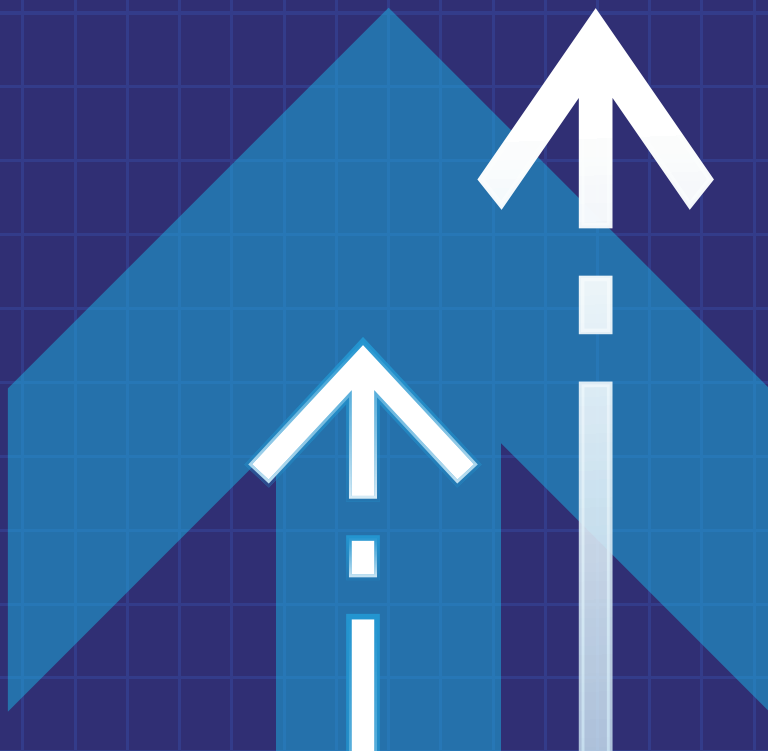


Brokers to the Issue:



InPayTech

Integrated Payment Technologies Limited

ACN. 611 202 414

ASX Code IP1(one)



PROSPECTUS

Initial public offering of Shares at an Offer Price of 20 cents each to raise a minimum of \$3,000,000 and a maximum of \$5,000,000

THIS OFFER IS NOT UNDERWRITTEN

This Prospectus is important. You should read it in its entirety. If you do not understand any part of this Prospectus, or you are in doubt as to how to deal with it, you should consult your professional adviser. Investment in Integrated Payment Technologies Limited's Shares should be considered speculative.

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IMPORTANT INFORMATION

OFFER: This Prospectus is issued by Integrated Payment Technologies Limited ACN 611 202 414 (the **Company**) and relates to an offer of fully paid ordinary shares (**Shares**) in the Company.

LODGEMENT: This Prospectus is dated 23rd September 2016 and a copy was lodged with ASIC on that date. The expiry date of the Prospectus is 13 months after the date of this Prospectus. None of ASIC, the ASX or their respective officers take any responsibility for the content of this Prospectus or for the merits of the investment to which this Prospectus relates.

EXPOSURE PERIOD: The Prospectus is subject to an exposure period of 7 days from the date of lodgement of the Prospectus with ASIC. This exposure period may be extended by ASIC for a further period of 7 days. The purpose of the exposure period is to allow this Prospectus to be examined by market participants prior to the acceptance of Applications. If this Prospectus is found to be deficient, Applications received during the exposure period will be dealt with in accordance with section 724 of the Corporations Act. Any Applications received during the exposure period will not be processed until after the expiry of the exposure period. No preference will be conferred on Applications received during the exposure period.

ALLOCATION OF SECURITIES AND APPLICATION FOR LISTING: No securities will be issued or allocated on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Application will be made to the ASX within 7 days after the date of this Prospectus for the Shares offered under this Prospectus to be listed and quoted on the ASX. The fact that the ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the Shares offered under this Prospectus.

NOTE TO APPLICANTS: The information in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. It is important that you read this Prospectus carefully and in its entirety before deciding whether to invest in the Company. In particular, you should consider the risk factors that could affect the performance of the Company. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues) and seek professional guidance from your stockbroker, solicitor, accountant or other independent professional adviser before deciding whether to invest in Shares.

Some of the key risk factors that should be considered by prospective investors are set out in Section 3.3 and Section 3.4. There may be risk factors in addition to these that should be considered in light of your personal circumstances. No person named in this Prospectus, nor any other person guarantees the performance of the Company or the repayment of capital or any return on the Shares.

FORWARD LOOKING STATEMENTS: Various statements in this Prospectus may be in the nature of forward looking statements, including statements of current intentions, statements of opinion and predictions as to future events. You should be aware that such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, at the date of this Prospectus, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors that could cause actual events or outcomes to differ materially from the events or outcomes expressed or anticipated in these statements. Many of these statements are beyond the control of the Company, the Directors and management.

Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and any variation may be materially positive or negative.

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 and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention of updating or revising forward-looking statements, or publishing prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

SPECIFIC RISKS AS A TECHNOLOGY COMPANY:

The key risk factors of which investors should be aware are described in more detail in Section 3.1 (Risk Factors) of this Prospectus. Applicants should carefully consider these risk factors. You should carefully consider these risks in light of your investment objectives, financial situation and particular needs (including financial and taxation issues) and seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest in the Company. There may be risks in addition to these that should be considered in light of your personal circumstances.

Applicants should also consider an investment in the Company as speculative and that they may lose the entire value of their investment.

SUITABILITY OF INVESTMENT AND GENERAL RISK FACTORS:

This Prospectus provides information to help investors decide whether they wish to invest in the Company. Before deciding to invest in the Company, potential investors should read this entire Prospectus, and in particular the technical information and the risk factors that could affect the future operations and activities of the Company. The Offer contained in this Prospectus does not take into account the investment objectives, financial situation and particular needs of individual investors. Please read the Application Form carefully. Professional advice should be sought before deciding to invest in any securities the subject of this Prospectus.

DISCLOSING ENTITY: Once admitted to the Official List, the Company will be a disclosing entity for the purposes of the Corporations Act and as such will be subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. Refer to Section 9.12 for further information.

NO COOLING OFF RIGHTS: Cooling-off rights do not apply to an investment in Shares issued under this Prospectus. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.

PHOTOGRAPHS AND DIAGRAMS: Photographs and diagrams used in this Prospectus which do not have a description are for illustration purposes only and should not be interpreted as indicating that any person shown in them endorses any part of this Prospectus or that the assets shown in them are owned by the Company.

Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus.

OBTAINING A COPY OF THIS PROSPECTUS: During the Offer period, you may obtain a hard copy of this Prospectus free of charge by calling 1300 834 535. This Prospectus is not available outside Australia.

ELECTRONIC PROSPECTUS: You can download a copy of this Prospectus from the Company's website at www.inpaytech.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

Applications can only be submitted on an Application Form accompanying this Prospectus or in its paper copy form downloaded from www.inpaytech.com.au. By making an Application, you declare that you were given access to the Prospectus, together with an Application Form. The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

FOREIGN JURISDICTIONS: This Prospectus does not constitute an offer or invitation to apply for Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offer, or otherwise to permit a public offering of the Shares, in any jurisdiction outside Australia. The taxation treatment of Australian securities may not be the same as those for securities in foreign jurisdictions. This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and any person who comes into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

In particular, this Prospectus may not be distributed to, or relied upon, by persons in the United States. The Shares to be offered and sold under the Offer have not been, and will not be, registered under the United States Securities Act of 1933 or the securities laws of any state of the United States and may not be offered or sold, directly or indirectly, in the United States or to a U.S Person, unless the Shares are registered under the US Securities Act, or except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any applicable U.S state securities laws. Accordingly, the Shares are being offered only outside the United States to persons not known to be U.S Persons.

STATEMENTS OF PAST PERFORMANCE: This Prospectus includes information regarding the past performance of the Company. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

REPORT ON FINANCIAL INFORMATION AND FINANCIAL SERVICES GUIDE: The provider of the Investigating Accountant's Report on the Financial Information is required to provide Australian retail clients with a Financial Services Guide in relation to its independent review under the Corporations Act. The Investigating Accountant's Report and accompanying Financial Services Guide are provided in Section 8.

PRIVACY STATEMENT: see Section 9.14 for the Company's Privacy statement.

DEFINED TERMS AND ABBREVIATIONS: Terms and abbreviations used in this Prospectus are defined in the Glossary in Section 10.

DISCLAIMER: No person is authorised to give any information or to make any representation in connection with the Offer that is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied upon as having been authorised by the Company or the Directors.

QUESTIONS: If you have any queries about the terms of the Offer or how to apply for Shares, you should contact your financial advisor or the Company on 1300 834 535. The Company is unable to advise you on the suitability or otherwise of an investment in the Company, and for such advice you must contact your own independent professional adviser.

CONTENTS

KEY OFFER INFORMATION	6
Letter from the Chairman	7
1. INVESTMENT OVERVIEW	8
1.1 Group and Business Model Overview	8
1.2 Key Risks	12
1.3 Overview of the Offer	14
1.4 Financial Information	18
1.5 Directors and Senior Management	21
1.6 Interests, Benefits and Related Party Transactions	23
2. GROUP AND BUSINESS OVERVIEW	25
2.1 History of the Group	25
2.2 Process and Intellectual Property	26
2.3 Overview of ClickSuper and the Superannuation Industry	27
2.4 Current ClickSuper Income and Operations	28
2.5 ClickSuper Competitors	29
2.6 Payment Adviser Service	29
2.7 Bill Exchange Service	30
2.8 Software System Architecture	30
2.9 Growth Potential from Government and Business Initiatives	31
2.10 Licensing and Accreditation	34
2.11 Pre-IPO Capital Raising and Restructure	34
2.12 Systems Security	34
2.13 Corporate Structure	36
2.14 Organisation Chart	36
3. KEY RISKS	37
3.1 Risk Factors	37
3.2 Nature of Investment	37
3.3 Business Risks	37
3.4 General Risks	42
4. FINANCIAL INFORMATION	44
4.1 Introduction	44
4.2 Basis of Preparation	44
4.3 Pro Forma Historical Financial Performance	46
4.4 Management Discussion and Analysis of Financial Performance and Key Operating Metrics	46
4.5 Management Discussion and Analysis of the Pro Forma Historical Cash Flows	48
4.6 Consolidated Historical and Pro Forma Statement of Financial Position at 30 April 2016	49
4.7 Restructure accounting	51
5. DIRECTORS, MANAGEMENT AND CORPORATE GOVERNANCE	54
5.1 Board of Directors	54
5.2 Senior Management Team	56
5.3 Interests and Remuneration of Directors and Senior Management	57
5.4 Related Party Transactions	59
5.5 Legal or Disciplinary Action	59
5.6 Insolvent Companies	59

5.7	Corporate Governance	60
6.	OFFER DETAILS	63
6.1	The Offer	63
6.2	Minimum Subscription	63
6.3	How to Apply	63
6.4	Application Monies Held on Trust	63
6.5	Purpose of the Offer and Uses of Funds	63
6.6	Capital Structure	64
6.7	Escrow Arrangements	64
6.8	Allocation Policy	65
6.9	Control Implications of the Offer	65
6.10	ASX Listing	65
6.11	Discretion Regarding the Offer	66
6.12	ASIC and ASX Waivers	66
6.13	Applications Outside Australia	66
6.14	Electronic Prospectus	67
6.15	CHESS	67
6.16	Acknowledgements	68
6.17	Restricted Securities	68
6.18	Selling Shares on ASX	69
6.19	Rights and Liabilities Attaching to Shares	69
6.20	Brokerage, Commission and Stamp Duty	70
6.21	Dividend Policy	70
6.22	Taxation and Tax File Numbers	70
6.23	Enquiries Regarding the Offer	70
7.	INTELLECTUAL PROPERTY REPORT	71
8.	INVESTIGATING ACCOUNTANT'S REPORT	86
9.	ADDITIONAL INFORMATION	93
9.1	Incorporation and Company Structure	93
9.2	Share Capital	93
9.3	Major Shareholders	93
9.4	Material Contract Summaries	94
9.5	Employee Share Option Plan and Proposed Option Grants	96
9.6	Rights and Liabilities Attaching to Shares in the Company	101
9.7	Tax Considerations	103
9.8	Consents	103
9.9	Interests of Advisers and Named Persons	104
9.10	Interests of Directors	104
9.11	Costs	105
9.12	Continuous Disclosure	105
9.13	Litigation and Claims	105
9.14	Privacy Statement	105
9.15	Electronic Prospectus	106
9.16	Governing Law	106
9.17	Directors Responsibility Statement	106
10.	GLOSSARY	107
	Appendix A	110
	APPLICATION FORM	113
	CORPORATE DIRECTORY	117

KEY OFFER INFORMATION

Important Dates

Prospectus lodged with ASIC	23rd September 2016
Opening Date	17th October 2016
Closing Date	18th November 2016
Expected date for allocation of Shares	25th November 2016
Expected date for despatch of holding statements	25th November 2016
Expected date for quotation of the Company's securities on ASX	2nd December 2016

The above dates are indicative only. The Company reserves the right to vary any of the above dates without notice, subject to the ASX Listing Rules and the Corporations Act.

Key Offer Statistics

	Minimum Subscription	Maximum Subscription
Offer price per Share*	20 cents per Share	20 cents per Share
Shares offered to investors under this Offer	15,000,000	25,000,000
Total number of Shares on issue on completion of this Offer	144,420,149	154,420,149
Amount to be raised under the Offer	\$3,000,000	\$5,000,000
Market capitalisation at the Offer price**	\$28,884,030	\$30,884,030
Cash held by Group on completion of this Offer	\$3,521,000	\$5,399,000
Debt held by Group on completion of this Offer	Nil	Nil

* Shares may not trade at the Offer price post listing on ASX

** This represents the Offer price multiplied by the total number of Shares at listing

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LETTER FROM THE CHAIRMAN



Don Sharp
BBus, CPA, FAICD
**Executive
Chairman**
Integrated
Payment
Technologies
Limited

Dear Investor

On behalf of the Directors, I am pleased to offer you the opportunity to become a shareholder in Integrated Payment Technologies Limited trading as InPayTech ACN 611 202 414 (the **Company**).

Government regulation imposed on Australia's banking, wealth management and the superannuation sector has greater power to disrupt the industry than organic innovation. InPayTech intends to capitalise on Government Regulation to enhance its business in Superannuation via Single Touch Payroll (**STP**), providing overlay services for the Reserve Bank's New Payment Platform (**NPP**) initiative and participate in the **invoice** initiative of The Digital Business Council.

The **Group's** services comprising ClickSuper, Payment Adviser and Bill Exchange have a great opportunity to capitalise on these opportunities.

ClickSuper is a Clearing House for the payment of superannuation contributions, payroll deductions, salaries and ATO related payments. ClickSuper has focused on accessing employers by partnering with payroll providers, many of whom have integrated/interfaced ClickSuper's technology into their software. ClickSuper supports 26 of the 30 largest Australian payroll groups. This should put ClickSuper in a strong position to commercialise business opportunities created by **STP**.

The Payment Adviser Service utilises the **Process** (see Section 2.2 for further details) and provides services to one of the top four accounting firms for their SME service. Another client is a disruptor in the business lending space. The Directors believe that Payment Adviser is well positioned to provide an "overlay" service for the Reserve Bank's **NPP** initiative as well as the **invoice** initiative of the Digital Business Council. The development cost to support these initiatives is not significant as they require only minor modifications to the existing Payment Adviser Service.

The Bill Exchange Service is in the property sector. The Group is seeking to partner with a software provider to real estate agents operating in this space. The Bill Exchange Service is in its infancy.

This Prospectus offers a minimum of 15,000,000 up to a maximum 25,000,000 Shares in the Company at a price of 20 cents per Share (the **Offer**). The Offer will raise a minimum of \$3,000,000 and a maximum of \$5,000,000. Funds raised from the Offer will be used to repay the balance of the purchase price under the Restructure Agreements, provide funding for the costs of the Offer, commercialise the NPP overlay service in Australia and commercialise the Company's patents granted and pending in Asia and other Western countries.

An investment in the Company is subject to a range of risks. These risks are described in Section 3.

This Prospectus contains detailed information about the offer and an investment in the Company. I encourage you to read it carefully in its entirety before making your investment decision.

On behalf of the Directors, I look forward to welcoming you as a shareholder of the Company.

Yours sincerely

A handwritten signature in black ink, appearing to read 'D. Sharp', written over a light blue horizontal line.

Don Sharp
Chairman
Integrated Payment Technologies Limited

1. Investment Overview

This section is a summary only of the information contained in this Prospectus. Investors should read and consider this Prospectus in its entirety.

1.1 Group and Business Model Overview

Topic	Summary	For more information
Group business overview	<p>The Company was established in March 2016 for the purposes of acquiring the business and assets of the Payment Adviser Group. This acquisition was completed in July 2016.</p> <p>The Group has developed technology to facilitate the secure storage and transmission of data concerning payments. Its services can be divided into three sub-categories, being:</p> <ul style="list-style-type: none"> - ClickSuper Service; - Payment Adviser Service; and - Bill Exchange Service. <p>On 29 May 2009, the Minister for Superannuation and Corporate Law announced the Super System Review into the governance, efficiency, structure and operation of Australia’s superannuation system (known as the Cooper Review). The review was initiated with the support of the superannuation industry and the results were published in July 2010. At the time, the report noted “Australians have over a trillion dollars in superannuation savings. The compulsory nature of super contributions means that by 2035, Australians are projected to have increased their collective super savings to \$6.1 trillion.” It was recognised that the scale of the super system presented enormous administrative and other associated costs for superannuation administrators and that the back office of superannuation administrators was dominated by manual transactions which was in urgent need of an upgrade.</p> <p>The review recommended a package of measures called “SuperStream”, describing ways to bring the back-office of superannuation into the 21st century. SuperStream’s main components are the increased use of technology, uniform data standards, use of the tax file number as a key identifier and the straight through processing of superannuation transactions (see paragraph 2.9(a) for an overview of SuperStream). SuperStream is the term used for the end-to-end processing of transactions (both data and monetary) using technology to automate and control all elements of the process and workflow. The elimination of manual handling or intervention optimises the processing speed and eliminates data entry errors.</p> <p>Contemporaneously with the release of the Cooper Review, the ClickSuper Service was launched in 2010 with a focus on the superannuation industry, particularly the payment of superannuation contributions and transmission of data concerning the contributions. Superannuation was the first vertical chosen by the Payment Adviser Group to commercialise the Process.</p> <p>The ClickSuper Service is a Clearing House for the payment of superannuation contributions, payroll deductions, salaries and ATO related payments.</p>	Section 2

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To operate as a Clearing House in relation to superannuation contributions, the Group has been accredited by the ATO as a “Gateway” – gateways facilitate the transfer of electronic data messages compliant with the standards set by the Government. The combination of the ClickSuper Service and the ClickSuper Gateway security provides employers with a secure way of communicating data to both superannuation funds and the ATO in a single process.

ClickSuper holds an AFSL licence (No 337805) to operate as a Clearing House.

The Payment Adviser Service includes a 16 character URL in an EFT payment which is recorded in the receiver’s banking statement and can be used to access the data that makes up the payment (**Process**).

The **Process** is described in more specific detail in the patent report in section 7. The key distinction between the ClickSuper Service and Payment Adviser Service is that Payment Adviser requires only the payment initiator to register with the service, ClickSuper requires all parties to be registered with and access the data via the SuperStream network.

The Bill Exchange Service is an invoice aggregator with a specific focus on the property management sector. Data relating to the invoice payments is generated and made available by utilising the **Process**.

In Asia, patents covering the **Process** have been granted in Japan and China and are pending in Hong Kong and Singapore. In the rest of the world, patents covering the **Process** have been approved in New Zealand and South Africa and are pending in the USA, Canada and Australia.

Refer to Section 2.2 for more information on the patents and patent applications.

How does the Group generate income?

The Group generates income from the following sources:

Section 2.4

- (a) in relation to the ClickSuper Service: facility fees, transaction fees, float income and return fees; and
- (b) in relation to the Payment Adviser Service: transaction fees and float income; and
- (c) in relation to the Bill Exchange Services: transaction fees.

The Group’s key operating costs include costs incurred on technology infrastructure, salaries, operations, marketing, compliance, legal and banking.

What are the Group's growth strategies?	<p>Initiatives by the Federal Government, the ATO, the Reserve Bank of Australia and the Digital Business Council are anticipated to have a positive impact on the Group's existing and future business opportunities.</p> <p>As it relates to the ClickSuper Service, the Directors believe that two government initiatives have the Group well placed to further build out the ClickSuper Service:</p> <p>Firstly, SuperStream is the government standard concerning the way in which businesses are required to pay employee superannuation guarantee contributions to superannuation funds. Employers with 20 or more employees were required to be SuperStream compliant by 31 October 2015 (with some exceptions) and employers with less than 20 employees are required to be compliant by 31 October 2016. ClickSuper is accredited as a Gateway for the purposes of SuperStream.</p> <p>Secondly, Single Touch Payroll is a government initiative aimed to simplify employer's tax, superannuation payment and reporting requirements. Its intention is to enable employers to report staff salary and wages (including ordinary time earnings) and PAYG withholding amounts to the ATO at the same time they are paid to employees (currently the reporting is done manually by employers). The ATO is proposing to use existing SuperStream approved gateways (of which ClickSuper is one) to send data using Single Touch Payroll and ClickSuper is engaged in the working groups supporting the pilot program.</p> <p>As it relates to Payment Adviser Service, the Reserve Bank of Australia is proposing to launch a New Payments Platform (NPP) in 2017. This will be an open access infrastructure for fast payments in Australia.</p> <p>The NPP infrastructure will support 'overlay' services, being specially tailored services that individual financial institutions may choose to offer their customers. One such service that financial institutions may be able to offer its customers is the Payment Adviser Service, which will support the communication of unlimited data concerning payments by utilising the Group's Process.</p>	Section 2.9
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What are the Group's key strengths/ investment highlights?	<p>The Directors consider that the Group's key strengths are as follows:</p> <ul style="list-style-type: none"> • the depth of experience of the Board and management in superannuation and financial services, in particular superannuation technologies; • the proprietary nature of the Group's software which supports superannuation and other payroll payments, as well as its ability to integrate with payroll software provided by third party developers; • appropriate AFS licence to operate as a Clearing House; • recognised as a Gateway operator by the ATO; and • patents approved in Asia (Japan and China) and pending in Hong Kong and Singapore. Patents approved in New Zealand and South Africa, and pending in Australia, USA and Canada. 	Section 2
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Who are the Group's key customers?	<p>Key customers/clients for the Group are:</p> <p>In relation to the ClickSuper Service, payroll groups, government agencies, employers (large and small) and superannuation funds. ClickSuper currently supports 26 of the largest 30 Australian payroll groups.</p> <p>Payment Adviser has two clients, one being a "top 4" accounting firm in Australia, the other a disrupter in the lending space.</p> <p>Bill Exchange currently has one client, a property management agency (which looks after hundreds of properties).</p>	Section 2
Who are the Group's main competitors?	<p>As it relates to the ClickSuper Service, most superannuation funds offer a free service to employers to facilitate the transmission of data concerning superannuation contributions to both the employer's default fund (Default Fund) and funds chosen by employees (Superannuation Fund Service). To the extent that the employees contribute to a choice fund (as opposed to the Default Fund) the Default Fund typically contracts out the actual payment of the superannuation contribution and transmission of data to the choice fund to a third party Clearing House service.</p> <p>In Australia, the largest providers of Clearing House services to superannuation funds are Westpac (Quicksuper) and Superchoice.</p> <p>To utilize the Superannuation Fund Service, the employer has to download its employee data and upload it into the Default Fund's portal. In some cases, the portal will only accept details for employees contributing to the Default Fund and the details for other employee's superannuation preferences need to be emailed from the employer to the Default Fund. Either way, the transmission of data may not be secure.</p> <p>The Group has developed technology that it believes is superior to other services in the market (including the Superannuation Fund Service) that ensures employee data remains secure at all times. At no stage does payment data communicated using the Process leave a secure site.</p>	Section 2.5

1.2 Key Risks

Topic	Summary	For more information
Regulatory and licensing	<p>The Group's ability to operate the ClickSuper Service in Australia is dependent on it continuing to hold the appropriate AFS licence. Breaches of this licence may lead to its loss or suspension in which case the Group could be required to suspend its ClickSuper Service operations immediately.</p> <p>The Group's services are also reliant on being subject to a range of legal and industry compliance requirements that are constantly changing. In addition, there is potential that the Group may become subject to additional legal or regulatory requirements if its business, operations, strategy or geographic reach expand in the future.</p>	Section 3.3(b)
Accreditation as a Gateway	<p>An entity must be accredited by the ATO as a 'Gateway' in order to be eligible to send or receive Superstream messages via the STN. ClickSuper has been approved by the ATO as a Gateway in order to send superannuation contributions and rollover messages. ClickSuper's ability to continue to operate as a Clearing House is dependent on its continued ability to operate as a Gateway.</p> <p>If the Gateway approval was withdrawn for any reason, the Group may be able to contract with another Gateway approved operator to continue providing its services.</p>	Section 3.3(c)
Intellectual property	<p>The Group's business depends on its ability to commercially exploit its technology and intellectual property. The Group relies on laws relating to patents, trade secrets, copyright and trademarks to assist in protecting its proprietary rights. However, there is a risk that unauthorised use or copying of the Group's patents, software, data, specialised technology or platforms will occur.</p> <p>The Group has lodged applications for patents in relation to the Process with the relevant authorities in Australia, Singapore, Hong Kong, Canada, and with the United States Patents and Trade Marks Office (USPTO) in relation to its technology. Whilst the Group is continuing to pursue these applications, there can be no guarantee that these objections will be overcome or that the patents sought by the Group in the relevant jurisdictions will be granted.</p>	Section 3.3(d)

Competition	<p>The Group operates in a competitive environment. Competitors of the Group may be large companies which have access to significant resources and money with which to compete with the Company.</p> <p>Payroll groups or software providers could develop their own Clearing House and establish a Gateway. If this is the case, ClickSuper will lose these payroll groups as clients which would adversely affect the performance and growth prospects of the Company. However, a large volume of superannuation transactions is needed to support the cost structures.</p> <p>Superannuation funds offer a free service to employees to pay both their fund (usually referred to as a default fund) and for choice funds (where the employee wishes to pay to a fund of their choice). The superannuation fund usually contracts out the choice funds processing to a Clearing House service.</p>	Section 3.3(h)
Key personnel	<p>The Directors' and senior managers' ability to successfully manage the Company's performance and to expand and exploit the opportunities identified in this Prospectus will directly affect the success of the Company. The Company may be adversely affected if any of the Directors or senior management leave.</p>	Section 3.3(e)

