquisition

If the Acquisition does not proceed, the Underwriter will be entitled to:

- the corporate advisory fee; and
- the reimbursement of any incurred or accrued expenses up to the date the Underwriter's engagement is terminated.

#### Indemnity

The Company agrees to indemnify the Underwriter and to hold the Underwriter harmless from and against:

- all actions, claims, demands or proceedings which may be instituted against the Underwriter; and
- all liabilities, losses, damages, costs and expenses including reasonable legal costs and expenses which may be suffered or incurred by the Underwriter, in connection with the mandate.

The mandate and the Underwriting Agreement otherwise contain terms and conditions considered standard for agreements of this nature.

#### 9.4 Firm commitment letter – Transcontinental Investments

The Underwriter has entered into an firm commitment letter with Transcontinental Investments under which Transcontinental Investments has given a firm commitment to subscribe for Shares under the Public Offer.

Transcontinental Investments is controlled by Executive Director, Mr Simon Trevisan, and his associates, and therefore is a related party of the Company. The firm commitment is subject to Shareholder approval to issue the relevant Offer Securities being obtained at the AGM.

The material terms of Transcontinental Investments' firm commitment are as follows:

Subject	Provision	
Agreement to subscribe	Transcontinental Investments will subscribe for 1,250,000 Shares under the Public Offer, together with one free-attaching Offer Option for every two Shares subscribed (i.e. 625,000 Offer Options).	
Additional Offer Options	The Underwriter will allocate to Transcontinental Investments, from the 11,000,000 Offer Options to be issued under the Underwriter Offer, 1,000,000 Offer Options on the basis of 4 Offer Options for every 5 Shares subscribed.	
Personal allocation	The firm commitment is personal to Transcontinental Investments and cannot be assigned without the prior written consent of the Underwriter.	
Termination	Transcontinental Investments' obligation to subscribe will terminate:  if the Public Offer does not proceed;  if the Underwriting Agreement is terminated; or  upon Transcontinental Investments submitting valid Applications together with the relevant Application Money, for the Shares for which it is required to subscribe under the firm commitment.	

The terms of the firm commitment are otherwise considered standard for an agreement of this nature.

## 9.5 Sub-underwriting letter – Mr Bruce McCracken

The Underwriter has entered into a sub-underwriting letter with Mr Bruce McCracken under which Mr McCracken agrees to sub-underwrite a portion of the Public Offer.

Mr McCracken is an Executive Director of the Company and is therefore a related party. The issue of Offer Securities to Mr McCracken as a sub-underwriter is subject to Shareholder approval being obtained at the AGM.

The material terms of Mr McCracken's sub-underwriting commitment are as follows:

Subject	Provision
Agreement to subscribe	Mr McCracken will sub-underwrite up to 875,000 Shares of any shortfall in Applications for the Public Offer, together with one free-attaching Offer Option for every two Shares subscribed (i.e. up to 437,500 Offer Options).
Additional Offer	The Underwriter will allocate to Mr McCracken, from the 11,000,000 Offer Options to be issued under the Underwriter Offer, 291,666 Offer

Subject	Provision
Options	Options on the basis of 1 Offer Option for every 3 Shares sub-underwritten.
Personal allocation	The sub-underwriting commitment is personal to Mr McCracken and cannot be assigned without the prior written consent of the Underwriter.
Termination	<ul> <li>Mr McCracken' obligation to subscribe will terminate:</li> <li>if the Public Offer does not proceed;</li> <li>if the Underwriting Agreement is terminated; or</li> <li>upon Mr McCracken submitting valid Applications together with the relevant Application Money, for the Shares for which he is required to subscribe under the sub-underwriting commitment.</li> </ul>

The terms of the sub-underwriting letter are otherwise considered standard for an agreement of this nature.

## 9.6 Administration Services Agreement

The Company entered into an Administration Services Agreement with Transcontinental Investments on 14 February 2011 under which the Company agreed to retain Transcontinental Investments to provide corporate administration services to the Company (**Administration Services Agreement**).

Transcontinental Investments is a related party of the Company (see section 9.4).

The material terms of the Administration Services Agreement are as follows:

Subject	Provision
Services	Transcontinental Investments will provide the Company with the following services:
	<ul> <li>company secretarial and accounting, corporate governance and reporting and administration support, management of the Company's website, management of third party professional and expert service providers including legal, accounting, tax, audit and investment banking, independent technical expert and other services associated with proper administration of a listed public Company;</li> </ul>
	<ul> <li>operating, marketing, strategic and financial activities required in relation to the Company's Australian mining and exploration projects; and</li> </ul>
	<ul> <li>provision of office space in a central business district office for the Company's main corporate office including the use of IT, photocopying and other office equipment and supplies.</li> </ul>
	These services include the engagement of Mr Simon Trevisan as an Executive Director and Ms Fleur Hudson as Company Secretary.
Fees	The Company must pay a monthly fee to Transcontinental Investments plus reimbursement each month for certain costs, expenses and liabilities incurred and/or paid by Transcontinental Investments on behalf of the Company during the month.
	The fee is currently \$5,000 (excluding GST) per month, which will be paid in full by the Company on ordinary terms, rather than being

Subject	Provision
	accrued.

The Administration Services Agreement otherwise contains terms and conditions considered standard for agreements of this nature.

### 9.7 Non-Executive Director engagement letters

The Company has entered into letters of engagement with each current and proposed Non-Executive Director confirming their appointment and terms of engagement.

The material terms of the letters of engagement are as follows:

Subject	Provision
Engagement	Each Non-Executive Director is engaged in that capacity by the Company. In addition, the Hon. Shane L. Stone is engaged as Chairman of the Board.
Directors' fees	Each Non-Executive Director is entitled to be paid an annual director's fee for their services as follows:
	<ul> <li>Hon. Shane L. Stone – \$72,000;</li> </ul>
	<ul> <li>Mr Ian Murchison – \$30,000; and</li> </ul>
	<ul> <li>Mr Andrew Lane – \$30,000 (subject to the Acquisition completing).</li> </ul>
Performance of duties	Each Non-Executive Director is expected to discharge their duties in accordance with the Constitution of the Company, the Corporations Act, the ASX Listing Rules and the corporate governance policies of the Company (as applicable).
D&O insurance	Each Non-Executive Director will be covered by a directors' and officers' liability insurance taken out by the Company in accordance with the terms of the Deeds of Insurance, Indemnity and Access that the Company has executed with each Non-Executive Director.
Disclosure of interests	Each Non-Executive Director must make all necessary disclosures to the Company in relation to all interests and matters which impact their independence and any matters which may give rise to a conflict of interest.
Confidentiality	Each Non-Executive Director must keep information regarding the Company confidential, except if disclosure is required by law or the Company provides prior written consent.
Intellectual property	Each Non-Executive Director assigns to the Company all existing and future intellectual property rights in all inventions, designs, works and subject matter created or conceived by the Directors in the performance of theirs duties or using any of the Company's resources.

The letters of engagement otherwise contains terms and conditions considered standard for engagement letters of this nature.

## 9.8 Letter of Employment for Mr Bruce McCracken

The Company entered into a letter of employment dated 29 September 2013 with Mr Bruce McCracken for his employment as an Executive Director.

The material terms of the employment letter are as follows:

Subject	Provision
Appointment	The Company appointed Mr McCracken as an Executive Director with effect from 30 September 2013.
Salary	Mr McCracken's salary is \$72,000 per annum plus statutory superannuation.
Disclosure	Mr McCracken is required to enter into the Company's standard form agreement regarding directors' disclosure obligations.

## 9.9 Directors' Deeds of Indemnity, Insurance and Access

The Company has entered into Deeds of Indemnity, Insurance and Access with each current and proposed Director (**Relevant Party**).

The material terms of these deeds are as follows:

Subject	Provision
Indemnity	The Company agrees to indemnify each Relevant Party from certain liabilities incurred from acting in that position under specified circumstances.
Insurance	The Company agrees to maintain directors' and officers' insurance cover (if available) in favour of each Relevant Party whilst that person maintains such office and for 7 years after the Relevant Party has ceased to be an officer, provided that:
	<ul> <li>the Company may cease to maintain directors' and officers' insurance cover in favour of each Relevant Party if the Company reasonably determines that the type of coverage is no longer available; and</li> </ul>
	<ul> <li>the Company must notify a Relevant Party if it ceases to maintain directors' and officers' insurance cover in favour of that Relevant Party.</li> </ul>
Access	The Company will provide access to any company records which are relevant to the Relevant Party's holding of office with the Company, for a period of 7 years after the Relevant Party has ceased to be an officer of the Company.
Conditions	The indemnity and insurance obligations of the Company are subject to any restrictions on the same under the Corporations Act.

