



**SEARCH
PARTY**

ASX Announcement

ASX Code: SP1

6 December 2016

ISSUE OF BONUS OPTIONS

Search Party Group Limited (Company) confirms that 38,535,642 options over fully paid shares, exercisable at 10 cents each on or before 28 February 2017, have been allotted and issued to eligible shareholders pursuant to the Bonus Option Issue prospectus dated 24 November 2016.

The prospectus and relevant holding statements or allotment advices have been despatched to eligible shareholders and the final form of the Prospectus as despatched is attached.

An Appendix 3B confirming the final number of options issued is also attached.

About Search Party

Search Party (ASX:SP1) is a recruitment services marketplace that connects employers and recruiters to make hiring faster, easier and more effective. Search Party has offices in Sydney, Melbourne, London and Toronto. It also owns employer branding site, JobAdvisor. For more information, visit searchparty.com and jobadvisor.org.

For further Information, please contact:

Managing Director

Ben Hutt

Ben@searchparty.com

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Appendix 3B

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

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

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

Name of entity

Search Party Group Ltd

ABN

41 139 977 772

We (the entity) give ASX the following information.

Part 1 - All issues

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

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Unlisted options to subscribe for ordinary shares (Bonus Options) issued. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 38,535,642 Bonus Options were issued to Holders of shares at the record date of 1 December 2016 on a one Bonus Option for every 9.68 fully paid shares held. |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Bonus Options are exercisable at \$0.10 on or before 28 February 2017. |

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?	<p>Bonus Options are not quoted. Shares issued upon exercise of the Bonus Options will be listed on the ASX and will rank equally with the existing class of quoted securities.</p>
	<p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	
5	Issue price or consideration	Nil
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Fully underwritten pro rata issue of Bonus Options to eligible shareholders to provide funding to support continued platform development, marketing plans and to meet associated operational expenses.
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	No
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	N/A

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6d	Number of +securities issued with security holder approval under rule 7.1A	Nil.	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of securities issued under an exception in rule 7.2	Nil	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	7.1: 58,071,081 7.1A: N/A	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	6 December 2016	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	283,858,997	+Class Ordinary fully paid shares
		Number	+Class

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9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in section 2 if applicable)	103,281,548	Ordinary fully paid shares subject to escrow until 24 months after the date of reinstatement to quotation (SP1AH)
		30,000,000	Options @ \$0.15 expiring 2 August 2018 subject to escrow until 24 months after the date of reinstatement to quotation (SP1AJ)
		2,000,000	Options @ \$0.25 expiring 31 December 2016 subject to escrow until 24 months after the date of reinstatement to quotation (SP1AK)
		4,500,000	Options @ \$0.25 expiring 31 December 2016 subject to escrow until 12 months after the date of reinstatement to quotation (SP1AF)
		4,954,463	ESOP options – expiring 5 years after the Grant Date
		6,009,224	Performance Rights – expiring 5 years after the Grant Date, escrow until 24 months after the date of reinstatement to quotation (SP1AL)
		9,303,864	Performance Rights – expiring 5 years after the Grant Date (SP1AC)
		91,918	Private Treaty Options subject to escrow until 11 August 2017 (SP1AG)
		38,535,642	Bonus Options @\$0.10 expiring 28 February 2017.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
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+ See chapter 19 for defined terms.

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12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 for 9.68
14	+Class of +securities to which the offer relates	Ordinary shares
15	+Record date to determine entitlements	1 December 2016
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Proportionate entitlements rounded down
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	United States of America, United Kingdom, Hong Kong, Vanuatu, Philippines, France, Canada
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	TFLB Pty Ltd ACN 119 290 765 (TFLB) or a nominee of TFLB, an entity associated with Trevor Loewensohn (Chairman)
21	Amount of any underwriting fee or commission	4% of the underwritten amount (being the total Bonus Options less those Bonus Options issued to the underwriter or its associates in its capacity as shareholder in the company) to be satisfied in cash or fully paid ordinary shares in the company issued at 10c/share, at the discretion of the company.
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable

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24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	Not applicable
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	6 December 2016
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Late January 2017
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	⁺ Despatch date	6 December 2016

Part 3 - Quotation of securities

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

Not applicable.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Date: 6 December 2016

Company Secretary

Print name: Simone Lander

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Appendix 3B – Annexure 1

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

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	44,061,754
Add the following: <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period 	<ul style="list-style-type: none"> • 287,453,530 ordinary shares (issued on 12 August 2016 pursuant to the Takeover Offer under LR 7.2 Exception 5) • 37,049,969 ordinary shares (issued on 12 August 2016 pursuant to prospectus dated 10 June 2016 approval granted 17 June 2016) • 10,000,000 ordinary shares (facilitation services - approval granted 17 June 2016) • 2,075,292 ordinary shares (issued as final consideration for compulsory acquisition approved at general meeting on 17 June 2016) • 1,125,000 ordinary shares (issued 5 February 2016 for general working capital – approval granted 17 June 2016) • 3,375,000 ordinary shares (issued 3 February 2016 for general working capital – approval granted 17 June 2016) • 2,000,000 ordinary shares (issued 21 January 2016 for corporate advisory services – approval granted 17 June 2016)
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	-
“A”	387,140,545

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Step 2: Calculate 15% of "A"	
"B"	0.15 <i>[Note: this value cannot be changed]</i>
Multiply "A" by 0.15	58,071,081
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	0
"C"	0
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
<p>"A" x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	58,071,081
<p>Subtract "C"</p> <p><i>Note: number must be same as shown in Step 3</i></p>	0
Total ["A" x 0.15] – "C"	58,071,081

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Part 2

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

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



**SEARCH
PARTY**

**SEARCH PARTY GROUP LTD
ACN 139 977 772**

BONUS ISSUE PROSPECTUS

For a pro-rata bonus issue of 1 Bonus Option for every 9.68 Shares held by Eligible Shareholders registered at 5 pm on 1 December 2016.

The Bonus Options are being offered free to Eligible Shareholders.

The Exercise Price of 10c per Share is a significant premium to the closing price of 4.7c per Share the day before this Prospectus was lodged with ASIC

Bonus Options which are not exercised by 5 pm on 28 February 2017 will form the Shortfall, which is fully underwritten. \$4 million will be raised on conversion of the Bonus Options and issue of any Shortfall Shares.

Shareholders are not required to take any action in relation to the Offer under this Prospectus.

IMPORTANT INFORMATION

This Prospectus is a transaction specific prospectus issued in accordance with section 713 of the Corporations Act.

This is an important document and requires your immediate attention. If you are an Eligible Shareholder, you should read this Prospectus in its entirety.

If you do not understand any part of this Prospectus, or are in any doubt as to how to deal with it or your Entitlement, you should consult your stockbroker, accountant, solicitor or other professional adviser.

You should have regard to all publicly available information concerning the Company.

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Important Notices

You should read this entire Prospectus carefully and seek professional advice where necessary. In particular, you should consider the key risks that could affect the performance of the Company or the value of an investment in the Company, some of which are outlined in section 4 of this Prospectus.

As this is a bonus issue of options, Shareholders are not required to apply for the Bonus Options.

The information provided in this Prospectus is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Before deciding whether to exercise your Bonus Options, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading this Prospectus, you have any questions about the Offer, you should contact your stockbroker, accountant, solicitor or other professional adviser.