1.3 Overview of the Offer

Topic	Summary	For more information																																				
Who is the issuer of this Prospectus?	Integrated Payment Technologies Limited ACN 611 202 414, a company incorporated in Victoria.																																					
What is the Offer	<p>The Offer is an initial public offer of a minimum of 15,000,000 shares and a maximum of up to 25,000,000 Shares at an Offer Price of 20 cents per Share to raise a minimum of \$3,000,000 and a maximum of up to \$5,000,000.</p> <p>All Shares issued under this Prospectus will be fully paid and will rank equally in all respects with the Shares already on issue.</p>	Section 6																																				
What is the purpose of the Offer?	<p>The purpose of the Offer is to obtain admission to the Official List and provide the Company with sufficient funds to commercialise the Patents, pay the balance of consideration under the Restructure Agreement and access further funds for suitable acquisitions when identified.</p> <p>Following the close of the Offer, the Company expects to have raised between \$3,000,000 (Minimum Subscription) and \$5,000,000 (Maximum Subscription). The Company intends to use these funds as follows:</p> <p>Use of Proceeds – minimum subscription</p> <table border="1"> <thead> <tr> <th>Sources</th> <th>\$'000</th> <th>Uses</th> <th>\$'000</th> <th>% of total</th> </tr> </thead> <tbody> <tr> <td>Offer</td> <td>3,000</td> <td>Repayment of balance under Restructure Agreements</td> <td>2,500</td> <td>38.9%</td> </tr> <tr> <td rowspan="3">Estimated cash balance at the date of the Prospectus</td> <td rowspan="3">3,435</td> <td>Commercialise patents</td> <td>600</td> <td>9.3%</td> </tr> <tr> <td>Offer costs</td> <td>532</td> <td>8.3%</td> </tr> <tr> <td>Capital required for AFSL</td> <td>500</td> <td>7.8%</td> </tr> <tr> <td></td> <td></td> <td>Sub total</td> <td>4,132</td> <td>64.3%</td> </tr> <tr> <td></td> <td></td> <td>Working capital</td> <td>2,303</td> <td>35.7%</td> </tr> <tr> <td>Total</td> <td>6,435</td> <td></td> <td>6,435</td> <td>100.0%</td> </tr> </tbody> </table>	Sources	\$'000	Uses	\$'000	% of total	Offer	3,000	Repayment of balance under Restructure Agreements	2,500	38.9%	Estimated cash balance at the date of the Prospectus	3,435	Commercialise patents	600	9.3%	Offer costs	532	8.3%	Capital required for AFSL	500	7.8%			Sub total	4,132	64.3%			Working capital	2,303	35.7%	Total	6,435		6,435	100.0%	Sections 6.5 and 9.11
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Total	6,435		6,435	100.0%																																		
	<p>Amounts raised in excess of the minimum subscription of \$3,000,000 will be applied to working capital, up to an additional \$2,000,000. If the maximum subscription is raised, a further \$122,000 of offer costs will be incurred. Refer to section 9.11 for further details regarding the costs of the Offer.</p> <p>The Directors are satisfied that following completion of the Offer, and from the application of existing funds, the Company will have sufficient working capital to meet its stated objectives.</p>																																					

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What are the key dates?	Prospectus lodged with ASIC	23rd September	Key Offer Information
	Opening Date	17th October	
	Closing Date	18th November	
	Expected date for allocation of Shares	25th November	
	Expected date for despatch of holding statements	25th November	
	Expected date for quotation of the Company's securities on ASX	2nd December	
Note: these dates are indicative only. The Company reserves the right to vary any of the above dates without notice, subject to the ASX Listing Rules and the Corporations Act.	Note: these dates are indicative only. The Company reserves the right to vary any of the above dates without notice, subject to the ASX Listing Rules and the Corporations Act.		
How do I apply?	Complete the Application Form accompanying this Prospectus including the electronic version of this Prospectus available at www.inpaytech.com.au		Section 6.3
	Applications must be for at least 10,000 Shares (i.e. \$2,000) and otherwise in multiples of 1,000 shares (i.e. \$200).		
	The minimum amount to be raised under this Prospectus is \$3,000,000. No Shares will be issued under this Prospectus until the Minimum Subscription of \$3,000,000 has been received. If the Minimum Subscription has not been received within 3 months after the date of this Prospectus, all Applications will be dealt with in accordance with the Corporations Act.		
Who is eligible to participate?	Investors who have a registered address in Australia		Section 6.13
Is the Offer underwritten?	The Offer is not underwritten.		
Will the Shares be quoted?	The Company will apply to the ASX for admission to the Official List of the ASX and quotation of its Shares on ASX within 7 days of the date of this Prospectus. The Shares are expected to trade under the code IP1(one).		Section 6.10
Will any Shares be subject to escrow arrangements?	No Shares issued under the Offer will be subject to escrow. A number of Existing Shares (on issue prior to the date of this Prospectus) may be subject to escrow for up to 24 months from the date the Company is admitted to the Official List. Details are contained in Section 6.7		Section 6.7
Is there any brokerage, commissions or stamp duty payable?	No brokerage, commission or stamp duty is payable by applicants on an acquisition of Shares under the Offer.		Section 6.20

What are the tax implications of investing in the Shares?	A summary of the Australian tax consequences for investors who acquire Shares under the Offer is set out in Section 9.7. Investors should obtain their own tax advice, as the tax consequences of an investment in Shares will depend on the investor's individual circumstances.	Section 9.7
When will I receive confirmation that my application has been successful?	We expect that holding statements will be despatched shortly following allotment of the Shares.	
Will I be paid dividends?	The Directors do not have any current plans to pay dividends as they will give priority to utilizing cash flow to invest in expanding the business in particular the commercialization of the patents. The amount and timing of any future dividends by the Company are subject to the Directors' discretion and will depend on various factors, including the Company's earnings, financial position, tax position, financing arrangements, capital requirements and the availability of profits.	Section 6.21
When can I sell my Shares on ASX?	We expect that Shares will commence trading on the ASX on a normal settlement basis on or around 2nd December 2016. Each Applicant is responsible for confirming their own Shareholding before trading on the ASX, and any Applicant who sells their Shares before they receive an initial holding statement does so at its own risk.	Section 6.18
Can the Offer be withdrawn?	The Company reserves the right not to proceed with the Offer at any time before Shares are issued to successful Applicants. If the Offer does not proceed, Application Monies will be refunded. No interest will be paid on any Application Money refunded as a result of the Offer being withdrawn.	Section 6.11

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What are the key Offer statistics?

Offer price per Share*	20 cents per Share	
	Minimum	Maximum
Total number of Shares offered to investors under this Offer	15,000,000	25,000,000
Total number of Shares on issue on completion of this Offer	144,420,149	154,420,149
Amount to be raised under the Offer	\$3,000,000	\$5,000,000
Market capitalisation at the Offer price**	\$28,884,030	\$30,884,030

* shares may not trade at the Offer price post listing on ASX

** Based on the Offer price multiplied by the total number of Shares on issue at listing

Who can I contact for further information

If you have any questions relating to the Offer, you can contact the Company on 1300 834 535.

Alternatively, you can contact the Share Registry, Registry Direct on 1300 55 66 35 (from within Australia) and +61 3 9020 7934 (outside Australia).

If you are uncertain as to whether an investment in the Company is suitable for you, please contact your stockbroker, financial adviser, accountant, lawyer or other professional adviser

1.4 Financial Information

Topic	Summary	For more information
What is the key financial information?	<p>A selected summary of InPayTech's pro forma historical financial information is set out below. The pro forma historical information has been extracted from the audited financial statements of InpayTech (YTD16 only) and the entities owned by Payment Adviser Group (Clicksuper Pty Ltd, Clicksuper Unit Trust, Jagwood Pty Ltd, RAJG Unit Trust and its wholly owned subsidiaries Payment Adviser Pty Ltd and Bill Exchange Pty Ltd) for the years ending 30 June 2014, 30 June 2015 and for the ten months period ended 30 April 2016. A pro forma consolidation of the respective entities within the InPayTech and the Payment Adviser Group was performed for the years ending 30 June 2014, 30 June 2015 and for the ten months period ended 30 April 2016 and the relevant elimination adjustments recorded to adjust for any intragroup transactions. The adjustments included the elimination of interest paid on borrowings from Directors of Payment Adviser Group as there are no borrowings in the Group.</p> <p>Investors should read this information in conjunction with the more detailed discussion of the Financial Information set out in Section 4, including the, management discussion and analysis as well as the key risks set out in Section 3 and the Investigating Accountant's Report set out in Section 8.</p>	Section 4

Pro forma financial performance

\$'000	FY2014	FY2015	10 months ended 30 April 2016
Revenue	862	1,274	1,514
Direct costs	(396)	(440)	(451)
Gross margin	466	834	1,063
Overheads	(1,268)	(1,057)	(971)
EBITDA (exc. development costs)	(802)	(223)	92
Development costs	(860)	(414)	(390)
EBITDA	(1,662)	(637)	(298)
Depreciation	(5)	(3)	(1)
EBIT	(1,667)	(640)	(299)
NPAT	(1,257)	(640)	(709)

The pro forma consolidated historical statement of comprehensive income has been extracted from the audited financial statements of the entities comprising the InPayTech Group for the financial years ended FY2014, FY2015 and YTD2016.

- Adjusted for the impact of the historical interest expense in relation to director related entity borrowings as this debt is not indicative of the capital structure going forward and has been repaid in full.

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Revenue

InPayTech generates revenue through charging employers facility fees and transaction fees in addition to receiving interest on holding superannuation contributions. InPayTech's revenues have increased between FY2014 and YTD2016 due to the utilisation of the SuperStream platform. The key drivers are increases in channels / employers under management; the number of transactions processed and the fund contribution volume; all of which have increased between FY2014 and YTD2016 as set out below.

\$'000	FY2014	FY2015	10 months ended 30 April 2016
Facility fees	170	404	548
Float interest	313	434	453
Transaction fees	296	379	406
Other	83	57	107
Total revenue	862	1,274	1,514

Revenue Drivers

Number of channels / employers	340	495	577
Float contribution volume (\$'000)	1,054,481	1,824,349	2,140,033
Number of transactions processed ('000)	1,159	3,165	3,469

Notes on Revenue:

Float interest has historically been benchmarked against Westpac's 30 days bank bill on a sliding scale depending on the float contribution, and is directly correlated to the volume of funds contributed, with the Group operating in a historically low interest rate environment. Effective 1 August 2016, the Group will earn interest on the float based on the 30 day bill rate less 20 basis points.

The monthly run rate of transactions processed for the 3 months ended 30 April 2016 is 480,000 per month.

Pro forma balance sheet as at 30 April 2016

The table below sets out a summary of the audited historical statement of financial position, the pro forma adjustments that have been made to it (further described in Section 4.7) and a summary of the pro forma consolidated statement of financial position as at 30 April 2016.

The summarised pro forma statement of financial position is provided for illustrative purposes only and is not represented as being necessarily indicative of InPayTech's view of its future financial position.

Summary Pro forma balance sheet as at 30 April 2016

\$'000 30 April 2016	Audited \$'000	Minimum Pro Forma \$'000	Maximum Pro Forma \$'000
ASSETS			
TOTAL CURRENT ASSETS	102	3,550	5,428
TOTAL NON CURRENT ASSETS	-	15,639	15,639
TOTAL ASSETS	102	19,189	21,067
LIABILITIES			
TOTAL CURRENT LIABILITIES	108	55	55
TOTAL LONG TERM LIABILITIES	-	1,537	1,537
TOTAL LIABILITIES	108	1,592	1,592
NET ASSETS	(6)	17,597	19,475

Where can I find financial information in relation to the Company?

See Section 4 and the Investigating Accountant's Report in Section 8.

Sections 4 and 8

1.5 Directors and Senior Management

Topic	Summary	For more information
Who are the directors of the Company and what is their expertise?	<p>Don Sharp – BBus, CPA, FAICD <i>Executive Chairman</i></p> <p>Don has over 40 years' experience in the Australian financial services sector. He co-founded Bridges Financial Services Pty Ltd and established one of the first platforms for portfolio management. Don is the Executive Chairman of ASX listed Managed Accounts Holdings Limited and Director of Registry Direct Limited. He was a former Chairman of Investors Mutual Limited, GVI and ASX listed Premium Investors Limited and a former director of Treasury Group and Countplus Limited.</p> <p>Robin Beauchamp <i>Chief Executive Officer – Director</i></p> <p>Robin Beauchamp is a financial technology specialist with over 30 years' experience in the Australian financial services industry.</p> <p>Robin held the role of banking software development manager for Misys Australia and consulted to banks in Australia and the United Kingdom.</p> <p>In 1993 Robin founded the financial software company Investsoft that developed and marketed unitized portfolio management and financial planner commission management software.</p> <p>In 2007 as Director of Technology – Development, Robin co-founded the Payment Adviser Group and in 2012 was appointed to the role of Chief Executive Officer. In 2013 Robin led the acquisition of ClickSuper along with the integration into Payment Adviser and a new banking platform.</p> <p>Jonathon (Jake) Wynne <i>Non-Executive Director</i></p> <p>Jake has over 30 years IT experience in building and creating a profitable company focusing on managed services, professional services, consulting and software development. Jake has also worked at an executive level to develop technology strategies and programs in customer-facing, operations and strategy leadership roles. Jake has served on numerous industry panels and advisory boards and presented at many events in the Asia Pacific region. Jake founded Oriel in 1995 and grew the company to a nationwide business supplying and developing software products, consulting and cloud services. In 2014 Jake facilitated the successful sale of Oriel. He joined the board of the Company in March 2016.</p>	Section 5.1

Topic	Summary	For more information
Who are the senior managers of the Company and what is their expertise?	<p>Robin Beauchamp <i>Chief Executive Officer</i></p> <p><i>See above</i></p> <p>Nathan Thomas – BIT (software), MBA (computing) <i>Chief Operating Officer</i></p> <p>Nathan has over 15 years of experience in the information technology industry.</p> <p>Nathan has previously held senior management roles with Hewlett Packard Enterprise and served as a non-executive director for several not-for-profit organisations. These roles have included responsibility for sales, product development, finance, operations management, organisational development, technology strategies and implementing change.</p> <p>In his most recent role at Hewlett Packard Enterprise he led the business in the disruptive field of Big Data across the South Pacific region. Responsibilities included owning the complete go to market strategy, product development, sales, customer engagement, program execution and relationship management.</p>	Section 5.2

1.6 Interests, Benefits and Related Party Transactions

Topic	Summary						For more information
Who are the Existing Shareholders and what will be their interest at Completion of the Offer?	Shareholders	Existing Shares held immediately prior to the Offer	Shares held immediately following Completion of the Offer	Shares held immediately following Completion of the Offer (%)	Shares held immediately following Completion of the Offer	Shares held immediately following Completion of the Offer (%)	Section 6.6
				minimum	maximum		
	Existing shareholders	129,420,149	129,420,149	89.60%	129,420,149	83.80%	
	New shareholders at IPO	-	15,000,000	10.40%	25,000,000	16.20%	
	Shares outstanding	129,420,149	144,420,149	100.00%	154,420,149	100.00%	
What significant benefits are payable to Directors and other persons connected with the Company or the Offer and what significant interests do they hold?	Executive Directors Don Sharp BBus, CPA, FAICD Executive Chairman	Salary of \$75,000 per annum plus superannuation of \$7,125 totalling \$82,125				Sections 5 and 9.5	
		Related entities of Don Sharp hold 31,527,397 Shares in the Company					
	Robin Beauchamp CEO –Director	Salary of \$273,973 per annum plus superannuation of \$26,027 totalling \$300,000					
		Related entities of Robin Beauchamp hold 2,042,600 Shares in the Company. Under the Employee Share Option Plan Robin will be entitled to up to 5,000,000 Options with an exercise price of 20 cents per Option Share. See Section 9.5 for further details regarding the Options.					
Non-executive Director Jonathon (Jake) Wynne	Directors fees of \$60,000 per annum plus superannuation of \$5,700 totalling \$65,700						
	Related entities of Jonathon Wynne hold 833,340 Shares in the Company						
Senior management Nathan Thomas COO BIT (software), MBA (computing)	Salary of \$200,000 per annum plus superannuation \$19,000 totalling \$219,000						
	Under the Employee Share Option Plan Nathan Thomas will be entitled to 2,500,000 Options with an exercise price of price of 20 cents per Option Share. See Section 9.5 for further details regarding the Options.						

Topic	Summary	For more information																						
Are there any significant related party transactions?	<p>Agreements to restructure the Group involved related party transactions as some of the sellers of assets and shares were parties associated with the directors of the Company.</p> <p>It is proposed to grant up to 5,000,000 Options to Robin Beauchamp, the Chief Executive Officer of the Company.</p> <p>34,403,337 Shares were issued to parties associated with the Directors prior to the date of this prospectus.</p>	Section 5.4																						
Who are the major shareholders?	<table border="1"> <thead> <tr> <th rowspan="2">Shareholders</th> <th rowspan="2">Existing Shares held immediately prior to the Offer</th> <th rowspan="2">Shares held immediately following Completion of the Offer</th> <th colspan="2">Shares held immediately following Completion of the Offer (%)</th> </tr> <tr> <th>minimum</th> <th>maximum</th> </tr> </thead> <tbody> <tr> <td>Don Sharp and associated entities</td> <td>31,527,397</td> <td>31,527,397</td> <td>21.80%</td> <td>20.40%</td> </tr> <tr> <td>Colin Scully and associated entities</td> <td>36,119,717</td> <td>36,119,717</td> <td>25.00%</td> <td>23.40%</td> </tr> <tr> <td>Acorn Capital Investment Fund Limited</td> <td>8,333,334</td> <td>8,333,334</td> <td>5.80%</td> <td>5.40%</td> </tr> </tbody> </table>	Shareholders	Existing Shares held immediately prior to the Offer	Shares held immediately following Completion of the Offer	Shares held immediately following Completion of the Offer (%)		minimum	maximum	Don Sharp and associated entities	31,527,397	31,527,397	21.80%	20.40%	Colin Scully and associated entities	36,119,717	36,119,717	25.00%	23.40%	Acorn Capital Investment Fund Limited	8,333,334	8,333,334	5.80%	5.40%	Section 9.3
Shareholders	Existing Shares held immediately prior to the Offer				Shares held immediately following Completion of the Offer	Shares held immediately following Completion of the Offer (%)																		
		minimum	maximum																					
Don Sharp and associated entities	31,527,397	31,527,397	21.80%	20.40%																				
Colin Scully and associated entities	36,119,717	36,119,717	25.00%	23.40%																				
Acorn Capital Investment Fund Limited	8,333,334	8,333,334	5.80%	5.40%																				
Will any Shares be subject to restrictions on disposal following completion of the Offer?	A number of Existing Shares (on issue prior to the date of this Prospectus) may be subject to escrow for up to 24 months from the date the Company is admitted to the Official List. Details are contained in Section 6.17.	Sections 6.7 and 6.17																						
What Corporate Governance Policies does the Company have in place?	<p>Information on the company's corporate governance policies is set out in Section 5.7.</p> <p>The Company's full corporate governance policies are available from the Company's website www.inpaytech.com.au.</p>	Section 5.7																						

2. GROUP AND BUSINESS OVERVIEW

2.1 History of the Group

In 2006 the Founders of the Payment Adviser Group invented a process that allows unlimited data about payments to be communicated by the sender to the receiver using the security of the receiver's bank account and the data is accessed by a short form URL (no www. or .com) displayed in the reference field on the receiver's bank statement (**Process**). The **Process**, and variations of it, are utilised in each of the services provided by the Group (ClickSuper Service, Payment Adviser Service, and Bill Exchange Service).

In Asia, patents covering the **Process** have been granted in Japan and China and are pending in Hong Kong and Singapore. In the rest of the world, patents covering the **Process** have been approved in New Zealand and South Africa and are pending in USA, Canada and Australia. Please refer to the Patent report in Section 7 for further information about the Group's patents and patent applications.

Prior to the restructure, Payment Adviser Group operated its business through 2 unit trusts. This structure was not practicable for seeking admission to the Official List. As a result, the Company was incorporated in March 2016 for the purpose of listing the assets and business of the Payment Adviser Group on the ASX.

The Company acquired the assets and business of the Payment Adviser Group in July 2016 under the terms of the Restructure Agreements. Refer to Sections 5.4(a) and 9.4 for further details regarding the Restructure Agreements.

Capital expenditure by the Group to date has largely been focused on:

- Acquisition of the appropriate AFS Licence;
- Development of the legal structures for offering ClickSuper;
- Development of relationships with payroll groups;
- Development of own technology solution;
- Development of operating processes to support the Group; and
- Applications for international patents.

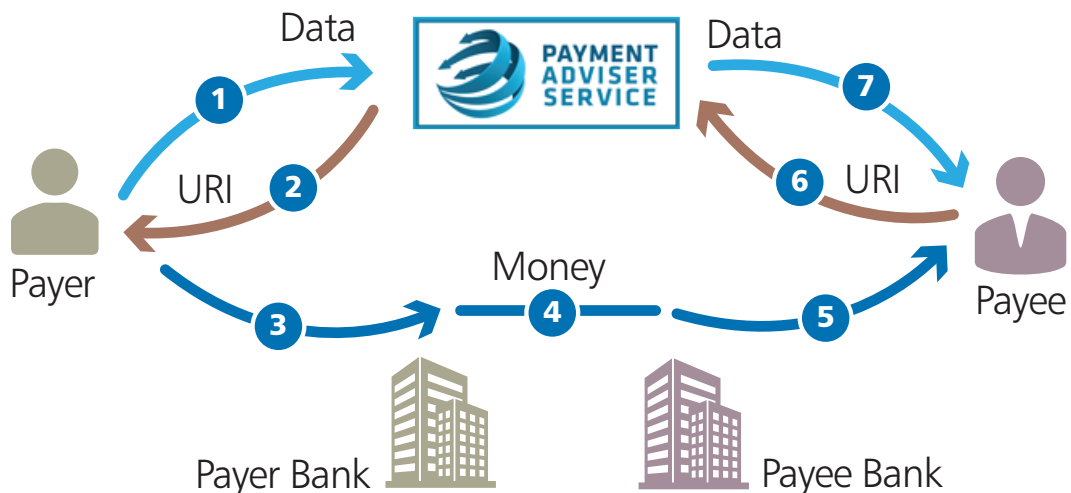
2.2 Process and Intellectual Property

In summary, the **Process** invented by the Group provides for the transmission of data by the sender and allows a unique 16 character URL to be sent with the payment via a reference field recorded on the receiver's banking statement. The receiver can then access the data that makes up the payment via the internet and view the data or download the data into their accounting system.

The diagram below illustrates the operational steps of the **Process**.

Patent Process Steps

1. Payer uploads extended remittance data to Payment Adviser Service
2. Payment Adviser Service returns the unique payment reference e.g. P.VU/PAYCO123456 to the payer
3. Payer makes a payment to the payee with P.VU/PAYCO123456 as the payment reference
4. Payment clears through the banking system
5. Payee bank adds a credit to the bank account
6. Payee gets the payment reference from the bank statement and enters P.VU/PAYCO123456 into a web browser
7. Payment Adviser Service verifies the payee and downloads the extended remittance data



The Australian banking system uses an 18 character reference field to store information regarding a payment. The Payment Adviser Service uses this field to record the 16 character short form URL (no www. or .com) in relation to transmitted data. The receiver of a payment is able to place this reference in their browser and answer security questions such as BSB, bank account number, date received, amount received and the Payment Adviser system will locate the data and information about the payment.

The Company understands the majority of the world's banking systems accept a maximum of 16 characters. Therefore, the Directors believe that the Payment Adviser System will be able to be used in a majority of the world's banking systems.

2.3 Overview of ClickSuper and the Superannuation Industry

On 29 May 2009, the Minister for Superannuation and Corporate Law announced the Super System Review into the governance, efficiency, structure and operation of Australia's superannuation system (known as the Cooper Review). The review was initiated with the support of the superannuation industry and the results were published in July 2010. At the time, the report noted "Australians have over a trillion dollars in superannuation savings. The compulsory nature of super contributions means that by 2035, Australians are projected to have increased their collective super savings to \$6.1 trillion." It was recognised that the scale of the super system presented enormous administrative and other associated costs for superannuation administrators and that the back office of superannuation administrators was dominated by manual transactions which was in urgent need of an upgrade.

The review recommended a package of measures called "SuperStream", describing ways to bring the back-office of superannuation into the 21st century. SuperStream's main components are the increased use of technology, uniform data standards, use of the tax file number as a key identifier and the straight through processing of superannuation transactions (see also paragraph 2.9(a) for an overview of SuperStream). SuperStream is the term used for the end-to-end processing of transactions (both data and monetary) from start to finish, using technology to automate and control all elements of the process and workflow. The elimination of manual handling or intervention optimises the processing speed and eliminates data entry errors.

Contemporaneously with the release of the Cooper Review, the ClickSuper Service was launched in 2010 with a focus on the superannuation industry, particularly the payment of superannuation contributions and transmission of data concerning the contributions. Superannuation was the first vertical chosen by the Payment Adviser Group to commercialise the **Process**.

The ClickSuper Service is a Clearing House for the payment of superannuation contributions, payroll deductions, salaries and ATO related payments. The software used for the ClickSuper Service also supports the Payment Adviser Service and Bill Exchange Service.

A "Clearing House", for the purposes of superannuation and employee related payments is effectively an intermediary between the employer and the superannuation fund (or superannuation fund to superannuation fund) that is used to facilitate the payments by the employer to the superannuation fund (or payments from a default fund to a choice fund). The manner in which ClickSuper does this takes one of a number of forms – it can contract directly with the employer (to facilitate the transmission of data on behalf of the employer); it can contract with a payroll provider (to facilitate the transmission of data of the payroll provider's client, the employer); or it can contract directly with a superannuation fund.

To do this, the ClickSuper technology is integrated into the choice of accounting/payroll software used by either the employer or the payroll provider. Integration allows an employer to upload its superannuation data into a secure site for transmission via the ClickSuper Gateway to the relevant superannuation fund.

The amount payable for each employee's superannuation contribution is calculated from payroll data, that is, from the amount that has been deducted for each employee, therefore the amount always equals the payroll records. All other employee related payments are supported by ClickSuper including Pay As You Go tax and other deductions.

The employer determines when to pay each superannuation fund/other deduction giving the employer complete control over their cash flow.

The Group has undertaken considerable development to facilitate the offering of SuperStream compliant software for ClickSuper to support payroll groups, their employer clients, superannuation funds and their default fund employers via the Clearing House for the Australian market through the development of web based compliance systems which provide management of the compliance tasks. Note, not all data transmitted via the ClickSuper Service goes through the Gateway. The Gateway is used for superannuation funds who are SuperStream compliant (see Section 2.9(a)). In this instance, the data made available via the Gateway is downloaded and stored by the superannuation fund. For superannuation funds that are not SuperStream compliant, transmission of the data is by way of the **Process** (i.e. no Gateway and the receiver/superannuation fund access the data through its bank statement) and the Group hosts the data in high security data centres.