The deeds otherwise contain terms and conditions considered standard for deeds of this nature.

#### 9.10 Executive Services Agreement for Mr Giuseppe Di Franco

On 7 November 2016, AssetOwl entered into an executive services agreement with Giuseppe Di Franco for his full time employment as chief executive officer of AssetOwl.

The material terms of the agreement are as follows:

Subject	Provision
Employment	AssetOwl employs Mr Di Franco on a full time basis as its chief executive officer.
	Mr Di Franco is responsible to the AssetOwl directors and to the Company.
Salary	Mr Di Franco is entitled to receive a salary of \$240,000 per annum inclusive of superannuation.
Incentives	Mr Di Franco may be offered equity securities and performance-based incentives under an employee incentive plan operated by AssetOwl or the Company.
Loan	Upon completion of the Acquisition, the Company may repay an \$80,000 loan facility owed by Mr Di Franco's related entity, Imprint Investments Pty Ltd (ACN 604 122 849) as trustee for the Broadwater Trust ( <b>Imprint</b> ), to AssetOwl, following which a loan will be established between the Company and Imprint.
	This loan is to be repayable over 3 years but Imprint is not required to make repayments in the initial 12 months.
	The loan is immediately repayable if Mr Di Franco's employment with AssetOwl terminates.
Intellectual property rights	All rights in relation to intellectual property made, created or discovered by Mr Di Franco in the performance of his duties or in the course of his employment, vest in AssetOwl immediately upon creation or discovery.
Restrictive covenants	Mr Di Franco is subject to post-employment restraints on engaging in a business of the same or substantially similar nature to AssetOwl and soliciting AssetOwl's employees, suppliers or clients. The restraint has potential effect globally for up to 24 months following the termination of Mr Di Franco's employment.
Termination	Either party may terminate the employment by giving 3 months' notice. AssetOwl may make payment in lieu of notice.  AssetOwl may otherwise terminate the employment immediately for
	misconduct.

The agreement otherwise contains terms and conditions considered standard for an agreement of this nature.

#### 9.11 Employment Agreement for Mr Tim Brady

On 7 November 2016, AssetOwl entered into an employment agreement with Tim Brady for his full time employment as a business development and sales consultant of AssetOwl.

The material terms of the agreement are as follows:

Subject	Provision
Employment	AssetOwl employs Mr Brady as a business development and sales consultant on a full time basis. Mr Brady is not engaged in a management position.
	Mr Brady is responsible to the AssetOwl directors and to the Company.
Salary	Mr Brady is entitled to receive a salary of \$170,000 per annum inclusive of superannuation.
Intellectual property rights	All rights in relation to intellectual property made, created or discovered by Mr Brady in the performance of his duties or in the course of his employment, vest in AssetOwl immediately upon creation or discovery.
Restrictive covenants	Mr Brady is subject to post-employment restraints on engaging in a business of the same and substantially similar nature to AssetOwl or soliciting AssetOwl's employees, suppliers or clients. The restraint has potential effect globally for up to 24 months following the termination of Mr Brady's employment.
Termination	Either party may terminate the employment by giving 1 month's notice. AssetOwl may make payment in lieu of notice.
	AssetOwl may otherwise terminate the employment immediately for misconduct.

The agreement otherwise contains terms and conditions considered standard for an agreement of this nature.

## 9.12 Loan Agreement

On 30 September 2016, AssetOwl entered into an loan agreement with various Vendors for the provision of a working capital loan.

The material terms of the agreement are as follows:

Subject	Provision
Lenders	The lenders are:
	<ul> <li>Ogee Australia Pty Limited (ACN 008 725 531) as trustee for the Lane Superannuation Fund;</li> </ul>
	<ul> <li>NCKH Pty Limited (ACN 008 867 810) as trustee for the AML Trust;</li> </ul>
	<ul> <li>Christopher Charles Indermaur and Rena Elizabeth Indermaur as trustees for the Indermaur Family Super Fund;</li> </ul>
	<ul> <li>David John Brady and Kathleen Ellen Brady and Robert Francis Brady as trustees for the Brady Family Trust; and</li> </ul>
	Catherine Ellen Argall.
Advance	The lenders agreed to advance funds to AssetOwl for working capital purposes.
	At the Prospectus Date, \$350,744 has been advanced to AssetOwl.

Subject	Provision
Security	To secure payment of the loan, AssetOwl has granted a security interest to the lenders in AssetOwl's rights, interests and entitlements under the <i>Income Tax Assessment Act 1997</i> (Cth) ( <b>ITAA97</b> ) including, without limitation, AssetOwl's rights, interests and entitlements to a refund under section 63.10(1) of the ITAA97.
Interest	AssetOwl must pay the lenders interest monthly in arrears on the outstanding loan at the rate of 20% per annum, in arrears.  If any amount is not paid on or before its due date, default interest at the rate of 23% per annum will accrue on the outstanding amount.
Repayment	<ul> <li>AssetOwl must repay the loan:</li> <li>immediately upon receipt of the refundable tax offset (a tax offset to which AssetOwl is entitled under the ITAA97);</li> <li>immediately if an event of default occurs under the loan agreement and a lender exercises it right to require that AssetOwl repay the loan; or</li> <li>within 7 days from the earlier of: <ul> <li>1 December 2017;</li> <li>the date that AssetOwl receives the tax refund for the income year ended 30 June 2017; or</li> <li>such other date as agreed to in writing between AssetOwl and lenders.</li> </ul> </li> </ul>
Pre-payment	AssetOwl may prepay all, but not part, of the loan early.  If the loan is repaid within 3 months of 30 September 2016 AssetOwl must also repay to the lender the relevant interest for those 3 months.

The agreement otherwise contains terms and conditions considered standard for agreements of this nature.

# 10. Terms of Securities and Performance Rights

## 10.1 Rights and liabilities attaching to Shares

The Shares issued under this Prospectus will be fully paid ordinary shares in the capital of the Company and will rank equally with the Existing Shares.

Full details of the rights and liabilities attaching to the Shares are contained in the Constitution of the Company and, in certain circumstances, are regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Rules and the common law. The Constitution is available for inspection free of charge at the Company's registered office.

The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights and liabilities attaching to the Shares:

- (a) **Share capital**: All issued Shares rank equally in all respects.
- (b) **Voting rights**: At a general meeting of the Company, every holder of Shares present in person, by an attorney, representative or proxy has one vote on a show of hands and on a poll, one vote for each Share held, and for every contributing share (i.e. partly paid) held, a fraction of a vote equal to the proportion which the amount paid up bears to the total issue price of the contributing share. Where there is an equality of votes, the chairperson has a casting vote.
- (c) **Dividend rights**: Subject to the Corporations Act, the ASX Listing Rules and any rights of persons entitled to shares with special rights to dividends (at present there are none), all dividends as declared by the Directors are to be payable on all such shares in proportion to the amount of capital paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividends is paid, unless the share is issued on terms providing to the contrary.
- (d) Payment of dividends: Dividends are payable out of the assets of the Company in accordance with section 254T of the Corporations Act and as determined by the Directors, which shall be conclusive. The Directors may direct that payment of the dividend be made wholly or in part by the distribution of specific assets or other Securities of the Company.
- (e) **Rights on winding-up**: Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of Shares, the liquidator may on winding-up of the Company, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair upon any property to be so divided and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.
- (f) **Transfer of Shares**: Subject to the Constitution, Shares may be transferred by:
  - a proper ASX Settlement transfer or any other method of transferring or dealing in Shares introduced by the ASX or operated in accordance with the ASX Settlement Rules or the ASX Listing Rules as recognised under the Corporations Act; or
  - (ii) an instrument in writing in any usual or common form or in any other form that the Directors, in their absolute discretion, approve from time to time.
- (g) **Refusal to transfer Shares**: The Directors may refuse to register a transfer of Shares (other than a proper ASX Settlement transfer) only where:
  - (i) the law permits it;
  - (ii) the law requires it; or

- (iii) the transfer is a transfer of restricted securities (as defined in ASX Listing Rule 19.12) which is, or might be, in breach of the ASX Listing Rules or any escrow agreement entered into by the Company in respect of those restricted securities.
- (h) **Further increases in capital**: Subject to the Constitution, the Corporations Act and the ASX Listing Rules:
  - (i) Shares are under the control of the Directors, who may allot or dispose of all or any of the Shares to such persons, and on such terms, as the Directors determine; and
  - (ii) the Directors have the right to grant options to subscribe for Shares, to any person, for any consideration.
- (i) **Variation of rights attaching to shares**: The rights attaching to the shares of a class (unless otherwise provided by their terms of issue) may only be varied by a special resolution passed at a separate general meeting of the holders of those shares of that class, or in certain circumstances, with the written consent of the holders of at least seventy-five percent (75%) of the issued shares of that class.
- (j) General meeting: Each holder of Shares will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Constitution, the Corporations Act and the ASX Listing Rules.

