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ASX Release

AGREEMENT TO ACQUIRE GAMEDAY INTERNATIONAL PTY LTD (“GAMEDAY”)

“Gameday makes traditionally expensive custom mouthguards accessible to everyday Australians by providing a convenient, online, end-to-end process by which customers can take their own dental impressions at home and receive a superior custom-fit product.”

Highlights

- Gameday aims to become the pre-eminent operator in a fragmented dental device market with a strong, reputable and disruptive brand.
- Planned international expansion and dental/sports product diversification to drive additional future revenue.
- Matt Weston (Gameday CEO) has outstanding global track record in sport and fitness management (Beijing 2008 Olympics, Chinese Basketball League (CBA), San Antonio Spurs (NBA)).
- Highly experienced and recognised board including John Worsfold (Pharmacy Degree), widely regarded as a leading Australian Rules Football (AFL) player, coach and ambassador.
- gamedaymouthguards.com.au hosts a fully integrated online order and delivery platform, successfully delivering product Australia wide.
- Gameday is registered for rebates with all Australian healthcare funds.
- Gameday delivers only 100% Australian made products and intends to provide financial incentives to Australian sporting clubs and associations that endorse Gameday products.
- Gameday is assembling a team of athlete endorsers from different sporting codes and across Australia to ensure mass market appeal.
- Key items to successfully complete the transaction include:
 - raise a minimum of \$2,000,000 to fund the growth and development of Gameday;
 - change the Company name to Impression Healthcare Limited; and
 - appoint new Board of Directors.

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The Directors of Mount Magnet South Limited (ASX: MUM) ("Mount Magnet" or "the Company") are pleased to announce the Company has entered into a binding agreement ("Agreement") pursuant to which it has agreed, subject to the satisfaction of certain conditions precedent, to acquire 100% of the issued share capital of a leading provider of custom fit mouthguards, Gameday International Pty Ltd ("Gameday").

Gameday CEO Matt Weston said, "With Gameday's operating infrastructure, management team and a strong product in place, allied with a marketing strategy ready to be implemented, we aim to build a substantial business and brand while creating significant value for all shareholders."

Change of Activities

The proposed acquisition of Gameday will constitute a change in the nature and scale of the Company's activities from exploration and development of resource projects in Australia to establishing the Company as the leading provider of custom fit mouthguards and other oral appliances, primarily through a digital platform, in Australia.

As part of the acquisition, the Company will be required, pursuant to Listing Rule 11.1.2, to obtain approval from Mount Magnet's shareholders at a general meeting. The Company will also be required, pursuant to Listing Rule 11.1.3, to re-comply with Chapters 1 and 2 of the Listing Rules.

Should the acquisition successfully proceed, Mount Magnet will seek to dispose of the remainder of its interests in four tenements located near to the Kirkalocka Gold project.

Gameday - Highly Disruptive Business Plan

Gameday aims to disrupt the mouthguard market in Australia by allowing consumers to purchase custom made mouthguards in a cheaper and more convenient fashion than the traditional method of visiting a dentist.

Buyers of over the counter 'boil and bite' products will also find the offer appealing as they can acquire a superior product from Gameday for a comparable cost (or cheaper if they are entitled to certain healthcare rebates) in many instances.

For as little as \$85 upfront, a Gameday kit allows consumers to take an impression of their mouth at home. This impression is then returned to Gameday in a supplied Reply Paid envelope, with the finished mouthguard being sent back to the consumer within 7-10 days.

With a digital shopfront and quality control managed by a respected Dental Prosthetist, the end cost to consumers can be as little as \$2 for a high quality, custom made mouthguard from Gameday. This mouthguard can also be designed in the wearer's club or favourite colours, and can also include their name and telephone number.

Gameday has assembled a highly credentialed leadership team to guide the Company's growth strategy. The business is led by Matt Weston, who has extensive international experience in sports/fitness and sports marketing. Notably, Matt has worked in the National Basketball Association (NBA) with the San Antonio Spurs and was a Technical Director for the Beijing 2008 Olympics.