ClickSuper's main clients are payroll groups and employers. Its focus to date, has been to target/contract with payroll groups to access/attract employers to ClickSuper.

There are over 40,000 employers in Australia using the ClickSuper Service as at 30 June 2016. The Company understands the ATO has estimated that in Australia, there are approximately 100,000 employers with 20 or more employees; and approximately 700,000 employers with less than 20. On this basis, the Group estimates that it is servicing approximately 5% of the potential employer market.

The total amount paid to superannuation funds in the years ending 30 June 2014, 2015 and 2016 are as follows:

2014	2015	2016
\$1,054 billion	\$1,824 billion	\$2,140 billion*

*Refer Section 4.41

2.4 Current ClickSuper Income and Operations

The ClickSuper Service generates income from the following sources:

(i) Facility fees

Generally speaking, clients are charged a monthly fee calculated for each employee the employer is paying superannuation contributions on behalf of. However, if a client were an "aggregated employer" (eg, a franchisor) the facility fees are often calculated on a different basis and are separately agreed with each client.

(ii) Transaction fees

A transaction fee is charged per employee with the amount payable being calculated by reference to the number of clearance days the relevant funds are held in ClickSuper's trust account before they are paid to the specified superannuation fund. The lowest fee is for 3 days clearance and the highest fee is when the funds are not held by ClickSuper (i.e. they are paid directly from the employer to the relevant superannuation fund(s)).

Most ClickSuper clients elect to use direct debit to pay superannuation contributions and these funds are held for 3 days as the paying bank has the ability to dishonour the payments within 3 days (similar to cheques being dishonoured).

Other clients elect to use direct credit and the transaction fees are higher on these contributions to compensate for the loss of float income (refer below).

(iii) Float income

While the funds are held in the ClickSuper trust account they earn interest based on the 30 day bill rate less a margin charged by the bank. This interest (called “float income”) forms part of the fee for the ClickSuper Service.

Interest rates are at historical lows and they could go lower. If interest rates decrease, ClickSuper float income will decrease. However, if interest rates rise, ClickSuper float income will increase in the short term. Please refer to the Risks section in Section 3.3 for further details.

Notwithstanding the above, the Directors believe that float income will not continue to be earned by the Company from the last quarter of 2017 as funds may not continue to be held in the ClickSuper trust account for the same length of time due to the Reserve Bank’s NPP initiative. However, the Company has factored this into its pricing system and proposes to charge an additional fee per transaction in order to cover for the loss of float income.

(iv) Return fees

ClickSuper payments to superannuation funds can be returned if the employee does not have an account with the superannuation fund. In this case, the funds are returned to the employer and ClickSuper charges an additional fee for this service.

2.5 ClickSuper Competitors

Superannuation funds offer a free service to employers to pay contributions for both their fund (Default Fund) and for choice funds (where the employee wishes to have their superannuation contributions paid to a fund of their choice). The Directors understand that the Default Fund usually contracts out the choice fund process to a third party Clearing House service.

The largest providers of Clearing House services to superannuation funds are Westpac (Quicksuper) and Superchoice.

The Company understands that to utilise the free service, an employer needs to download the superannuation details of its employees from its secure payroll system and then upload those details into a portal provided by the Default Fund or by its third party clearing house. Further, Superstream requires the employer to provide the employee’s details such as name, address, date of birth, period the superannuation payment is for and the 9.5% superannuation guarantee contribution amount. If the data is downloaded to a personal computer or network server that is not secure then it raises the risk of the data being accessed by unauthorised persons and identity theft.

In contrast ClickSuper software is often embedded in the payroll provider software which allows the sensitive data to be transferred to ClickSuper’s secure site before being sent via its Gateway to the relevant superannuation funds. The combination of the payroll provider, the ClickSuper Service and the security of the ClickSuper Gateway allows employers to have a secure way of forwarding data to both the superannuation funds and the ATO in a single process.

2.6 Payment Adviser Service

The Payment Adviser Service, by utilising the **Process**, facilitates the payment and communication of data concerning the payment between the payer/provider and payee/recipient.

The Payment Adviser Service is used by one of the top four accounting firms in Australia for its SME service. The other client using the Payment Adviser Service is a disruptor in the business lending space.

The software required by the Payment Adviser Service is structurally the same as that required for the ClickSuper Service. As a result, the Directors believe that no significant expenditure will be required to solely support/develop the Payment Adviser Service (as efficiencies/development of the Payment Adviser Service will be gained whilst the software associated with the ClickSuper Service is maintained and updated).

Whilst the Group has two clients using the Payment Adviser Service, this service is, for the most part, in the commercialisation phase, in particular for an overlay service for the Reserve Bank of Australia's New Payment Platform service (**NPP**) (refer to Section 2.9(c) for further details). The Directors believe that no substantial investment will be needed to roll out this service to other customers as the software for the service has been completed.

The Company understands that the **NPP** infrastructure will support the use of the Payment Adviser reference as an overlay service. The Directors believe that this will assist the Group to further commercialise the **Process**.

Payers are currently using email or posting payment advice slips which are used by the receiver to manually reconcile to their debtors system. The Payment Adviser approach replaces this manual process.

The Directors believe that the **Process** does not have any known competitor.

2.7 Bill Exchange Service

The Bill Exchange Service is a service that provides real estate agents data for invoices such as council rate notices and details of the payment to the issuer of the invoice.

The process used by the Bill Exchange Service is similar, the Directors believe, to the Digital Business Council's einvoice solution (see Section 2.9(d)).

Whilst the Group has one client using the Bill Exchange Service, the business is in its infancy. The Group is actively seeking to partner with a software provider to real estate agents operating in this space.

2.8 Software System Architecture

The Group's software application suite comprises 5 major areas of functionality:

- (a) **Customer web site and web services:** A customer configurable work flow based data and payment management system with the flexibility to easily interface to external applications and business environments.
- (b) **SuperStream Gateway:** A fully compliant secure message service handler designed to interact with the SuperStream transaction network.
- (c) **Banking system web services:** A suite of web services and processes that upload/download payments to/from the Australian banking system via a sponsoring bank and reconciliation functionality to support the management of high transaction volume multi-million dollar trust accounts.
- (d) **Application administration web site:** A functionally rich client services support environment.
- (e) **Billing engine:** A tailorable process capable of managing a diverse customer base and multiple billing profiles.

2.9 Growth Potential from Government and Business Initiatives

Initiatives by the Federal Government, the ATO, the Reserve Bank of Australia and the Digital Business Council described below may have a positive impact on the Company's existing and future business opportunities. How these government initiatives may impact the Company is set out below:

(a) SuperStream: ClickSuper Service

SuperStream is the way in which the Australian government requires business to pay employee superannuation guarantee contributions to super funds. Employers with 20 or more employees were required to be SuperStream compliant by 31 October 2015 (with some exceptions) and employers with less than 20 employees are required to be compliant from 31 October 2016.

With SuperStream, money and data are sent electronically in a standard format. The aim of the SuperStream standard is to improve the quality and consistency of data provided by employers and the use of technology to improve processing efficiency and the way contributions are made.

This means:

- employers can make all their contributions in a single transaction, even if the contributions are going to multiple superannuation funds;
- contributions and rollovers can be processed faster, more efficiently and with fewer errors; and
- people can be more reliably linked to their superannuation, reducing lost accounts and unclaimed monies.

SuperStream must be used by:

- employers;
- self-managed super funds; and
- APRA-regulated funds.

To be eligible to send or receive SuperStream messages via the superannuation transaction network (STN), gateway operators must be accredited by the ATO as a Gateway. A Gateway facilitates the transfer of electronic data messages compliant with the SuperStream standard. ClickSuper Pty Ltd has been accredited by the ATO as a Gateway in order to send superannuation contributions and rollover messages.

(b) Single Touch Payroll: ClickSuper Service

Single Touch Payroll is a government initiative to be introduced in 2017 that aims to simplify employer's tax and superannuation payment and reporting requirements. It will enable employers to report staff salary and wages (including ordinary time earnings) and PAYG withholding amounts to the ATO at the same time they pay their employees. Employers currently manually report PAYG withholdings to the ATO. Under the Single Touch Payroll all information will be reported to the ATO through standard business reporting software.

The Australian Government has indicated that Single Touch Payroll is intended to be effective from 2017. ClickSuper is engaged in the working groups supporting the pilot program.

The Directors believe that ClickSuper's relationship with payroll groups places ClickSuper in a strong position to expand the ClickSuper Service to employers enabling them to comply with the Single Touch Payroll requirements.

ClickSuper has registered a new trading name Click@SingleTouchPayroll

(c) New Payments Platform: Payment Adviser Service

The Reserve Bank is proposing to launch a New Payments Platform (**NPP**) in 2017. This will be an open access infrastructure for fast payments in Australia. The following is an extract from the Reserve Bank's website describing the **NPP**:

"Due to launch in 2017, the New Payments Platform (NPP) will be an open access infrastructure for fast payments in Australia. The NPP is being developed via industry collaboration to enable households, businesses and government agencies to make simply addressed payments, with near real-time funds availability to the recipient, on a 24/7 basis. Each payment message will be capable of carrying much richer remittance information than existing systems (for instance the 18 characters currently available for direct entry payments). The NPP infrastructure will support multiple 'overlay' services that can be independently developed to offer innovative payment services to end-users."

The Payment Adviser Service already exists to support the **NPP** 'overlay' service and can be utilised by any receiver of a payment via the internet. The receiver does not have to consent, register or pay to utilise this service.

The **NPP** infrastructure will support 'overlay' services which are customer services specially tailored for individual financial institutions. The Payment Adviser Service will be able to support unlimited data about the payment utilising the Group's patented intellectual property.

The Directors believe the overlay service that utilizes the Payment Adviser **Process** is unique.

(d) eInvoice an Initiative of the Digital Business Council

The Digital Business Council is an industry driven initiative of peak industry bodies, technology providers and Government Agencies, with the Commonwealth Government providing secretariat support and is co-Chaired by the Australia Chamber of Commerce and Industry and the Council of Small Business Australia.

The Digital Business Council (Council) announced on 24 March 2016 the opening of the public consultation phase of its electronic invoicing (eInvoicing) project. Estimates of adoption of eInvoicing in Australia, leading to transformational change in the Australian economy, are predicted to be \$7-\$10 billion a year.

Deloitte Access Economics is undertaking a research project and has identified a range of benefits for businesses that transition from paper to structured eInvoices, including lower processing costs, fewer payment errors and improved supplier relationships. Previous studies have estimated the productivity and efficiency benefits of transitioning from paper to structured digital, eInvoices could be between \$12.15 and \$28.80 per invoice.

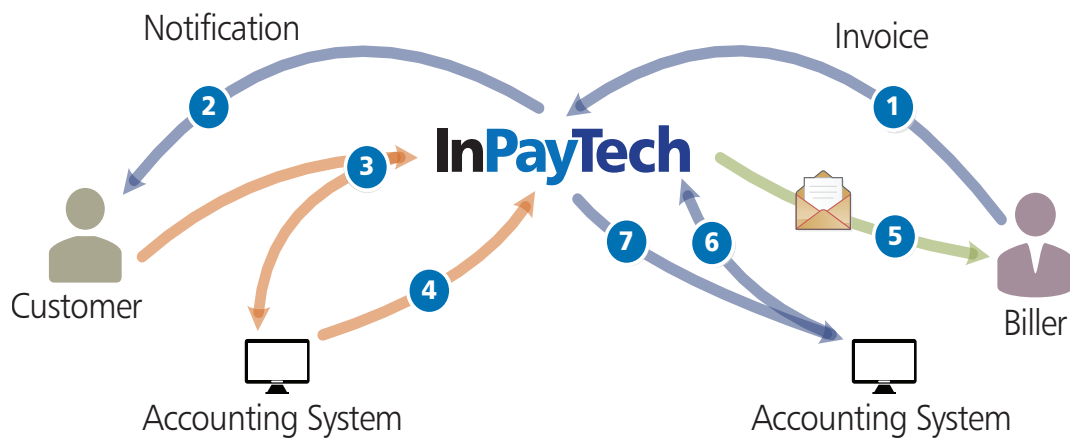
The Group, through its Payment Adviser Service, is assessing ways to utilize a version of its **Process** to notify the receiver of the invoices that they are available to be electronically downloaded into their accounting system. The receiver can then accept or reject line items on the invoice for payment. The biller can be notified of the payment and the remittance data transmitted through.

An overview of the proposed solution is set out in the following diagram:

Integrated Payment Technologies Limited

Process Steps

1. Biller sends invoice to customer via nominated InPayTech account
2. InPayTech notifies customer invoice(s) have arrived
3. Customer uses InPayTech to import invoice(s) into their accounting system
4. Customer selects which invoices/items to pay
5. InPayTech sends payments and notifies biller they have been paid
6. Biller enters the payment reference P.VU/PAYCO/123456 into a web browser (this can be done automatically by InPayTech)
7. InPayTech verify the payee and download the extended remittance data (this can be done automatically by InPayTech)



(e) New Business Initiatives

InPayTech is looking to combine its experience of secure infrastructure design with innovative payment services to assist customers in migrating their own environments to a solution using the Group's **Process**.

The Directors are also negotiating to acquire new technology that will significantly enhance the data capture and same day settlement capabilities of the product line and extend it to include a mobile telephone offering. The Directors believe that this will enhance the Group's "overlay" service for the NPP.

Both of these new incentives are at early stages of development and costing.

2.10 Licensing and Accreditation

(a) AFS Licence

The provider of Clearing House services must hold an appropriate AFS Licence issued by ASIC. Clicksuper Pty Ltd has been issued an appropriate AFS Licence (337805) which allows it to operate Clearing House services for employers. ClickSuper's ability to continue to operate as a Clearing House is dependent on its continued ability to hold its AFS Licence.

(b) Gateway Accreditation

To be a Clearing House (for the purposes of transmission of superannuation contributions and data) an entity must either be a Gateway itself, or use the services of a Gateway.

To be eligible to send or receive SuperStream messages via the superannuation transaction network (STN), gateway operators must be accredited by the ATO as a Gateway. A Gateway facilitates the transfer of electronic data messages compliant with the SuperStream standard.

ClickSuper has been accredited by the ATO as a Gateway in order to send superannuation contributions and rollover messages.

Gateways are currently regulated by the ATO but the Group understands that a 'not for profit' regulator will be established in 2016. This entity will require funding and a levy is likely to be imposed on Gateway providers.

2.11 Pre-IPO Capital Raising and Restructure

The Company has raised \$15,529,416 in seed capital prior to the Offer made under this Prospectus. This capital raising is reflected in the number of existing Shares identified in the table in Sections 1.6 and 6.6.

These funds were used to pay the consideration due under the Restructure Agreements. Further details on the Restructure Agreements are set out in Section 9.4.

2.12 Systems Security

System security is paramount for all the Group's business as we are handling data that must be secure at all times, in particular payroll data where the Company's clients rightly insist on security of their data. The Group has annual penetration testing of all of its systems. Below is a letter from Pure Hacking confirming the results of the Group's recent Security Services test.



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20/09/2016

To whom it may concern,

RE: Confirmation of engagement of Security Services

Pure Hacking was engaged by Payment Adviser to perform penetration testing against their external infrastructure and key applications in April 2016. A number of the issues identified by Pure Hacking were remediated and retesting was carried out in August 2016. The testing was carried out for Payment Adviser and no other party is entitled to rely on it for any purpose whatsoever. Pure Hacking tested the systems at the following locations at 17th of August 2016:

- <https://clickstream.p.vu>
- <https://paymentadviser.p.vu>
- 202.70.129.160

Payment Adviser owns and controls the full penetration testing report and only Payment Adviser is authorised to release its details. Below is a summary of our retest results:

- Following the retest in August 2016 Pure Hacking did not identify any security issues. Based on our previous experience we would consider that the systems at the locations identified above were configured in a secure manner as at 17th August 2016.

It must be noted that penetration testing is a time bound and time limited activity. Pure Hacking cannot and does not guarantee that Payment Adviser's systems and infrastructure are completely secure. The test was a review only and the review is only valid 17th August 2016. Further the tests are not exhaustive and give no guarantees that the systems tested will remain secure nor that all possible intrusions were detected. Security threats are continually changing, with new vulnerabilities discovered daily and no application can be entirely secure or without defects. Pure Hacking offers no warranties or representations concerning the systems and applications its tests. Nothing in this letter is intended to represent that the testing was complete and without error, nor does it represent or warrant that the systems and applications are fit for purpose, free of defects other than those identified, compliant with industry standards or compatible with any operating system, hardware or other application.

Authorised by:

A handwritten signature in black ink, appearing to read "R. McAdam".

Robert McAdam | CEO - Pure Hacking Pty Ltd

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2.13 Corporate Structure

The corporate structure of the Group at the date of this Prospectus is as follows:



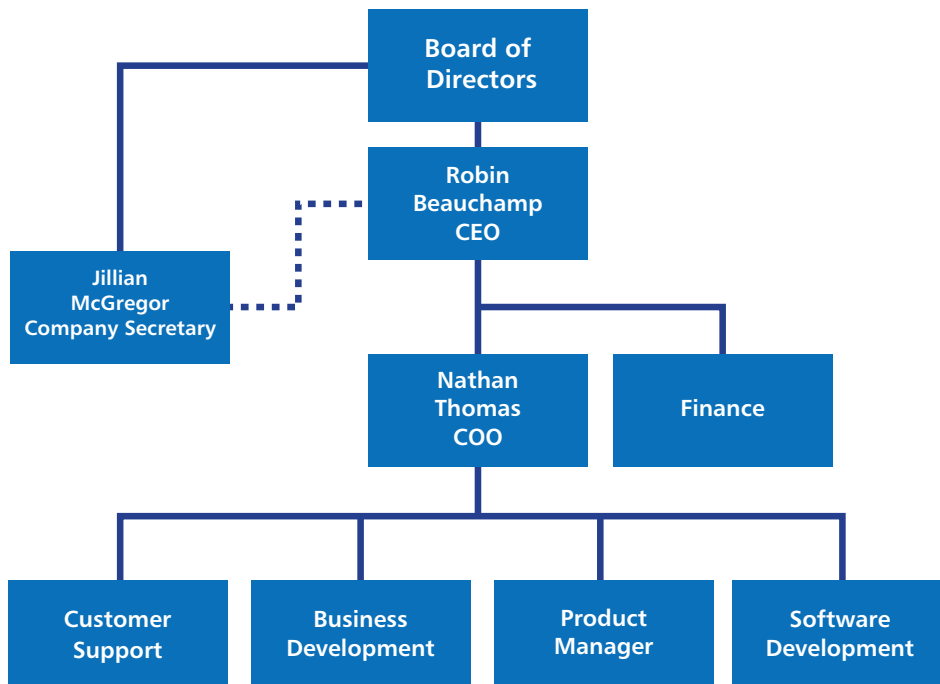
ClickSuper has a registered business name: Click@SingleTouchPayroll

Integrated Payment Technologies Limited has a registered business name: Bill Exchange

Jagwood owns the Patents and makes the underlying intellectual property available to Payment Adviser by way of intergroup intellectual property licences.

2.14 Organisation Chart

Set out below is an organisation chart for the Group as at the date of this Prospectus.



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3. KEY RISKS

3.1 Risk Factors

These are risk factors, both specific to the Group and of a general nature, which may affect the future operating and financial performance of the Group and the value of the Shares. Some of these risk factors may be mitigated by the Group, however many of these factors are outside the control of the Directors and management of the Group.

This Section identifies some, but not all, of the risks associated with an investment in the Company. Applicants should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether or not to apply for Shares.

3.2 Nature of Investment

Investors should be aware that subscribing for Shares involves various risks. Participating in the Offer should be considered speculative.

The Shares to be issued under the Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares and the future performance of the Shares may be influenced by a range of factors.

3.3 Business Risks

(a) Return of Capital and Return on Investment

Returns are dependent on success of ClickSuper increasing its share of the Clearing House market and incorporating the ATOs initiative of Single Touch Payroll through its payroll group's services.

Returns are also dependent on the success of the Group in commercialising the Patents in Australia and the rest of the world.

There can be no assurance that the Group's businesses will be successful. InPayTech does not guarantee any particular dividend rate or the return in part or full of the capital invested or the market performance of the shares.

(b) Regulatory and Licensing

The Company is subject to a broad range of laws and regulations. These laws are administered by a number of different regulators, including the ATO and ASIC.

There is a risk that the Company may fail to comply in all material respects with all the laws and regulations relating to the markets in which it operates. If the Company does not meet regulatory requirements it may be exposed to fines or other penalties, it may be forced to pay compensation or it may even be suspended or have its authorisations cancelled in which case it may not be able to continue to provide some or all of the services it currently provides.

The ability to operate the ClickSuper Service is dependent on the Group continuing to hold the appropriate AFS licence. A breach of this licence may lead to its loss or suspension in which case the Group would be required to suspend its ClickSuper Service operations immediately.

The regulatory regime applicable to the Group is subject to change. Changes in laws, regulations and government policy may positively or negatively affect the Company and the attractiveness of an investment in the Company. The Group cannot predict what legislative or regulatory changes may be made in the future or the impact of future legislative or regulatory change on its business. In addition, if the amount and complexity of new regulations increases, the cost of compliance and the risk of non-compliance may also increase. This may have an adverse impact on the financial performance and prospects of the Group.

(c) Gateway Accreditation

An entity must be accredited by the ATO as a 'gateway' in order to be eligible to send or receive Superstream messages via the STN. ClickSuper has been approved by the ATO as a Gateway in order to send superannuation contributions and rollover messages. ClickSuper's ability to continue to operate as a Clearing House is dependent on its continued ability to operate as a Gateway. However, there is a possibility that if the Gateway approval was withdrawn for any reason or ClickSuper decided to discontinue with this service it may be in a position to contract with another approved operator of a Gateway.

(d) Intellectual Property

The Group's business depends on its ability to commercially exploit its technology and intellectual property, and it relies on laws relating to patents, trade secrets, copyright and trademarks to assist in protecting its proprietary rights. However, there is a risk that unauthorised use or copying of the Group's patents, software, data, specialised technology or platforms will occur

Patents for Asia covering the **Process** have been approved in Japan and China. Patents for the Western World covering the **Process** have been approved in New Zealand and South Africa.

The Group has also lodged applications for patents in relation to the **Process** with the relevant authorities in Australia, Singapore, Hong Kong, Canada, and with the United States Patents and Trade Marks Office (**USPTO**) in relation to its technology. Whilst the Group is continuing to pursue these applications, there can be no guarantee that the patents sought by the Group in the relevant jurisdictions will be granted.

Refer to Section 7 for further information on the patents.

The Group's competitors or other third parties may have intellectual property rights and interests which could potentially come into conflict with its own. A patent does not grant the holder of the patent the right to freely or commercially practice the patent. There may also be patents currently registered either in Australia or in any other jurisdiction (e.g. the United States of America) which would restrict the Group from operating with the invention as disclosed in the Group's patent applications. If any trademark or patent infringement or other intellectual property claims against the Group are successful, the Group may not have a legal right to continue to develop, produce, use or sell products that are adjudicated to have infringed third-parties' intellectual property rights. The Group may be legally required to expend significant resources to redesign its products so that they do not infringe third-parties' intellectual property rights, or it may be required to obtain relevant licences to avoid further infringements. Intellectual property litigation against the Group could significantly disrupt its business, divert its management's attention, or consume much of its financial resources.

In addition, the Company cannot give any assurance that counterfeiting or imitation of its products will not occur in the future or, if it does occur, that it will be able to detect or address the problem effectively. Any occurrence of counterfeiting or imitation of its products or other breaches of the Group's intellectual property rights could negatively affect its reputation and brand name, lead to loss of consumer confidence in its brands, and, as a consequence, adversely affect its operations. Any litigation to prosecute infringements upon the Group's rights and products is likely to be expensive and may divert the management's attention, as well as other resources, away from its business.

(e) Key Personnel Risk

The Directors' and senior managers' ability to successfully manage the Company's performance and to expand and exploit the opportunities identified in this Prospectus will directly affect the success of the Company. The Company may be adversely affected if any of the Directors or senior management leave the Company.

(f) Customer Risk

ClickSuper customers generally contract the service by consenting to the terms of the Company's Product Disclosure Statement (PDS) which has no fixed contract term. Other clients have signed contracts which generally have a termination clause providing for notice of 60 days. Therefore, in general terms, ClickSuper customer contracts may be terminated by the customer on short notice. Termination of customer contracts will adversely affect the performance of the Company.

Some of ClickSuper's clients deliver their payroll solution via their accounting software service. ClickSuper's clients could decide to terminate their service with ClickSuper and either move to one of ClickSuper's competitors or develop their own Clearing House service. Such actions will adversely affect the performance of the Company.

(g) Interest Rate Risks

While funds are held in the Group's trust account they earn interest based on the 30 day bill rate less a margin charged by the bank. This interest (called "float income" by the Group) forms part of the fee for the ClickSuper Service.

Changes in short and long term interest rates can have a positive or negative impact on the Group's level of float income. If interest rates decrease, the Group's level of float income will decrease. However, if interest rates rise, the Group's level of float income will increase.

Notwithstanding the above, the Directors believe that float income will not continue to be earned by the Company from the last quarter of 2017 as funds may not continue to be held in the ClickSuper trust bank account for the same length of time. However, the Company has factored this into its pricing system and proposes to charge an additional fee per transaction in order to cover for the loss of float income.

The Directors have conducted sensitivity analysis on the assumptions that underlie these projections. Reductions or increase in cash rate of 1.5% by 0.25% will result in forecast float income decreasing or increasing by 16.7%.

(h) Competition Risks

Payroll services or software providers could develop their own Clearing House and establish a Gateway. If this is the case, ClickSuper may lose these entities as clients which may adversely affect the performance and growth prospects of the Group. However, a large volume of superannuation transactions is needed to support the cost structures of developing and maintaining a Gateway.

Superannuation funds offer a free service to employers to pay both their fund (usually referred to as a default fund) and for choice funds (where the employee wishes to pay to a fund of their choice). The superannuation fund usually contracts out the choice funds to a Clearing House service.

The largest providers of Clearing House services to superannuation funds are provided by Westpac (Quicksuper) and Superchoice. Either of these Clearing Houses could choose to compete with ClickSuper in the payroll market.

The Group operates in a competitive environment. Competitors of the Group may be large companies which have access to significant resources and money with which to compete with the Company.

Competition may result in the Group being unable to keep existing clients (and its current market share) and being unable to attract new clients. This would adversely affect the financial performance and prospects of the Group.