## 10.2 Terms and Conditions of Existing Options

The terms and conditions of the Existing Options are set out below:

- (a) **Entitlement**: Each Existing Option entitles the holder (**Option Holder**) to subscribe for one fully paid ordinary Share in the Company.
- (b) **No amount payable on grant**: No amount is payable on grant of the Existing Options.
- (c) **Exercise price**: The exercise price of the Existing Options is \$0.02 each, and will be payable in full on exercise.
- (d) **Exercise**: Each Existing Option may be exercised at any time before 5.00pm (WST) on 30 September 2018 (**Expiry Date**). Any Existing Option not exercised by the Expiry Date will automatically expire.
- (e) **Certificate**: The Company must give the Option Holder a certificate or Holding Statement stating:
  - (i) the number of Existing Options issued to the Option Holder;
  - (ii) the exercise price of the Existing Options; and
  - (iii) the date of issue of the Existing Options.
- (f) **Transfer**: Subject to quotation on ASX, the Existing Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of Existing Options at any time until the expiry date of the Existing Options. This right is subject to any restrictions on the transfer of a Existing Option that may be imposed by ASX.
- (g) **Instrument of transfer**: An instrument of transfer of an Existing Option must be:
  - (i) in writing;

- (ii) in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
- (iii) subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
- (iv) delivered to the Company, at the place where the Company's register of Option Holders is kept, together with the certificate (if any) of the Existing Options to be transferred and any other evidence as the Directors require to prove the title of the transferor to that Existing Options, the right of the transferor to transfer those Existing Options and the proper execution of the instrument of transfer.
- (h) **Quotation of Existing Options**: The Existing Option will not be listed for quotation on ASX until there is a minimum of 50 Option holders holding Options issued on the same terms as the Existing Options.
- (i) **Quotation of Shares**: In accordance with the ASX Listing Rules the Company will apply for official quotation of all Shares allotted pursuant to an exercise of Existing Options.
- (j) **New issues**: There will be no participating entitlements inherent in the Existing Options to participate in new issues of capital that may be offered to Shareholders during the currency of the Existing Option. Prior to any new pro-rata issue of Securities to Shareholders, holders of Existing Options will be notified by the Company in accordance with the requirements of the ASX Listing Rules.
- (k) Bonus issues: In the event of a bonus issue of Securities, the number of Shares over which the Existing Options are exercisable may be increased by the number of Shares that the Option holders would have received if the Options had been exercised before the record date for the bonus issue.
- (I) **Reconstructions**: In the event of a reconstruction, including the consolidation, subdivision, reduction or return of issue capital of the Company prior to the Expiry Date, all rights of an Option Holder are to be changed in a manner consistent with the ASX Listing Rules.
- (m) **No change in exercise price**: There is no right to a change in the exercise price of the Existing Options or to the number of Shares over which the Existing Options are exercisable in the event of a new issue of capital (other than a bonus issue or a pro rata issue) during the currency of the Existing Options.
- (n) Notice of exercise: Existing Options are exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option Holder to exercise all or a specified number of the Existing Options held by the Option Holder accompanied by an Option certificate and a cheque made payable to the Company for the subscription price for the exercise of the specified Existing Options. An exercise of only some of the Existing Options will not affect the rights of the Option Holder to the balance of the Existing Options held by the Option Holder.
- (o) **Deemed exercise**: Existing Options will be deemed to have been exercised on the date the exercise notice is received by the Company.
- (p) **Issue of Shares**: The Company will allot the resultant Shares and deliver the holding statement within five Business Days after the exercise of the Existing Option.
- (q) **Equal ranking**: Shares allotted pursuant to an exercise of Existing Options will rank, from the date of allotment, in all respects equally with existing fully paid ordinary Shares of the Company.
- (r) **Governing law**: These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and

unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

### 10.3 Terms and Conditions of Offer Options

The terms and conditions of the Offer Options are set out below:

- (a) **Entitlement**: Each Offer Option entitles the holder (**Option Holder**) to subscribe for 1 fully paid ordinary Share in the Company.
- (b) **No payment on grant**: The Option Holder is not required to pay any amount on the grant of an Offer Option.
- (c) **Exercise price**: The exercise price of each Offer Option is \$0.40 (Exercise Price).
- (d) **Expiry date**: Each Offer Option may be exercised at any time before 5.00pm (WST) on 30 June 2019 (**Expiry Date**). Any Offer Option not exercised by the Expiry Date will automatically expire.
- (e) **Certificate or holding statement**: The Company must give the Option Holder a certificate or holding statement stating:
  - (i) the number of Offer Options issued to the Option Holder;
  - (ii) the Exercise Price of the Offer Options; and
  - (iii) the date of issue of the Offer Options.

### (f) Transfer:

- (i) The Offer Options are transferable, subject to any restrictions on transfer under the Corporations Act or the ASX Listing Rules.
- (ii) Subject to the Corporations Act or the ASX Listing Rules, the Option Holder may transfer some or all of the Offer Options at any time before the Expiry Date by:
  - (A) a proper ASX Settlement transfer or any other method permitted by the Corporations Act; or
  - (B) a prescribed instrument of transfer.
- (g) **Instrument of transfer**: An instrument of transfer of an Offer Option must be:
  - (i) in writing;
  - (ii) in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
  - (iii) subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
  - (iv) delivered to the Company, at the place where the Company's register of Option Holders is kept, together with the certificate (if any) of the Offer Option to be transferred and any other evidence as the Directors require to prove the title of the transferor to that Offer Option, the right of the transferor to transfer that Offer Option and the proper execution of the instrument of transfer.
- (h) **Quotation of Offer Options**: The Directors may determine, at their sole discretion, that the Company will apply to ASX for official quotation of Offer Options if the

requirements for quotation under the ASX Listing Rules as satisfied. Until such an application is made, the Offer Options will form a class of unquoted Securities.

- (i) **Quotation of Shares**: The Company will apply to ASX for official quotation of the Shares issued on exercise of Offer Options.
- (j) New issues: The Option Holder is not entitled to participate in any new issue to the Company's Shareholders of Securities in the Company unless they have exercised their Offer Options before the record date for determining entitlements to the new issue of Securities and participate as a result of holding Shares. The Company must give the Option Holder notice of the proposed terms of the issue or offer in accordance with the ASX Listing Rules.
- (k) Bonus issues: If the Company makes a bonus issue of Shares or other Securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Offer Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Offer Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Offer Option before the record date for determining entitlements to the issue.
- (I) **Pro rata issues**: If the Company makes a pro rata issue of Shares (except a bonus issue) to Shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Offer Option before the record date for determining entitlements to the issue, the Exercise Price of each Offer Option will be reduced in accordance with the ASX Listing Rules.

### (m) Reorganisation:

- (i) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of Offer Options to which the Option Holder is entitled to and the Exercise Price) will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (ii) Any calculations or adjustments which are required to be made will be made by the Company's Board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.
- (iii) The Company must, within a reasonable period, give to the Option Holder notice of any change to the Exercise Price of any Offer Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of an Offer Option.

### (n) Exercise:

- (i) To exercise Offer Options, the Option Holder must give the Company or its securities registry, at the same time:
  - (A) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of Offer Options being exercised and Shares to be issued;
  - (B) payment of the Exercise Price for the Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment, approved by the Company; and
  - (C) any certificate for the Offer Options.

- (ii) The Option Holder may only exercise Offer Options in multiples of 10,000 Offer Options unless the Option Holder exercises all Offer Options held by the Option Holder.
- (o) **Deemed exercise**: Offer Options will be deemed to have been exercised on the date the exercise notice is lodged with the Directors.
- (p) **Re-issue of certificate or holding statement**: If the Option Holder exercises less than the total number of Offer Options registered in the Option Holder's name:
  - (i) the Option Holder must surrender their Offer Option certificate (if any); and
  - (ii) the Company must cancel the Offer Option certificate (if any) and issue the Option Holder a new Offer Option certificate or holding statement stating the remaining number of Offer Options held by the Option Holder.
- (q) **Issue of Shares**: Within 10 days after receiving an application for exercise of Offer Options and payment by the Option Holder of the Exercise Price, the Company must issue the Option Holder the number of Shares specified in the application.
- (r) **Equal ranking**: Subject to the Company's Constitution, all Shares issued on the exercise of Offer Options will rank in all respects (including rights relating to dividends) equally with the existing ordinary Shares of the Company at the date of issue.
- (s) **Governing law**: These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

### 10.4 Terms and conditions of Vendor Options

Each Vendor Option will be issued on identical terms to the Offer Options (refer to Section 10.3) other than as follows:

- (a) **Exercise price**: The exercise price of each Vendor Option is \$0.25.
- (b) **Expiry date**: Each Vendor Option may be exercised at any time before 5.00pm (WST) on 31 March 2019. Any Vendor Option not exercised by this date will automatically expire.