Matt Weston is complemented by Director John Worsfold, who has a Degree in Pharmacy and is widely regarded as one of Australian Rules Football's leading players, coaches and ambassadors; and Alistair Blake, a qualified dental prosthetist. Alistair has 16 years' experience in large scale

commercial dental laboratories throughout Western Australia and Victoria, specialising in dental prosthetics.

Millions of Australians are playing sports where it is advisable or appropriate to wear a mouthguard. The model is readily scalable (current capacity in excess of 50,000 mouthguards a year) and there are opportunities to sell other products and enter international markets. With the Australian Dental Association claiming only 36% of Australian children aged 5-17 are wearing mouthguards during games, Gameday aims to passionately work on raising awareness of mouthguard usage and will be investing heavily into promoting the safety benefits of protecting children with custom made products which have been shown to offer significantly more protection than over the counter brands.

Board and Management Team

Should the acquisition successfully proceed, it is proposed Mount Magnet's board and management team will consist of the following significantly experienced individuals:

Chairman – Mr Kelvin Smith: Mr Smith is Managing Director of MVP Financial and a Certified Practising Accountant (CPA) with 25 years' experience within the corporate sector. Mr Smith has considerable management and external advisory experience in the business sector, specifically on the board of various large private enterprises as Chairman and/or Strategic Advisory Member. His areas of expertise include corporate advisory services, strategic planning, financial management, income tax, business restructuring, risk management, mergers and acquisitions and general corporate finance advice.

Chief Executive Officer – Mr Matt Weston: Mr Weston has 20 years' experience in business and sport including roles in the National Basketball Association (NBA) with the San Antonio Spurs and also as Technical Director for the Beijing 2008 Olympics. He has worked with some of the world's largest sporting brands on marketing and partnership, including managing Infront Sports & Media's exclusive commercial rights to the Chinese Basketball League (CBA), and also managed the strategic connection of the Chinese professional basketball league with grass-roots participants and government. Mr Weston recently delivered a successful change management program for a major UK company with over 8,000 staff in the health and wellbeing sector, guiding the company through a restructure and returning it back to a positive EBITDA position.

Technical Director – Mr Alistair Blake: Mr Blake is a qualified dental prosthetist, having completed an Advanced Diploma of Dental Prosthetics at RMIT University. He has 16 years' experience in large scale commercial dental laboratories throughout Western Australia and Victoria, specialising in dental prosthetics. Mr Blake established Denture Innovations clinic and laboratory in 2009 and grew the business significantly to offer dentists and other specialists his services nationally, ultimately identifying the commercial opportunities available within the Australian mouthguard market. He is a registered health care professional and a Medibank Members' Choice provider.

Non-Executive Director – Mr John Worsfold: Mr Worsfold is head coach of the Essendon Football Club. His career in the AFL spans 26 years including 12 years as a player at West Coast Eagles (8 years as captain), 2 years as assistant coach at Carlton to David Parkin and 12 years as senior coach of the West Coast Eagles. Mr Worsfold has been twice voted AFL 'Coach of the Year' by his coaching peers. Mr Worsfold holds a degree in Pharmacy and was proprietor of Joondalup City Amcal Chemist for 10 years. He has completed INSEAD's Advanced Management Program and also undertaken intense personal development training over the last 10 years. Mr Worsfold has significant experience in

changing the culture of organisations, developing and living a shared vision, leading and coaching teams, and developing short and long term strategies for organisations.

Mr Alec Pismiris will remain as a Non-Executive Director of the Company.

Acquisition Terms

Pursuant to the Agreement, the Company has agreed with the majority shareholders of Gameday to acquire 100% of the issued share capital in Gameday, subject to the satisfaction or waiver of conditions precedent.

A summary of the key terms of the acquisition is set out below. The Agreement also contains customary warranties and indemnities granted by, and in favour of, Mount Magnet, among other terms.

1. Consideration

Mount Magnet will pay \$150,000 to Gameday in three tranches on the following basis:

- a) \$50,000 on execution of the Agreement;
- b) \$50,000 on the day that is 1 month after the date of execution of the Agreement; and
- c) \$50,000 on the day that is 2 months after the date of execution of the Agreement.