(i) Unanticipated Market Changes

It is possible that the superannuation and/or electronic payments markets may change in a way not anticipated by the Company. This change may be caused by the influence of Single Touch Payroll, for example, if superannuation funds were to invest in a methodology to create a path between the employer and the ATO. Such changes may adversely affect the growth prospects, operating results and financial performance of the Group.

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(j) Contractual and Counterparty Risks

As a party to many contracts, the Group will have various contractual rights in the event of non-compliance by a contracting party. However, no assurance can be given that all contracts will be fully performed by all contracting parties and that the Group will be successful in securing compliance with the terms of each contract by the counterparties to its contracts.

The Group's material contracts may contain provisions providing for early termination of the contracts, on giving notice and paying a termination amount (which varies between the contracts). The early termination of any of these contracts, for any reason, may mean that the Group will not realise the full value of the contract, which is likely to adversely affect the growth prospects, operating results and financial performance of the Group.

(k) Litigation

The Group is not currently involved in any material contractual disputes or litigation, arbitration or government prosecution matters. There is a risk that the Company may in the future have disputes with its customers/suppliers or other third parties (including payment disputes) and this may have an adverse impact on the Company's growth prospects, operating results and financial performance.

(l) Disruption of Business Operations

The Company and its customers are exposed to a large range of operational risks relating to both current and future operations. Such operational risks include equipment failure, accidents, information systems failure, external services failure, industrial action or disputes. While the Company endeavours to take appropriate action to mitigate these operational risks and, where the Directors consider it practicable, insure against them, the Company cannot remove all possible risks of disruption to its business operations, and it cannot control the risks its clients are exposed to. A disruption in the Company's operations or those of its clients may have an adverse impact on the Company's growth prospects, operating results and financial performance.

(m) Failure in Technology

The provision of the Company's services is a technically complex business requiring the deployment of sophisticated systems and technology. The Company depends on the capability and reliability of its information technology systems, and those of its key service providers to process transactions, report financial results and manage its business. A failure in these systems and technology could adversely affect the Company's ability to deliver its services to clients. This may adversely affect the Company's business and severely damage the Company's reputation.

A failure of critical computer equipment may also affect some or all of the Company's key service providers or suppliers. In such situations, the Company may not be able to source adequate or alternative sources of supply, which could impact on its ability to meet customer demand and impact the financial performance and future prospects of its business. Significant or sustained failure of the information technology systems of the Company's key service providers, or a disruption in the relationship between the Company and its key service providers would have a material adverse effect on the Company's financial performance.

(n) Data Breach, Misuse and Breach of Privacy

Through the ordinary course of business, the Group collects a wide range of confidential information. The ability to derive an employee's total salary from their superannuation guarantee amount and the emergence of identity theft has meant privacy and confidentiality of employee/employment information is a priority to all employers. Similarly, the secure carriage of superannuation payment details from payroll processing to the respective superannuation funds is also critical.

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The Group will maintain and rely extensively on information technology systems and network infrastructures for the effective operation of its business. It is also dependent on reliable telecommunication and information technology provision by third parties.

Cyber-attacks may compromise or breach the technology platform used by the Group to protect confidential information. There is a risk that the measures taken by the Group may not be sufficient to detect or prevent unauthorised access to, or disclosure of, such confidential information. Any data security breaches or the Group's failure to protect confidential information could result in the loss of information integrity, or breaches of the Group's obligations under applicable laws (e.g. privacy law) or customer agreements, each of which may materially adversely impact the Group's financial performance and reputation.

Techniques used to gain unauthorised access to private networks are constantly evolving and the Group may be unable to anticipate or prevent unauthorised access to data pertaining to its customers, which could include personally identifiable information. The Group's services are vulnerable to computer viruses, phishing attacks or other attacks and similar disruptions from unauthorised use of its systems, any of which could lead to system interruptions, delays or shutdowns, causing loss of critical data or the unauthorised access to personally identifiable information.

If an actual or perceived breach of security occurs of the Group's systems, it may face civil liability and public perception of its security measures could be diminished, either of which would negatively affect the Company's ability to attract or maintain customers. The Group also would be required to expend significant resources to mitigate any such breach of security and to address related matters.

(o) Liquidity and Realisation Risks

The Company is a small company when compared to other companies listed on ASX. As a result there may be limited liquidity of the Company's Shares on ASX at any given time. This may increase the volatility of the market price of the Shares as well as the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less than the price paid for their Shares.

(p) Concentration of Shareholding

Following completion of the Offer, the Existing Shareholders (which includes the Directors) will hold 89.6% at the minimum Subscription or 83.8% at the maximum Subscription of the Shares and voting rights in the Company. As a result the existing shareholders of the Company may be in a position to exert significant influence over the operations and outcomes of the Company including the election of Directors and approval of major transactions. The interests of Existing Shareholders may be different from the interests of investors who purchase Shares under the Offer.

(q) Reliance on Internet Access

The Group will depend on the ability of its customers and the payment recipients to access a deployed solution over telecommunications and internet access and to feel confident processing financial transactions online. Access is provided by various classes of entities in the telecommunications, broadband and internet access marketplace. Should any of these entities experience disrupted or restricted access to the Group's products or services, including prohibitive costs, usage of those products or services may be negatively impacted. Further, any reduction in levels of trust or confidence in online integrity may negatively impact usage of the Group's products or services.

(r) Programming Errors

The Group's products contain complicated programming and its objectives are to quickly develop and launch new and innovative products and features. They may therefore contain, now or in the future, errors, bugs or vulnerabilities or not be sufficiently documented or tested. Any errors, bugs or vulnerabilities discovered may take time to be remedied if not properly documented and could result in (among other consequences) damage to brand of the Group and its products or services, loss of customers, loss of platform partners, fall in revenues or liability for damages, any of which could adversely affect the Group's business and operating results.

(s) Failure to Listen and Satisfy Customer Requirements

The development and refinement of the Group's products and services requires the Group to work closely with existing and potential customers to listen to and understand their needs. There is the risk that the Group may fail to maintain its current service culture, for example by failing to listen to its customers, and may not develop products or provide services that satisfy its customers' requirements. This may negatively impact the Group's reputation and its customers' adoption of new products or services, and ultimately adversely impact the Group's revenue and profitability.

3.4 General Risks

Most of the general risks discussed below are outside the control of the Company and the Directors and cannot be mitigated.

(a) Share Market Risk

The price of Shares may rise or fall depending upon a range of factors beyond the Company's control and which are unrelated to the Company's operational performance. Investors who decide to sell their Shares after the Company's listing may not receive the entire amount of their original investment. The price of Shares listed on ASX may also be affected by a range of factors including the Company's financial performance and by changes in the business environment.

The Shares carry no guarantee in respect of profitability, dividends, return on capital, or the price at which they may trade on the ASX.

There are a number of national and international market factors that may affect the Share price including movements on international stock markets, economic conditions and general economic outlook, interest rates, legislation, monetary and other policy changes and general investors' perceptions. Neither the Company nor its Directors have control over these factors.

(b) General Economic Conditions

The general economic climate may affect the performance of the Company. These factors include the general level of international and domestic economic activity, inflation and interest rates. These factors are beyond the control of the Company and their impact cannot be predicted.

(c) Changes in Laws and Government Policy

Changes in laws and government policies (including changes to the Company's industry), both domestically and internationally, may adversely affect the financial performance or the current and proposed operations of the Company and the attractiveness of an investment in the Company.

(d) Taxation

There are tax implications arising from buying and selling Shares, the receipt of dividends (both franked and unfranked) (if any) from the Company and participation in any on-market Share buy-back. Investors should seek their own independent taxation advice before applying for Shares.

(e) Insurance Risks

Although the Company maintains insurance, no assurance can be given that adequate insurance will continue to be available to the Company in the future on commercially acceptable terms.

(f) Government Actions and Other Events

The impact of actions by domestic and international governments may affect the Company's activities, including in relation to interest rates and taxation.

(g) Unforeseen Expenses

The proposed expenditure on the Company's projects may be adversely affected by any unforeseen expenses which arise in the future and which have not been considered in this Prospectus.

4. FINANCIAL INFORMATION

4.1 Introduction

The financial information set out in this Section 4 includes the following:

- Summary pro forma consolidated historical statement of comprehensive income for the year ended 30 June 2014 (FY2014), the year ended 30 June 2015 (FY2015), and the ten months ended 30 April 2016 (YTD2016) (“Pro Forma Consolidated Historical Statement of Comprehensive Income”);
- Summary pro forma consolidated historical statement of cash flows for FY2014, FY2015, and YTD2016 (“Pro Forma Consolidated Historical Statement of Cash Flows”); and
- Consolidated historical and pro forma statement of financial position as at 30 April 2016 (“Consolidated Historical and Pro forma Consolidated Historical Statement of financial positions”);

together the (“Pro forma Historical Financial Information”).

4.2 Basis of Preparation

The Pro forma Historical Financial Information (other than the pro forma adjustments made to the historical statement of financial position as at 30 April 2016 and the results of those adjustments) have been derived from the audited historical financial statements for FY2014, FY2015 and YTD2016 of the following entities and/or businesses forming InPayTech;

- ClickSuper Pty Ltd;
- ClickSuper Unit Trust;
- RAJG Unit Trust;
- Bill Exchange Pty Ltd;
- Payment Advisor Pty Ltd;
- Jagwood Pty Ltd; and
- Integrated Payment Technologies Limited (YTD16 only).

(collectively referred to as “The Group” or InPayTech)

Refer to Section 9.4 for a summary of the Restructure Agreement.

The Group’s historical financial statements were prepared in Australian dollars and in accordance with AIFRS. The Group’s individual historical financial statements were audited by Hill Rogers Spence Steer for FY2014 and FY2015 who issued unmodified audit opinions in respect of these periods for each entity respectively. The Group’s individual historical financial statements for YTD2016 were audited by Grant Thornton Audit Pty Ltd who issued unmodified audit opinions.

The Directors are responsible for the inclusion of all financial information in this Prospectus. Investors should note that historical financial performance is not a guide for future financial performance.

The Pro Forma Historical Financial Information has been reviewed by Grant Thornton Corporate Finance Pty Ltd, whose Independent Limited Assurance Report is contained in Section 8.

The Pro Forma Historical Financial Information should be read together with the other information contained in this Prospectus, including:

- Management's discussion & analysis set out in this Section 4.4;
- The risk factors described in Section 3;
- The Use of Proceeds of the Offers described in Section 6.5;
- The indicative capital structure described in Section 6.6;
- The Independent Limited Assurance Report on the Pro Forma Historical Financial Information set out in Section 8; and
- The other information contained in this Prospectus.

Non IFRS Financial Measures

Investors should be aware that certain financial data included in this Section 4 is "non IFRS financial information" under Regulatory Guide 230: "Disclosing non IFRS financial information" published by ASIC. The Company believes that this non IFRS financial information provides useful information to users in measuring the financial performance and conditions of InPayTech. As non IFRS measures are not defined by recognised standard setting bodies, they do not have a prescribed meaning. Therefore, the way in which the Group calculates these measures may be different to the way other companies calculate similarly titled measures. Investors are cautioned not to place undue reliance on any non IFRS financial information and ratios.

In particular the following non IFRS financial data is included:

- EBITDA which means earnings before interest (excluding float interest), taxation depreciation and amortisation;
- EBIT which means earnings before interest (excluding float interest) and taxation;
- Channels refer to payroll aggregators (providers) that outsource payroll services to employers;
- Float refers to the monetary value of the transactions processed by InPayTech in their role as a superannuation clearing house; and
- Revenue refers to income earned through the provisioning of services rendered. This is predominantly in the form of facility fees (account keeping fee), transaction fees and float interest revenue. Float interest is specifically included in the above measures of EBITDA and EBIT as it is derived in the ordinary activities of the business and is therefore a non IFRS financial measure.

All amounts disclosed in this section are presented in Australian Dollars, unless otherwise noted, and are rounded to the nearest \$'000.

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4.3 Pro Forma Historical Financial Performance

The table below presents the summarised pro forma consolidated statement of comprehensive income for FY2014, FY2015 and YTD2016.

\$'000	Pro forma Consolidated		
	FY2014	FY2015	10 months ended 30 April 2016
Revenue	862	1,274	1,514
Direct costs	(396)	(440)	(451)
Gross margin	466	834	1,063
Overheads	(1,268)	(1,057)	(971)
EBITDA (exc. development costs)	(802)	(223)	92
Development costs	(860)	(414)	(390)
EBITDA	(1,662)	(637)	(298)
Depreciation	(5)	(3)	(1)
EBIT	(1,667)	(640)	(299)
Interest income ²	-	-	-
NPBT	(1,667)	(640)	(299)
Income tax benefit ¹	410	-	(410)
NPAT	(1,257)	(640)	(709)

The pro forma consolidated historical statement of comprehensive income has been extracted from the audited financial statements of the entities comprising the InPayTech Group for the financial years ended FY2014, FY2015 and YTD2016.

1. In FY2014 the income tax benefit consisted of an R&D tax offset. The R&D offset application was withdrawn and reversed in YTD16
2. Adjusted for the impact of the historical interest expense in relation to director related entity borrowings as this debt is not indicative of the capital structure going forward and has been repaid in full.

4.4 Management Discussion and Analysis of Financial Performance and Key Operating Metrics

4.4.1 Revenue

InPayTech generates revenue through charging employers facility fees and transaction fees in addition to receiving interest on holding superannuation contributions. InPayTech's revenues have increased between FY2014 and YTD2016 due to the utilisation of the SuperStream platform. The key drivers are increases in channels / employers under management; the number of transactions processed and the fund contribution volume; all of which have increased between FY2014 and YTD2016 as set out below.

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\$'000	FY2014	FY2015	10 months ended 30 April 2016
Facility fees	170	404	548
Float interest	313	434	453
Transaction fees	296	379	406
Other	83	57	107
Total revenue	862	1,274	1,514
Number of channels / employers	340	495	577
Float contribution volume (\$'000)	1,054,481	1,824,349	2,140,033
Number of transactions processed ('000)	1,159	3,165	3,469

Facility fees

Facility fees are an account keeping fee charged to employers for the use of InPayTech's platform (being the payment clearing house) and charged on a sliding scale basis based on the number of employees managed per channel / employer. One channel customer pays a fixed fee per employer due to the smaller nature of their clientele. Management expect that this channel will transition to the same sliding scale as all other channels by 31 October 2016 when all employers associated with the channel are SuperStream compliant.

Facility fees are correlated to the number of channels/employers. As the number of channels/employers has increased from FY14 to YTD16, the facility fee income has increased. This growth is attributed to the impact of SuperStream, with employers required to be SuperStream compliant and InPayTech providing a service to allow them to do so.

Float interest

Float interest revenue is derived in accordance with InPayTech's standard transaction processing terms, whereby the employee's superannuation contribution is held for a period of 3 days (being the bank's standard clearing time) before remitting the payment to the employee's underlying superannuation fund. InPayTech earns interest income on the transaction amount for the period of time held. Float interest has historically been benchmarked against Westpac's 30 days bank bill on a sliding scale depending on the float contribution, and is directly correlated to the volume of funds contributed, with the Group operating in a historically low interest rate environment. Effective 1 August 2016, the Group will earn interest on the float base on the 30 day bill rate less 20 basis points.

Transaction fees

Transaction fees are charged on a per employee per transaction basis. The number of transactions processed by InPayTech has increased from 1.2 million in FY2014 to 3.5 million in the ten months ended 30 April 2016. The monthly run rate of transactions processed for the 3 months ended 30 April 2016 is 480,000 per month.

4.4.2 Direct Costs – Hosting and Banking Fees

Hosting fees are charged for outsourced infrastructure services rendered in relation to the SuperStream platform and server management.

Banking fees are charged monthly on a variable basis depending on transaction volume, size and payment method. Banking fees have increased due to the number and dollar volume of transactions processed by InPayTech.

4.4.3 Overheads

Employee expenses constitute the largest overhead for InPayTech totalling \$0.9 million in FY2015 (61.2% of total overhead costs). As at 30 April 2016, InPayTech employed 10 FTEs, and 1 casual employee. Other overheads relate to professional fees incurred in addition to insurance, recruitment and property rental costs.

4.4.4 Development Costs

Historically all expenditure directly related to establishing patents and/or development of the e-commerce platform have been expensed in the statement of comprehensive income, with no assessment undertaken to determine their eligibility to be capitalised in accordance with AASB138: "Intangible Assets". The majority of these costs were incurred in FY2014.

4.5 Management Discussion and Analysis of the Pro Forma Historical Cash Flows

The table below presents the summarised pro forma consolidated statement of cash flows for FY2014, FY2015, and YTD2016.

\$'000 June year end	Consolidated		
	FY2014	FY2015	10 months ended 30 April 2016
CASH FLOWS FROM OPERATING ACTIVITIES			
EBITDA	(1,662)	(637)	(298)
(Increase)/decrease in working capital	(185)	22	(48)
Movement in other assets and liabilities	22	(33)	51
R&D tax rebate	481	410	(410)
Net cash outflow from operating activities	(1,344)	(238)	(705)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	-	(4)	(5)
Net cash outflow from investing activities	-	(4)	(5)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net interest paid	(665)	(787)	(688)
Net receipt of borrowings	1,901	1,070	(108)
Proceeds from the issue of equity	-	-	1,600
Net cash inflow/(outflow) from financing activities	1,236	283	804
Net increase /(decrease) in cash held	(108)	41	94
Cash and cash equivalents at the beginning of the period	262	154	195
Cash and cash equivalents at the end of the period	154	195	289

1. The pro forma consolidated historical statement of cash flows has been extracted from the audited financial statements of the entities comprising the InPayTech Group for the financial years ended FY2014, FY2015 and YTD2016.

2. Net interest paid includes the interest paid on Director related borrowings extinguished prior to listing and therefore not included in the Pro forma Income Statement.

4.5.1 Operating and Cash Flows

InPayTech has incurred negative operating cash flows which is indicative of the EBITDA losses incurred between FY2014 and YTD2016 with minimal movements in working capital.

Historically the Group has benefited from the receipt of R&D tax benefits (tax offset). The claim lodged in FY14 was receipted in FY15, however the Group withdrew this claim in FY16 and repaid the funds to AusIndustries.

4.5.2 Investing Cash Flows

InPayTech has historically had minimal investment in capital assets, with the majority of capital additions related to items of office equipment. All patent and software development costs have been historically expensed.

4.5.3 Financing Cash Flows

InPayTech has funded the net operating cash outflows through \$10 million in loans from Director related entities. Interest paid relates to the interest paid on the Director related borrowings at a rate of 8%p.a.

In addition \$1.6 million was raised in YTD2016 through the issuing of 1,600,000 units at \$1 each.

4.6 Consolidated Historical and Pro Forma Statement of Financial Position at 30 April 2016

The table below sets out the audited historical statement of financial position, the pro forma adjustments that have been made to it (further described in Section 4.7) and the pro forma consolidated statement of financial position as at 30 April 2016.

The pro forma statement of financial position is provided for illustrative purposes only and is not represented as being necessarily indicative of InPayTech's view of its future financial position.

The starting position of the pro forma statement of financial position is the financial position of Integrated Payments Technology Limited (not the financial position of the historical trading Group).

\$'000 30 April 2016	Note	Audited \$'000	Pro forma adjustments \$'000	Minimum Offer Pro Forma \$'000	Pro forma adjustments \$'000	Maximum Offer Pro Forma \$'000
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	4.7.3	-	3,521	3,521	1,878	5,399
Trade and other receivables		82	(73)	9	-	9
Other current assets		20	-	20	-	20
TOTAL CURRENT ASSETS		102	3,448	3,550	1,878	5,428
NON CURRENT ASSETS						
Intangible assets	4.7.6	-	15,639	15,639	-	15,639
TOTAL NON CURRENT ASSETS		-	15,639	15,639	-	15,639
TOTAL ASSETS		102	19,087	19,189	1,878	21,067
LIABILITIES						
CURRENT LIABILITIES						
Provisions		-	55	55	-	55
Borrowings		108	(108)	-	-	-
TOTAL CURRENT LIABILITIES		108	(53)	55	-	55
NON CURRENT LIABILITIES						
Deferred tax liability		-	1,537	1,537	-	1,537
TOTAL LONG TERM LIABILITIES		-	1,537	1,537	-	1,537
TOTAL LIABILITIES		108	1,484	1,592	-	1,592
NET ASSETS		(6)	17,603	17,597	1,878	19,475
SHAREHOLDERS EQUITY						
Issued capital	4.7.4	-	17,987	17,987	1,868	19,855
Retained losses	4.7.5	(6)	(384)	(390)	10	(380)
TOTAL SHAREHOLDERS EQUITY		(6)	17,603	17,597	1,878	19,475

The pro forma consolidated historical Statement of financial position has been extracted from the audited financial statements of entities comprising the InPayTech Group for the period ended 30 April 2016.

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4.7 Restructure accounting

4.7.1 Restructuring Accounting

The Company was established in March 2016 for the purposes of acquiring the business and assets of the Payment Advisor Group. The acquisition by InPayTech has been accounted for in accordance with AASB 3: “Business Combinations”.

The Directors commissioned an independent valuation assessment for the purposes of the purchase price allocation for the acquisition of the Payment Advisor Group. The purchase price allocation is set out below:

	Fair value \$'000
Purchase price allocation	
Patents	440
Customer relationships	5,124
Software	3,332
Total identifiable intangibles	8,896
Goodwill (implied)	6,743
Total intangible assets	15,639
Deferred tax on newly identifiable intangible assets	(1,537)
Net cash	22
Cost of acquisitions	14,124

4.7.2 Pro Forma Adjustments

The following transactions and events contemplated in this Prospectus which are to take place on or before the completion of the Offer, referred to as the Pro Forma Adjustments, are presented as if they, together with the Offer, had occurred on or before 30 April 2016 and are set out below.

With the exception of the pro forma transactions noted below no material transactions have occurred between 30 April 2016 and the date of this Prospectus which the Directors consider require disclosure.

Pro forma transactions:

Subsequent events

- (1) The issue of 129,420,145 fully paid ordinary shares at \$0.12, amounting to \$15.5 million between May and July 2016. Total offer costs borne in relation to this offer was \$395,000;
- (2) Acquisition of the businesses and selected assets of the Payment Advisor Group for a total consideration of \$14.1 million. \$11.6 million will be paid up front, with \$2.5 million paid at the completion of the Offer. The employee provisions of the Payment Advisor Group will be transferred to InPayTech and paid for in cash with any other amounts owing repaid from the proceeds above;

Offer

- (3) The issue of 15,000,000 shares at \$0.20 each amounting to \$3,000,000 in relation to the minimum Offer;
- (4) Remaining costs in relation to the minimum Offer of \$532,000 (refer to Section 9.11 for further details). \$202,000 will be deducted from equity under the minimum Offer, with the remaining \$330,000 expensed;
- (5) The issue of 25,000,000 shares at \$0.20 each amounting to \$5,000,000 in relation to the maximum Offer;

- (6) Remaining costs in relation to the maximum Offer of \$654,000 (refer to section 9.11 for further details). \$334,000 will be deducted from equity under the maximum Offer, with the remaining \$320,000 expensed; and
- (7) Payment of the remaining \$2.5 million to the vendors of the former Payment Advisor Group in relation to the restructure.

A Deferred Tax Liability (DTL) will be recognised in relation to the intangible assets acquired as part of the purchase price allocation on the acquisition of the Payment Advisor Group.

4.7.3 Pro Forma Cash and Cash Equivalents

	Pro forma adjustment	Minimum Pro Forma \$'000	Maximum Pro Forma \$'000
Audited cash and cash equivalents at 30 April 2016		-	-
Pro forma transactions:			
Issue of shares between May and July 2016 (incl. offer costs)	4.7.2.1	15,208	15,208
Consideration paid for Payment Advisor Group	4.7.2.2	(11,602)	(11,602)
Payment received for employee provisions for Payment Advisor Group	4.7.2.2	55	55
Repayment of intergroup loan	4.7.2.2	(108)	(108)
Subtotal		3,553	3,553
Proceeds from shares issued under the Offer	4.7.2.3 & 4.7.2.5	3,000	5,000
IPO costs in relation to the Offer	4.7.2.4 & 4.7.2.6	(532)	(654)
Remaining consideration paid	4.7.2.7	(2,500)	(2,500)
Pro forma cash and cash equivalents		3,521	5,399

InPayTech Group expects that it will have sufficient cash to fund its operational requirements and business needs following the Offer.

4.7.4 Pro Forma Share Capital

	Pro forma adjustment	Minimum Pro Forma \$'000	Maximum Pro Forma \$'000
Audited share capital at 30 April 2016		-	-
Pro forma transactions:			
Issue of shares between May and July 2016	4.7.2.1	15,530	15,530
Issue costs capitalised	4.7.2.1	(341)	(341)
Proceeds from shares issued under the Offer	4.7.2.3 & 4.7.2.5	3,000	5,000
Offer costs capitalised	4.7.2.4 & 4.7.2.6	(202)	(334)
Pro forma share capital		17,987	19,855

	Pro forma adjustment	Minimum Pro Forma \$'000	Maximum Pro Forma \$'000
Audited number of shares at 30 April 2016		4	4
Pro forma transactions:			
Issue of shares between May and July 2016	4.7.2.1	129,420,145	129,420,145
Shares issued under the Offer	4.7.2.3 & 4.7.2.5	15,000,000	25,000,000
Pro forma number of shares issued		144,420,149	154,420,149

4.7.5 Pro Forma Retained Losses

	Pro forma adjustment	Minimum Pro Forma \$'000	Maximum Pro Forma \$'000
Audited retained losses at 30 April 2016		(6)	(6)
Pro forma transactions:			
Costs of issue expensed	4.7.2.1	(54)	(54)
IPO costs in relation to Offer expensed	4.7.2.4 & 4.7.2.6	(330)	(320)
Pro forma retained losses		(390)	(380)



4.7.6 Pro Forma Intangible Assets

	Pro forma adjustment	Pro Forma \$'000
Audited intangible assets at 30 April 2016		-
Pro forma transactions:		
Patents acquired	4.7.2.2	440
Customer relationships acquired	4.7.2.2	5,124
Software acquired	4.7.2.2	3,332
Goodwill acquired	4.7.2.2	6,743
Pro forma intangible assets		15,639



5. DIRECTORS, MANAGEMENT AND CORPORATE GOVERNANCE

5.1 Board of Directors

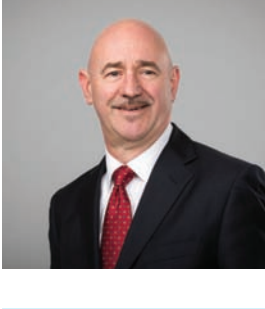


The Board comprises an Executive Chairman, an Executive Director and one Non-Executive Director. The Directors bring to the Board relevant skills and experience, including industry and business knowledge, financial management and corporate governance experience.