#### 10.5 Terms and conditions of Performance Rights

The Company proposes to issue Class A, Class B and Class C Performance Rights to the Vendors under the Transaction Agreement, subject to receiving Shareholder approval to do so at the AGM.

The Company is not offering, and will not grant, any Performance Rights under this Prospectus.

Each class of Performance Rights will been granted on substantially identical terms, save for the performance milestones which are different for each class.

The proposed terms and conditions attaching to each class of Performance Rights are set out below:

### (a) Defined terms

In these Terms, the following words have the meaning given to them below:

## **Accounting Standards** means:

- (a) the applicable accounting standards under the Corporations Act (if any), including International Financial Reporting Standards as applied in Australia;
- (b) to the extent not inconsistent with the accounting standards described in paragraph (a) of this definition, generally accepted accounting principles and practices in Australia consistently applied; and
- (c) to the extent not inconsistent with the accounting standards described in paragraphs (a) and (b) of this definition, the standards, requirements and practices consistently applied to the Company or AssetOwl (as the context requires) since its incorporation.

Acquisition Shares means 100% of the shares in AssetOwl.

**Actual R&D Tax Rebate Receivable** means the actual R&D Tax Rebate received by AssetOwl in respect of the financial year ending 30 June 2017.

ASIC means the Australian Securities & Investments Commission.

AssetOwl means AssetOwl Pty Ltd (ACN 601 135 282).

**AssetOwl Purchase Agreement** means the Share Sale and Purchase Agreement dated 3 November 2016 under which the Company agreed to purchase the Acquisition Shares.

**ASX** means ASX Limited (ACN 008 624 691), or the securities market operated by ASX Limited known as the Australian Securities Exchange, as the context requires.

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

**Business Day** means a day other than a Saturday, Sunday or public holiday in Perth, Western Australia.

**Cash Entitlement** has the meaning given to that term in Section 10.5(f)(i)(C).

**Cleansing Statement** means a written notice issued by the Company to ASX pursuant to section 708A(5) of the Corporations Act, meeting the requirements of section 708A(6) of the Corporations Act.

**Commercialisation Grant** means an accelerating commercialisation grant from any department of the Government of the Commonwealth of Australia made pursuant to the Accelerated Commercialisation Program established under the *Industry Research* and *Development Act 1986* (Cth).

**Completion Date** means the date that completion of the sale and purchase of all of the Acquisition Shares under the AssetOwl Purchase Agreement.

Company means Regalpoint Resources Limited (ACN 122 727 342).

Corporations Act means the Corporations Act 2001 (Cth).

**Entitlement** means the Share Entitlement or the Cash Entitlement, as the case may be.

Expert means BDO Australia.

**Financial Statements** means the Company's financial statements for a half financial year or a complete financial year (as applicable) prepared in accordance with the Accounting Standards and either audited or audit reviewed in accordance with the audit requirements applicable to a publicly listed company under the Corporations Act.

Holder means the person or entity to whom the Performance Right is granted.

**Management Platform** means the cloud-based enterprise asset visibility and change software platform owned and developed by AssetOwl at the date of these Terms, being the subject of international patent application number PCT/AU2015/050579.

**Milestone** means, in relation to a class of Performance Rights, the milestone specified in Section 10.5(f)(i)(C) for that class of Performance Rights.

**Net Indebtedness** has the meaning given to "Net Indebtedness" in the AssetOwl Purchase Agreement.

**Performance Right** means a Class A Performance Right, Class B Performance Right or Class C Performance Right granted under these Terms, as the context requires.

**R&D Tax Rebate** means a research and development tax refund from the Government of the Commonwealth of Australia.

**Related Party** has the meaning given to that term in section 228 of the Corporations Act.

**Share** means a fully paid ordinary share in the Company.

**Share Entitlement** has the meaning given to that term in Section 10.5(f)(i)(B).

Shareholder means a holder of a Share.

**Store** means a store, shop or business premises utilising one or more services provided by AssetOwl and, for a store, shop or business premises which has more than one floor or level, each floor or level of that store, shop or business premises.

**Targeted R&D Tax Rebate Receivable** has the meaning given to "R&D Tax Rebate Receivable" under the AssetOwl Purchase Agreement.

**Terms** means these terms and conditions of grant which apply to the Performance Rights.

**Year 1** means the period commencing on 1 January 2017 and concluding on 31 December 2017.

**Year 1 NPBT** means the net profit before tax of the Company for the period of Year 1 determined by reference to the Financial Statements applicable to Year 1, excluding for the purposes of calculation, any costs incurred by the Company with respect to its proposed re-compliance with Chapters 1 and 2 of the ASX Listing Rules, and any reasonable corporate costs incurred by the Company in good faith.

**Year 1 Revenue** means revenue of the Company for the period of Year 1 determined by reference to the Financial Statements applicable to Year 1.

**Year 1 Stores** means the number of Stores as at the end of Year 1, whether or not any one or more Stores is owned by Related Parties.

**Year 2** means the period commencing on 1 January 2018 and concluding on 31 December 2018.

**Year 2 NPBT** means the net profit before tax of the Company for the period of Year 2 determined by reference to the Financial Statements applicable to Year 2, excluding for the purposes of calculation, any costs incurred by the Company with respect to its proposed re-compliance with Chapters 1 and 2 of the ASX Listing Rules, and any reasonable corporate costs incurred by the Company in good faith.

**Year 2 Revenue** means revenue of the Company for the period of Year 2 determined by reference to the Financial Statements applicable to Year 2.

**Year 2 Stores** means the number of Stores as at the end of Year 2, whether or not any one or more Stores is owned by Related Parties.

**Year 3** means the period commencing on 1 January 2019 and concluding on 31 December 2019.

**Year 3 NPBT** means the net profit before tax of the Company for the period of Year 3 determined by reference to the Financial Statements applicable to Year 3, excluding for the purposes of calculation, any costs incurred by the Company with respect to its proposed re-compliance with Chapters 1 and 2 of the ASX Listing Rules, and any reasonable corporate costs incurred by the Company in good faith.

**Year 3 Revenue** means revenue of the Company for the period of Year 3 determined by reference to the Financial Statements applicable to Year 3.

**Year 3 Stores** means the number of Stores as at the end of Year 3, whether or not any one or more Stores is owned by Related Parties.

## (b) Interpretation

- (i) In these Terms, unless the context otherwise requires:
  - (A) If a word or phrase is defined, then its other grammatical forms have a corresponding meaning.
  - (B) The singular includes the plural and vice versa.
  - (C) A reference to a gender includes any gender.
  - (D) A reference to a document includes a variation or replacement of that document.
  - (E) A reference to a statute includes its subordinate legislation, proclamations, ordinances and a modification, replacement or reenactment of the same.
  - (F) A reference to person, includes a reference to an individual, a body corporate, a trust, a partnership, a joint venture an unincorporated body or other entity, whether or not it is a separate legal entity, and the person's successors and assigns.
  - (G) A reference to currency is to the Australian currency unless expressly stated otherwise.
  - (H) A reference to time is to Australian Western Standard Time in Perth, Western Australia.
  - (I) A provision of these Terms must not be construed adversely to a party solely on the ground that the party was responsible for the preparation of these Terms or that provision.
  - (J) A heading in these Terms is for convenience only and does not affect interpretation.
- (ii) In calculating the corporate costs for the Year 1 NPBT, Year 2 NPBT and Year 3 NPBT:

- (A) any net costs of operating the Business which have been reallocated to corporate costs of the Company will not be excluded;
- (B) costs and expenditure which are incurred by a publicly listed company in the ordinary course of business but not a proprietary company will be included, such as (as applicable):
  - (1) security registry costs;
  - (2) ASX fees and costs;
  - (3) director fees (other than to the extent that they relate to the operation of AssetOwl or the Business, or are otherwise recorded in AssetOwl's financial statements);
  - (4) audit fees;
  - (5) costs of communicating with shareholders; and
  - (6) costs of calling and holding annual general meetings; and company secretarial costs.

### (c) Classes and terms of Performance Rights

The following classes of Performance Rights are granted by the Company on and subject to these Terms:

- (i) Class A Performance Rights;
- (ii) Class B Performance Rights; and
- (iii) Class C Performance Rights.