Subject to satisfaction or waiver of conditions precedent to the acquisition outlined below, in consideration for acquiring 100% of Gameday's shares, the Company has agreed to issue upon completion, the following securities to the current shareholders of Gameday:

- a) 880 million fully paid ordinary shares in the capital of the Company (on a pre-Consolidation basis);
- b) 800 million performance shares in the capital of the Company that convert on a one for one basis into fully paid ordinary shares (on a pre-Consolidation basis) as follows:
 - i. 400 million performance shares that convert upon Gameday selling 30,000 dental devices in any 12 month period on or before the date that is 3 years from the time of issue ("Class A Performance Shares"); and
 - ii. 400 million performance shares that convert upon Gameday selling 60,000 dental devices in any 12 month period on or before the date that is 5 years from the time of issue ("Class B Performance Shares"),
(the Performance Share terms are subject to ASX's approval, which approval is a condition precedent to completion of the Acquisition).

In addition, subject to satisfaction or waiver of conditions precedent to the acquisition outlined below, at completion of the acquisition, the Company will also issue:

- a) 193,750,000 fully paid ordinary shares in the capital of the Company (on a pre-Consolidation basis); and
- b) 23,437,500 free attaching options exercisable at \$0.0064 (on a pre-Consolidation basis) on or before 31 December 2018,
to existing holders of convertible notes issued by Gameday.

2. **Conditions Precedent**

Completion of the acquisition of Gameday is subject to a number of conditions precedent, including, but not limited to:

- **Shareholder and regulatory approval:** The Company obtaining all necessary shareholder and regulatory approvals required in relation to the acquisition and other matters contemplated by the Agreement (which includes receipt of ASX's conditional approval to reinstate the Company's quoted securities to trading);
- **Consolidation:** If required to satisfy the ASX Listing Rules, completion of a consolidation of the capital of Mount Magnet on the minimum ratio required to satisfy the ASX Listing Rules and to be agreed between Mount Magnet and Gameday ("Consolidation");
- **Re-Compliance Capital Raising:** The Company undertaking an equity capital raising and receiving valid applications for at least \$2,000,000 ("Capital Raising"); and
- **100% Acquisition:** The Company entering into binding arrangements with all minority shareholders of Gameday for the sale and purchase of their shares, such that the Company will hold 100% of the issued share capital of Gameday following completion of the acquisition; and
- **Escrow Arrangements:** to the extent required by ASX, each of the Gameday shareholders entering into a restriction agreement as required by ASX imposing such restrictions on trading of those securities as mandated by the ASX Listing Rules.

The conditions precedent for completion must be satisfied by 31 May 2016 (or such later date as the parties may agree).

Shareholder approval and terms of securities

A general meeting is proposed to be convened to approve, amongst other things, the change in activities (pursuant to Listing Rule 11.1.2), the acquisition of Gameday, the Capital Raising, any Consolidation and associated business ("General Meeting").

Proposed change in Mount Magnet's board and management

Following completion, Gameday will have the right to appoint Messrs Kelvin Smith, Matt Weston, Alistair Blake and John Worsfold to the board of the Company. One of the existing directors, Mr Alec Pismiris, will remain on the board of the Company following completion.

Change of Company name

The Company also proposes to seek shareholders' approval at the General Meeting to change its name to "Impression Healthcare Limited".

Indicative Timetable

The indicative timetable for the matters contemplated by the Agreement is as follows:

Indicative Timetable*	Date
Despatch of Notice of Meeting	18 March 2016
Lodgement of Prospectus with the ASIC and ASX	18 March 2016
Opening Date of the Capital Raising offer	6 April 2016
General Meeting held to approve the acquisition of Gameday and related matters	18 April 2016
Closing Date for the Capital Raising offer	11 May 2016
Re-compliance with Chapters 1 and 2 of the ASX Listing Rules	18 May 2016
Re-quotation of Securities (including shares issued under the Capital Raising) on ASX	18 May 2016

* The above dates are indicative only and may change without notice.

Indicative Capital Structure

Set out below is the indicative capital structure of the Company following completion of the acquisition of Gameday (on a pre-Consolidation basis). The anticipated capital structure of the Company is only an estimate and is subject to variation.