	Director	Expertise, experience and qualifications	Years experience	Status
	<p>Don Sharp BBus, CPA, FAICD <i>Executive Chairman</i> <i>Appointed</i> <i>9 March 2016</i></p>	<ul style="list-style-type: none"> • Don is currently the Executive Chairman of ASX listed company Managed Accounts Holdings Limited and a Director of Registry Direct Limited. • He was chairman of another listed company and a director of two others. • He has had extensive experience in the financial services industry. 	40	Non Independent due to his significant shareholding and Executive roles
	<p>Robin Beauchamp <i>CEO – Director</i> <i>Appointed</i> <i>9 March 2016</i></p>	<ul style="list-style-type: none"> • Robin Beauchamp is a financial technology specialist with over 30 years' experience in the Australian financial services industry • Robin held the role of banking software development manager for Misys Australia and consulted to banks in Australia and the United Kingdom. • In 1993 Robin founded the financial software company Investsoft that developed and marketed unitized portfolio management and financial planner commission management software. 	30	Non Independent due to his executive roles

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	Director	Expertise, experience and qualifications	Years experience	Status
	Jonathon (Jake) Wynne <i>Independent Director</i> <i>Appointed 9 March 2016</i>	<ul style="list-style-type: none"> Jake has over 30 years IT experience with a proven track record in building and creating a profitable company 	30	Independent
	Secretary	Expertise, experience and qualifications	Years experience	Status
	Jillian McGregor BCom LLB Grad Dip GIA <i>Company Secretary</i> <i>Appointed 9 March 2016</i>	<ul style="list-style-type: none"> Jillian has approximately 20 years' experience as a corporate lawyer, during which time she regularly advised companies and directors on compliance with the Corporations Act 2001 (Cth), ASX listing rules and other corporate legal matters. 	20	

5.2 Senior Management Team

		Expertise, experience and qualifications
	<p>Robin Beauchamp <i>Chief Executive Officer</i></p>	<ul style="list-style-type: none"> • See Section 5.1
	<p>Jillian McGregor BCom LLB Grad Dip GIA <i>Company Secretary</i></p>	<ul style="list-style-type: none"> • See Section 5.1
	<p>Nathan Thomas BIT (software), MBA (computing) <i>Chief Operating Officer</i> <i>COO</i></p>	<ul style="list-style-type: none"> • Nathan has over 15 years of experience in the information technology industry; in his most recent role at Hewlett Packard Enterprise he led the business in the disruptive field of Big Data across the South Pacific region. Responsibilities included owning the complete go to market strategy, product development, sales, customer engagement, program execution and relationship management. • Nathan has held senior management roles with Hewlett Packard Enterprise and served as a non-executive director on several not-for-profit organisations. These roles have included responsibility for sales, product development, finance, operations management, organisational development, technology strategies and implementing change. • Nathan represented Australia in the sport of Water Polo, playing over 350 games and competing in the Sydney 2000 and Athens 2004 Olympic Games. Nathan captained the 2004 Olympic Games Water Polo team and he continues to play for the Sydney University club today.

5.3 Interests and Remuneration of Directors and Senior Management

- (a) The table below sets out the remuneration of the Directors and key management personnel as at the date of this Prospectus

	Fees	Salary	Superannuation	Total
Don Sharp <i>Executive Chairman</i>		\$75,000	\$7,125	\$82,125
Robin Beauchamp <i>CEO-Director</i>		\$273,973	\$26,027	\$300,000
Jonathon (Jake) Wynne <i>Independent Director</i>	\$60,000		\$5,700	\$65,700
Nathan Thomas <i>COO</i>		\$200,000	\$19,000	\$219,000

The Company's executive and other personnel are employed under individual employment agreements which establish:

- total compensation;
- notice and termination provisions of up to three months, or by the Company without notice in the event of serious misconduct; and
- leave entitlements as per the applicable employment standards and legislation

No bonus arrangements are in place for either executives or other personnel. Senior executives participate in the Employees Share Option Plan.

Further details on the employment agreements for the executives listed above are set out in Section 9.4.

Options

Robin Beauchamp will be granted 5,000,000 Options at an exercise price of 20 cents under the Employee Share Option Plan if the Maximum Subscription of \$5,000,000 is met (or 4,500,000 Options if the Minimum Subscription of \$3,000,000 is met but the Maximum Subscription is not met).

Nathan Thomas will be granted 2,500,000 Options at an exercise price of 20 cents under the Employee Share Option Plan.

See Section 9.5 for further details on the terms of the Employee Share Option Plan

(i) Non-executive Directors

Under the Constitution, the Board may decide the remuneration that each Director is entitled to from the Company for his or her services in any capacity. However, the total amount paid to all non-executive Directors of the Company must not exceed in aggregate in any financial year, the amount fixed by the Company in a general meeting. This amount has been fixed at \$180,000.

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The remuneration of a Director (who is not a Managing Director or an Executive Director) must not include a commission on, or a percentage of, profits or operating revenue.

The annual non-executive Director fees currently agreed to be paid by the Company is \$50,000 plus superannuation guarantee contributions for each non-executive Director (excluding any fees for acting as the Chair of any Board Committee). The Company will annually review Directors' fees.

Each non-executive director who acts as the Chair of a Board Committee will receive an additional fee of \$5,000 per annum for each Committee. However, other members of Board Committees are not entitled to receive any additional remuneration for their role as a member of a Board Committee. However, the reasonable expenses incurred by members of Board Committees in discharging their obligations and attending Board Committee meetings will be reimbursed by the Company, consistent with the Company's policies which are established from time to time.

(ii) Other remuneration arrangements

Directors may be paid for all travel and other expenses incurred in attending to the Company's affairs, including attending and returning from meetings of Directors or Board Committees or general meetings. Any Director who devotes special attention to the business of the Company or who performs services which, in the opinion of the Board, are outside the scope of ordinary duties of a director, may be remunerated for the services (as determined by the Board) out of the funds of the Company. There are no retirement benefit schemes for Directors, other than statutory superannuation contributions.

(b) Holdings of Directors and senior management

Directors are not required under the Constitution to hold any Shares. The Directors (and their associates) are entitled to apply for Shares under the Offer.

This table sets out the interests in Shares and Options held under the Employee Share Option Plan held by the Directors and members of senior management named in this prospectus and their related parties (either directly or indirectly) as at the completion of this Offer:

Director	Shares and Options held (both directly and indirectly) at date of this Prospectus					
Name	Shares held immediately after completion of the Offer	% of total Shares on issue immediately after completion of the Offer		Options held at the date of this Prospectus	Options held after Completion of the Offer	
		Minimum	Maximum		Minimum	Maximum
Don Sharp	31,527,397	21.80%	20.40%	Nil	Nil	Nil
Robin Beauchamp	2,042,600	1.41%	1.32%	Nil	4,500,000	5,000,000
Jonathon (Jake) Wynne	833,340	0.57%	0.54%	Nil	Nil	Nil
Nathan Thomas	Nil	Nil	Nil	Nil	2,500,000	2,500,000

5.4 Related Party Transactions

(a) Restructure Agreements

The Company is a new company that was formed to acquire the business and assets of the Payment Adviser Group. This restructure was undertaken to facilitate the listing of the Group on the ASX. A summary of the Restructure Agreements is set out in Section 9.4.

The Restructure Agreements involved related party transactions as some of the sellers of assets and shares were parties associated with the directors of the Company.

Formal shareholder approval for the related party transactions was not obtained by the Company under Chapter 2E of the Corporations Act as it was determined by the Directors that the Restructure Agreements were on arm's length terms.

(b) Proposed Grant of Options

Section 9.5 describes the proposed grant of options to Robin Beauchamp, the Chief Executive Officer of the Company. As Robin is a director of the Company, this proposed option grant is a related party transaction.

Shareholder approval for the proposed related party transaction has not and will not be obtained by the Company as it has been determined that the proposed grant of options is reasonable remuneration for Mr Beauchamp given the Company's circumstances and Mr Beauchamp's circumstances including the responsibilities of his office.

(c) Share Issues

34,403,337 ordinary shares in the capital of the Company were issued to parties associated with some of the Directors of the Company at a share price of 12 cents per share.

Formal shareholder approval for these share issues was not obtained by the Company under Chapter 2E of the Corporations Act as it was determined that the share issues were made on arm's length terms. This determination was made partly on the basis that the share issues were made on the same terms and price as a capital raising under an offer made to third party investors.

(d) Deeds of Access, Indemnity and Insurance

The Company has entered into a Deed of Access, Indemnity and Insurance with each of the Directors. See Section 5.7(g) below for further details.

5.5 Legal or Disciplinary Action

No Director (or company that the Director was a director of at the relevant time) has, in the 10 year period ending on the date of this Prospectus, had any legal or disciplinary action against the Director that is relevant to the Director's role in the Company and a potential investor's decision to apply for Shares.

5.6 Insolvent Companies

No Director has been an officer of a company that entered into a form of external administration because of insolvency while the Director was an officer of the company or within 12 months of the Director ceasing to be an officer of the company.

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5.7 Corporate Governance

Overview

The Board has adopted the following corporate governance policies. These policies set out the framework for the management of the Company and the standard of conduct expected of both the Company and the Board. The framework will be reviewed regularly and revised in response to changes in law, developments in corporate governance and changes to the Company's business.

In establishing its corporate governance framework, the Board has referred to the 3rd edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

The Company's full corporate governance policies are available from the Company's website (www.inpaytech.com.au).

(a) Board Charter

The Board is responsible to shareholders for the long-term performance of the Company and for overseeing the implementation of appropriate corporate governance with respect to the Company's affairs.

The Board has adopted a formal Board Charter that details the Board's role, authority, responsibilities, membership and operations.

The Charter sets out the matters reserved for the Board unless otherwise delegated to management. The Board delegates responsibility for implementing the strategic direction and managing the day to day operations to the Chief Executive Officer.

In general, the Board has (among others) the following responsibilities:

- (i) setting the direction, strategies and financial objectives of the Company and ensuring appropriate resources are available;
- (ii) overseeing management's implementation of the Company's strategic objectives and its performance generally;
- (iii) monitoring compliance with control and accountability systems, regulatory requirements and ethical standards;
- (iv) ensuring the preparation of accurate financial reports and statements;
- (v) reporting to shareholders and the investment community on the performance and state of the Company;
- (vi) approving operating budgets and major capital expenditure;
- (vii) overseeing the integrity of the Company's accounting and corporate reporting systems including the external audit;
- (viii) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (ix) ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate; and
- (x) monitoring the effectiveness of the Company's governance practices.

(b) Board committees

The Board has established some Board committees, drawing on the experience and expertise of its member Directors. The general purpose of each committee is set out below.

(i) Audit, Risk and Compliance Committee**A. Audit and Finance matters**

Amongst other things, the Committee is responsible for:

- Financial Statements: reviewing the audited annual and half yearly financial statements and any reports which accompany published financial statements before submission to the Board, recommending their approval;
- Auditor Independence: reviewing the evaluation by management of factors related to the independence of the Company's auditor and to assist them in the preservation of such independence;
- External Audit Function: monitoring and reviewing the appointment of and function of the external audit;
- Related Party Transactions: monitoring and reviewing the propriety of any related party transactions.

B. Risk and Compliance matters

Amongst other things, the Committee is responsible for:

- overseeing the establishment and implementation by the Board of a system for identifying, assessing, monitoring and managing material risk throughout the Company. This system will include the Company's internal compliance and control systems;
- annually reviewing the Company's risk management systems to ensure the exposure to the various categories of risk are minimised prior to endorsement by the Board; and
- evaluating the Company's exposure to fraud.

(ii) Remuneration and Nomination Committee

In general, the role of the Committee is to assist the Board on the following matters:

- reviewing Director and senior executive selection and appointment (including terms of appointment, remuneration and role);
- ensuring the performance of the Board and its members is regularly reviewed; and
- succession planning for the Board and senior executives.

(c) Code of Conduct

The Company is committed to promoting good corporate conduct grounded by strong ethics and responsibility. The Company has adopted a Code of Conduct which addresses matters relevant to the Company's legal and ethical obligations to its stakeholders. The Code of Conduct applies to all Directors, employees, contractors and officers of the Group.

(d) Continuous disclosure

Following admission of the Company to the Official List, the Company will be subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

The Company is committed to:

- (i) ensuring that shareholders and the market are provided with full and timely information about its activities;
- (ii) complying with the continuous disclosure obligations contained in the Listing Rules and the Corporations Act; and
- (iii) providing equal opportunity for all stakeholders to receive externally available information issued by the Company in a timely manner.

The Company has adopted a continuous disclosure policy which covers financial markets communication, media contact and continuous disclosure issues.

(e) Policy for dealing in securities

The Board has adopted a policy that sets out the guidelines and requirements for all Directors, staff and contractors to adhere to when trading in the Company's securities. The policy generally provides that the written acknowledgement of the Chairman (or the Chief Executive Officer in the case of the Chairman) must be obtained prior to trading.

(f) Shareholder participation at meetings

The Company's meetings are intended to give shareholders an opportunity to consider and vote on the resolutions before the meeting and ask questions of the Board, management and auditor (if relevant) generally on the items of business before the meeting, the management of the Company or the conduct of the audit and the auditor's report (for an annual general meeting).

The Company's policies to facilitate and encourage participation at meetings include to provide a reasonable opportunity for shareholders, as a whole at the meeting, to ask questions of the Board, answer shareholders' questions honestly and fairly and inform shareholders as to the proxy position with respect to the resolutions to be considered by the meeting and the manner in which the chairman of the meeting intends to vote available proxies.

In order to facilitate and promote voting by shareholders at general meetings, the Company intends to implement an online proxy voting system.

(g) Deeds of indemnity, access and insurance

The Company has entered into an indemnity and protection deed with each Director which confirms the Director's right of access to Board papers and requires the Company to indemnify a Director, on a full indemnity basis and to the maximum extent permitted by applicable law, against all liabilities (including all reasonable legal costs) incurred by the Director in his or her capacity as an officer of the Company or of a related body corporate.

Under the indemnity and protection deeds, subject to applicable laws, the Company must maintain an insurance policy with a recognised and reputable insurer insuring each Director against a liability incurred by the Director as an officer of the Company or a related body corporate.

6. OFFER DETAILS

This Section provides an overview of the Offer and should be read in conjunction with the remainder of the Prospectus.

6.1 The Offer

This Prospectus invites Applications for a minimum of 15,000,000 Shares and up to a maximum of 25,000,000 Shares at an Offer Price of 20 cents per Share to raise a minimum of \$3,000,000 to a maximum of \$5,000,000.

All Shares issued under this Prospectus will be fully paid and will rank equally with each other and with all other Shares already on issue.

6.2 Minimum Subscription

The minimum total amount of subscriptions to be raised pursuant to this Prospectus is \$3,000,000.

No Shares will be issued under this Prospectus until the Minimum Subscription has been received. If the Minimum Subscription has not been received within 3 months after the date of this Prospectus, all Applications will be dealt with in accordance with the Corporations Act.

The Offer is not being underwritten.

6.3 How to Apply

Applications can only be made by completing the Application Form accompanying this Prospectus in accordance with the instructions on the Application Form.

Applications must be for at least 10,000 Shares (i.e. \$2,000) and otherwise in multiples of 1,000 Shares (i.e. \$200). Applications for less than the minimum number of Shares will not be accepted.

All Application Forms must be received by the Closing Date, together with the Application Monies, at the Share Registry at the address indicated on the Application Form. Cheques or bank drafts must be in Australian dollars and drawn on an Australian financial institution and must be made payable to “Integrated Payment Technologies Limited application account” or directly to the Integrated Payment Technologies Limited application account BSB 032 099 account number 644709.

6.4 Application Monies Held on Trust

All Application Monies will be held on trust in a separate bank account, opened only for this purpose, until the Shares are issued and allocated under the Offer, or the Application Monies are returned to the Applicants.

6.5 Purpose of the Offer and Uses of Funds

The purpose of the Offer is to:

- (a) obtain admission to the Official List of the ASX;
- (b) provide the Company with sufficient funds to commercialise the Patents;
- (c) pay the balance of the consideration under the Restructure Agreements; and
- (d) access further funds if suitable acquisitions are identified.

The Directors are satisfied that following the successful close of the Offer and from the application of existing funds, the Company will have sufficient working capital to meet its stated objectives.

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The following table shows the expected application of funds on completion of the Offer.

Use of Proceeds – minimum subscription

Sources	\$'000	Uses	\$'000	% of total
Offer	3,000	Repayment of balance under Restructure Agreements	2,500	38.9%
Estimated cash balance at the date of the Prospectus	3,435	Commercialise patents	600	9.3%
		Offer costs	532	8.3%
		Capital required for AFSL	500	7.8%
		Sub total	4,132	64.3%
		Working capital	2,303	35.7%
Total	6,435		6,435	100.0%

Amounts raised in excess of the minimum subscription of \$3,000,000 will be applied to working capital, up to an additional \$2,000,000. If the maximum subscription is raised, a further \$122,000 of offer costs will be incurred. Refer to Section 9.11 for further details regarding the costs of the Offer.

This table is a statement of current intentions of the Directors as at the date of this Prospectus. Actual use of funds may differ from the budgeted use of funds based on commercialising Patents. The Board may alter the way funds are applied in the future.

6.6 Capital Structure

Following completion of the Offer the capital structure of the Company will be as follows:

Shareholders	Existing Shares held immediately prior to the Offer	minimum		maximum	
		Shares held immediately following Completion of the Offer	Shares held immediately following Completion of the Offer (%)	Shares held immediately following Completion of the Offer	Shares held immediately following Completion of the Offer (%)
Existing Shareholders	129,420,149	129,420,149	89.60%	129,420,149	83.80%
New shareholders at IPO		15,000,000	10.40%	25,000,000	16.20%
Shares outstanding	129,420,149	144,420,149	100.00%	154,420,149	100.00%

6.7 Escrow Arrangements

It is anticipated that up to 129,420,149 Shares may be escrowed by the ASX. Based on the cash test up to 40% of their holding as follows:

- Related parties of Don Sharp and Colin Scully holding 67,647,114 of which 40% may be escrowed for 24 months from the date of admission to ASX;
- Other shareholders may be escrowed for 12 months for 40% of their shareholding from the date of their investment, either 17 May 2016 or the 5 July 2016.

Further details on these escrow arrangements are set out in Section 6.17.

6.8 Allocation Policy

Subject to ASX granting approval for the Company to be admitted to the Official List, the Directors will finalise the allocation of the Shares as soon as possible after the Closing Date. The Company reserves the right to authorise the issue of a lesser number of Shares than those for which an Application has been made or to reject any Application. The final allocation of Shares between Applicants will be determined solely by the Company. If no issue or allocation of Shares is made or the number of Shares allocated is less than the number applied for, the surplus Application Monies will be refunded to the Applicant. Interest will not be paid on any refunded Application Monies.

Any Applicants who sell Shares before they receive their transaction confirmation statements will do so at their own risk.

A completed and lodged Application Form, together with a cheque or transfer of funds to the Company's application bank account, for the Application Monies, constitutes a binding and irrevocable Application for the number of Shares specified in the Application Form, or any lesser number allocated by the Company.

If the Application Form is not completed correctly, or if the accompanying payment of the Application Monies is for the wrong amount, it may still be treated as a valid Application. The Directors may complete any blanks or spaces left in any Application Form and the Applicant, by lodging the Application, appoints the Directors severally as its attorneys in this regard and authorises all such amendments. The Directors' decision whether to treat the Application as valid and how to construe, amend or complete the Application Form is final. However, an Applicant will not be treated as having applied for more Shares than can be subscribed for by the amount of the cheque for the Application Monies. The Company's decision on the number of Shares to be allocated to an Applicant will also be final.

No securities will be issued under this Prospectus later than 13 months after the date of this Prospectus.

6.9 Control Implications of the Offer

The Directors do not expect any single Shareholder or their related parties will control the Company on completion of the Offer (as defined in section 50AA of the Corporations Act).

6.10 ASX Listing

The Company will apply to the ASX within 7 days of the date of this Prospectus for admission to the Official List and for Official Quotation of its securities.

The fact that the ASX may admit the Company to the Official List is not to be taken in any way as an indication of the value or merit of the Company or the Shares offered under this Prospectus. Official Quotation, if granted, will commence as soon as practicable after the issue of holding statements to successful Applicants.

If the Company has not been admitted for Official Quotation within 3 months of the date of issue of this Prospectus, then the Company will refund all Application Monies in full. Interest will not be paid on Application Monies refunded.

6.11 Discretion Regarding the Offer

The Company may withdraw the Offer at any time before the issue or transfer of Shares to successful Applicants. If the Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded (without interest).

The Company also reserves the right to close the Offer early, extend the Offer, accept late Applications or bids either generally or in particular cases, reject any Application or bid, or allocate to any Applicant or bidder fewer Shares than applied or bid for.

6.12 ASIC and ASX Waivers

The Company has not obtained or sought any ASIC relief or ASX waivers as at the date of this Prospectus.

6.13 Applications Outside Australia

This Prospectus does not, and is not intended to constitute an Offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an Offer or issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

The Company has not taken any action to permit the offer of Shares under this Prospectus in any jurisdiction other than Australia.

It is the responsibility of non-Australian resident investors to obtain all necessary approvals for the issue to them of Shares under this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the Applicant that all approvals have been obtained. Applicants who are nominees or persons proposing to act as nominees should seek independent advice as to how they should proceed.

This Prospectus may not be released or distributed in the United States or elsewhere outside Australia. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Shares have not been, and will not be, registered under the US Securities Act or the securities law of any state of the United States and may not be offered or sold in the United States except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities law.

Each Applicant will be taken to have represented, warranted and agreed as follows:

- it understands that the Shares have not been, and will not be, registered under the US Securities Act or the securities law of any state of the United States;
- it is not in the United States and is not a US Person;
- it has not and will not send the Prospectus or any other material relating to the Offer to any person in the United States; and
- it will not offer or sell the Shares in any jurisdiction outside Australia except in a transaction exempt from, or not subject to, registration under the US Securities Act and in compliance with all applicable laws in the jurisdiction in which the Shares are offered and sold.

6.14 Electronic Prospectus

If you received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus including the Application Form. If you have not received the entire Prospectus, please contact the Company on 1300 834 535 to obtain a free paper copy of the Prospectus or an electronic copy. You can also download the electronic Prospectus from the Company's website at www.inpaytech.com.au.

If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

6.15 CHESS

The Company will apply to be admitted to participate in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and ASX Settlement operating rules.

On admission to CHESS, the Company will operate an electronic issuer-sponsored sub-register and electronic CHESS sub-register. The two sub-registers together will make up the Company's principal register of shares.

The Company will not issue certificates to Shareholders. Shareholders who are issued Shares under this Prospectus will be provided with a statement which sets out the number of Shares allocated to the Shareholder. Shareholders who elect to hold Shares on the issuer-sponsored sub-register will be provided with a holding statement (similar to a bank account statement), which sets out the number of Shares allocated to the Shareholder under this Prospectus. For Shareholders who elect to hold their Shares on the CHESS sub-register, the Share Registry or CHESS will issue an advice that sets out the number of Shares allocated to the Shareholder under this Prospectus. At the end of the month of allocation, CHESS, acting on behalf of the Company, will provide Shareholders with a holding statement that confirms the number of Shares held and any transactions during that month.

A holding statement (whether issued by CHESS or the Share Registry) will also provide details of a Shareholder's Holder Identification Number in the case of a holding on the CHESS sub-register or Shareholder Reference Number in the case of a holding on the issuer-sponsored sub-register. Following distribution of these initial holding statements to all Shareholders, a holding statement will also be provided to each Shareholder at the end of any subsequent month during which the balance of that Shareholder's holding of Shares changes.

A Shareholder may request a holding statement at any other time. However, a charge may be made by the Share Registry for additional statements.

6.16 Acknowledgements

Each Applicant under the Offer will be deemed to have:

- agreed to become a Shareholder of the Company and to be bound by the terms of the Constitution and the terms and conditions of the Offer;
- acknowledged having personally received a printed or electronic copy of the Prospectus (and any supplementary or replacement prospectus) accompanying the Application Form and having read them all in full;
- declared that all details and statements in their Application Form are complete and accurate;
- declared that the Applicant(s), if a natural person, is/are over 18 years of age;
- acknowledged that once the Company receives an Application Form it may not be withdrawn;
- applied for the number of Shares at the Australian dollar amount shown on the front of the Application Form;
- agreed to being allocated and issued the number of Shares applied for (or a lower number allocated in a way described in this Prospectus), or no Shares at all;
- authorised the Company and the Brokers to Issue and their respective officers or agents to do anything on behalf of the Applicant(s) necessary for Shares to be allocated to the Applicant(s), including to act on instructions received by the Share Registry upon using the contact details in the Application Form;
- acknowledged that, in some circumstances, the Company may not pay dividends;
- acknowledged that the information contained in this Prospectus (or any supplementary or replacement prospectus) is not investment advice or a recommendation that Shares are suitable for the Applicant(s), given the investment objectives, financial situation or particular needs of the Applicant(s); and
- declared that the Applicant(s) is/are a resident of Australia.

6.17 Restricted Securities

Chapter 9 of the ASX Listing Rules prohibits holders of restricted securities from disposing of those securities or an interest in those securities or agreeing to dispose of those securities or an interest in those securities for the relevant restriction periods. The holder is also prohibited from granting a security interest over those securities.

All Shares held at Completion of the Offer by the Escrowed Shareholders (other than any Shares acquired by them under the Offer) will be subject to escrow arrangements.

Subject to the Company being admitted to the Official List, certain Shares on issue prior to the Offer may be classified by the ASX as restricted securities and may be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

Prior to Official Quotation each of the Escrowed Shareholders must enter into an escrow deed in respect of their escrowed Shares. This deed will prevent them from disposing of their escrowed Shares for the applicable Escrow Period (as defined below). With the exception of the Escrow Period, these escrow deeds contain identical terms, with the key provisions summarised below. The restriction on 'disposing' is broadly defined and includes, among other things, selling, or agreeing to sell or otherwise disposing of the escrowed Shares or encumbering or granting a security interest over the escrowed Shares.

All of the Escrowed Shareholders may be released early from these escrow obligations to enable:

- the Escrowed Shareholders to accept an offer under a takeover bid in relation to their escrowed Shares;
- the Shares held by the Escrowed Shareholders to be transferred or cancelled as part of a merger or acquisition by scheme of arrangement or an acquisition of all Shares where all necessary approvals has been obtained.

If an Escrowed Shareholder breaches its escrow deed, or the Company believes that a prospective breach of the escrow deed may occur:

- the Company may take the steps necessary to enforce the escrow deed, or to rectify the breach; and
- the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the applicable Shares in addition to other rights and remedies of the Company.

None of the Shares issued under the Offer are expected to be restricted.

6.18 Selling Shares on the ASX

We expect that Shares will commence trading on the ASX on a normal settlement basis (that is, on a T+2 basis) on or around 2nd December 2016.