Regulatory Information

This Prospectus is dated 24 November 2016 and was lodged with ASIC on that date. This Prospectus has been prepared by the Company.

The Company will not apply to ASX for quotation of the Bonus Options.

Neither ASIC nor ASX take any responsibility for the contents of this Prospectus.

This Prospectus expires on the date 13 months after the date of this Prospectus. No securities will be allotted, issued or sold on the basis of this Prospectus after that date.

This is a Prospectus for an offer of 'continuously quoted securities' (as defined in the Corporations Act) of the Company and has been prepared in accordance with section 713 of the Corporations Act. Accordingly, this Prospectus does not contain the same level of disclosure as an initial public offering prospectus.

Disclaimer

Except as required by law and only then to the extent so required, neither the Company nor any other person warrants the future performance of the Company, or any return on any investment made under this Prospectus. An investment in the Bonus Options offered by this Prospectus should be considered speculative.

No person is authorised to give any information or make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by the Company in connection with the Offer.

The Company has prepared this Prospectus based on information available to it at the time of preparation.

Forward-looking statements

This Prospectus includes forward-looking statements that have been based on current expectations about future acts, events and circumstances. These

forward-looking statements are, however, subject to known and unknown risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in or implied by the forward-looking statements in this Prospectus.

In particular, this Prospectus details some important factors and risks that could cause the Company's actual results to differ from the forward-looking statements in this Prospectus (some of which are outlined in section 0 of this Prospectus).

Prospectus availability

Shareholders with registered addresses in Australia and New Zealand can obtain a copy of this Prospectus on the Company's website at www.searchparty.com or by calling the Company on 02 8001 6294 at any time from 8.30 am to 5.00 pm (AEDT) Monday to Friday. If you access the electronic version of this Prospectus, you should ensure that you download and read the entire Prospectus.

The distribution of this Prospectus (including an electronic copy) outside Australia may be restricted by law. If you come into possession of this Prospectus, you should observe any such restrictions and should seek your own advice on those restrictions. Any non-compliance with the restrictions may contravene applicable securities laws.

This Prospectus may not be released or distributed in the United States.

Foreign jurisdictions

This Prospectus has been prepared to comply with the requirements of the laws of Australia. No action has been taken to register the Bonus Options or otherwise permit an offering of Bonus Options in any jurisdiction outside of Australia.

New Zealand

The Bonus Options are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of Bonus Options is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

United States

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. In particular, this Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this Prospectus have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

See section 2.10 of this Prospectus for further details

in relation to persons in other jurisdictions.

Glossary

Terms and abbreviations used in this Prospectus are explained in the Glossary in section 7 of this Prospectus.

A reference in this Prospectus to time is a reference to the local time in Sydney, New South Wales, unless otherwise stated.

All financial amounts in this Prospectus are expressed in Australian dollars, unless otherwise stated.

Enquiries

If you have any questions in relation to the Offer, please contact your stockbroker, accountant, solicitor or other professional adviser.

If you have questions in relation to how your Entitlement has been calculated, please call the Company on 02 8001 6294 at any time from 8.30 am to 5.00 pm (AEDT) Monday to Friday.

Privacy

Please read the privacy statement located in section 6.12 of this Prospectus.

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CHAIRMAN'S LETTER

24 November 2016

Dear Shareholder

On behalf of Search Party Group Limited (**Company**), I am pleased to invite you to participate in an underwritten pro-rata, non-renounceable, bonus offer of unlisted Bonus Options on the basis of 1 Bonus Option for every 9.68 Shares held by Eligible Shareholders who are registered Shareholders at 5 pm on 1 December 2016 (**Offer**).

The Bonus Options are being issued to Eligible Shareholders for no consideration, but have an exercise price of 10c per Share and an expiry date of 5 pm on 28 February 2017. The full terms of the Offer are outlined in this Prospectus.

The Offer is supported by pre-commitments to exercise the Bonus Options received under the Offer from the Company's two largest shareholders. That is, entities associated with Mr Joshua Rogers and myself.

I have also agreed to have a related entity underwrite any shortfall in the amount of Bonus Options that are exercised to ensure the Company raises approximately \$4 million.

As you will appreciate, the Exercise Price of 10c per Share is a significant premium to 4.7c per Share, being the closing price on the ASX, the trading day before this Prospectus was lodged with ASIC. The underwriting has been priced as a sign of my support for the team and to allow them to grow the business. I am also conscious that it was not very long ago that the Company relisted at 10c per Share.

As described in the Company's June 2016 prospectus, one of the Company's objectives is to identify and secure strategic operating or capital partners to assist and support our growth and global expansion. In the meantime, whilst our system is fully functional and successfully generating placements and revenue it is, like all technology and marketplace companies, capable of continuous improvement and refinement as we learn new things every day.

To capitalise on the operating momentum post-relisting, the Board considers that the Offer is an appropriate opportunity to raise incremental capital. These funds which will be received early next year should enable the business to maintain its current development, marketing and sales spend for at least the next few months whilst it progresses its partnership efforts.

The funds from the exercise of the Bonus Options are intended to be used by the Company to support its accelerated platform and product development and marketing plans and to meet associated operational expenses. The Company will continue to monitor this strategy and, subject to ongoing operating performance and progress in identifying appropriate partners, may reduce the level of commitment to the accelerated platform and product development and marketing plans potentially significantly. Further details of the use of the funds raised are set out in sections 2.1 and 3.2 of this Prospectus.

On behalf of the Board, I thank you for your ongoing support of our Company.

Yours faithfully



Trevor Loewensohn
Chairman

For further information regarding the Offer, please call the Company on 02 8001 6294 between 8.30 am and 5.00 pm (AEDT) Monday to Friday, or visit our website at www.searchparty.com for more information about our Company.

KEY OFFER INFORMATION

Entitlement of Eligible Shareholders	1 Bonus Option for every 9.68 Shares held on the Record Date
Consideration Payable	Nil
Record Date	5.00 pm (AEDT), 1 December 2016
Exercise Price	\$0.10 per Share
Expiry Date	5.00 pm (AEDT), 28 February 2017
Quotation	Bonus Options will not be quoted

KEY DATES

Offer announced	28 September 2016
Prospectus lodged with ASIC and ASX	24 November 2016
Record Date	5.00 pm, 1 December 2016
Despatch of Prospectus and Holding Statements to Shareholders	6 December 2016
Notice sent to Shareholders	25 January 2017
Closing date for Applications for Shortfall Shares	5.00 pm, 28 February 2017
Bonus Options expire	5.00 pm, 28 February 2017
ASX notified of undersubscription	28 February 2017
Shortfall Shares issued and Holding Statements despatched	1 March 2017

All dates (other than the date of the Prospectus and date of lodgement of the Prospectus with ASX and ASIC) are indicative only. The Company reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, to vary the dates of the Offer, including extending the Expiry Date or accepting late Applications, either generally or in particular cases, without notice.