Shares	
Shares currently on issue	1,255,034,693
Shares issued pursuant to Capital Raising	T.B.A.
Consideration Shares issued to Gameday shareholders	880,000,000
Shares issued to holders of Gameday convertible notes	193,750,000
Shares issued to Gameday adviser	9,000,000
Total	2,327,784,693

Notes:

1. This assumes that no existing options in the Company are exercised prior to completion of the acquisition of Gameday.
2. The Company intends to proceed with the Capital Raising to raise at least \$2,000,000 at an issue price to be determined.
3. The number and issue price of the shares to be issued pursuant to the Capital Raising (and the number of all other securities on issue) will be dependent on the Consolidation.

Performance Shares	
Class A Performance Shares in respect to the acquisition of Gameday	400,000,000
Class B Performance Shares in respect to the acquisition of Gameday	400,000,000
Total	800,000,000

Options	
Quoted Options currently on issue	358,506,939
Unquoted Options currently on issue	90,000,000
Unquoted Options issued to holders of Gameday convertible notes	23,437,500
Unquoted Options issued to corporate advisor (see below)	150,000,000
Total	621,944,439

Notes:

1. This assumes that no options in the Company are exercised.

Convertible Notes	
Convertible Notes currently on issue	26,666,667

Notes:

1. Convertible notes with a maturity date of 31 July 2017 and a right to convert to 66,666,667 fully paid ordinary shares (conversion price of \$0.006 per share) (on a pre-Consolidation basis).

Mount Magnet will engage Capital Investment Partners Pty Ltd ("CIP") to the role of Corporate Advisor and Lead Manager to proposed Capital Raising. Under the terms of the proposed engagement, CIP will be entitled to receive a Lead Manager Fee of six percent (6%) of the total value of the Capital Raising. On completion of the acquisition of Gameday, CIP (or its nominees) will have the right, but not the obligation, to subscribe to 150,000,000 unlisted options in the Company exercisable at \$0.006 (on a pre-Consolidation basis) with a 31 December 2018 expiry at an issue price of \$0.00001 per option.

Pro-forma Consolidated Balance Sheet

Set out below is an unaudited pro-forma balance sheet at 31 December 2015 showing the effects of the acquisition of Gameday and the Capital Raising (for a minimum of \$ 2,000,000) on the Company.

	Monut Magnet Unaudited at 31-Dec-15	Gameday Unaudited at 31-Dec-15	Effect of Acquisition and Capital Raising	Pro-Forma Consolidated Balance Sheet
Assets				
Current assets				
Cash and cash equivalents	1,041,213	430,229	1,345,000	2,816,442
Trade and other receivables	7,991	2,598	-	10,589
Stock	-	85,935	-	85,935
Other financial asset	52,359	-	-	52,359
Total current assets	1,101,563	518,762		2,965,325
Non-current assets				
P&E	-	37,440	-	37,440
Accum Depn	-	4,599	-	4,599
Deferred exploration expenditure	18,215	-	-	18,215
Intangibles	-	61,810	-	61,810
Acquisition of Gameday	-	-	3,630,021	3,630,021
Total non-current assets	18,215	94,651		3,742,887
Total assets	1,119,778	613,413		6,708,212
Liabilities				
Current liabilities				
Trade and other payables	161,788	23,434	-	185,222
Borrowings	404,450	700,000	-	4,450
Total current liabilities	566,238	723,434		189,672
Non-current liabilities				
Borrowings	357,435	-	-	357,435
Total non-current liabilities	357,435			357,435
Total liabilities	923,673			547,107
Net assets	196,105	110,021		6,161,105
Equity				
Issued capital	34,697,876	109,125	5,998,375	40,805,376
Reserves	3,532,513	-	-	3,532,513
Accumulated losses	- 38,034,284	- 219,146	76,646	- 38,176,784
Total equity	196,105	110,021		6,161,105

Notes:

1. The Company completes the minimum Capital Raising of \$2,000,000.
2. The estimated costs associated with Capital Raising and Gameday acquisition are \$255,000.

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