Once the Shares are issued, successful Applicants will receive holding statements for the Shares issued to them. We expect that holding statements will be despatched on 25th November 2016.

Each Applicant is responsible for confirming their own Shareholding before trading on the ASX, and any Applicant who sells their Shares before they receive an initial holding statement does so at its own risk. The Company, the Share Registry, the Brokers to Issue and the Existing Shareholders disclaim all liability, whether in negligence or otherwise, if you sell Shares before receiving your holding statement, even if you obtained details of your holding from the Company's offer information line or confirmed your firm allocation through a Broker to Issue.

6.19 Rights and Liabilities Attaching to Shares

The rights and liabilities attaching to Shares are detailed in Section 9.6.

6.20 Brokerage, Commission and Stamp Duty

No brokerage, commission or stamp duty is payable by Applicants who apply for Shares using an Application Form. Investors who buy or sell Shares on the ASX may be subject to brokerage and other transaction costs. Under current legislation, no stamp duty is payable on the sale or purchase of shares on the ASX.

6.21 Dividend Policy

The Directors do not have any current plans to pay dividends as they will give priority to using funds to commercialization of the Patents. The amount and timing of any future dividends by the Company are subject to the Directors' discretion and will depend on various factors, including the Company's earnings, financial position, tax position, financing arrangements, capital requirements and the availability of profits.

6.22 Taxation and Tax File Numbers

The acquisition and disposal of Shares will have taxation consequences which will differ depending on the individual circumstances of each investor. All potential investors in the Company should seek their own independent advice in relation to taxation matters.

Please see Section 9.7 (Additional information) for a general summary of the Australian tax consequences for investors who acquire Shares under this Prospectus.

It is not necessary for Applicants to quote their tax file number. However, Applicants should read the instructions in the Application Form regarding the provision of their tax file number.

6.23 Enquiries Regarding the Offer

If Applicants have any queries about the terms of the Offer or how to apply for Shares, Applicants should contact their financial advisor or the Company offer information line on 1300 834 535 within Australia

The Company is unable to advise Applicants on whether an investment in it is suitable for them. For such advice Applicants must contact their own independent professional advisers.

Brokers to the issue contact numbers:

Kimber Capital	Chris Kimber	(02) 9900 9200
Veritas Securities	Robert Scappatura	(02) 8252 3240
Gobarralong Capital		(02) 9977 0396 (02) 9977 2057 info@gobarralongcapital.com

7. INTELLECTUAL PROPERTY REPORT

PIPERS

Intellectual Property

Communication Centre:

Postal: PO BOX 5298, AUCKLAND 1141, NEW ZEALAND (DX CX 10138)

Telephone: **+64-9-919 9450, 0800 PIPERS (0800-747377)**

Fax: **+64-9-919 9454**

Couriers: 5A PACIFIC RISE, SYLVIA PARK, MT WELLINGTON, AUCKLAND, NEW ZEALAND

23 September 2016

Integrated Payment Technologies Limited
ACN 611 202 414
Level 5
28 Margaret Street
Sydney NSW 2000
Australia

Patent Attorneys Report:**Patents and Copyright in the name of Jagwood Pty Ltd****Pipers Reference: 206426AUR**

Dear Colleagues,

Pipers has been instructed by Integrated Payment Technologies Limited to prepare a patent attorneys report for inclusion in a Prospectus to be issued by Integrated Payment Technologies Limited.

We are instructed that Integrated Payment Technologies Limited has acquired Jagwood Pty Ltd, which in turn is the owner of the patents and copyright, the subject of this report.

Jagwood Pty Ltd had entered into a licence agreement with Payment Adviser Pty Ltd, whose services are described as “payment adviser services” and we have sighted that agreement.

We have been asked to provide a schedule of the granted patents and patent applications lodged by Jagwood Pty Ltd (the “company”) in respect of its payment adviser system, and this is annexed hereto as **Appendix A**.

IP Summary

Intellectual property (usually abbreviated to “IP”, or to “IPR” when referring to Intellectual Property Rights) is a collection of statutory and/or judge made law. One idea may give rise to a number of different rights such as patents, utility models, trademarks, registered designs and plant breeders' rights and unregistrable rights such as copyright, circuit layout rights, confidential information, trade secrets or know-how and in some countries provision may be made for indigenous rights.

In the case of the Payment Adviser Services the most important IP right is that given by patent protection. The second most important right is copyright protection in the source code.

Patents

Each member country of TRIPS is obliged to grant patents for any inventions, whether products or processes, in all fields of technology, provided that they are new, involve an inventive step and are capable of industrial application. *(TRIPS is the abbreviation for the Agreement On Trade-Related Aspects of Intellectual Property Rights. This paragraph is abridgment of Part 5, Article 27 on Patents).*

The company has one patent family for its Payment Adviser Services derived from the International patent application filed as PCT/AU2007/001802. Each of these patents/patent applications are entitled “Process of and Apparatus for Notification of Financial Documents and the Like.”

Patent Lifetime:

Patents are granted for a term of 20 years subject to the payment of renewal fees. Since the original patent application dates from 23 November 2007, the patents if renewed will continue until 23 November 2027. It is likely that the US Patent when granted will have a slightly longer term under the present law which allows for a patent term extension to compensate for delays in the USPTO. This is not currently possible in the other countries where the patents are pending.

Asia:

The company has patents granted in China and Japan, and we expect to receive the grant of the pending patent applications in Hong Kong and Singapore by the end of this year or early 2017.

Rest of the World:

Patents have been granted in New Zealand and South Africa. Patent applications are pending in Australia, Canada, and the USA.

Each of these patent applications started life as an international patent application filed under the Patent Cooperation Treaty, with the international application being converted into a number of national phase applications in selected countries.

Each application is subject to a rigorous examination process, in which each Patent Office endeavours to establish whether or not the invention is novel and inventive (i.e. that the invention as claimed is not simply an obvious derivative of what is already known).

Each of the patent applications has a priority date of 23 November 2006, and each claims the benefit of an international filing date of 23 November 2007, the difference between the dates being the allowed priority period approved by the Paris Convention for the Protection of Intellectual Property.

This means that if an originating patent application is filed in one of the countries belonging to this long established Patent Convention, then subsequent applications in other countries are entitled to claim the benefit of that priority date provided they are lodged within 12 months of the first filed application for protection of the invention. This was the case here.

Thus when the relevant patent application is examined in a country by its national Patent Office, the Patent Office has to establish whether or not the invention as claimed in the patent application was published in another document before the priority date, in this particular case: was it published in a patent or other document published prior to 23 November 2006?

During the course of examination in the various countries a number of documents have been cited against the claims of the patent applications, and we have received notification from both the Japanese and US Patent Offices that their Examiners consider the invention to be novel (i.e. that it has not been prior published by any earlier patent or other documents) and that it is inventive over and above the prior art. The Japanese and the US Patent Offices along with the European Patent Office (“EPO”) are regarded as the three most important Patent Offices in the world.

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The extent of protection is defined by the patent claims. Space does not permit the inclusion of all 57 claims granted in the Japanese Patent but the granted patents with a full list of their claims are a matter of public record and can be viewed on the different Patent Office websites.

The English language translation of the first patent claim granted in Japan is shown here:

Main claim covering payer obtaining the short URI for the “payment advice note”.

- A process for use by a computer system of a payer and a computer system of a payee in connection with:
 - a payments adviser computer system comprising computer software executing on computer hardware remote from the computer systems of the payer and payee and communicable over the internet, and
 - a payments clearance computer system comprising computer software executing on computer hardware remote from the computer systems of the payer and payee and which hardware includes a payer’s financial institution’s computer system and a payee’s financial institution’s computer system,
- The process comprising:
 - the payer’s computer system sending a request over the internet to the payments adviser computer system for an identifier for a financial document;
 - the payment adviser system allocating an identifier to the financial document in response to the request, the identifier being allocated as a short uniform resource identifier (URI) comprising (a) the internet address of the payments adviser computer system and a unique location for the financial document, and (b) a character length within an available character limit imposed by the payments clearance computer system to be used by the payer’s financial institution’s computer system;
 - the payer’s computer system at or after the time of the request, uploading over the internet the financial document to the payments adviser computer system for storage per the identifier;
 - the payer’s computer system sending to the payer’s financial institution’s computer system for sending to the payee’s computer system through the payments clearance computer system:
 - a payment request; and
 - the payment reference containing or consisting of the identifier and which signifies to the payee the location to access the financial document;

- on authorization of the payment request, the payer’s financial institution’s computer system sending via the payments clearance computer system to the payee’s financial institution’s computer system:
 - the payment; and
 - the payment reference containing or consisting of the identifier and which signifies to the payee the location to access the financial document;
- the payments clearance computer system sending to the payee’s financial institution’s computer system:
 - the payment; and
 - the payment reference containing or consisting of the identifier and which signifies to the payee the location to access the financial document;
- the payee’s financial institution’s computer system creating a payment advice or bank statement accessible to the payee containing information received via the payments clearance computer system from the payer’s financial institution’s computer system including the identifier, and
- the payee’s computer system sending a request over the internet to the payment adviser system which includes the identifier to access the stored financial document applicable to the payment received by the payee from the payer.

We expect similar claims to be approved in the other pending patent applications, subject to any National Policies in respect of computer related or software patents.

This invention relies upon the inextricable linking of the different computers to allow the payee to view in real time the document relating to the payment transaction.

Patent risk and changing the policies concerning patents for software

A patent when granted gives the patent owner the right to stop a competitor from using the invention defined in the patent claims. But it does not give the patent owner the positive right to use the invention, as there may be an earlier patent covering some or all of the steps of the new patent.

This invention is reliant upon the software operating the payment adviser service. In recent years there has been a change in policy regarding the granting of patents for software. New Zealand has legislated against the granting of patents for software per se (this does not impact on the existing patent held by the company as it was granted

under the old Patents Act in New Zealand), and recent judicial decisions in the USA and Australia have moved the goal posts away from the granting of patents for software or computer related business systems unless the claims can be formulated in such a way that the invention is considered to be a technical improvement on the operation of the computer(s).

To put it simply, if the process which is the subject of the patent application is simply converting a paper process into one which can be carried out by a computer, then that computerised process is not regarded as patentable. If however there is some improvement in the data structure, the communication between computers, or some other "technical effect" then that can be the subject of a patent.

There is a risk that one or more of the Patent Offices will refuse to grant the company's patent claims on the basis that it is a mere business scheme and does not satisfy the current judicial view on the patentability of software.

In addition there is a risk that once a patent has been granted in a particular country, a third party could subsequently challenge the validity of that granted patent.

Legislation or regulatory actions subsequent to the filing date of a patent application may affect what an applicant is entitled to claim in a pending application and may also affect whether a granted patent can be enforced in certain circumstances. Laws relating to software are the subject of lobby groups and political controversy in many countries. The risk of changed laws affecting patent rights is generally considered greater for software and business schemes than in other long established fields.

In order for material disclosed in a patent application to be entitled to the priority date of a corresponding earlier filed application (e.g. a provisional application), there must be adequate support or disclosure of such material in the provisional application. Subject matter in a patent application that is not so disclosed in the earlier application is not entitled to the claim to priority, which may affect patentability of the subject invention or the validity of any patent that may be granted.

The claims in a pending application cannot be considered predictive of claims in a granted patent. Examination in certain jurisdictions such as the USA and the European Patent Office (EPO) are often more stringent than other countries and all pending claims may be subject to amendment during the pendency of an application. Thus, during pendency of any patent application, an applicant cannot reliably predict whether any claims will ultimately be granted or what the scope of any granted claims will be. Furthermore, whilst the scope of claims granted in one country may assist, it cannot be relied upon for predicting the scope of claims granted in another country.

All patent searches are dependent on the accuracy and scope of the databases used for the search and, in particular, the manner in which information in the databases is indexed for searching purposes.

Patent applications may have been filed by third parties based on an earlier priority date and the existence of such applications may not be known for up to about 18 months after they were filed. Such earlier-filed applications may constitute prior art that adversely affects patentability or claim scope of a patent matter listed herein. Given the timing of and the approach taken to the examination of patent applications, if any prior art in this 18 month period does exist, it is unlikely that it will be located in searches conducted by official Patent Offices.

Delays may occur during pendency, due to unpredictable events which the applicant cannot control. The net effect of such delays may be to decrease the time from the date of patent grant to the end of the patent term and thus adversely affect the effective lifetime of enforceability of the patent.

Patents and pending applications can be subject to opposition or other revocation proceedings, which vary from country to country and which cannot be predicted in advance.

Copyright, Trade Secrets and Knowhow

The company claims the protection of copyright in its source code for their various software products, as well as the information that it has placed on its website, as well as protection by way of trade secrets and know-how in the implementation of its payment adviser services (noting that these trade secrets and knowhow relate to the fine tuning of the service, and various practical matters which would not be apparent from reading the patent specification).

We have interviewed the Directors of the company and are satisfied that the company or its predecessors in business (or those entities under their control and part of the group) developed its own software and is the owner of the copyright in its source code. However, we have not inspected the source code. We have also been instructed that the company used an external service provider to provide data centre management services. Part of those services included the maintenance and enhancement of the company's software, including the re-factoring of some of the software code. Having inspected the relevant Data Centre Management Services Agreement, we are satisfied that the service provider agreed that it makes no claim to any intellectual property rights in the enhancements and therefore the company has the right to use its source code without interference from third parties. In addition, for the avoidance of doubt, we have drafted a deed confirming the explicit transfer of ownership from the service provider to the company but have not yet sighted the signed deed.

The company also has protection by way of trade secrets and know-how in the implementation of its payment adviser services; noting that these trade secrets and knowhow relate to the fine tuning of the service, and various practical matters which would not be apparent from reading the patent specification.

Certain material (“works”) is automatically protected by copyright in Australia under the *Copyright Act 1968* (Cth). There is no formal process, before copyright material is protected by copyright under Australian law. There also is no registration of copyright in Australia or in most other countries.

In some countries, such as the US, it is possible to register copyright; although registration is not normally required in order to receive copyright protection. However, registration in the US can provide benefits relating to damages that can be claimed if court action is taken over infringement of copyright in that country.

Copyright material created in Australia will be protected in most other countries. Australia is a party to a number of international treaties dealing with copyright protection. Under these treaties, member states agree to extend the same copyright protection to other member states as they do to works created by their own nationals.

Ownership of the copyright (and a waiver of moral rights, if available) in the name of the company is important for several reasons including (1) so that the company can sue for copyright infringement in its own name, (2) the company can be awarded its own actual damages and (3) the company will have the right to engage a third party programmer/author to adapt or improve the current copyright materials.

Ownership

Patents - All of the patent applications have been filed in (or assigned to) the name of the company and each of the patent applications names the 4 inventors who worked on the development of the payment adviser services. The inventors have acknowledged that the invention and all patent rights belong to the company. (Pipers has sighted the assignments from each inventor to the company).

Copyright – Jagwood Pty Ltd has control of the copyright in their various software products and the images and structure of their website. That control is in the nature of assignments from the creators to Jagwood Pty Ltd. These assignments from the relevant creators to Jagwood Pty Ltd have been sighted by Pipers.

Reliance on Information Provided

In preparing this report we have accessed and relied on information supplied by the company, the files received from Middletons Lawyers who prepared and filed the International Patent Specification, and information contained in publicly available databases relevant to the patents and patent applications referred to in this report. We also have relied on information supplied by the company relevant to the creation of the various “works”.

We are not responsible for the accuracy of information supplied to us or available in public databases and we cannot guarantee the accuracy or the timeliness of any information contained therein.

Pipers Interest

Pipers has been engaged by the company for patent attorney services and we continue to act in relation to Patent Family shown in **Appendix A**.

Consent

Pipers has consented to this report being included in its entirety in a Prospectus to be issued by the company. That consent has not been revoked as at the date of this report.

Sincerely



JIM PIPER
jpiper@piperpat.com

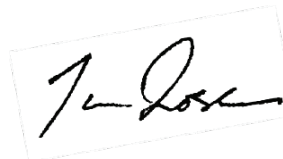
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Appendix A – Patent Schedule

Piper's Ref	Type	Country	Title	App No	Grant No	Basic Date	Filing Date	Renewal Date	Life Fctr	Status	Expires
<i>Patents in Asia</i>											
206426CN	Patent	China	Notification of Financial Doc	200780050318.9	ZL200780050318.9	23 Nov 2007	23 Nov 2007	23 Nov 2016	Vital	Registered	23 Nov 2027
206426HK	Patent	Hong Kong	Notification of Financial Doc	10105178.1		23 Nov 2007	23 Nov 2007	23 Nov 2016	Vital	Exam fee paid, awaiting exam	23 Nov 2027
206426JP	Patent	Japan	Notification of Financial Doc	2009-537450	5870442	22 Jan 2016	23 Nov 2007	22 Jan 2019	Vital	Registered	23 Nov 2027
206426SGA	Patent	Singapore	Notification of Financial Doc	10201502568R		23 Nov 2007	23 Nov 2007		Vital	Exam fee paid awaiting exam	23 Nov 2027
<i>Rest of the World</i>											
206426AU	Patent	Australia	Notification of Financial Doc	2013224695		23 Nov 2007	23 Nov 2007	23 Nov 2016	Vital	Examined & response filed	23 Nov 2027
206426CA	Patent	Canada	Notification of Financial Doc	2,670,366		23 Nov 2007	23 Nov 2007	23 Nov 2016	Vital	Examined & response filed	23 Nov 2027
206426NZ	Patent	New Zealand	Notification of Financial Doc	577172	577172	23 Nov 2007	23 Nov 2007	23 Nov 2017	Vital	Registered	23 Nov 2027
206426US	Patent	USA	Notification of Financial Doc	12/515,813			23 Nov 2007		Vital	Examined & response filed	
206426ZA	Patent	South Africa	Notification of Financial Doc	2009/04361	2009/04361	23 Nov 2007	23 Nov 2007	23 Nov 2016	Vital	Registered	23 Nov 2027

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Welcome to a revolution in payment transfers

证书号第2006086号



发明专利证书

发明名称：财务类文件的通知方法和装置

发明人：安德鲁·布莱尔；詹姆斯·R·汉考克；杰弗里·C·普塞尔
罗宾·J·伯查

专利号：ZL 2007 8 0050318.9

专利申请日：2007年11月23日

专利权人：贾戈伍德私人有限公司

授权公告日：2016年03月30日

本发明经过本局依照中华人民共和国专利法进行审查，决定授予专利权，颁发本证书并在专利登记簿上予以登记。专利权自授权公告之日起生效。

本专利的专利权期限为二十年，自申请日起算。专利权人应当依照专利法及其实施细则规定缴纳年费。本专利的年费应当在每年11月23日前缴纳。未按照规定缴纳年费的，专利权自应当缴纳年费期满之日起终止。

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局长
申长雨

申长雨



English Translations of Chinese Certificate of Patent

Chinese Certificate of the Patent

Title of the Invention:	Financial Documents Transactions System
Inventor:	Andrew Blair, James Hancock, Geoff Purcell, Robin Beauchamp
Application number:	ZL 2007 8 0050318.9
Application date:	23 Nov 2007
Patentee:	Jagwood Pty Ltd
Registration Date:	30 March 2016

This patent certificate has been issued by the State Intellectual Property Office of P.R.C. according to the review of the Patent Law. This is to certify that the patent has been registered on 30 March 2016.

The validity period is 20 years from the registration date. The patentee need to pay the annual fee under the policies of the patent law. The annual fee is due on 23 November each year. If it's failed to pay the annual fee on the due date, this patent will be terminated.

This certificate records the legal situation on the registration date. It should be registered on the patent registration for all the future patent transfer, pledge, void, termination, restitution, as well as any changes of the patentee's name, nationality, address.



特許証

(CERTIFICATE OF PATENT)

特許第5870442号
(PATENT NUMBER)

発明の名称
(TITLE OF THE INVENTION)

金融文書及び同様のものを通知するためのプロセス及び装置

特許権者
(PATENTEE)

オーストラリア 2069 ニュー サウス
ウェールズ ローズヴィル トーマス アベニ
ュー 29
国籍 オーストラリア連邦
ジャグウッド プロプライエタリー
リミテッド

発明者
(INVENTOR)

ブレア アンドリュウ
ハンコック ジェイムズ ロバート
パーセル ジェフリー チャールズ

その他別紙記載

出願番号
(APPLICATION NUMBER)

特願2009-537450

出願日
(FILING DATE)

平成19年11月23日(November 23, 2007)

登録日
(REGISTRATION DATE)

平成28年 1月22日(January 22, 2016)

この発明は、特許するものと確定し、特許原簿に登録されたことを証する。
(THIS IS TO CERTIFY THAT THE PATENT IS REGISTERED ON THE REGISTER OF THE JAPAN PATENT OFFICE.)

平成28年 1月22日(January 22, 2016)

特許庁長官
(COMMISSIONER, JAPAN PATENT OFFICE)

伊藤 仁



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特許証
(CERTIFICATE OF PATENT)

(続葉 1)

特許第5870442号 (PATENT NUMBER)

特願2009-537450 (APPLICATION NUMBER)

発明者
(INVENTOR)ビーチャム ロビン ジェイムズ
[以下余白]

English Translations of the Japanese Certificate of Patent

Certificate of Patent

Patent Number: 5870442

Title of the Invention: The process and equipment used to deliver financial and financial related documents.

Patentee: Australia 2069 NSW
Roseville, Thomas Avenue, 29
Nationality: Australia
Jagwood Pty LtdInventor: Andrew Blair
James Robert Hancock
Geoff Charles Purcel
Robin James Beauchamp

Application Number: 2009-537450

Filing Date: November 23, 2007

Registration Date: January 22, 2016

This is to certify that the patent is registered on the register of the Japan Patent Office.

January 22, 2016

Commissioner, Japan Patent Office

Ito Nin

8. INVESTIGATING ACCOUNTANT'S REPORT



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Board of Directors
Integrated Payment Technologies Ltd
Level 4, 8-10 Loftus Street
Sydney, NSW, 2000

23 September 2016

Dear Directors,

Level 17, 383 Kent Street
Sydney NSW 2000

Correspondence to:
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QVB Post Office
Sydney NSW 1230

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E info.nsw@au.gt.com
W www.grantthornton.com.au

INDEPENDENT LIMITED ASSURANCE REPORT ON THE PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND FINANCIAL SERVICES GUIDE

Introduction

This report has been prepared at the request of the directors of Integrated Payment Technologies Ltd (InPayTech or the Company) for inclusion in the prospectus (the “Prospectus”) to be dated on or about 23 September 2016, and to be issued by the Company in respect of the initial public offering of fully paid ordinary shares in the Company (the Offer) and the listing of the Company on the Australian Securities Exchange.

Grant Thornton Corporate Finance Pty Ltd (“Grant Thornton Corporate Finance”) holds an Australian Financial Services Licence (AFS Licence Number 247140). This report is both an Independent Limited Assurance Report, the scope of which is set out below, and a Financial Services Guide, as attached at **Appendix A**.

Expressions defined in the Prospectus have the same meaning in this report, unless otherwise specified.

Scope

Historical Financial Information

You have requested Grant Thornton Corporate Finance to review the following Historical and Pro forma Historical Financial Information

- The Pro Forma consolidated historical statement of comprehensive income for the year ended 30 June 2014 (FY2014), the year ended 30 June 2015 (FY2015) and the ten months ended 30 April 2016 (YTD2016);

Grant Thornton Corporate Finance Pty Ltd ABN 59 003 265 987 ACN 003 265 987
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

Holder of Australian Financial Services Licence No. 247140

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- The Pro Forma consolidated historical statement of cash flows of the Group for FY2014, FY2015 and YTD2016;
- The audited consolidated historical statement of financial position of InPayTech as at 30 April 2016; and
- The Pro Forma consolidated statement of financial position as at 30 April 2016, which assumes completion of the transactions outlined in **Section 4.7** of the “Financial Information” section (which include the Offer) as though they had occurred on that date.

(collectively referred to as the Historical Financial Information)

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards and the Company’s adopted accounting policies.

The Pro Forma Consolidated Historical Financial Information has been extracted from the audited financial statements of the following entities and businesses and assets forming InPayTech for FY2014 and FY2015 and YTD2016.

- Integrated Payment Technologies Ltd (YTD2016 only)
- ClickSuper Pty Ltd;
- ClickSuper Unit Trust;
- RAJG Unit Trust;
- Bill Exchange Pty Ltd;
- Payment Advisor Pty Ltd; and
- Jagwood Pty Ltd

The financial statements for each of the entities for FY2014 and FY2015 were audited by Hill Rogers Spence Steer who issued unqualified audit opinions in respect of these periods. The financial statements for each of the entities for YTD2016 were audited by Grant Thornton Audit Pty Ltd who issued unqualified audit opinions for each entity.

The Historical Financial Information is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in Australia in accordance with the Corporations Act 2001.

This report has been prepared for inclusion in the Prospectus. Grant Thornton Corporate Finance disclaim any assumption of responsibility for any reliance on this report or on the Historical Financial Information to which this report relates for any purpose other than the

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purposes for which it was prepared. This report should be read in conjunction with the Prospectus.

Directors' Responsibility

The Directors are responsible for the preparation and presentation of the Historical Financial Information. The Directors are also responsible for the determination of the Pro Forma Transactions and the basis of preparation of the Historical Financial Information.

This responsibility also includes compliance with applicable laws and regulations and for such internal controls as the Directors determine necessary to enable the preparation of the Historical Financial Information that are free from material misstatement.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information based on the procedures performed and evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450: “*Assurance Engagements involving Corporate Fundraisings and/ or Prospective Financial Information*”.

Our procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures applied to the accounting records in support of the Historical Financial Information. Our procedures are 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. We have not performed an audit and, accordingly, we do not express an audit opinion on the Historical Financial Information.

Our engagement did not involve updating or reissuing any previously issued audit reports on any historical financial information used as a source of the Historical Financial Information.

Conclusion

Historical Financial Information

Based on our independent review, which is not an audit, nothing has come to our attention which causes us to believe that:

- The Historical Financial Information as described in the “Financial Information” section of the Prospectus does not present fairly:
 - The Pro Forma consolidated historical statement of comprehensive income of InPayTech for FY2014, FY2015 and YTD16;
 - The Pro Forma consolidated historical statement of cash flows of InPayTech for FY2014, FY2015 and YTD2016,

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- The audited statement of financial position of InPayTech as at 30 April 2016; and
- The Pro Forma consolidated historical statement of financial position of InPayTech as at 30 April 2016; or
- The Pro Forma Transactions set out in **Section 4.7** of the “Financial Information” section are a reasonable basis for the pro forma statement of financial position as at 30 April 2016;

in accordance with the measurement and recognition requirements (but not all of the presentation and disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies adopted by the Company as disclosed in **Appendix A** of the Prospectus.