1 INVESTMENT OVERVIEW

Question	Response	Where to find more information
What is the Offer?	We are offering unlisted Bonus Options to Eligible Shareholders by a pro-rata non-renounceable bonus issue. Under the Offer, Eligible Shareholders will be issued 1 Bonus Option for every 9.68 Shares held on the Record Date at no cost.	Section 2.2
How many Bonus Options will be issued?	The Company will issue approximately 39,993,857 Bonus Options under the Offer.	Section 2.1
What is the amount that will be raised under the Offer?	Bonus Options will be issued to Eligible Shareholders at no cost and no funds will be raised from the initial Bonus Option issuance. However, upon exercise of the Bonus Options and issue of any Shortfall Shares, the Company will receive approximately \$4 million.	Sections 2.1 and 3.1
What is the purpose of the Offer?	The net proceeds raised from the exercise of the Bonus Options are intended to be applied to support further systems development and marketing plans and meet associated operational expenses.	Section 2.1
How do I accept my Entitlement under the Offer?	Eligible Shareholders are not required to take any action to be issued Bonus Options under the Offer. Holding Statements for the Bonus Options will be despatched to Eligible Shareholders.	Section 2.3
What is the Exercise Price?	The Exercise Price is \$0.10 which is the same as the issue price of the recent capital raising in June 2016 and is a significant premium to the closing Share price of \$0.047 on 23 November 2016.	Section 2.5
What are the terms, rights and liabilities of the Bonus Options?	A Bonus Option entitles the holder to exercise the Bonus Option for one fully paid ordinary Share in the Company. A Bonus Option may be exercised at any time prior to the Expiry Date of 5.00 pm (AEDT) on 28 February 2017 for the Exercise Price, being \$0.10 per Share.	Section 5.1
Who is an Eligible Shareholder?	The offer is only made to Eligible Shareholders, being a Shareholder who: <ul style="list-style-type: none"> • is registered as a holder of Shares as at 5:00 pm (AEDT) on 1 December 2016 (Record Date); and • has a registered address in Australia or New Zealand or are, in the opinion of the Company, otherwise eligible under all applicable securities laws to receive the Bonus 	Section 2.8

Question	Response	Where to find more information
	Options.	
What will happen to Ineligible Shareholders?	Shareholders who are not Eligible Shareholders are Ineligible Shareholders and Ineligible Shareholders will not be issued Bonus Options.	Section 2.9
Can I sell my Bonus Options?	No. Your entitlement to a Bonus Option is not transferable and there will be no trading of rights on ASX.	Section 2.13
What are my options as an Eligible Shareholder?	<p>As a holder of Bonus Options you may:</p> <ul style="list-style-type: none"> • choose not to exercise your Bonus Options; • exercise your Bonus Options by paying the exercise price and be issued with Shares; or • exercise your Bonus Options and in addition, apply to participate in the Shortfall and be issued with Shortfall Shares. 	Section 5.1
How do I exercise my Bonus Options?	Bonus Options may be exercised by returning the Exercise Notice and Shortfall Application Form together with a cheque for the Exercise Price for the number of Bonus Options you wish to exercise or direct debit funds to the bank account per instructions on the Exercise Notice and Shortfall Application Form	Section 2.5
Is the Offer supported by pre-commitments?	The Offer is supported by pre-commitments from the two largest Shareholders to exercise the Bonus Options they receive under the Offer, being entities associated with the Chairman, Mr Trevor Loewensohn and marketplace expert, Mr Joshua Rogers.	Section 6.1
Is the conversion of the Bonus Options underwritten?	Yes. The exercise of the Bonus Options is fully underwritten by an entity associated with Chairman, Mr Trevor Loewensohn, up to an amount of approximately \$4 million.	Section 6.1
What is the Shortfall?	<p>Any Bonus Options that are not exercised at the Expiry Date will form the Shortfall.</p> <p>Eligible Shareholders (except for Directors and Related Parties) who exercise their full Entitlement under the Offer may also apply to participate in the Shortfall and be issued Shortfall Shares.</p> <p>Shortfall Shares will be issued by the Company only to the extent of the shortfall between number of Shares to be issued pursuant to any Applications received from Eligible Shareholders to exercise their Entitlement and the number of Shares contemplated to be issued as part of the Offer. Depending on the number of Bonus Options issued under the Offer, approximately 39,993,857 Shortfall Shares may</p>	Section 2.2

Question	Response	Where to find more information
	<p>be issued.</p> <p>Shortfall Shares will be issued at \$0.10 (Shortfall Share Issue Price) on the same terms as being offered to Eligible Shareholders under this Prospectus.</p>	
<p>How do I apply for Shortfall Shares?</p>	<p>Eligible Shareholders who have exercised all of the Bonus Options they were issued under the Offer may apply to participate in the Shortfall and may be issued with Shortfall Shares.</p> <p>You may apply for Shortfall Shares by paying the Shortfall Share Issue Price for the number of Shortfall Shares you wish to be issued by returning the Exercise Notice and Shortfall Application Form together with a cheque for the Shortfall Share Issue Price for the number of Shortfall Shares you wish to be issued or direct debit funds to the bank account per instructions on the Exercise Notice and Shortfall Application Form.</p>	<p>Section 2.6</p>
<p>How will the Shortfall be allocated?</p>	<p>The Directors reserve the right within 3 months of the Expiry Date, to allocate the Shortfall and issue Shortfall Shares in their discretion.</p>	<p>Section 2.15</p>
<p>What are the rights and liabilities attaching to Shares issued under the Offer?</p>	<p>Shares issued on conversion of the Bonus Options and Shortfall Shares will be quoted fully paid ordinary shares in the Company and will rank equally with the Shares already on issue.</p>	<p>Section 5.2</p>
<p>What is the effect of the Offer on share capital and cash reserves?</p>	<p>The effect of the Offer is to:</p> <ul style="list-style-type: none"> • increase the number of Options on issue by 39,993,857; and • on exercise of the Bonus Options, increase the Company's cash reserves by up to approximately \$4 million before the expenses of the Offer. 	<p>Section 3.1</p>
<p>What are the key risks of a further investment in the Company?</p>	<p>Exercising the Bonus Options and acquiring Shares involves a number of risks and uncertainties. Some of the key risks of the Offer include:</p> <ul style="list-style-type: none"> • the Exercise Price is significantly higher than the current market price of Shares. You may be able to acquire Shares on-market for lower than the Exercise Price however the Company will not access the funds from such an investment; • the Company is in start-up phase, prospects cannot be forecast and based on its limited operating history, there is a risk that the Company may not reach commercial 	<p>Section 0</p>

Question	Response	Where to find more information
	<p>viability and an investment in the Company must be considered highly speculative;</p> <ul style="list-style-type: none"> • low customer take-up and failure to execute on some or all of this growth strategy may affect the Company's financial performance; • the Company may not be able to access further equity, debt capital or other funding (e.g. Government research & development grants) on acceptable terms; • reputational issues may impact operations, future earnings and growth prospects or the Company's ability to raise capital; • breach of security for private and sensitive data may expose the Company to liability, financial loss or reputational damage; • unauthorised access and/or theft of the Company's intellectual property could compromise its competitive advantage; • bugs, Platform flaws and extended outages may result in negative publicity and significant loss of customers; • inability to quickly replace loss of any service providers, operating system faults and/or technology discontinuation may have an adverse effect on the Company's business; and • other general risks including in relation to taxation and government regulations, investments in capital markets, accounting standards and general economic risks. 	
<p>What is the effect of the Offer on control of the Company?</p>	<p>Two of the Company's major shareholders, Mr Joshua Rogers and Mr Trevor Loewensohn, have made pre-commitments to exercise all Bonus Options issued to them. In addition, an entity associated with Mr Trevor Loewensohn is underwriting the exercise of the Bonus Options.</p> <p>The table below summaries the position of Mr Loewensohn and potential effect on control assuming all Shareholders exercise their Entitlements and also if no Shareholders exercise their Entitlements other than Mr Joshua Rogers and Mr Trevor Loewensohn.</p>	<p>Section 3.4</p>