### (d) Consideration

Each Performance Right is granted in consideration of the Holder selling to the Company the Acquisition Shares held by the Holder, under the AssetOwl Purchase Agreement.

### (e) Vesting

- (i) Subject to Sections 10.5(e)(ii), 10.5(f)(ii), 10.5(f)(iii), 10.5(f)(iv) and 10.5(q), a Performance Right automatically vests in the Holder upon the Milestone for that Performance Right being achieved or otherwise satisfied, following which the Holder may elect to receive the Holder's Entitlement.
- (ii) Each of the items in the Milestone for a Performance Right is a separate and several milestone which, upon being achieved, entities the Holder to receive the corresponding portion of vested Performance Rights set out in the table in Section 10.5(f)(i)(C).

## (f) Milestones and Entitlement

#### (i) General

(A) Subject to this Section 10.5(f)(i) and any applicable requirements of the ASX Listing Rules, each Performance Right that has vested on achieving the Milestone in the table below entitles the Holder to receive either of the following, at the Company's discretion:

- (B) one Share for each vested Performance Right (Share Entitlement); or
- (C) the cash amount (**Cash Amount**) in the table below for each vested Performance Right, in lieu of issuing the Share Entitlement (**Cash Entitlement**):

Class	Milestone	Portion of Performance Rights that vest on achieving Milestone	Cash Amount (per vested Performance Right)
Class A Performance Right	The Year 1 Stores being at least 320.	331⁄₃%	\$0.20
Rigfil	The Year 1 Revenue being at least \$3,008,000.	331⁄3%	
	The Company breaking-even in relation to the Year 1 NPBT.	331/3%	
Class B Performance Right	The Year 2 Stores being at least 1,152.	331⁄₃%	The higher of \$0.40 and the volume-weighted average price (VWAP) of Shares traded on ASX over the 14 trading days prior to the end of Year 2.
	The Year 2 Revenue being at least \$5,760,000.	331/3%	
	The Year 2 NPBT being at least \$1,792,000.	331/3%	
Class C Performance Right	The Year 3 Stores being at least 1,408.	331/3%	The higher of \$0.40 and the VWAP of Shares traded on ASX over the 14 trading days prior to the end of Year 3.
	The Year 3 Revenue being at least \$10,400,000.	331/3%	
	The Year 3 NPBT being at least \$5,696,000.	331/3%	

- (D) The Company must notify the Holder whether the Company elects to provide the Share Entitlement or the Cash Entitlement (Entitlement Notice) within 10 Business Days of the later of:
  - (1) the end of each of Year 1, Year 2 and Year 3, if one or more Milestones are achieved in that relevant Year; and
  - (2) the date by which the Company determines whether a Milestone has been achieved.
- (E) The Company's obligations to the Holder in relation to a Performance Right are discharged and satisfied in full upon issuing the Share

- Entitlement or paying the Cash Entitlement (as applicable) for that class of Performance Rights.
- (F) Any fractional entitlement to a Share that arises in calculating the Share Entitlement will be rounded to the nearest whole number.
- (G) If there is any bona fide dispute as to whether a Milestone for a Performance Right has been achieved and such dispute is not resolved within 10 Business Days of the dispute arising;
- (H) the Company will, at the Company's cost, refer the dispute to the Expert for determination:
  - (1) the Expert will act as expert and not as arbitrator; and
  - (2) the Company and the Holder agree that the determination of the Expert is, in the absence of a manifest error, conclusive and binding on the Company and the Holder.

## (ii) Adjustment to Share Entitlement for Class B Performance Rights

- (A) In the event that the VWAP of Shares traded on ASX over the 14 trading days prior to the end of Year 3, less a discount of 10%, is greater than \$0.40, the total number of Class B Performance Rights across the class that will vest will be adjusted and reduced so that the total Shares that may be issued on vesting will be equal in value to \$3,000,000 at a deemed issue price per Share equal to the Cash Amount for Class B Performance Rights.
- (B) If an adjustment occurs under Section 10.5(f)(ii)(A), the Share Entitlement of each Holder will be adjusted as follows:
  - (1) the number of Class B Performance Rights which will vest in the Holder will be reduced in proportion to the adjustment under Section 10.5(f)(ii)(A) such that the Holder will receive the same proportion of the total Shares that may be issued on vesting of the Class B Performance Rights as the Holder would have received prior to the adjustment;
  - (2) any fractional entitlement to a Share that arises in calculating the adjusted Share Entitlement under Section 10.5(f)(ii)(B)(1) will be rounded to the nearest whole number; and
  - (3) the remaining unvested Class B Performance Rights held by the Holder will automatically lapse and are cancelled.

## (iii) Adjustment to Share Entitlement for Class C Performance Rights

- (A) In the event that the VWAP of Shares traded on ASX over the 14 trading days prior to the end of Year 3 is greater than \$0.40, the total number of Class C Performance Rights across the class that will vest will be adjusted and reduced so that the total Shares that may be issued on vesting will be equal in value to \$3,000,000 at a deemed issue price per Share equal to the Cash Amount for Class C Performance Rights.
- (B) If an adjustment occurs under Section 10.5(f)(iii)(A), the Share Entitlement of each Holder will be adjusted as follows:
  - (1) the number of Class C Performance Rights which will vest in the Holder will be reduced in proportion to the adjustment

under Section 10.5(f)(iii)(A) such that the Holder will receive the same proportion of the total Shares that may be issued on vesting of the Class C Performance Rights as the Holder would have received prior to the adjustment;

- (2) any fractional entitlement to a Share that arises in calculating the adjusted Share Entitlement under Section 10.5(f)(iii)(B)(1) will be rounded to the nearest whole number; and
- (3) the remaining unvested Class C Performance Rights held by the Holder will automatically lapse and are cancelled.

#### (iv) R&D Tax Rebate and Net Indebtedness adjustment

- (A) In the event that the Actual R&D Tax Rebate Receivable is less than the Targeted R&D Tax Rebate Receivable or the actual Net Indebtedness at the Completion Date is greater than \$140,000 (each a Shortfall), at the Company's discretion, the total number of Performance Rights of any class (Relevant Class) that will vest will be adjusted and reduced by the value of the Shortfall, on the basis that each Performance Right in the Relevant Class has a deemed value for the purposes of this calculation) equal to the Cash Amount for the Relevant Class.
- (B) If an adjustment occurs under Section 10.5(f)(iv)(A), the Share Entitlement of each Holder will be adjusted as follows:
  - (1) the number of Performance Rights in the Relevant Class which will vest will be reduced in proportion to the adjustment under Section 10.5(f)(iv)(A) such that the Holder will receive the same proportion of Shares from the total Shares issued on vesting of the Relevant Class as the Holder would have received prior to the adjustment;
  - (2) any fractional entitlement to a Share that arises in calculating the adjusted Share Entitlement under Section 10.5(f)(iv)(B)(1) will be rounded to the nearest whole number; and
  - (3) the remaining unvested Performance Rights in the Relevant Class held by the Holder will automatically lapse and are cancelled.
- (C) The Company is not required to provide the Entitlement for any class of Performance Rights until the Commercialisation Grant is received, the Actual R&D Tax Rebate Receivable is received and the Net Indebtedness is finally determined.

### (g) **Expiry**

Each Performance Right that has not vested will automatically expire and terminate at midnight on the last day by which the Milestone for that Performance Right must be achieved.

### (h) Transfer and encumbrances

- (i) A Performance Right is not transferrable.
- (ii) A Holder must not grant or permit any security interest or other encumbrances over a Performance Right.

## (i) Quotation of Performance Rights

The Company will not apply for quotation of any class of Performance Right.

### (j) Quotation of Shares

If the Share Entitlement is issued for a class of Performance Rights, the Company will apply to ASX for official quotation of those Shares.

#### (k) New issues

A Holder is not entitled to participate in any new issue to Shareholders of Securities in the Company unless the Holder's Performance Rights have vested and the Share Entitlement has been issued before the record date for determining entitlements to the new issue of Securities and participate as a result of holding Shares.

#### (I) Participation in entitlements and bonus issues

A Performance Right does not entitle a Holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to Shareholders, such as a bonus issue or an entitlement issue.

### (m) Reorganisation

- (i) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Holder in relation to each class of Performance Rights held by the Holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (ii) Any calculations or adjustments which are required to be made in relation to Section 10.5(m)(i) will be made by the Company's Board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Holder.
- (iii) The Company must, within a reasonable period of a reorganisation under Section 10.5(m)(i) occurring, give to the Holder notice of any change to the Cash Amount or the number of Shares which the Holder is entitled to receive under the Share Entitlement.