Restriction on Use

Without modifying our conclusion, we draw attention to the “Financial Information” section of the Prospectus, which describes the purpose of the Historical Financial Information, being for inclusion in the Prospectus. As a result, the Historical Financial Information may not be suitable for use for another purpose.

Consent

Grant Thornton Corporate Finance consents to the inclusion of this Independent Limited Assurance Report in the Prospectus in the form and context in which it is included.

Liability

The liability of Grant Thornton Corporate Finance is limited to the inclusion of this report in the Prospectus. Grant Thornton Corporate Finance makes no representation regarding, and has no liability, for any other statements or other material in, or omissions from the Prospectus.

Independence or Disclosure of Interest

Grant Thornton Corporate Finance does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Grant Thornton Corporate Finance will receive a professional fee for the preparation of this Independent Limited Assurance Report.

Yours faithfully
GRANT THORNTON CORPORATE FINANCE PTY LTD

Neil Cooke
Partner

Matthew Leivesley
Partner – Audit & Assurance

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Appendix A (Financial Services Guide)

This Financial Services Guide is dated 23 September 2016.

Level 17, 383 Kent Street
Sydney NSW 2000

Correspondence to:
Locked Bag Q800
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Sydney NSW 1230

T +61 2 8297 2400
F +61 2 9299 4445
E info.nsw@au.gt.com
W www.grantthornton.com.au

1 About us

Grant Thornton Corporate Finance Pty Ltd (ABN 59 003 265 987, Australian Financial Services Licence no 247140) (“Grant Thornton Corporate Finance”) has been engaged by Integrated Payment Technologies Limited (the “Company”) to provide general financial product advice in the form of an Independent Limited Assurance Report (the Report) in relation to the offer of fully paid ordinary shares in the Company (the Issue). This report is included in the Prospectus dated on or about 23 September 2016 (the “Prospectus”). You have not engaged us directly but have been provided with a copy of the report as a retail client because of your connection to the matters set out in the report.

2 This Financial Services Guide

This Financial Services Guide (“FSG”) is designed to assist retail clients in their use of any general financial product advice contained in the report. This FSG contains information about Grant Thornton Corporate Finance generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the report, and how complaints against us will be dealt with.

3 Financial services we are licensed to provide

Our Australian financial services licence allows us to provide a broad range of services, including providing financial product advice in relation to various financial products such as securities and superannuation products and deal in a financial product by applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of securities and superannuation products.

4 General financial product advice

The report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs. You should consider your own objectives, financial situation and needs when assessing the suitability of the report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

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Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal retail finance product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

5 Fees, commissions and other benefits we may receive

Grant Thornton Corporate Finance charges fees to produce reports, including the report. These fees are negotiated and agreed with the entity who engages Grant Thornton Corporate Finance to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us. In the preparation of this report, Grant Thornton Corporate Finance will receive from the Company a fee of \$80,000 plus GST which is based on commercial rates plus reimbursement of out-of-pocket expenses.

Partners, Directors, employees or associates of Grant Thornton Corporate Finance, and related bodies corporate, may receive dividends, salary or wages from Grant Thornton Australia Ltd. None of those persons or entities receives non-monetary benefits in respect of, or that is attributable to the provision of the services described in this FSG.

6 Referrals

Grant Thornton Corporate Finance including its Partners, Directors, employees or associates and related bodies corporate, does not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licenced to provide.

7 Associations with issuers of financial products

Grant Thornton Corporate Finance and its Partners, Directors, employees or associates and related bodies corporate may from time to time have associations or relationships with the issuers of financial products. For example, Grant Thornton Australia Ltd may be the auditor of, or provide financial services to the issuer of a financial product and Grant Thornton Corporate Finance may provide financial services to the issuer of a financial product in the ordinary course of its business.

In the context of the report, Grant Thornton Corporate Finance considers that there are no such associations or relationships which influence in any way the services described in this FSG.

8 Complaints

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Financial Ombudsman Service (membership no. 11800). All complaints must be in writing and addressed to the National Head of Corporate Finance at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint.

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If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Financial Ombudsman Service who can be contacted at:

GPO Box 3
Melbourne, VIC 3001
Telephone: 1800 367 287

Grant Thornton Corporate Finance is only responsible for the report and FSG. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

9 Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

10 Contact Details

Grant Thornton Corporate Finance can be contacted by sending a letter to the following address:

National Head of Corporate Finance
Grant Thornton Corporate Finance Pty Ltd
Level 17, 383 Kent Street
Sydney, NSW, 2000

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9. ADDITIONAL INFORMATION

9.1 Incorporation and Company Structure

The Company was incorporated in Victoria on 9 March 2016. The structure of the Group as at the date of this Prospectus is set out below:



9.2 Share Capital

As at the date of this Prospectus, the Company only has ordinary shares on issue.

The Company proposes to grant Options (as described in Section 9.5) prior to admission to the Official List.

9.3 Major Shareholders

Details of Shareholders who hold 5% or more of the Shares on issue as at the date of this Prospectus, and who will hold more than 5% after completion of the Offer, are set out below.

Shareholders	Existing Shares held immediately prior to the Offer	Shares held immediately following Completion of the Offer	Shares held immediately following Completion of the Offer (%)	
			minimum	maximum
Don Sharp and associated entities	31,527,397	31,527,397	21.80%	20.40%
Colin Scully and associated entities	36,119,717	36,119,717	25.00%	23.40%
Acorn Capital Investment Fund Limited	8,333,334	8,333,334	5.80%	5.40%

9.4 Material Contract Summaries

The Directors consider that the contracts summarised in this Section are significant or material to the Company and that an investor may wish to know their key details in deciding whether to invest in the Company. These summaries are not complete and are qualified by the text of the contracts themselves.

(a) Restructure Agreements

As part of a restructure undertaken to facilitate the Group's listing on the ASX, the Company entered into the following contracts, on or around 5 July 2016:

- asset purchase agreement with Bill Exchange Pty Ltd, for the purchase of the business name "Bill Exchange" and computer systems;
- asset purchase agreement with Jagwood Pty Ltd ATF RAJG unit trust for the purchase of the patents and pending patents disclosed in the Pipers Patent Report and computer software ("Jagwood APA");
- asset purchase agreement with Clicksuper Pty Ltd ATF Clicksuper unit trust for the purchase of ClickSuper client contracts, the business name "Click@SingleTouchPayroll", Trademark "ClickSuper", Trademark "ClickSuper Connector" and intellectual property rights;
- share purchase agreement with Jagwood Pty Ltd ATF RAJG unit trust for the purchase of 100% of the issued share capital of Payment Adviser Pty Ltd, comprising 24 fully paid ordinary shares;
- share purchase agreement with Angela Rotziokos and 13 others for the purchase of 100% of the issued share capital of Clicksuper Pty Ltd comprising 1,072,040 fully paid ordinary shares; and
- share purchase agreement with Angela Rotziokos and 13 others for the purchase of 100% of the issued share capital of Jagwood Pty Ltd comprising 1,072,040 fully paid ordinary shares.

The agreements were entered into on substantially the same terms. The sellers provide warranties, amongst others, in relation to ownership of the shares or assets (as applicable) and authority to enter into the agreement. The shares and assets were transferred free of security interests.

The consideration pursuant to the Jagwood APA is split into two payments. The first, to be made at completion of the agreement, and the second, a deferred payment of approximately \$2,500,000 (subject to a completion adjustment mechanism to reflect items such as advance payments made in respect of the assets by Jagwood) is to be made following completion of the IPO.

In addition, on 22 September 2016, the Company entered into two separate deeds of confirmation which confirmed that it was always the intention that:

- the assets transferred under the asset purchase agreement with Jagwood Pty Ltd ATF RAJG Unit Trust, would be, and are, held by Jagwood Pty Ltd in its own capacity; and
- the assets transferred under the asset purchase agreement with Clicksuper Pty Ltd ATF Clicksuper Unit Trust would be, and are, held by Clicksuper Pty Ltd in its own capacity

(b) Data Management Services Agreement

Payment Adviser entered into an exclusive contract with Oriel on 19 November 2010 for the provision of data centre management services for a monthly fee of \$7,500 excluding GST (unless varied pursuant to the terms of the contract). Such services include the provision of computer hardware and network equipment and back-up, recovery and failover facilities for business continuity and disaster recovery procedures. The agreement was for an initial term of 6 years and automatically renews for further terms of 12 months. It can be terminated by either party on 90 days written notice prior to the expiration of the relevant term.

(c) Employment Agreements

Robin Beauchamp – Chief Executive Officer

The terms of Robin Beauchamp's employment as Chief Executive Officer of the Company are set out in an agreement dated 5 July 2016. Mr Beauchamp receives a salary of \$273,973 plus 9.5% superannuation \$26,027. The terms of the contract confirm that his employment commenced on 1 March 2008, and that he has accrued entitlements from his past service. Either Mr Beauchamp or the Company may terminate the employment by giving 3 months' notice. On such termination, Mr Beauchamp would be entitled to payment for remuneration and leave entitlements up to the date of termination.

Don Sharp – Director

The terms of Don Sharp's employment as a director of the Company are set out in an agreement dated 1 August 2016. Mr Sharp receives a salary of \$75,000 plus 9.5% superannuation \$7,125. Mr Sharp is required to work 19 hours per week. Either Mr Sharp or the Company may terminate the employment by giving 3 months' notice. On such termination, Mr Sharp would be entitled to payment for remuneration and leave entitlements up to the date of termination.

Nathan Thomas – Chief Operation Officer

The terms of Nathan Thomas' employment as a director of the Company are set out in an agreement dated 27 May 2016. Mr Thomas receives a salary of \$200,000 plus 9.5% superannuation \$19,000. Mr Thomas is required to work 38 hours per week. Either Mr Thomas or the Company may terminate the employment by giving 3 months' notice. On such termination, Mr Thomas would be entitled to payment for remuneration and leave entitlements up to the date of termination.

(d) Broker agreement with Kimber Capital

The Company has entered into a non-exclusive agreement with Kimber Capital Pty Ltd. Under the terms of the agreement Kimber Capital will act as a broker to the Offer, and the Company agrees to pay Kimber Capital a fee of 6% (exclusive of GST) for all funds raised under the offer attributed to or introduced by Kimber Capital, in addition to any reasonable out of pocket expenses.

The agreement with Kimber Capital may be terminated by either party at any time upon written notice to that effect.

(e) Broker agreement with Gobarralong Capital

The Company has entered into an agreement with Gobarralong Capital for Gobarralong to act as a broker to the Offer. The Company will pay Gobarralong or its associates a fee of 6% (plus GST) for all funds raised under the Offer attributed to or introduced by Gobarralong Capital, in addition to all reasonable expenses. Introductions provided by the Company to Gobarralong Capital will be deemed attributable to Gobarralong Capital for the purposes of calculating the fees payable by the Company under this agreement.

The agreement with Gobarralong Capital may be terminated by either party at any time upon written notice to that effect.

(f) Broker agreement with Veritas Securities Limited

The Company has entered into an agreement with Veritas Limited for Veritas to act as a sponsoring broker to the Offer. Veritas Securities' appointment is for a period of 6 months until 6 March 2017.

Under the terms of the agreement, the Company agrees to pay Veritas a capital raising fee of 6% (exclusive of GST) for all funds raised under the offer attributed to or introduced by Veritas and a sponsoring broker fee of \$20,000 (exclusive of GST) which will be rebated against any capital raising fee payable. The Company will also pay all reasonable expenses, up to a maximum of \$10,000 for Veritas' legal fees and \$10,000 in respect of other expenses.

The agreement be terminated by the Company immediately upon written notice to Veritas if Veritas:

- (i) is in breach of its obligations in respect of conflicts or price sensitive information;
- (ii) is in default of its obligations, and if such breach is remediable, it has not remedied this within 10 business days of the Company giving notice of such breach, or
- (iii) goes into liquidation becomes insolvent, ceases to be able to carry on its business or ceases to be able to carry out its functions in relation to the appointment.

If the agreement is terminated by the Company for any of the above reasons, Veritas will not be entitled to the capital raising fee or any other amount apart from reimbursement of all expenses properly incurred up to the time of termination.

Veritas may terminate the agreement immediately upon written notice to the Company if the Company:

- (i) is in breach of the clause appointing Veritas as broker for a term of 6 months,
- (ii) is in breach of its obligation to provide reasonable assistance to Veritas in connection with the performance of its obligations under the agreement;
- (iii) is in breach of its obligations to inform Veritas immediately of any material adverse change to the financial position or prospects of the Company;
- (iv) is in default of its obligations, and if such breach is remediable, it has not remedied this with 10 business days of Veritas giving notice of such breach; or
- (v) undergoes a change of control, goes into liquidation, becomes insolvent, or ceases to carry on its business.

If the agreement is terminated by Veritas for any of the above reasons, Veritas Securities is entitled to an amount equal to the whole of the broker to the issue fee, in addition to reimbursement of all expenses properly incurred up to the time of termination.

If the Company decides to postpone or defer the Offer, it grants Veritas a right of first refusal in respect of any equity raising which the Company undertakes or mandates within the following 6 month period on the same or equivalent terms.

9.5 Employee Share Option Plan and Proposed Option Grants

Option Plan Rules

The Board approved the Integrated Payment Technologies Limited Employee Share Option Plan (**Plan**) on 18 August 2016. The Plan is governed by the Plan rules (**Plan Rules**), a summary of which is set out below.

As at the date of this Prospectus, the Company intends to grant the following Options under the Plan on the business day immediately prior to the date the Company is admitted to the Official List of ASX. No Options have been granted by the Company as at the date of this Prospectus.

The proposed option grants are:

- (1) 5,000,000 Options to Robin Beauchamp, the Chief Executive Officer of the Company if the Maximum Subscription of \$5,000,000 is met (or 4,500,000 Options if the Minimum Subscription of \$3,000,000 is met but the Maximum Subscription is not met); and
- (2) 2,500,000 Options to Nathan Thomas, the Chief Operating Officer of the Company.

The terms and conditions on which these Options are proposed to be granted are set out below.

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Persons eligible to participate in the Plan are, in relation to the Company or an associated body corporate of the Company, full-time or part-time employees (including executive directors), non-executive directors and contractors and casual employees who satisfy various conditions set out in the Plan (**Eligible Persons**).

It is intended that the Plan will enable the Group to retain and attract skilled and experienced employees, contractors and directors and provide them with the motivation to make the Group more successful. The Plan is designed to support interdependence between the Company and Eligible Persons for their long-term mutual benefit.

Under the Plan, an Option is a right to subscribe for or acquire a Share. Unless otherwise determined by the Board, no payment is required for the grant of Options under the Plan.

The Board at its sole discretion may invite any Eligible Person selected by it (**Participant**) to complete an application relating to a specified number of Options allocated to that Eligible Person by the Board.

An offer by the Board shall specify the date of grant, the total number of Options granted, exercise price and exercise period for the Options and any other matters the Board determines, including exercise conditions attaching to the Options. Subject to the discretion of the Board, an Eligible Person may renounce an offer under the Plan in favour of a permitted nominee.

The Plan has been prepared to comply with ASIC Class Order [CO14/1000] (**Class Order**). However, if allowed under the Corporations Act, offers may be made under the Plan other than in reliance upon the Class Order. The proposed Option grants described above are not made in reliance upon the Class Order.

In accordance with the requirements of the Class Order, the Company or an associated body corporate of the Company that makes an offer under the Plan in reliance on the Class Order must, at the time of making the offer, have reasonable grounds to believe that the number of ordinary shares that form part of the issued capital of the Company that have been or may be issued in any of the circumstances covered by the following paragraphs (a) and (b) will not exceed 5% of the total number of ordinary shares on issue:

- (1) ordinary shares that may be issued under the offer;
- (2) ordinary shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under an employee incentive scheme or like scheme, where offers were made in reliance on the Class Order, or an individual instrument made by ASIC similar to the Class Order.

Options granted under the Plan are not capable of being transferred or encumbered by a Participant, unless the Board determines otherwise.

Options do not carry any voting or dividend rights. Shares issued or transferred to Participants on exercise of an Option carry the same rights and entitlements as other issued Shares, including dividend and voting rights.

The Company has no obligation to apply for quotation of the Options on the ASX.

In general terms, Options granted under the Plan may only be exercised if the exercise conditions have been met or are waived by the Board, the exercise price has been paid to the Company and the Options are exercised within the exercise period relating to the Option. An Option granted under the Plan may not be exercised once it has lapsed.

An Option may be exercised, whether or not any or all applicable exercise conditions have been met, on the occurrence of a predominant control event, being, in general terms, where a person owns at least 90% of the issued ordinary share capital of the Company following an offer by the person for the whole of the issued share capital of the Company.

The Company will apply to ASX for official quotation of Shares issued upon exercise of Options granted under the Plan so long as the Shares are quoted on the Official List of ASX at that time.

The Company may financially assist a person to pay any exercise price for an Option, subject to compliance with the provisions of the Corporations Act and the Listing Rules relating to financial assistance.

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If a Participant ceases to be a director, an employee or a contractor of any member of the Group due to his or her resignation, dismissal for cause or poor performance or in any other circumstances determined by the Board:

- (i) all Options held by the relevant Participant as at the date of cessation which are vested Options will automatically lapse on the date of cessation, unless the Board determines otherwise, in which event the Board will determine the period within which those Options may be exercised following the date of cessation (and the exercise period is amended accordingly), after which those Options will immediately lapse; and
- (ii) all other Options granted to that Participant will lapse as at the date of cessation.

If a Participant ceases to be a director, an employee or a contractor of any member of the Group for any other reason or in any other circumstances determined by the Board:

- (i) all Options held by the relevant Participant as at the date of cessation which are vested Options may be exercised by that Participant in the 6 month period following the date of cessation (and the exercise period is amended accordingly), after which those vested Options will immediately lapse; and
- (ii) all other Options granted to that Participant will lapse as at the date of cessation.

On liquidation of the Company, all Options which are not vested Options will automatically lapse.

If, in the opinion of the Board, a Participant has acted fraudulently or dishonestly, the Board may determine that any Option granted to that Participant should lapse, and the Option will lapse accordingly.

If an Option has not lapsed earlier, it will lapse at the end of the exercise period.

If the Company or any member of the Group has an obligation in relation to a tax liability associated with the grant or vesting of any Option (**Tax Liability**), then the Company may sell a sufficient number of Shares, post vesting or exercise of the Option, to cover the Tax Liability. A Participant may enter into alternative arrangements, if acceptable to the Board, to settle any Tax Liability.

In the event of any reconstruction of the share capital of the Company, the number of Options to which each Participant is entitled and/or the exercise price of those Options must be reconstructed in accordance with the Listing Rules. Options must be reconstructed in a manner which will not result in any additional benefits being conferred on Participants which are not conferred on other shareholders of the Company.

Holders of Options issued under the Plan may only participate in new issues of securities by the Company if they have first exercised their Options within the relevant exercise period and become a shareholder of the Company prior to the relevant record date and are then only entitled to participate in relation to Shares of which they are the registered holder.

If there is a pro rata issue (except a bonus issue), the exercise price of an Option will be reduced according to a formula in the Plan Rules which reflects the formula in Listing Rule 6.22.2.

If there is a bonus issue the number of Shares over which an Option can be exercised will be increased commensurately.

Options may not be granted and/or Shares may not be allotted and issued, acquired, transferred or otherwise dealt with under the Plan if to do so would contravene the Corporations Act or any other applicable laws or regulations.

If and to the extent any rule of the Plan is inconsistent with the Listing Rules, if the Listing Rules apply to the Company at the relevant time, the Listing Rules will prevail in all respects to the extent of the inconsistency.

The Board may terminate or suspend the operation of the Plan at any time. In passing a resolution to terminate or suspend the operation of the Plan or to supplement or amend these rules, the Board must consider and endeavour to ensure that there is fair and equitable treatment of all Participants. No amendment may be made which is inconsistent with the Listing Rules.

On termination of the Plan, no compensation under any contract of employment, consultancy or directorship between an Eligible Person and a member of the Group will arise as a result.

The Plan Rules also contain customary and usual terms having regard to Australian law for dealing with administration and costs of the Plan.

Terms and conditions of proposed Option grants

The terms and conditions on which the Options are proposed to be granted to Robin Beauchamp and Nathan Thomas are set out below.

Terms and Conditions of Proposed Option Grants

Grant Date	The business day immediately prior to the date the Company is admitted to the Official List of the ASX (the Grant Date).
Number of Options Offered	<p>(a) 5,000,000 Options to Robin Beauchamp, the Chief Executive Officer if the Maximum Subscription of \$5,000,000 is met (or 4,500,000 Options if the Minimum Subscription is met but the Maximum Subscription is not met), separated into three equal Tranches; and</p> <p>(b) 2,500,000 options to Nathan Thomas, the Chief Operating Officer, being three Tranches of 833,333 Options.</p>
Exercise Price	20 cents per Option, as determined in accordance with the Plan Rules.
Vesting Dates	As identified below for each respective Tranche of Options.
Exercise Period	Begins on the relevant Vesting Date for each respective Tranche of Options (identified below) and ends 4 years after the Grant Date (as amended in accordance with the Plan Rules).
Exercise Conditions	As set out below for each respective Tranche of Options.
Forfeiture Conditions	As identified in the Plan Rules.

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Tranche	Proportion of Options	Vesting Dates	Exercise Conditions
1	33.3% of aggregate number of Options	The Tranche 1 Options will vest on the date that the Exercise Conditions for the Tranche 1 Options are satisfied or are waived by the Board.	<p>The Exercise Conditions for the Tranche 1 Options are satisfaction of both the following:</p> <ul style="list-style-type: none"> (a) commencement of official quotation of the Company's ordinary shares on ASX; and (b) achievement of any one of the following: <ul style="list-style-type: none"> (i) the Market Share Price (being the volume weighted average market price of Shares sold on ASX on the 10 trading days immediately before the determination date) (Market Share Price) of an ordinary share in the Company is equal to or greater than A\$0.30 calculated as at the determination date of 30 June 2017; or (ii) the Market Share Price of an ordinary share in the Company is equal to or greater than A\$0.40 calculated as at the determination date of 30 June 2018; or (iii) the Market Share Price of an ordinary share in the Company is equal to or greater than A\$0.50 calculated as at the determination date of 30 June 2019.
2	33.3% of aggregate number of Options	The Tranche 2 Options will vest on the date that the Exercise Conditions for the Tranche 2 Options are satisfied or are waived by the Board.	<p>The Exercise Conditions for the Tranche 2 Options are satisfaction of both the following:</p> <ul style="list-style-type: none"> (a) commencement of official quotation of the Company's ordinary shares on ASX; and (b) achievement of any one of the following: <ul style="list-style-type: none"> (i) the Market Share Price of an ordinary share in the Company is equal to or greater than A\$0.40 calculated as at the determination date of 30 June 2018; or (ii) the Market Share Price of an ordinary share in the Company is equal to or greater than A\$0.50 calculated as at the determination date of 30 June 2019.
3	33.3% of aggregate number of Options	The Tranche 3 Options will vest on the date that the Exercise Conditions for the Tranche 3 Options are satisfied or are waived by the Board.	<p>The Exercise Conditions for the Tranche 3 Options are satisfaction of both the following:</p> <ul style="list-style-type: none"> (a) commencement of official quotation of the Company's ordinary shares on ASX; and (b) the Market Share Price of an ordinary share in the Company is equal to or greater than A\$0.50 calculated as at the determination date of 30 June 2019.

9.6 Rights and Liabilities Attaching to Shares in the Company

A summary of the key rights and obligations attaching to the Shares is set out below. The provisions of the Constitution relating to the rights attaching to the Shares must be read subject to the Corporations Act and other statutory law, the Listing Rules and general law.

This summary is not exhaustive and is not a definitive statement of the rights, liabilities and restrictions attaching to the Shares. To obtain such a statement, Applicants should seek independent legal advice.

(a) Ranking

The Shares will be fully paid ordinary shares and will rank equally in all respects with the existing fully paid ordinary shares in the Company.

(b) Reports and Notices

Members are entitled to receive all notices, reports, accounts and other documents required to be sent to members under the Constitution and the Corporations Act.

(c) General Meetings

Members are entitled to receive at least 28 days' notice of a general meeting and to attend and vote at general meetings.

Members are entitled to be present in person, or by proxy, attorney or representative (where the member is a body corporate) to speak and to vote at general meetings of the Company. Members may requisition general meetings in accordance with the Corporations Act and the Constitution.

(d) Voting

Subject to any rights or restrictions for the time being attached to any class or classes of shares in the Company (at present there is only one class of shares), at a general meeting of the Company:

- (i) every member present in person, or by proxy, attorney or representative has one vote on a show of hands; and
- (ii) upon a poll every member present in person or by proxy, attorney or representative has one vote for every fully paid share held.

The Directors may determine that direct voting will be available for any general meeting or class meeting.

In the case of joint holders of a Share, where more than one joint holder votes, the vote of the holder whose name appears first in the share register will be accepted to the exclusion of the others whether the vote is given personally, by attorney or proxy.

A poll may be demanded by the Chairman, or by at least 5 members present and entitled to vote at the general meeting, or by a member or members present and with at least 5% of the votes that may be cast on the resolution on a poll.

(e) Dividends

The Directors may resolve to pay any dividend they think appropriate. Subject to any special rights or restrictions attaching to any Shares, dividends must be paid equally on all fully paid Shares (which were fully paid for the entire period to which the Dividend relates).

No Shares with special dividend rights are currently on issue.

(f) Winding Up

In a winding up:

- (i) members are entitled to share in any surplus assets available for distribution in proportion to the capital paid up (or which ought to have been paid up) on the Shares held by them; and
- (ii) if there is a deficiency in the assets available for distribution to repay the whole of the paid up capital, the assets will be distributed so that the losses are borne by the members in proportion to the capital paid up or which ought to have been paid up, on the Shares held by them.

(g) Transfer of Shares

Subject to the Constitution and to any restrictions attached to a member's Shares, a member may transfer any of the member's Shares by a proper the ASX Settlement transfer, a written transfer in any usual form or in any other form approved by the Directors.

The Directors may decline to register a transfer of Shares or apply for a holding lock to prevent a transfer in accordance with the Corporations Act or Listing Rules if:

- (i) the Company has a lien on the Shares the subject of the transfer;
- (ii) the Company is served with a court order that restricts a member's capacity to transfer the Shares;
- (iii) registration of the transfer may break an Australian law and the ASX has agreed in writing to the application of a holding lock (which must not breach an ASX Settlement Operating Rule) or that the Company may refuse to register a transfer;
- (iv) this Constitution or the Listing Rules permits them to do so (including during the escrow period for restricted securities);
- (v) if the transfer is paper-based, either a law related to stamp duty prohibits the Company from registering it or registration of the transfer will create a new holding which at the time the transfer is lodged is less than a marketable parcel;
- (vi) if the transfer does not comply with the terms of any employee incentive scheme of the Company; or
- (vii) the member has agreed in writing to the application of a holding lock (which must not breach an ASX Settlement Operating Rule) or that the Company may refuse to register a paper-based transfer.