Question	Response	Where to find more information								
	<table border="1"> <thead> <tr> <th>Shareholder</th> <th>Pre-Offer</th> <th>All Entitlements Exercised</th> <th>No Entitlements Exercised</th> </tr> </thead> <tbody> <tr> <td>Entities associated with Mr Loewensohn</td> <td>14.63%</td> <td>14.63%</td> <td>21.33%</td> </tr> </tbody> </table>	Shareholder	Pre-Offer	All Entitlements Exercised	No Entitlements Exercised	Entities associated with Mr Loewensohn	14.63%	14.63%	21.33%	
Shareholder	Pre-Offer	All Entitlements Exercised	No Entitlements Exercised							
Entities associated with Mr Loewensohn	14.63%	14.63%	21.33%							
How can I obtain further information?	Telephone the Company on 02 8001 6294 between 8.30 am and 5.00 pm (AEDT) Monday to Friday, or visit www.searchparty.com for more information.	Section 6.14								

2 DETAILS OF THE OFFER

2.1 Purpose of Offer

The Company will issue approximately 39,993,857 unlisted Bonus Options to Eligible Shareholders under the Offer. As the Bonus Options will be issued for no consideration, no funds will be raised through the initial issue of the Bonus Options. However, the exercise of the Bonus Options is fully underwritten and the Company will receive approximately \$4 million.

The purpose of the Offer is to provide existing Shareholders with the opportunity to support the Company through provision of additional capital on exercise of Bonus Options and in part, a response to the additional funding need arising from the Company's accelerated spending levels.

As advised in the Company's quarterly report released 31 October 2016, the current quarter's estimated spend of an average of \$1 million per month is above the base required spend for the business of approximately \$400,000 to \$600,000 per month.

As described in the Company's June 2016 prospectus, one of the Company's objectives is to identify and secure strategic operating or capital partners to assist and support our growth and global expansion. In the meantime, whilst our system is fully functional and successfully generating placements and revenue it is, like all technology and marketplace companies, capable of continuous improvement and refinement as we learn new things every day.

To capitalise on the operating momentum post-relisting, the Board considers that the Offer is an appropriate opportunity to raise incremental capital. These funds which will be received early next year should enable the business to maintain its current development, marketing and sales spend for at least the next few months whilst it progresses its partnership efforts.

The funds from the exercise of the Bonus Options are intended to be used by the Company to support its accelerated platform and product development and marketing plans and to meet associated operational expenses. The Company will continue to monitor this strategy and subject to ongoing operating performance and progress in

identifying appropriate partners may reduce the level of commitment to the accelerated platform and product development and marketing plans potentially significantly.

2.2 Structure of Offer

Each Eligible Shareholder is entitled to be issued 1 Bonus Option for every 9.68 Shares they hold on the Record Date, subject to the terms of this Prospectus, including the Bonus Options terms set out in section 5.1.

The exercise of the Bonus Options is underwritten as set out in section 6.1. Shares issued upon the future exercise of the Bonus Options offered under this Prospectus will rank equally with existing Shares. A summary of the rights and liabilities attaching to Shares is set out in section 5.2.

Any Bonus Options that are not exercised at the Expiry Date will form the Shortfall.

Eligible Shareholders (except for Directors and Related Parties) who exercise their full Entitlement under the Offer may also apply to participate in the Shortfall and be issued Shortfall Shares.

Shortfall Shares will be issued by the Company only to the extent of the shortfall between number of Shares to be issued pursuant to any Applications received from Eligible Shareholders to exercise their Entitlement and the number of Shares contemplated to be issued as part of the Offer. Depending on the number of Bonus Options issued under the Offer, approximately 39,993,857 Shortfall Shares may be issued.

Shortfall Shares will be issued at \$0.10 (**Shortfall Share Issue Price**) and on the same terms as being offered to Eligible Shareholders under this Prospectus.

2.3 Acceptance of the Offer

The Bonus Options will be automatically issued to Eligible Shareholders and Eligible Shareholders are not required to take any action. Holding Statements for the Bonus Options will be despatched to Eligible Shareholders once the Bonus Options are issued.

There is no minimum subscription for the Offer.

2.4 Tradability of Bonus Options

As a holder of Bonus Options you may choose to:

- (a) not exercise your Bonus Options;
- (b) exercise your Bonus Options; or
- (c) exercise your Bonus Options and also apply for Shortfall Shares.

You may not sell your rights to exercise the Bonus Options.

2.5 Exercise of Bonus Options

If you are an Eligible Shareholder, you will receive a Holding Statement setting out the number of Bonus Options you have been issued with.

Each Bonus Option may be exercised into one Share at an exercise price of \$0.10 per Bonus Option (**Exercise Price**).

You may deposit funds to the Company bank account as outlined in the accompanying Exercise Notice and Shortfall Application Form so that your proceeds are received by no later than 5.00 pm AEDT on 28 February 2017. If you elect to pay via electronic funds transfer then you will still need to return the Exercise Notice and Shortfall Application Form.

Alternatively if you elect to pay by cheque then you must deliver your completed Exercise Notice and Shortfall Application Form, together with a cheque, bank cheque or bank draft, by post to the Share Registry, so that it reaches the Share Registry by no later than 5:00 pm AEDT on 28 February 2017. The address is:

Advanced Share Registry
PO Box 1156
Nedlands WA 6909

Cheques and drafts should be made payable to "The Search Party Group Limited – Bonus Options" and crossed "Not Negotiable".

2.6 Process for applying for Shortfall Shares

If you wish to apply for Shortfall Shares, an application must be made in accordance with the instructions in this Prospectus and on the Exercise Notice and Shortfall Application Form.

If you wish to apply for Shortfall Shares, use the electronic funds transfer process as outlined in the accompanying Exercise Notice and Shortfall Application Form so that your proceeds are received by no later than 5.00 pm AEDT on 28 February 2017. If you elect to pay via electronic funds transfer then you will still need to return the Exercise Notice and Shortfall Application Form.

Alternatively if you elect to pay by cheque then you must deliver your completed Acceptance Form, together with a cheque, bank cheque or bank draft, by post to the Share Registry, so that it reaches the Share Registry by no later than 5:00 pm AEDT on 28 February 2017. The address is:

Advanced Share Registry
PO Box 1156
Nedlands WA 6909

Cheques and drafts should be made payable to "The Search Party Group Limited – Shortfall Shares" and crossed "Not Negotiable".

2.7 Underwriting

The Offer is underwritten. The material terms of the underwriting arrangements are set out in section 6.1.

