



SmartTrans to significantly fast track growth with \$5.5 million capital raising

- \$5.5 million fully underwritten Rights Issue at \$0.02 per share
- One attaching option for every two shares issued under Rights Issue
- \$500,000 convertible loan to fund near-term continued growth
- Majority of funds will be used to fast track further growth and uptake of SmartPay platform in China
- SmartTrans to expand logistics software division with opportunities in China and Australia
- Company will have financial flexibility to fully leverage opportunities across both business divisions

12 May 2015: Mobile and online payments platform and logistics software provider **SmartTrans Holdings Limited (ASX: SMA)** ('SmartTrans' or 'the Company') is pleased to announce that it will undertake a \$5.5 million capital raising to significantly fast track growth and capitalise on a number of key growth opportunities in its growing China business.

\$5.5 million will be secured through a fully underwritten non-renounceable rights issue ('Offer'), available to existing shareholders on the basis of one (1) new share for every seven (7) shares held at an issue price of \$0.02 per share. Eligible shareholders will also receive one (1) attaching option exercisable at \$0.035 per share and expiring 24 months after issue for every two (2) new shares allotted.

The issue price represents a 23% discount to the 5 day volume-weighted average Share price (being [\$0.026]) as at 11 May 2015, being the last trading day before announcement of the Offer.

The Offer, to be fully underwritten by Triple C Consulting, will be available to shareholders who are on the Company's register as at 21 May 2015 with registered addresses in Australia, New Zealand, Hong Kong and the Philippines.

SmartTrans has also secured \$500,000 through a convertible loan from a strategic party. This loan is repayable in cash upon completion of the Offer but if for any reason the Offer does not proceed, SmartTrans' has the right to repay in cash or in shares. If the Offer does proceed but SmartTrans does not repay the loan in cash within 14 days, the lender may elect to convert the loan into shares at a discount of 15% to the 5 trading day VWAP. The loan has a maximum term of 6 months and carries interest at the rate of 10% per annum for 3 months, and 12.5% per annum for the balance of the term. Interest is not payable to the extent that the loan is repaid in shares.

The Company will use the funds raised by the Offer and the convertible loan to fast track the growth and development of its proprietary SmartPay billing and payments platform in China, as well as leveraging opportunities identified for the expansion of its logistics business division and to provide funding for general working capital. With the additional funding, SmartTrans will have the financial flexibility to seek to significantly increase revenues across both businesses from FY2016 and beyond.

SmartTrans has a well-defined growth strategy in China, mainly through the rapidly increasing uptake and penetration of its SmartPay platform, with a growing number of customers using SmartPay each month with ongoing month-on-month growth in subscription billing. The Company will now be able to fully leverage the relationships it has put in place with State Owned Enterprises (SOEs) CITS and Ta Kung Pao, and continue to work with China Mobile and other billing partners towards the roll out of its Direct Carrier Billing model into several more major provinces.

SmartTrans Managing Director, Bryan Carr, commented: "SmartTrans' Board and management team has worked hard to establish a number of growth platforms in China, and this funding gives us the necessary flexibility to fully capitalise on these platforms and achieve sufficient scale to continue growing our revenue base with the aim to move to profitability across both divisions."

"We now have a diverse range of revenue streams, a solid and growing base load of recurring revenue, and a number of expansion opportunities across both business divisions which we now intend to fully capitalise on."

"We have made considerable investment in establishing our presence in China, and the key relationships we have with respected SOEs such as CITS and Ta Kung Pao are the culmination of this. It's time to build on this foundation and take our

operating business to the next level of growth, while we also exploit every possible opportunity for the SmartPay platform in China and other Asian markets which we are actively examining.”

“As previously flagged, we see enormous potential for SmartTrans’ logistics business in China. Our well-established presence and years of in-country experience gives SmartTrans a distinct competitive advantage in this large and highly lucrative market.”

The proposed timetable for the Offer is as follows:

Event	Proposed date
Rights issue announced	Tuesday, 12 May 2015
Prospectus lodged with ASIC and ASX	Friday, 15 May 2015
Notice sent to Option holders giving notice of the Offer	Friday, 15 May 2015
Notice sent to Shareholders containing information on the Offer	Monday, 18 May 2015
Shares commence trading ex-rights	Tuesday, 19 May 2015
Record Date for the Offer (7:00pm Perth time)	Thursday, 21 May 2015
Prospectus and entitlement and acceptance form dispatched to eligible shareholders and dispatch announced to ASX	Tuesday, 26 May 2015
Offer opens (9.00am Perth time)	Tuesday 26 May 2015
Acceptances close (5.00pm Perth time)	Tuesday, 16 June 2015
Notification to ASX of under subscriptions	Friday, 19 June 2015
Issue date	Tuesday, 23 June 2015
Commencement of trading of new shares on ASX	Wednesday, 24 June 2015
Despatch of transaction confirmation statements for new shares and options and ASX announcement confirming despatch	Wednesday, 24 June 2015

The above timetable is indicative only and may be subject to change including in accordance with the requirements of the Corporations Act and the ASX Listing Rules.

The **attached** Appendix 3B contains information about the Offer. The Offer will be made pursuant to a prospectus in accordance with section 713 of the *Corporations Act 2001* (Cth) (“Prospectus”), which the Company expects to lodge with ASIC and ASX on 15 May 2015 and which will be made available to eligible shareholders when the securities are offered. Shareholders should read and consider the Prospectus carefully.

– ENDS –

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About SmartTrans

SmartTrans Holdings Limited (ASX: SMA) is a leading Australian technology and software provider that has developed a mobile and online billing and payment platform for the China market. The company has agreements in place with China Mobile, China Unicom, China Telecom CMPay, UnionPay and Alipay. With the growing use of the smartphone as a billing device in China, the company is experiencing significant uptake of its technology in that market. SmartTrans has also developed cutting-edge proprietary logistics software which is used by some of Australia’s leading blue-chip organisations who have long term contracts in place with the company. SmartTrans is assessing growth opportunities for its logistic offering in China to complement its mobile and online payments platform.



<http://www.smarttransholdings.com>



http://www.twitter.com/SmartTrans_SMA

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