### (n) Issue of Share Entitlement

- (i) If the Company elects to provide the Share Entitlement for a class of Performance Rights, the Company must issue to the Holder the Share Entitlement for that class within 10 days after the later of:
  - (A) the date that the Company determines that the Milestone has been achieved;
  - (B) the issuing of the Election Notice; and
  - (C) the date that the Cash Amount is determined.
- (ii) Subject to the Company's Constitution, all Shares issued in relation to the Share Entitlement for a class of Performance Rights will rank in all respects (including rights relating to dividends) equally with the existing ordinary Shares of the Company at the date of issue.

### (o) Secondary trading restrictions

- (i) Subject to Section 10.5(o)(ii), the Company must lodge with ASX a duly completed Cleansing Statement within 5 Business Days of issuing a Share Entitlement.
- (ii) If the Company is unable to issue a Cleansing Statement in relation to any Shares under the Share Entitlement due to an inability to satisfy the conditions set out in section 708A(5) or (6) of the Corporations Act (including it the Shares having been suspended from trading on ASX for more than 5 trading days during the 12 months prior to an issue of the Share Entitlement):
  - (A) the Company must, as soon as reasonably practicable, lodge with ASIC a prospectus prepared in accordance with Chapter 6D of the Corporations Act offering Shares (Cleansing Prospectus);
  - (B) the Company is not required to issue the Share Entitlement prior to the Cleansing Prospectus being lodged with ASIC unless the Holder elects, by notice in writing to the Company, to receive the Share Entitlement (Issuance Election), in which case:
    - (1) the Holder undertakes not to sell or otherwise dispose of those Shares prior to lodgement of the Cleansing Prospectus with ASIC, otherwise than to a sophisticated investor or a professional investor under section 708(8), section 708(10) or section 708(11) of the Corporations Act; and
    - (2) the Company is authorised to instruct its securities registry to place a holding lock on those Shares until the Cleansing Prospectus is lodged.
- (iii) Unless the Holder has made an Issuance Election, the Company is not required to issue a Share Entitlement until the date that a Cleansing Prospectus is lodged with ASIC.
- (iv) As an alternative to lodging a Cleansing Prospectus, the Company may, in its discretion, apply to ASIC for relief under section 741 of the Corporations Act to permit the Company to issue a Cleansing Statement (**Relief Application**) notwithstanding that it may not satisfy the requirements set out in section 708A(5) or (6) of the Corporations Act, in which case the Holder may make an issuance election provided that:
  - (A) the Holder undertakes not to sell or otherwise dispose of those Shares prior to ASIC granting the Relief Application and the Company issuing a Cleansing Statement, otherwise than to a sophisticated investor or a professional investor under section 708(8), section 708(10) or section 708(11) of the Corporations Act; and
  - (B) the Company is authorised to instruct its securities registry to place a holding lock on those Shares until a Cleansing Statement or Cleansing Prospectus is lodged.

# (p) Vesting on change of control

In the event that either:

(i) a takeover bid under Chapter 6 of the Corporations Act is made in respect of the Company under which acceptances have been received for more than 50% of the Company's Shares on issue and the bid is declared unconditional by the bidder; or

(ii) a Court grants orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies (including under Part 5.1 of the Corporations Act),

prior to the Milestones being achieved for one or more classes of Performance Rights (**Unvested Rights**), then:

- (iii) subject to Section 10.5(p)(i), all of the Unvested Rights on issue will vest Shares equal in number to 10% of the Shares on issue at the date of vesting under this Section 10.5(p);
- (iv) the vesting will be completed on a pro rata basis for each Holder; and
- (v) if the Company has other classes of performance rights on issue (**Other Performance Rights**) with rights of vesting that are of the same or substantially similar nature to Section 10.5(p)(iii) (**Trigger Events**):
  - (A) the total number of Shares that may be issued under Section 10.5(p)(iii), when aggregated with all Shares issued on vesting of Other Performance Rights due to a Trigger Event, must not exceed 10% of the Shares on issue as at the date of vesting; and
  - (B) the number of Shares that will be issued under Section 10.5(p)(iii) will be calculated as follows:

#### Number of Shares = $((A/B) \times 100) \times C)$

where:

- **A** = the number of Unvested Rights on issue as at the date of vesting;
- **B** = the total number of Unvested Rights and Other Performance Rights on issue as at the date of vesting; and
- **C** = the number representing 10% of the Shares on issue as at the date of vesting.

### (q) **Deferral of vesting**

If the vesting of any class of Performance Rights (or any part thereof) would result in any person being in contravention of section 606(1) of the Corporations Act (**Takeover Restriction**) then:

- (i) The vesting of those Performance Rights (or any part thereof) will be deferred until such later time or times that the vesting would not result in a contravention of the Takeover Restriction.
- (ii) A Holder may give written notification to the Company if they consider that the vesting of those Performance Rights (or any part thereof) may result in the contravention of the Takeover Restriction, failing which the Company may assume the vesting of those Performance Rights will not result in any person being in contravention of the Takeover Restriction.
- (iii) The Company may (but is not obliged to) by written notice to a Holder, request a Holder to provide the written notice referred to in Section 10.5(q)(ii) within 7 days if the Company considers that the vesting of those Performance Rights (or any part thereof) may result in a contravention of the Takeover Restriction. If the Holder does not give notification to the Company within 7 days that they consider the vesting of the Performance Rights (or part thereof) may result in

the contravention of the Takeover Restriction, then the Company may assume that the vesting of those Performance Rights (or part thereof) will not result in any person being in contravention of the Takeover Restriction.

## (r) Amendments required by ASX

These Terms may be amended as necessary by the Company's Board of Directors in order to comply with the ASX Listing Rules (if applicable), or any directions of ASX (if applicable) regarding the Terms, provided that, subject to compliance with the ASX Listing Rules, the economic and other rights of the Holder are not diminished or terminated following such amendment.

### (s) Governing law

These Terms and the rights and obligations of the Holder are governed by the laws of Western Australia. The Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia in this respect.

## 11. Additional Information

## 11.1 Annual General Meeting

The Company is scheduled to hold the AGM on 5 December 2016.7

At the AGM, the Company will seek Shareholder approval for the following special business related to the Acquisition and the Offers (**Transaction Resolutions**), in addition to its ordinary annual general meeting business:

Subject	Resolution
Change in nature	Approval for the change in the nature of the Company's activities from mineral exploration to information technology and software development as a result of the Acquisition.
Consolidation	Approval to undertake the Consolidation, being a 10:1 share capital consolidation.
Vendor Securities	Approval for the issue of 15,000,000 Shares and 5,000,000 Vendor Options to the Vendors under the Transaction Agreement.
Performance Rights	Approval for the grant of the following Performance Rights to the Vendors under the Transaction Agreement:  15,000,000 Class A Performance Rights;  7,500,000 Class B Performance Rights; and  7,500,000 Class C Performance Rights.
Public Offer	Approval to issue the 17,500,000 Shares and 8,750,000 Offer Options pursuant to the Public Offer.
Directors' participation	Approval for the Directors to participate in the Public Offer up to a total of 1,000,000 Shares and 500,000 free-attaching Offer Options.
Underwriter Offer	Approval to issue the 11,000,000 Offer Options to the Underwriter (or its nominee) under the Underwriting Agreement.
Issue of Securities to Transcontinental Investments	Approval to issue 1,250,000 Shares and 1,650,000 Offer Options to Transcontinental Investments pursuant to a firm commitment to subscribe for up to \$250,000 under the Public Offer. This includes allocation by the Underwriter of 1,000,000 Offer Options from those to be issued under the Underwriter Offer.
Issue of Securities to Mr Bruce McCracken as sub-underwriter	Approval to issue up to 875,000 Shares and 729,166 Offer Options to Mr Bruce McCracken as a sub-underwriter under the Public Offer. This includes allocation by the Underwriter of 291,666 Offer Options from those to be issued under the Underwriter Offer.

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<sup>&</sup>lt;sup>7</sup> This date is later than the 30 November 2016 deadline required under section 250N(2) of the Corporations Act. The Company applied to ASIC for an extension of time in which to hold the AGM. The Company has been verbally advised by ASIC that it will not grant this application on the basis that the Company despatched its Notice of Annual General Meeting prior to ASIC making a determination. The Company proposes to make further submission to ASIC in relation to the application and, if these submission are unsuccessful, it will seek confirmation that ASIC will not take any action against the Company in this regard.

Appointment of Director	Approval to appoint Mr Andrew Lane as a Director following completion of the Transaction Agreement.
Change of name	Approval to change the Company's name to "AssetOwl Limited" following completion of the Transaction Agreement.
Approval to complete transactions	Approval for the Directors to complete the transactions related to their participation in the Public Offer notwithstanding any material personal interest held by the Directors in the same.