2.8 Eligible Shareholders

Eligible Shareholders are those persons who:

- (a) are registered as a holder of Shares as at 5.00 pm (AEDT) on the Record Date; and
- (b) have a registered address in Australia or New Zealand or are, in the opinion of the Company, otherwise eligible under all applicable securities laws to receive

Bonus Options under the Offer.

2.9 Ineligible Shareholders

Shareholders who are not Eligible Shareholders are Ineligible Shareholders.

The Company has determined, in reliance on Listing Rule 7.7.1, that it would be unreasonable to extend the Offer to Ineligible Shareholders, having regard to the:

- (a) small number of Ineligible Shareholders;
- (b) small number and value of the Bonus Options which would be offered to Ineligible Shareholders if they were Eligible Shareholders; and
- (c) cost of complying with the legal and regulatory requirements in the respective overseas jurisdictions.

Accordingly, the Offer is not being made to any Shareholders with registered addresses outside Australia or New Zealand.

2.10 Treatment of Foreign Shareholders

This Prospectus does not constitute an offer of Bonus Options in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and anyone who receives this Prospectus should seek advice on and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the Bonus Options or the Offer, or otherwise permit a public offering of Bonus Options, in any jurisdiction outside Australia. Bonus Options may not be offered or sold in any country outside Australia except to the extent permitted below.

The Bonus Options are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of Bonus Options is being made in reliance on the *Securities Act (Overseas Compliance) Exemptions Notice 2013* (New Zealand).

2.11 Nominees, trustees and custodians

Shareholders who hold Shares on behalf of persons whose registered address is not in Australia are responsible for ensuring that accepting the Offer does not breach securities laws in the relevant overseas jurisdictions.

Shareholders who are nominees, trustees or custodians are therefore advised to seek professional advice as to how they should proceed. Failure to comply with restrictions set out in this Prospectus may result in violations of applicable securities laws.

2.12 Issue

Holding Statements are expected to be dispatched to Eligible Shareholders in accordance with the timetable set out in this Prospectus.

2.13 ASX quotation and trading of Bonus Options and Shares

The Company will not apply to ASX for the official quotation of the Bonus Options

offered under this Prospectus.

The Bonus Options are non-renounceable and cannot be traded.

The Company will apply to ASX for the official quotation of the Shares issued in connection with this Prospectus within the time period required by the ASX Listing Rules.

2.14 Rounding and determining Entitlements

All Entitlements will be rounded down to the nearest whole number of Bonus Options. The Company reserves the right (in its absolute discretion) to reduce the number of Bonus Options allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders.

2.15 Allocation of Shortfall Shares

The Directors reserve the right to place the Shortfall at their absolute discretion with the Underwriter or Eligible Shareholders within three months of the Expiry Date to maximise the amount of funds raised from the Offer. You may be allotted some or all of the Shortfall Shares that you applied for. If you are allotted less Shortfall Shares than you applied for, the Company will return all those funds (without interest) as soon as practicable.

3 EFFECT OF THE OFFER

3.1 Effect on Shareholders' equity and cash reserves

The Company will receive no funds from the Offer as the initial issue of the Bonus Options to Eligible Shareholders is at no cost. Accordingly, the issue of Bonus Options will not have a material impact on the Company's current financial position other than a decrease in cash reserves of approximately \$100,000 being the estimated expenses of the Offer as set out in section 6.10 of this Prospectus.

However, the Company will receive \$0.10 for each Bonus Option that is exercised and \$0.10 for each Shortfall Share that is issued. The Company will receive approximately \$4 million before expenses from the exercise of the Bonus Options or the issue of the Shortfall Shares (based on the number of Bonus Options to be issued and the underwriting arrangements). Regardless of how many Bonus Options are exercised, it is likely that the Company will need to raise further capital in the future.

3.2 Use of funds

The funds raised under the Offer are proposed to be used to enable the business to maintain its prevailing development, marketing and sales spend for at least the next few months whilst it progresses its partnership efforts and specifically to fund the following key business activities:

- (a) sales team and selling expenses;
- (b) product engineering and data science;
- (c) marketing and product design;
- (d) overheads and working capital; and

(e) costs of the Offer.

3.3 Effect on Company's capital structure

A comparative table of changes in the capital structure of the Company as a consequence of the Offer is set out below.

Capital	Capital structure pre-Offer	Capital structure post-Offer	Capital structure upon conversion of Bonus Options
Shares	387,140,545	387,140,545	427,134,402
Bonus Options	0	39,993,857*	0
Options (SP1AJ)	30,000,000	30,000,000	30,000,000
Options (SP1AK)	2,000,000	2,000,000	2,000,000+
Options (SP1AF)	4,500,000	4,500,000	4,500,000+
ESOP Options	4,954,463	4,954,463	4,954,463
Performance Rights (SP1AL)	6,009,224	6,009,224	6,009,224
Performance Rights (SP1AC)	9,303,864	9,303,864	9,303,864
Private Treaty Options (SP1AG)	91,918	91,918	91,918

* Approximate figure.

+ These options are exercisable at \$0.25 expire on 31 December 2016.

The above figures assume that no further Shares or Options are issued prior to the issue of Bonus Options under the Offer. In addition, Shareholders should note that due to rounding of Entitlements under the Offer to Shareholdings on the Record Date, among other things, the exact number of Bonus Options to be issued will not be known until completion of the Offer by the issue of the Bonus Options on or about 6 December 2016.

Based on the capital structure of the Company as at the date of this Prospectus, approximately 39,993,857 Bonus Options will be issued pursuant to this Offer. The number of Options on issue will increase from 41,546,381 to approximately 81,540,238 following completion of the Offer.

Approximately 39,993,857 Shares will be issued in connection with this Offer

3.4 Potential effect on control

If all of the Eligible Shareholders exercise their Entitlements, all holdings (except Ineligible Shareholders) will increase and there will be no significant changes to control.

Bonus Options that remain unexercised at the Expiry Date will form part of the Shortfall. Eligible Shareholders (other than Directors or related parties) may in addition to exercising their Bonus Options, apply for Shortfall Shares in accordance with the process set out in section 2.6 and depending on the allocation of the Shortfall, there may be outcomes for control.

(a) Pre-commitments

Entities associated with the Chairman, Trevor Loewensohn, and Joshua Rogers have made pre-commitments to take up their Entitlement under the Offer. The table below sets out the effect of the pre-commitments on control.

Holder	Relevant Interest pre-Offer	Relevant Interest post-Offer at full pre-commitment (assuming exercise of all Bonus Options)	Relevant Interest post-Offer at full pre-commitment assuming Underwriter takes up entire Shortfall
Trevor	56,637,384	62,488,353	91,099,915
Loewensohn	14.63%	14.63%	21.33%
Joshua Rogers	53,543,241	59,074,567	59,074,567
	13.83%	13.83%	13.83%

(b) The underwriting arrangement

The Underwriter, an entity associated with Trevor Loewensohn, will underwrite the exercise of the Bonus Options up to an amount of \$4 million.

The Underwriter currently holds a Relevant Interest of 14.63% in the Company. The number of Shortfall Shares the Underwriter or its nominee will acquire will depend on the size of the Shortfall.

If no Eligible Shareholders (other than Trevor Loewensohn and Joshua Rogers, who have made pre-commitments) exercise their Entitlements under the Offer, the Underwriter or its nominee will acquire approximately 34,462,531 Shares in connection with this Offer (comprising 5,850,969 Shares on exercise of its Bonus Options and 28,611,562 Shortfall Shares).