(h) Future Increases in Capital

The issue of Shares and other securities of the Company is under the control of the Directors and is also subject to the Constitution, the Listing Rules and the Corporations Act. Any Share, option or other security may be issued with such preferred, deferred or other special rights or restrictions, whether with regard to dividends, voting, return of capital, payment of calls or otherwise, as the Directors decide.

The Company may issue preference Shares, including preference Shares which are liable to be redeemed or converted into Shares.

(i) Variation of Rights

The rights attaching to any class of Shares may be varied with:

- (i) the consent in writing of the holders of at least 75% of the issued Shares of that class; or
- (ii) the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of the class.

(j) Alteration of Share Capital

The Company may, by resolution, make any reduction or alteration to the Company's Share capital which is permitted by the Corporations Act.

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(k) Proportional Takeover Provisions

The constitution contains provisions requiring approval from at least 50% of members (entitled to vote) before a proportional takeover can proceed. These provisions must be renewed after 3 years from their adoption or they will lapse.

(l) Directors – Appointment and Retirement

The Constitution of the Company contains provisions relating to the rotation of Directors (other than the Managing Director). Directors (other than the Managing Director) must retire at the end of the third annual general meeting following their appointment and can stand for re-election. If at an annual general meeting there are no directors required to retire by rotation, the Director (excluding the Managing Director) who has been in office the longest must retire and may stand for re-election.

9.7 Tax Considerations

The acquisition and disposal of securities in the Company will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring securities from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

9.8 Consents

Each party referred to in this Section:

- » does not make, or purport to make, any statement in this Prospectus or any statement on which a statement made in the Prospectus is based other than as specified in this Section; and
- » to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Each of the following parties has consented to being named in the Prospectus in the capacity as noted below and has not withdrawn such consent prior to the lodgement of this Prospectus with ASIC:

- » Grant Thornton Corporate Finance Pty Ltd as Investigating Accountant has also given its consent to the inclusion of the Investigating Accountant's Report in the form and context in which it is included in this Prospectus and to all statements attributed to it in this Prospectus.
- » Grant Thornton as auditors to the Company and Payment Adviser Group.
- » Hill Rogers Spencer Steer as former auditors to the Payment Adviser Group.
- » Gobarralong Capital Pty Ltd, Kimber Capital Pty Ltd and Veritas Securities Limited as the brokers to the Offer.
- » K&L Gates as solicitors to the Offer.
- » Coleman and Greig as solicitors to the Company.
- » Pure Hacking Pty Ltd in relation to system security testing services provided to the Group.
- » Registry Direct as the Share Registry.
- » Pipers as Patent attorney to the Group has also given its consent to the inclusion of the Patent report in the form and context in which it is included in this Prospectus and to all statements attributed to it in this Prospectus.

9.9 Interests of Advisers and Named Persons

This Section applies to persons named in the Prospectus as performing a function as a financial services licensee or in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus or promoters of the Company (collectively referred to as **Prescribed Persons**). Except as otherwise set out below or elsewhere in this Prospectus, no Prescribed Person has or during the last 2 years has had any interest in the formation or promotion of the Company, or any property proposed to be acquired by the Company in connection with its formation or promotion or the Offer.

No sums have been paid or agreed to be paid to a Prescribed Person for services rendered by the Prescribed Person in connection with the promotion or formation of the Company or the Offer except as set out below:

- » Grant Thornton Corporate Finance Pty Ltd will receive professional fees of approximately \$80,000 (excluding GST) for accounting services in connection with this Prospectus including the provision of the Investigating Accountant's Report.
- » Gobarralong Capital Pty Ltd, Kimber Capital Pty Ltd and Veritas Securities Limited as brokers to the issue will receive fees of up to \$300,000 (excluding GST).
- » K&L Gates will receive professional fees of approximately \$100,000 (excluding GST) for legal work undertaken in connection with this Prospectus and the Offer. K&L Gates will also render charges at its standard rates for general corporate work undertaken for the Company (which is not undertaken in connection with this Prospectus or the Offer).
- » Registry Direct has been appointed as the Share Registry and will receive professional fees of approximately \$4,800 pa (excluding GST) plus transaction fees for share registry services.
- » Pipers will receive professional fees of \$9,000 (excluding GST) in connection with the provision of the intellectual property report in Section 7.

These amounts, and other expenses of the Offer, will be paid by the Company out of funds raised under the Offer or available cash. Further information on the use of proceeds and payment of expenses of the Offer is set out in Section 6.4 (Purpose of the Offer and use of funds raised).

9.10 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director (whether individually or as a consequence of a Director's association with any company or firm or any material contract entered into by the Company) has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, options or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated to induce him to become, or to qualify as, a Director, or otherwise for services rendered by him or his company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Offer.

As noted in Section 5.3(a), the non-executive Directors are entitled to be paid for their services as Directors such annual fees as the Directors determine, provided the annual fees do not exceed in aggregate the maximum sum that is from time to time approved by the Members in a general meeting in accordance with the Listing Rules. This amount has been fixed at \$180,000.

As noted in Section 5.3(a)(ii), Directors are also entitled to be paid or reimbursed for travelling and other expenses properly incurred in attending meetings. The Directors may approve the payment of special remuneration (in addition to the annual fees described above) to any Director who performs extra services or makes special exertions for the Company.

9.11 Costs

If the Offer proceeds, the total estimated costs of the Offer, including legal fees, registration fees, fees for other advisors, prospectus design, printing and advertising expenses and other miscellaneous expenses, will be approximately \$596,000 (excluding any applicable GST) if the Minimum Subscription is raised under the offer and \$718,000 (excluding any applicable GST) if the Maximum Subscription is raised under the Offer. The Company paid \$64,000 (excluding any applicable GST) of these costs in August 2016 from its own resources. The costs to be paid following the close of the Offer are \$532,000 (at the minimum Subscription) and \$654,000 (at the Maximum Subscription as shown in this Prospectus).

9.12 Continuous Disclosure

Following addition of the Company to the Official List, the Company will be a “disclosing entity” (as defined in Section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s Shares.

Price sensitive information will be publicly released through the ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

9.13 Litigation and Claims

The Directors are not aware of any civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature instituted, pending or threatened in which the Company is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company.

9.14 Privacy Statement

By filling out an Application Form, each applicant will provide personal information to the Company and the Share Registry. Company laws and tax laws require some of the information to be collected and kept. The Company, and the Share Registry on its behalf, will collect, hold and use the information provided by Applicants to process Applications, service their needs as Shareholders, provide services requested by Shareholders and to carry out appropriate administration.

If the information requested in the Application Form is not provided, the Company and the Share Registry may not be able to process or accept your Application.

Your personal information may be used from time to time to inform you about other products and services offered by the Company, which it considers may be of interest to you.

Your personal information may be disclosed to the Company’s agents and service providers on the basis that they deal with it in accordance with the Company’s privacy policy. The types of agents and service providers that may be provided with personal information and the circumstances in which personal information may be shared are:

- (a) the Share Registry for ongoing administration of the Shareholder register;
- (b) printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- (c) market research advisers for the purpose of analysing the Shareholder base; and
- (d) legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering and advising on the Shares and for associated actions.

You can obtain a copy of the Company’s privacy policy from the Company’s website at www.inpaytech.com.au

Shareholders may request access to their personal information held by (or on behalf of) the Company, and may be required to pay a reasonable charge to the Share Registry in order to access this personal information. Request for access to personal information should be made by writing to or telephoning the Share Registry, the address and contact details for which are given in the Corporate Directory at the end of this Prospectus.

9.15 Electronic Prospectus

Pursuant to Regulatory Guide 107 ASIC has exempted compliance with certain provisions of the Corporations Act to permit distribution of an electronic prospectus on the basis of a paper prospectus lodged with ASIC, the publication of notices referring to an electronic prospectus, and the issue of Shares in response to an application form accompanying an electronic prospectus subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company on 1300 834 535 (within Australia) and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

Alternatively, you may obtain a copy of the Prospectus from the Company's website at: www.inpaytech.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

9.16 Governing Law

This Prospectus and the contracts that arise from the acceptance of Applications are governed by the law applicable in New South Wales and each Applicant submits to the exclusive jurisdiction of the courts of New South Wales.

9.17 Directors Responsibility Statement

The Directors of the Company state that for the purposes of section 731 of the Corporations Act, they have made all enquiries that were reasonable in the circumstances and have reasonable grounds to believe that any statements by them in this Prospectus are true and not misleading or deceptive, and that with respect to any other statements made in this Prospectus by persons other than the Directors, the Directors have made reasonable enquiries and have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given the consent required by section 716(2) of the Corporations Act and have not withdrawn that consent before lodgement of this Prospectus with ASIC.

Each Director consents to the lodgement of this Prospectus with ASIC, and has not withdrawn that consent prior to this Prospectus being lodged.

This Prospectus is prepared on the basis that:

- » certain matters may be reasonably expected to be known to professional advisers of the kind with whom Applicants may reasonably be expected to consult; and
- » information is known to Applicants or their professional advisers by virtue of any legislation or laws of any State or Territory of Australia or the Commonwealth of Australia.

This Prospectus is dated 23rd September 2016.

Signed on behalf of the Company



Don Sharp
Executive Chairman

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10. GLOSSARY

Unless the context requires otherwise:

- (a) terms defined in the independent experts' reports included in this Prospectus have the same meaning when used throughout this Prospectus; and
- (b) each term below has the meaning set out below, unless this is inconsistent with the context in which the expression is used.

\$ or A\$ means references to dollar amounts in Australian currency;

AEST means Australian Eastern Standard Time;

AFS Licence means an Australian financial services licence, being a licence under section 913B of the Corporations Act which authorises a person who carries on a financial services business to provide financial services;

AIFRS means the Australian International Financial Reporting Standards;

Applicant means a person who makes an application for Shares under the Offer;

Application means an application for Shares under this Prospectus made by an Applicant using an Application Form;

Application Form means the form accompanying this Prospectus by which an Applicant may apply for Shares under the Offer;

Application Monies means the money payable by Applicants for Shares under the Offer;

APRA means the Australian Prudential Regulation Authority, the prudential regulator of the Australian financial services industry;

ASIC means the Australian Securities and Investments Commission;

Associates has the meaning given to that term in the Corporations Act;

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange as the context requires;

ASX Settlement means ASX Settlement Pty Ltd (ACN 008 504 532);

ASX Settlement Operating Rules means the operating rules of ASX Settlement from time to time;

ATO means the Australian Taxation Office;

B to B means Business to Business;

Bill Exchange Service means is a service in the property sector;

Board means the board of Directors of the Company

Brokers to Issue means Gobarralong Capital Pty Ltd, Kimber Capital Pty Ltd and Veritas Securities Limited;

Business Day means a day on which banks are open for business in NSW and excluding a Saturday, Sunday or a public holiday in NSW;

CHES means Clearing House Electronic Subregister System;

Clearing House means a service which remits employees superannuation data and/or payment on behalf of their employer;

ClickSuper means either Clicksuper Pty Ltd (ACN 122 293 985) trading as Click@SingleTouchPayroll or a trademark owned by this company, depending on the context;

ClickSuper Gateway means the ATO accredited Gateway operated by ClickSuper

ClickSuper Service means a Clearing House for superannuation, other payroll deductions, payment of employee salaries and ATO payroll related payments;

Closing Date means 5:00pm (AEST) on the date the Offer closes, which is set out in the "Key Offer Information" Section and may be varied by the Company;

Company or **InPayTech** means Integrated Payment Technologies Limited ACN 611 202 414;

Constitution means the constitution of the Company;

Corporations Act means the *Corporations Act 2001(Cth)*;

Director means a director of the Company;

Digital Business Council means an industry driven initiative of peak industry bodies, technology providers and government agencies, with the Commonwealth Government providing secretariat support;

EFT means electronic funds transfer;

Employee Share Option Plan means Company's Employees Share Option Plan as described in Section 9.5

Escrowed Shareholders means the Existing Shareholders who are subject to disposal restrictions on their Shares as set out in Section 6.16;

Existing Shareholders means the Shareholders of the Company as at the date of this Prospectus;

Founders means the founders of the Payment Advisor Group, being Andrew Blair, Robin Beauchamp, Jamie Handcock and Geoff Purcell

FY means the financial year of the Group (being 1 July to 30 June);

Gateway means an entity accredited by the ATO as a 'gateway' in order to be eligible to send or receive Superstream messages via the STN;

Group means the Company and any Subsidiaries;

GST has the meaning given to it in the *A New Tax System (Goods and Services Tax) Act 1999*;

Investigating Accountant's Report means the **Investigating Accountant's Report** prepared by Grant Thornton Corporate Finance Pty Ltd and included in Section 8;

Issue means the issue of Shares pursuant to this Prospectus;

Jagwood means Jagwood Pty Ltd (ACN 122 542 992);

Listing Rules means the listing rules of ASX;

Maximum Subscription means the maximum amount of subscriptions to be raised under this Prospectus, being \$5,000,000

Minimum Subscription means the minimum total amount of subscriptions to be raised under this Prospectus, being \$3,000,000;

NPP means the New Payments Platform proposed to be launched by the Reserve Bank in 2017, as described in Section 2;

Offer means the offer to the public to apply for a minimum 15,000,000 Shares and a maximum of 25,000,000 Shares under this Prospectus;

Offer Price means 20 cents per Share;

Official List means the official list of the ASX;

Official Quotation means official quotation of the Shares on the Official List;

Opening Date means the date the Offer opens, which is set out in the "Key Offer Information" Section and may be varied by the Company;

Option means a right to subscribe for or acquire a share;

Oriel means Oriel Technologies Pty Ltd (ABN 49 081 883 712);

Patents means the patents described in Section 7;

Payment Adviser means Payment Adviser Pty Ltd (ACN 169 581 524);

Payment Adviser Group (PAG) means the structure of the Group prior to the implementation of the Restructure Agreements;

Payment Adviser Service means a service utilising the patent process as set out in Section 8;

PDS means Product Disclosure Statement;

Process means a process invented by the founders of the Group that allows unlimited data about payments to be communicated to the receiver of the payment via the security of the receiver's bank account;

Prospectus means this prospectus as modified or varied by any supplementary prospectus made by the Company and lodged with ASIC from time to time;

Reserve Bank means the Reserve Bank of Australia;

Restructure Agreements means the agreements described in the material contract section in Section 9.4;

Section means a section of this Prospectus;

Share means a fully paid ordinary share in the issued capital of the Company;

Share Registry means Registry Direct;

Shareholder means a person who holds one or more Shares;

Single Touch Payroll means a government initiative that enables businesses and employers to report staff salary and wages (including ordinary time earnings) and PAYG withholding amounts to the ATO at the same time they pay their employees;

STP means Single Touch Payroll

SME means small and medium sized enterprises;

Subsidiary has the meaning given to that term in the Corporations Act;

STN means the Superannuation Transaction Network;

Superstream means the government's standard for processing superannuation data and payments electronically, as set out in the Superannuation Data and Payment Standards 2012 Legislative Instrument (as amended from time to time);

US Person has the meaning given in Rule 902(k) of Regulation S under the US Securities Act;

US Securities Act means the United States Securities Act of 1933, as amended; and

YTD16 means 10 months period ending 30 April 2016.

Appendix A

Significant Accounting Policies

Basis of Preparation

The Pro forma Historical Financial Information included in this prospectus has been prepared on an accruals basis and are based on historical costs. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars unless otherwise noted.

The Pro forma Consolidated Historical Financial Information has been prepared in accordance with AIFRS. The following is a summary of the significant accounting policies used in the preparation of the pro forma consolidated historical financial information included in this prospectus.

Principles of Consolidation

The principal of consolidation for the pro forma group includes subsidiaries and all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated.

Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Revenue

Revenue is measured at the fair value of the consideration received or receivable. The Group recognises revenue when the amount can be reliably measured, it is probable that future economic benefits will flow to the consolidated group and specific criteria for each of the activities.

Revenue is recognised for the major business activities as follows:

Facility Fees & Transaction fees

Fees for the provision of services are recognised as revenue as the services are rendered.

Float Interest

Float interest income comprises interest income on funds held over the standard processing period. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Other revenue is measured at the value of the consideration received or receivable.

Income Tax

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office (ATO) and other fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Group's

forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

The Company and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the pro forma consolidated historical financial information.

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 the acquisition. The Directors commissioned an independent valuation in order to make this assessment. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually.

Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of

a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Borrowing Costs

Borrowing costs are recognised in the statement of profit or loss and other comprehensive income in the period in which they are incurred.

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. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Employee Benefits

Short Term Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other Long Term Employee Benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined Contribution Superannuation Expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

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Integrated Payment Technologies Limited
ACN 611 202 414

**OFFER
CLOSES
5:00PM
18 November
2016**

Broker Reference – Stamp Only

APPLICATION FORM

Fill out this Application form if you wish to apply for Shares in Integrated Payment Technologies Limited

- Please read the Prospectus dated 23 September 2016.
- Follow the instructions to complete this Application form (see reverse).
- Print clearly in capital letters using **BLACK** or **BLUE** pen.

Broker Code

Advisor Code

--	--	--	--

--	--	--	--

A Number of shares you are applying for

--	--	--	--	--	--	--	--	--	--

x \$0.20 per share =

B Total amount payable

--	--	--	--	--	--	--	--	--	--

Minimum of 10,000 Shares to be applied for, and thereafter in multiples of 1,000 Shares

C Write the name(s) you wish to register the Shares in (see reverse for instructions)

Applicant 1

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Name of Applicant 2 or < Account Designation >

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Name of Applicant 3 or < Account Designation >

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

D Write your postal address here

Number / Street

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Suburb/Town

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

State

--	--

Postcode

--	--	--	--	--	--

E CHES participant – Holder Identification Number (HIN)

X

--	--	--	--	--	--	--	--	--	--

Important please note: if the name & address details above in sections C & D do not match exactly with your registration details held at CHES, any Shares issued as a result of your application will be held on the Issuer Sponsored subregister.

F Enter your Tax File Number(s), ABN, or exemption category

Applicant #1

--	--	--	--	--	--	--	--	--	--

Applicant #2

--	--	--	--	--	--	--	--	--	--

Applicant #3

--	--	--	--	--	--	--	--	--	--

G Payment details: Please identify payment method by completing option 1 or 2

1. By direct credit
Please transfer funds to the below bank account

Name of account	BSB No.	Account No.	Amount A\$
Integrated Payment Technologies Limited Application Account	032-099	644709	

2. By Cheque
Please enter details of the cheque(s) that accompany this application. Cheques should be made payable to Integrated Payment Technologies Limited Application Account.

Name of drawer of cheque	Cheque No.	BSB No.	Account No.	Amount A\$

H Contact telephone number (mobile)

--	--	--	--	--	--

I Email address

--	--	--	--	--	--	--	--	--	--

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Guide to the Application Form

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS.

These instructions are cross-referenced to each section of the Application Form.

Instructions

- A. If applying for Shares insert the **number** of Shares for which you wish to subscribe at Item **A** (not less than **10,000 shares** and then in multiples of **1,000 shares**.
- B. Multiply by **\$0.20** AUD to calculate the total for Shares and enter the **\$amount** at B.
- C. Write your full name. Initials are not acceptable for first names.
- D. Enter your postal address for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- E. If you are sponsored in CHES by a stockbroker or other CHES participant, you may enter your CHES HIN if you would like the allocation to be directed to your HIN. NB: your registration details provided must match your CHES account exactly.
- F. Enter your Australian tax file number ("TFN") or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN/ABN of each joint Applicant. Collection of TFN's is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form.
- G. Complete payment details as requested. If you are paying by cheque, Make your cheque payable to Integrated Payment Technologies Limited Application Account cross it and mark it "Not negotiable". Cheques must be made in Australian currency, and cheques must be drawn on an Australian Bank.
- H. Enter your **contact details** so we may contact you regarding your Application Form or Application Monies.

Correct Forms of Registrable Title

Note that **ONLY** legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person.

Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Lodgement

Mail your completed Application Form with cheque(s) attached to the following address:

Mailing address:

Integrated Payment Technologies Limited
C/- Registry Direct
PO Box 18366
Collins Street East VIC 8003

Delivery address:

Integrated Payment Technologies Limited
C/- Registry Direct
Level 6 2 Russell Street Melbourne VIC
3000

By submitting this Application form, I/We declare that this Application is completed and lodged according to the Prospectus and the instructions on the reverse of the Application form and declare that all details and statements made by me/us are complete and accurate. I/We agree to be bound by the constitution of Integrated Payment Technologies Limited (the Company). I/We was/were given access to the Prospectus together with the application form. I/We represent, warrant and undertake to the Company that our subscription for the above Shares will not cause the Company or me/us to violate the laws of Australia or any other jurisdiction which may be applicable to this subscription for Shares in the Company.

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Registry Direct on 1300 55 66 35.

Privacy Statement:

Registry Direct advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form.

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- B. Multiply by **\$0.20 AUD** to calculate the total for Shares and enter the **\$amount** at B.
- C. Write your full name. Initials are not acceptable for first names.
- D. Enter your postal address for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- E. If you are sponsored in CHES by a stockbroker or other CHES participant, you may enter your CHES HIN if you would like the allocation to be directed to your HIN. NB: your registration details provided must match your CHES account exactly.
- F. Enter your Australian tax file number ("TFN") or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN/ABN of each joint Applicant. Collection of TFN's is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form.
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Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
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Integrated Payment Technologies Limited
C/- Registry Direct
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3000

By submitting this Application form, I/We declare that this Application is completed and lodged according to the Prospectus and the instructions on the reverse of the Application form and declare that all details and statements made by me/us are complete and accurate. I/We agree to be bound by the constitution of Integrated Payment Technologies Limited (the Company). I/We was/were given access to the Prospectus together with the application form. I/We represent, warrant and undertake to the Company that our subscription for the above Shares will not cause the Company or me/us to violate the laws of Australia or any other jurisdiction which may be applicable to this subscription for Shares in the Company.

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Registry Direct on 1300 55 66 35.

Privacy Statement:

Registry Direct advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form.

11. CORPORATE DIRECTORY

Directors

Don Sharp - Executive Chairman
Robin Beauchamp - Executive Director
Jonathon Wynne - Non-Executive Director

Company secretary

Jillian McGregor

ASX Code

Code IP1 (one)

Registered office

Level 5, 28 Margaret Street
Sydney, NSW 2000

Telephone: 1300 834 535

Fax: 02 8090 1139

Email: info@inpaytech.com.au

Website: www.inpaytech.com.au

Company offer information line

1300 834 535 Hours of operation, 8.30am to 5.00pm (AEST) Monday to Friday during the Offer Period

Investigating Accountant

Grant Thornton Corporate Finance
Pty Ltd
Level 17,
383 Kent Street
Sydney NSW 2000

Auditor

Payment Adviser Group

Integrated Payment Technologies Limited

Grant Thornton
Level 17
383 Kent Street
Sydney NSW 2000

Intellectual Property expert

Pipers
5A Pacific Rise
Sylvia Park
Mt Wellington
Auckland
New Zealand

Phone +61 9919 9450

Solicitors to the offer

K&L Gates
Level 31, 1 O'Connell Street
Sydney NSW 2000

Phone: +61 2 9513 2300

Fax: +61 2 9513 2399

Website: www.klgates.com

Corporate Solicitors

Coleman Greig Lawyers
Level 11,
100 George Street
Parramatta NSW 2150

Phone 02 98959200

Share registry

Registry Direct
Level 6, 2 Russell Street
Melbourne VIC 3000

Telephone: 1300 55 66 35 (within Australia) or
+61 3 9020 7934 (outside Australia).

Website: www.registrydirect.com.au

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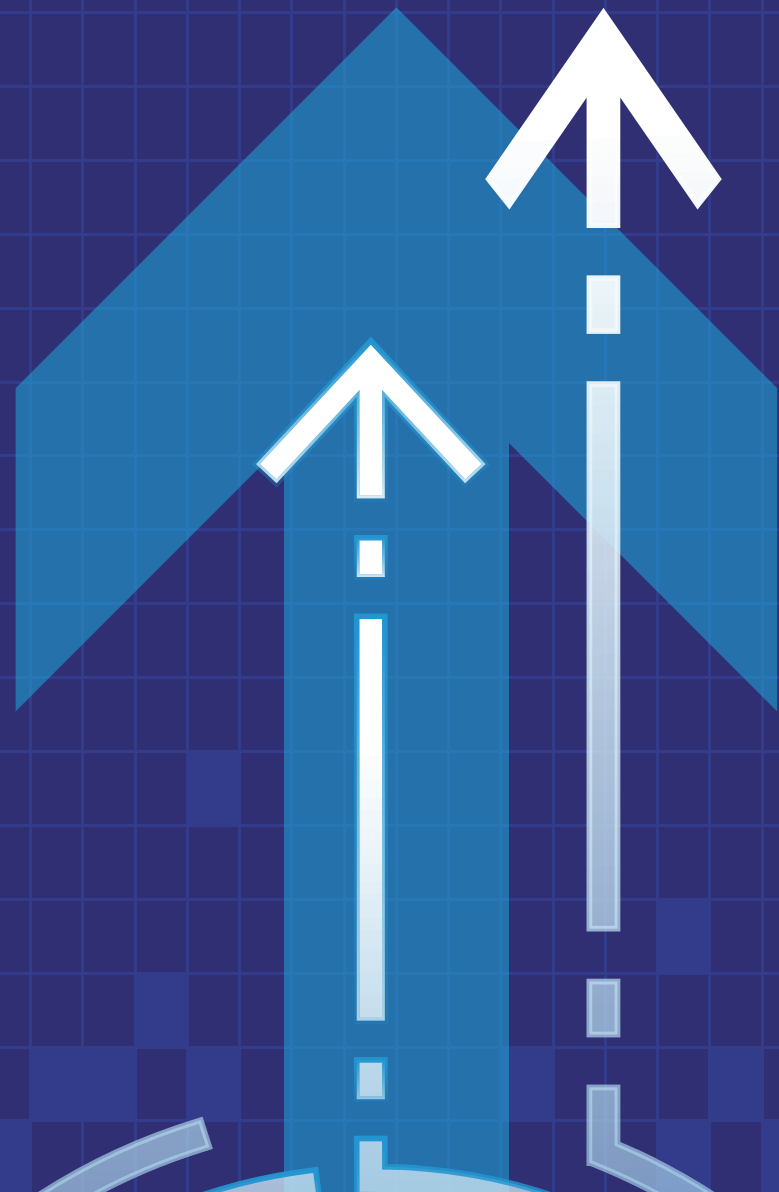
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InPayTech

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ACN. 611 202 414

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