Each of the Transaction Resolutions is conditional upon each of the other Transaction Resolutions being approved. Accordingly, if one resolution is not approved, none of the resolutions will proceed.

A copy of the Notice of Annual General Meeting may be obtained from the ASX announcement platform at <a href="http://www.asx.com.au/asxpdf/20161103/pdf/43cmvxlvb19hw2.pdf">http://www.asx.com.au/asxpdf/20161103/pdf/43cmvxlvb19hw2.pdf</a>.

## 11.2 Remuneration of Directors

The Company's Constitution provides that the Directors may be paid for their services as Directors.

The Constitution also provides that Non-Executive Directors may collectively be paid as remuneration for their services an aggregate maximum of \$240,000 or such other maximum amount set by Shareholders in general meeting. As at the Prospectus Date, the aggregate maximum remains set at \$240,000.

A Director may be paid fees or other amounts as the Directors determine, where a Director performs duties or provides services outside the scope of their normal duties. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

The table below sets out the current cash remuneration of each current and proposed Director.

Director	Cash remuneration (per annum, exclusive of superannuation)
<b>Current Directors</b>	
Hon. Shane L. Stone	\$72,000 by way of director fees.
Mr Bruce McCracken	\$72,000 by way of salary as an Executive Director.
Mr Simon Trevisan	Nil – Mr Trevisan provides his services as an Executive Director pursuant to the Administration Services Agreement referred to in Section 9.6.
Mr Ian Murchison	\$30,000 by way of director fees.
Alternate Director	
Mr Jack Stone	Nil.
Proposed Director	
Mr Andrew Lane	Proposed remuneration of \$30,000 by way of director fees, subject to Mr Lane's appointment being confirmed at the AGM and the Acquisition completing.

## 11.3 Existing Security holding interests of current and proposed Directors

The following table sets out the relevant interest of each of current and proposed Director (directly and indirectly held) in the Securities of the Company at the Prospectus Date.

Director	Shares	Options	Performance Rights
<b>Current Directors</b>			
Hon. Shane L. Stone	15,554,207	7,260,000	Nil
Mr Bruce McCracken	Nil	Nil	Nil
Mr Simon Trevisan	68,831,928	25,811,973	Nil
Mr Ian Murchison	10,298,460	2,875,000	Nil
Alternate Director			
Mr Jack Stone	125,000	46,875	Nil
Proposed Director			
Mr Andrew Lane	Nil	Nil	Nil
TOTAL	94,809,595	35,993,848	Nil

#### Notes:

- 1. The holdings in the table above are pre-Consolidation. The figures in this table will change following the Consolidation.
- 2. The Options referred to in the table above are Existing Options.
- 3. Mr Andrew Lane's related entity, NCKH Pty Ltd as trustee for the AML Trust, has a conditional contractual right to receive Shares, Vendor Options and Performance Rights under the Transaction Agreement. At the Prospectus Date, this is expected to comprise (on a post-Consolidation basis) 2,676,180 Shares, 892,060 Vendor Options, 2,676,180 Class A Performance Rights, 1,338,090 Class B Performance Rights and 1,338,090 Class C Performance Rights, but is subject to change should Mr Lane's shareholding in AssetOwl change.

### 11.4 Participation of current and proposed Directors in Offers

### (a) Current Directors

Subject to Shareholder approval being obtained at the AGM, the current Directors (or their respective nominees) may participate in the Public Offer and subscribe for a collective total of up to 1,000,000 Shares together with up to 500,000 free-attaching Offer Options.

Further, Shareholder approval will be sought at the AGM for Transcontinental Investments (a related party) to subscribe for 1,250,000 Shares together with 1,625,000 Offer Options pursuant to an early firm commitment made to the Underwriter. The Offer Options include 1,000,000 Offer Options that the Underwriter has allocated to Transcontinental Investments from those to be issued pursuant to the Underwriter Offer.

In addition, Shareholder approval will be sought at the AGM for Mr Bruce McCracken (a related party) to subscribe for up to 875,000 Shares together with 729,666 Offer Options as a sub-underwriter to the Public Offer. The Offer Options include 291,666 Offer Options that the Underwriter has allocated to Mr McCracken from those to be issued pursuant to the Underwriter Offer.

#### (b) **Proposed Director**

Subject to Shareholder approval being obtained at the AGM, Mr Andrew Lane's related entity, NCKH Pty Ltd as trustee for the AML Trust (**NCKH**), will participate in the Vendor Offer in its capacity as a Vendor.

At the Prospectus Date, NCKH is expected to be allocated 2,676,180 Shares and 892,060 Vendor Options under the Vendor Offer. However, the allocation is to be made in proportion to NCKH's shareholding in AssetOwl which may change before these Offer Securities are issued.

## 11.5 Expenses of the Offers

The expenses of the Offers are expected to comprise the following estimated costs and are exclusive of any GST payable by the Company.

Expense	Full subscription under Public Offer
ASIC fees	\$2,350
ASX fees	\$65,922
Underwriter's fees	\$270,000
Investigating Accountant's fees	\$8,160
Patent Attorney's fees	\$6,787
Legal fees	\$170,000
Promotion, printing, distribution and Share Registry expenses	\$12,000
TOTALS	\$535,219

### 11.6 Taxation implications

The taxation obligations and the effects of participating in an Offer can vary depending on the circumstances of each individual investor. Applicants who are in doubt as to their taxation position should seek professional advice. It is sole responsibility of Applicants to inform themselves of their taxation position resulting from participation in an Offer.

The Directors do not consider that it is appropriate to give potential Applicants advice regarding the taxation consequences of applying for Offer Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of potential Applicants.

Neither the Company nor any of its officers or advisers accepts any responsibility or liability for any taxation consequences to Applicants in relation to the Offers.

## 11.7 Legal proceedings

As at the Prospectus Date, neither the Company nor AssetOwl is involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against the Company or AssetOwl.

### 11.8 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus:

- (a) all other persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus do not have, and have not had in the 2 years before the Prospectus Date, any interest in:
  - (i) the formation or promotion of the Company;

- (ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (iii) the Offers; and
- (b) amounts have not been paid or agreed to be paid (whether in cash, Securities or otherwise), and other benefit have not been given or agreed to be given, to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the Offers.

Expert/advisor	Service or function	Amount paid or to be paid
Patersons Securities Ltd	Lead Manager to the Public Offer Underwriter	Patersons Securities will be paid approximately \$270,000 (plus GST) for acting as underwriter and lead manager to the Public Offer.  In addition, it has been paid approximately \$82,003.14 (plus GST) for corporate advisory and capital raising services provided to the Company in the period 2 years prior to the Prospectus Date.
Wrays Pty Ltd	Patent Attorney's Report Intellectual property advice	Wrays Pty Ltd has been, or will be paid, approximately \$6,787 (plus GST) for preparing the Patent Attorney's Report contained in this Prospectus and for additional intellectual property services related to the Acquisition.
BDO Corporate Finance (WA) Pty Ltd	Investigating Accountant's Report	BDO Corporate Finance will be paid approximately \$8,160 (plus GST) for preparing the Investigating Accountant's Report contained this Prospectus.  In addition, it has been paid approximately \$11,067 (plus GST) for the provision of professional services to the Company in the period 2 years prior to the Prospectus Date.
BDO Audit (WA) Pty Ltd	Auditor	BDO Audit has been paid approximately \$56,211 (plus GST) for the provision of auditing and other professional services to the Company in the period 2 years prior to the Prospectus Date.
Jackson McDonald (a partnership)	Solicitors to the Offers and general legal services in relation to the Acquisition and the Company's recompliance with the ASX admission requirements	Jackson McDonald will be paid approximately \$170,000 (plus GST) for services related to this Prospectus, the Offers, the Acquisition, legal due diligence and the Company's recompliance with the ASX admission requirements.  It has been paid or is entitled to be paid approximately \$268,000 (plus GST) for legal services provided to the Company in the period 2 years prior to the Prospectus Date, inclusive of the amount stated above.
Security Transfer Australia Pty Ltd	Securities registry services	Security Transfer Australia will be paid approximately \$12,000 (plus GST) for services to be provided in relation to

	receiving and managing Applications under the Public Offer.  In addition, it has been paid or is entitled to be paid approximately \$18,095.66 (including GST) for the provision of share registry services to the Company in the period 2 years prior to the Prospectus Date.	