The table below illustrates the potential increase to voting power of the Underwriter (assuming no nominees) and the commensurate effect on control of the Company for various levels of assumed Shortfall.

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Shortfall (28,611,562 Shortfall Shares)	Underwriter		
	Number of Shortfall Shares issued	Voting percentage increase after issue of Shortfall Shares	Holding post-Exercise Date (including pre-commitment)
100% of Bonus Options subscribed (0% Shortfall)	0	0%	14.63%
75% of Bonus Options subscribed (25% Shortfall)	7,152,891	1.67%	16.30%
50% of Bonus Options subscribed (50% Shortfall)	14,305,781	3.35%	17.98%
25% of Bonus Options subscribed (75% Shortfall)	21,458,672	5.02%	19.65%
0% of Bonus Options subscribed (100% Shortfall)	28,611,562	6.70%	21.33%

3.5 Pro-forma statement of financial position

Set out below is an unaudited pro-forma statement of financial position as at 31 October 2016 and adjustments to show the potential effects of the Offer after costs and also the effects of the exercise of the Bonus Options and conversion to Shares.

Search Party Group Limited						
Proforma, unaudited statement of financial position						
As at 31 October 2016						
	Consolidated, 31 Oct 2016	R&D receipt due	Cost of Offer	Conversion of options (net)	Proforma, 31 October 2016	
Assets						
Current assets						
Cash and cash equivalents	1,801,657	1,323,705	-	100,000	3,863,428	6,888,790
Trade and other receivables	1,776,388	-	1,323,705			452,683
Other	164,289					164,289
Total Current Assets	3,742,334	-	-	100,000	3,863,428	7,505,762
Non-Current Assets						
Other financial assets	185,027					185,027
Property plant and equipment	106,026					106,026
Intangibles	3,333					3,333
Other financial assets	112,110					112,110
Total Non-current assets	406,496	-	-	-	-	406,496
TOTAL ASSETS	4,148,830	-	-	100,000	3,863,428	7,912,258
Liabilities						
Current Liabilities						
Trade and other payables	798,560					798,560
Provisions	173,802					173,802
Other	9,896					9,896
Total Current Liabilities	982,258	-	-	-	-	982,258
Non Current Liabilities						
Provisions	26,833					26,833
Total Non current liabilities	26,833	-	-	-	-	26,833
TOTAL LIABILITIES	1,009,091	-	-	-	-	1,009,091
NET ASSETS	3,139,739	-	-	100,000	3,863,428	6,903,167
Equity						
Contributed capital	24,370,874			100,000	3,863,428	28,134,302
Treasury shares	-	500,000				500,000
Option reserve	3,082,823					3,082,823
Foreign currency translation reserve	519,585					519,585
Accumulated losses	-	24,333,543				24,333,543
TOTAL EQUITY	3,139,739	-	-	100,000	3,863,428	6,903,167

The starting balance sheet shown is after the acquisition of the Search Party Limited by the Company in August 2016.

The estimated Offer expenses are expected to be approximately \$100,000 which relate to legal, registry, regulatory and mailing expenses. As discussed above, the issue of the Bonus Options is made to Eligible Shareholders for nil consideration and no funds will be received by the Company on issue. Further, the underwriting fee of approximately \$136,571 is payable at the time of issue of the Shortfall Shares. As

can be seen from the pro-forma adjustments, both the initial expenses and the underwriting fee reduce the amount of capital raised, rather than being recorded against retained earnings. Accordingly, approximately \$3,763,429 net will be raised from the Offer by the Expiry Date.

Please also note the recognition of expected receipt of the R&D Grant receivable of \$1.3 million which is expected in approximately 10 days.

4 KEY RISKS

Shareholders should be aware that exercising the Bonus Options and acquiring Shares involves a number of risks and uncertainties. This section summarises some of the risks that apply to an investment in the Company.

4.1 Price

The Exercise Price is significantly higher than the current market price of Shares. You may be able to acquire Shares on-market for lower than the Exercise Price however the business will not benefit from the funds so invested for the purposes described in this Prospectus.

4.2 Speculative nature of investment

The Company is a business in start-up phase and an investment in the Company is speculative in nature. The early stage nature of Search Party, the high pace of change and innovation within the recruitment technology market, and uncertainty regarding customer take up and the infrastructure required for and cost of origination mean that an investment should be regarded as speculative in nature. Investors should obtain their own independent financial advice prior to exercising their Entitlement. The capital contributed on exercise of a Bonus Option and the returns are not guaranteed by the Company, the Directors, its officers or any other person. The speculative nature of the investment poses a risk and the capital may not be returned.

4.3 Entry of other participants

Recruitment is a substantial industry where less than 3% of revenue globally is transacted online. There is a lot of innovation occurring in this space as a consequence, and many new online recruitment business models evolving. New entrants may wish to compete directly by copying the Company's model or derive a model which competes with the Company. These organisations may compete with the Company for market share and could adversely affect the market share or profitability of the Company though aggressive price competition or other means.

4.4 Market Shifts

The core tenet of the Company's market positioning is around the value that recruiters bring to the process of hiring talent. Faster, easier hiring, at a low cost should make employers more likely to use the Company's Platform and hence grow the market-share of recruiters when compared to their existing business model. Should market force/competing service offers shift such that the use of recruiters declines then this will impact the business and revenue of the Company.

4.5 Customer take up

The Company's success will depend, in part, on its ability to commercialise and expand its customer base of employers and recruiters and for them to transact through the Platform as intended. Failure to do so may impact the financial performance and overall success of the Company's business. There is a risk that the participation by customers in the Company's offering may be insufficient for the commercial viability of the Company immediately, and in the long term.

4.6 Growth management

The success of the Company will be dependent upon its ability to manage and execute successfully on its growth strategy. To manage this growth effectively, the Company will need to maintain efficient control and supervision of its operations and financial systems and to continue to expand, train and manage its employees on a rapid basis. As with many small and growing businesses, there is a risk that the Company may not be able to execute on some or all of this growth strategy. Failure by the Company to properly and adequately implement strategies and manage growth may affect the Company's financial performance.

4.7 Ability to attract and retain skilled personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and key personnel. The future success of the Company will, in part, depend on the Company's current staff, as well as the ability to hire and train new staff. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these key personnel cease their employment or engagement with the Company, or new staff are unable to be hired and trained. Failure to achieve this may have an adverse effect on the Company's operations and profitability.

4.8 Recruiters, employers and job seekers withdraw data

There is a risk that recruiters, employers and job seekers who upload information to the Company's Platform withdraw this information (for whatever reason). In this event, lack of sufficient data may adversely affect the Company's operations and ultimately its financial performance.

4.9 Funding

The Company's requirements for external capital depends on the extent of the expenditure planned in any period and the cash generated in the business from placements or rebates from the Australian Government's Research and Development program.

The Company will require further financing in the future. There is no guarantee that any equity or debt funding, or R&D funding will be available to the Company or if available, will be available on acceptable terms. Additionally, the ability for the Company to further expand its business may be dependent upon its ability to raise additional funds.