#### 11.9 Consent statements

The following persons have given their written consent to be named in the Prospectus in the form and context in which they are named and to the inclusion of a statement or report in this Prospectus in the form and context in which it is included:

Party	Capacity in which named	Statement or report in this Prospectus
Patersons Securities Ltd	Lead Manager to the Public Offer	Not applicable
	Underwriter	
Wrays Pty Ltd	Patent Attorney	Patent Attorney's Report
BDO Corporate Finance (WA) Pty Ltd	Investigating Accountant	Investigating Accountant's Report
BDO Audit (WA) Pty Ltd	Auditor	Not applicable
Jackson McDonald (a partnership)	Solicitors to the Offers	Not applicable
Security Transfer Australia Pty Ltd	Share Registry	Not applicable

Each of the parties named above as providing their consent:

- (a) did not authorise or cause the issue of this Prospectus;
- (b) does not make, or purport to make, any statement in this Prospectus nor is any statement in this Prospectus based on any statement by any of those parties other than as specified in this Section 11.9; and
- (c) to the maximum extent permitted by law, expressly disclaims any responsibility or liability for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with consent of that party as specified in this Section 11.9.

AssetOwl has also provided its written consent to be named in the Prospectus in the form and context in which it is named and for the inclusion of statements by AssetOwl in this Prospectus, in the form and context in which they are included.

# 12. Authorisation

The Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company pursuant to a resolution of the Board by:

## **Bruce McCracken**

**Executive Director** 

Date: November 2016

# 13. Glossary

In this Prospectus the following terms have the following meanings:

**Acquisition** The sale and purchase of all AssetOwl Shares by the Company

from the Vendors under the Transaction Agreement.

AGM The 2016 annual general meeting of the Company scheduled to

be held on 5 December 2016.

Applicant A person who applies for Offer Securities under and in

accordance with this Prospectus.

**Application** A valid application for Offer Securities offered under this

Prospectus.

Application Form An application form attached to or accompanying this

Prospectus.

**Application Money** Money received from an Applicant in respect of an Application.

**ASIC** Australian Securities and Investments Commission.

AssetOwl AssetOwl Pty Ltd (ACN 601 135 282).

AssetOwl Share A share in AssetOwl.

ASX ASX Limited (ACN 008 624 691) trading as the 'Australian

Securities Exchange'.

**ASX Listing Rules** The official listing rules of ASX.

ASX Settlement ASX Settlement Pty Ltd (ACN 008 504 532).

**ASX Settlement Rules** The official ASX Settlement Operating Rules.

Auditor BDO Audit (WA) Pty Ltd (ACN 112 284 787).

BDO Australia BDO Australia Limited (ACN 050 110 275).

**Board** The board of Directors of the Company.

Business Day A day other than a Saturday, Sunday or public holiday or bank

holiday in Perth, Western Australia.

CHESS Clearing House Electronic Sub-register System.

Class A Performance Right A class "A" performance right granted by the Company on the

terms set out in Section 10.5.

Class B Performance Right A class "B" performance right granted by the Company on the

terms set out in Section 10.5.

Class C Performance Right A class "C" performance right granted by the Company on the

terms set out in Section 10.5.

Closing Date The date on which an Offer closes, as stated in the Indicative

Timetable or as amended by the Company.

Company Regalpoint Resources Limited (ACN 122 727 342).

Company Secretary The company secretary of the Company from time to time,

being Ms Fleur Hudson at the Prospectus Date.

Consolidation The proposed 10:1 consolidation of the Company's share

capital to be approved at the AGM.

**Constitution** The constitution of the Company.

Corporations Act Corporations Act 2001 (Cth).

**Director** A director of the Company from time to time.

Eligible Shareholder A Shareholder eligible for the Priority Entitlement, being a

Shareholder registered on 10 November 2016.

Executive Directors The executive directors of the Company, being Mr Bruce

McCracken and Mr Simon Trevisan as at the Prospectus Date.

**Existing Option** An Option granted by the Company prior to the Opening Date

on the terms set out in Section 10.2.

**Existing Security** A Security issued or granted by the Company prior to the

Opening Date.

**Existing Security Holder** The holder of an Existing Security.

**Existing Share** Shares issued by the Company prior to the Opening Date.

**Existing Shareholder** The holder of Existing Shares.

Financial Year The financial year commencing on 1 July and ending on the

next 30 June.

Glossary of Terms This glossary of terms.

Holding Statement A holding statement for Securities under CHESS or Security

Holder Reference Number.

Indicative Timetable The indicative timetable for the Offers as stated on page 1 of

this Prospectus.

**Investigating Accountant** BDO Corporate Finance (WA) Pty Ltd (ACN 124 031 045).

**Investigating Accountant's** 

Report

The report of the Investigating Accountant contained in Section

8.

Maiden Capital The Vendors' corporate advisor, Maiden Capital Pty Ltd (ACN

117 835 668).

### **Major Vendors**

### The following Vendors:

- (a) Christopher Charles Indermaur and Rena Elizabeth Indermaur as trustees for the Indermaur Family Super Fund;
- (b) Grace Audrey Pty Ltd (ACN 123 712 201) as trustee for both of the T & C Brady Superannuation Fund and the Brady Investment Trust;
- (c) Imprint Investments Pty Ltd (ACN 604 122 849) as trustee for the Broadwater Trust;
- (d) NCKH Pty Ltd (ACN 008 867 810) as trustee for the AML Trust; and
- (e) Ogee Australia Pty Ltd (ACN 008 725 531) as trustee for the Lane Superannuation Fund.

### **Managing Director**

The managing director of the Company from time to time.

#### **Management Platform**

AssetOwl's cloud-based enterprise asset visibility and change software platform for retail site management and analysis described in Section 2.3(c).

#### **Minor Vendors**

The following Vendors:

- (a) Broadway Pty Ltd (ACN 009 426 215) as trustee for the Criddle Family Trust;
- (b) Criddle Holdings Pty Ltd (ACN 155 639 295) as trustee for the SJ Criddle Family Trust;
- (c) David John Brady, Kathleen Ellen Brady and Robert Francis Brady as trustees for both of the Brady Family Trust and the Brady Superannuation Fund; and
- (d) Catherine Ellen Argall.

#### **Non-Executive Directors**

The non-executive Directors of the Company from time to time, being the Hon. Shane L. Stone and Mr Ian Murchison as at the Prospectus Date.

### Offer Option

An Option granted by the Company on the terms set out in Section 10.3.

#### Offer Period

In relation to an Offer, the period between the Opening Date and the Closing Date of that Offer.

#### Offer Price

The offer price of an Offer Security under this Prospectus.

# Offer Security

A Security offered under this Prospectus.

### Offers

The Public Offer, the Vendor Offer and the Underwriter Offer, or any of those offers, as the context requires.

#### Official List

The official list of ASX.

### **Opening Date**

The date on which the Offers open.

### Option

An option to subscribe for a Share, including an Existing Option, an Offer Option and a Vendor Option.

### **Option Holder**

A holder of an Option.

Performance Right A Class A, Class B or Class C Performance Right, as the

context requires.

Priority Entitlement The priority entitlement of Eligible Shareholders of up to

5,000,000 Shares under the Public Offer, together with one free-attaching Offer Option for every 2 Shares subscribed.

Prospectus This prospectus and any supplementary or replacement

prospectus.

**Prospectus Date** The date this Prospectus was lodged with ASIC.

Public Offer The offer to the public of 17,500,000 Shares at an issue price of

\$0.20 per Share to raise \$3,500,000 (before costs), together with one free-attaching Offer Option for every 2 Shares

subscribed.

Securities Has the meaning given to that term in section 92(4) of the

Corporations Act.

**Shares** A fully paid ordinary share in the capital of the Company.

**Share Registry** Security Transfer Australia Pty Ltd (ACN 008 994 488).

**Shareholder** A holder of a Share.

Transaction Agreement The Share Sale and Purchase Agreement between the

Company (as purchaser), the Vendors (as sellers) and

AssetOwl in relation to the Acquisition.

**Transaction Resolutions** Has the meaning given to that term in Section 11.1.

Transcontinental Investments Transcontinental Investments Pty Ltd (ACN 009 017 985).

**Vendor** A shareholder of AssetOwl, being a party specified in Section

3.16(b).

Vendor Offer The offer to the Vendors (or their nominees) of up to

15,000,000 Shares and 5,000,000 Vendor Options for nil cash

consideration, pursuant to the Transaction Agreement.

**Vendor Option** An Option granted by the Company on the terms set out in

Section 10.4.

Vendor Securities The Shares and Vendor Options the subject of the Vendor

Offer.

**Underwriter** Patersons Securities Ltd (ACN 107 416 106).

Underwriter Offer The offer to the Underwriter (or its nominees) of 11,000,000

Offer Options for nil cash consideration, pursuant to the

Underwriter's underwriting commitment.

**Underwriting Agreement** The Underwriting Agreement dated 7 November 2016 between

the Company and the Underwriter for the underwriting of the

Public Offer.

**WST** Australian Western Standard Time.