Any additional funding by way of equity will dilute shareholdings. Debt financing (if available) may involve restrictions on financing and operating activities of the Company. Accordingly, if the Company requires funding and is unable to obtain such funding, it may be required to reduce the scope of its operations and scale back the Company's development as the case may be.

4.10 Exchange rate movements

The Company operates in a variety of jurisdictions. Accordingly, the Company's performance may be adversely affected by movements in the foreign exchange rates outside of the control of the business. Cash will be held in the currencies of the expected spend and hence there should be little impact of FX market variability in the short term (i.e. while expenses are in excess of revenues). Beyond the short term there will be a natural hedge of local currency expenses and revenues in each jurisdiction and when revenues exceed expenses in each jurisdiction the Board will agree suitable hedging strategies appropriate to the market, operational scope and products available at the time.

4.11 Brand establishment, reputation and maintenance

The success of the Company is somewhat dependent upon maintaining a positive reputation with its current employer and recruiter users, as well as establishing its brand with new users. This will depend largely on the Company's ability to establish relationships with new users and maintain relationships with existing users, together with the ability to continue to provide an innovative and user-friendly Marketplace and other products. Unforeseen issues or events may place the reputation of the Company at risk and may impact operations, future earnings and growth prospects or the Company's ability to raise capital.

4.12 Regulatory framework

Although the Company has strategies and protocols in place to protect users' information (including the Platform being governed by the Company's terms and conditions), in the event these protocols fail, are not maintained, or do not adequately cover the statutory requirements for each jurisdiction, the Company

will be exposed to a number of risks. Such risks may include adverse publicity, loss of reputation, litigation, regulatory enquiries, and may also include the restricted use of the Company's Platform. Crystallisation of any of these risks may adversely affect the Company's operations and financial performance.

4.13 Limited trading history

The Company's Platform was released in beta in October 2014 and relaunched in July 2015. While the business has seen strong growth over the last six months, it is still in an early phase of development and like all marketplaces, its success is based on a high volume of transactions being concluded. Accordingly, evaluation of the Company's business or prospects cannot be forecast and based on its limited operating history, there is a risk that the Company may not reach commercial viability.

4.14 Insurance cover

The Company will, where possible and economically practicable, endeavour to mitigate some risks by procuring relevant insurance cover. However, such insurance cover may not always be available or economically justifiable and the policy provisions and exclusions may render a particular claim or the quantum of a claim by the Company outside the scope of the insurance cover. Accordingly, the Company may not be fully insured against all losses and liabilities that could unintentionally arise from its operations. If the Company incurs uninsured losses or liabilities, the value of the Company's assets may be at risk.

4.15 Protection of private and sensitive data

Access to private and sensitive data such as account balances and candidate databases is provided to the Company's internal staff and clients where necessary or for support purposes. If any of these user accounts were compromised, there is a risk that private and sensitive data relating to candidate performance and personal information could be accessed.

4.16 Intellectual property protection

The Company has invested significantly in the development of its information technology platform and uses certain trademarks in the promotion of its business, together with source code and proprietary algorithms. Unauthorised access and/or theft of these items would pose a risk to the competitive advantage of the Company.

4.17 Platform faults

All releases of the Company's Platform are run through extensive manual testing and an ever evolving system of automated regression tests to ensure stability of Platform is maintained to high standards. Preventative measures are in place to prevent security flaws from existing, even in testing environments. However,

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there is a risk that bugs, Platform flaws and extended outages (should they occur) may result in negative publicity and significant loss of customers.

4.18 Third party faults

Search Party relies on third party service providers for its Platform infrastructure, together with tailored operating systems and core technologies. Inability to quickly replace loss of any service providers, operating system faults and/or technology discontinuation may have an adverse effect on the Company's business.

4.19 Forward looking information

Certain information in this Prospectus may constitute forward looking information that is subject to risks and uncertainties and a number of assumptions, which may cause the actual expenditure of the Company to be different from the expectations expressed or implied in this Prospectus.

4.20 General risks

The business activities of the Company are subject to various general economic and investment risks that may impact on the future performance of the Company. These risk factors include, but are not limited to those summarised below.

(a) Taxation and government regulations

Changes in relevant taxation laws, interest rates, other legal, legislative and administrative regimes, and government policies in Australia (such as the R&D tax incentive scheme) may have an adverse effect on the assets, operations and ultimately the financial performance of both the Company and the entities in which the Company invests. These factors may ultimately affect the financial performance of the Company and the market price of the Shares.

(b) Investment in capital markets

As with all stock market investments, there are risks associated with an investment in the Company. Securities listed on the stock market, and in particular securities of technology start-ups, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of Shares regardless of the Company's performance. The price of Shares might trade below or above the Exercise Price.

(c) Accounting standards

Australian accounting standards are set by the Australian Accounting Standards Board (AASB). Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in the Company's financial statements.

(d) General economic risks

The operating and financial performance of the Company is influenced by a variety of general economic and business conditions, including levels of

consumer spending, commodities prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters.

(e) **Borrowings and interest rate fluctuations**

The Company does not envisage any significant assumption of debt in the short to medium term. To the extent debt is raised then the cost of interest on these borrowings will impact the earnings and performance of the business.

(f) **Dilution**

The Company may need to raise additional funds through further capital raising or debt facility at some time in the future after conclusion of the capital raising to be undertaken in connection with the Offer. Any such further capital raising will have the effect of diluting the interests of Shareholders of the Company.

(g) **Capital raising**

The Directors give no assurances that the objectives of the Company outlined in this Prospectus will be met. The capital raising to be conducted in connection with the Offer is intended to raise sufficient funds to support the growth and working capital needs of the business.

(h) **Force majeure events**

Events may occur within or outside Australia that could impact upon the operations of the Company and the price of Shares. The events include but are not limited to an act of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the demand for the Company's services and its ability to conduct business. The Company has only a limited ability to insure against some of these risks.

5 RIGHTS AND LIABILITIES OF BONUS OPTIONS AND SHARES

5.1 Rights and liabilities attaching to Bonus Options

The terms of the Bonus Options are as follows:

- (a) Each Bonus Option entitles the holder to subscribe for one Share upon exercise of the Option and payment of the Exercise Price.
- (b) Each Bonus Option is exercisable at the Exercise Price, payable in full on exercise of the Bonus Option.
- (c) The Bonus Options may be exercised at any time prior to the Expiry Date. Any Bonus Options not exercised on or before the Expiry Date automatically expire.
- (d) The Bonus Options will not be quoted on ASX.

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- (e) The Company must give the holder of each Bonus Option a certificate or holding statement (**Holding Statement**) stating:
 - (i) the number of Bonus Options issued to each holder;
 - (ii) the Exercise Price of the Bonus Options; and
 - (iii) the date of issue of the Bonus Options.
 - (f) Holders may exercise the Bonus Options at any time up to the Expiry Date. Any Bonus Options not exercised will automatically expire on the Expiry Date.
 - (g) Bonus Options may only be exercised during Business Hours by delivery to the Share Registry of an Exercise Notice and Shortfall Application Form stating the intention of the holder to:
 - (i) exercise all or a specified number of the Bonus Options; and
 - (ii) pay the Exercise Price in full for the exercise of each such Bonus Option.
 - (h) Applications for Shortfall Shares may only be made during Business Hours by delivery to the Share Registry of an Exercise Notice and Shortfall Application Form stating the intention of the holder to:
 - (i) apply for a specified number of Shortfall Shares; and
 - (ii) pay the Shortfall Share Issue Price for each Shortfall Share.
 - (i) An Exercise Notice and Shortfall Application Form in writing received outside of Business Hours will be taken to be received at the next opening of Business Hours.
 - (j) The Exercise Notice and Shortfall Application Form must be accompanied by the certificate or Holding Statement for the Bonus Options being exercised and a cheque made payable to the Company for the Exercise Price for the Bonus Options being exercised.
 - (k) The Bonus Options will be deemed to have been exercised on the date the Exercise Notice and Shortfall Application Form is received or deemed to be received by the Company or the Share Registry.
 - (l) The Company will issue the Shares to which a holder is entitled following exercise of Bonus Options and deliver a Holding Statement with respect to such Shares within the timeframe required by the ASX Listing Rules.
 - (m) The exercise of only some Bonus Options will not affect the rights of the holder to the balance of the Bonus Options held by them.
 - (n) If the holder of the Bonus Options exercises less than the total number of Bonus Options registered in the holder's name:
 - (i) the holder of the Bonus Options must surrender its option certificate, if one has been issued by the Company; and
 - (ii) the Company must cancel the certificate and issue the holder of the Bonus Options a new certificate or Holding Statement stating the remaining number of Bonus Options held by the holder and stating the information set out above.
 - (o) Bonus Options will not confer an entitlement to receive dividends declared and

paid by the Company, nor an entitlement to vote at general meetings of the Company unless the holder of the Bonus Options has exercised the Bonus Options before the record date for determining these entitlements and participates as a result of holding Shares.

- (p) All Shares issued on exercise of a Bonus Option will:
 - (i) rank equally in all respects (including, without limitation, rights relating to dividends) with other issued Shares;
 - (ii) be issued as fully paid;
 - (iii) be duly authorised and issued by all necessary corporate action; and
 - (iv) be allotted and issued free from all liens, charges and encumbrances whether known about or not, including statutory and other pre-emption rights and any transfer restrictions.
- (q) The Company will apply to ASX for official quotation of the Shares issued upon exercise of Bonus Options within the time period required by the ASX Listing Rules.
- (r) A holder of Bonus Options does not have the right to participate in bonus issues or new issues of securities offered to Shareholders until Shares are allotted to the holder pursuant to the exercise of the Bonus Options.
- (s) If there is a reorganisation (including, without limitation, consolidation, subdivision, reduction or return) of the capital of the Company, the rights of the holders of Bonus Options (including, without limitation, the number of Bonus Options to which the holder is entitled to and the Exercise Price) will be changed (as appropriate) in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (t) If the Company makes a pro-rata issue (other than a bonus issue) to existing Shareholders and no Share has been issued in respect of the Bonus Option before the record date for determining entitlements to the issue, the Exercise Price of each Bonus Option will be reduced in the manner permitted by the ASX Listing Rules applying at the time of the pro-rata issue.
- (u) If the Company makes a bonus issue to existing Shareholders and no Share has been issued in respect of that Option before the record date for determining entitlements to the issue, then the number of Shares over which that Bonus Option is exercisable will be increased in the manner permitted by the ASX Listing Rules applying at the time of the bonus issue.
- (v) The Company is entitled to treat the registered holder of a Bonus Option as the absolute holder of that Bonus Option and is not bound to recognise any equitable or other claim to, or interest in, that Bonus Option on the part of any person other than the registered holder, except as ordered by a court of competent jurisdiction or as required by statute.

5.2 Rights and liabilities attaching to Shares

Shares issued upon exercise of the Bonus Options granted under this Prospectus will be quoted fully paid ordinary shares in the Company and will rank equally with the Shares already on issue.

The following is a summary (though not an exhaustive or definitive statement) of the rights and liabilities attaching to Shares (being the security underlying Bonus Options).

(a) **Issue of Shares**

The power to issue Shares and other securities in the capital of the Company lies with the Board subject to the restrictions contained otherwise in the Constitution, the ASX Listing Rules and the Corporations Act.

(b) **Voting**

Every Shareholder present in person or by proxy at a meeting of Shareholders has one vote on a vote taken by a show of hands, and on a poll, every Shareholder who is present in person or by proxy has one vote for every fully paid Share held. A poll may be demanded at a meeting in the manner permitted by the Corporations Act.

(c) **Dividends**

Dividends are payable upon the determination of the Directors, who may fix the amount, time for payment and method of payment of dividends.

(d) **Transfer of Shares**

Subject to the Corporations Act, ASX Listing Rules and ASX Settlement Operating Rules, a Shareholder may transfer Shares by an instrument in writing in a form approved by the Directors. Except as otherwise provided for in the ASX Listing Rules or the ASX Settlement Operating Rules, the Directors may in certain circumstances refuse to register any transfer of Shares, or may request ASX Settlement or the Share Registry to apply a holding lock to prevent a proper transfer of Shares.

(e) **Meetings and notice**

Each Shareholder is entitled to receive notice of, and to attend, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act and the ASX Listing Rules. A Director may call a meeting of Shareholders and Shareholders may also requisition or convene general meetings in accordance with the procedures for Shareholder-initiated meetings set out in the Corporations Act. Shareholders must be given at least 28 days written notice of any general meeting unless otherwise permitted by the Corporations Act.

(f) **Rights on winding up**

All Shares rank equally in the event of a winding up, subject to any amount remaining unpaid on any Shares. Once all the liabilities of the Company are met, the liquidator may, with the sanction of a special resolution of the members, divide amongst the members all or any of the Company's assets and for that purpose determine how the liquidator will carry out the division between the different classes of members.

(g) **Variation of rights**

If the Share capital is divided into different classes of Shares, the rights attached to any class may be varied or cancelled by a special resolution passed

at a general meeting of the Shareholders in that class or with the written consent of three quarters of the Shareholders in that class.

(h) **Unmarketable parcels**

If a Shareholder holds a number of Shares that is less than a marketable parcel (as defined in the ASX Listing Rules), the Company has the power to sell or dispose of such Shares unless otherwise instructed by the Shareholder. The net proceeds from the sale will be paid to the Shareholder.

6 ADDITIONAL INFORMATION

6.1 Material terms of the underwriting arrangements

The Offer is fully underwritten by the Underwriter, an entity associated with the Chairman, Trevor Loewensohn, and is supported by pre-commitments to take up pro-rata allocation from the two largest Shareholders being those entities associated with Mr Trevor Loewensohn and Mr Joshua Rogers.

The Underwriter is a Related Party of the Company by reason of its association with Chairman, Trevor Loewensohn, and is a substantial holder with a Relevant Interest of 14.63%.

The Underwriter will receive an underwriting fee comprising 4% of the underwritten amount (being the Exercise Price of the total number of Bonus Options less those Bonus Options issued to the Underwriter or its associates in its capacity as a Shareholder) to be satisfied in cash. This is approximately \$136,571.55.

The Underwriter is also entitled to reimbursement of out-of-pocket costs and expenses.

Under the terms of the underwriting agreement, the Company indemnifies the Underwriter against all losses incurred directly or indirectly (including losses arising out of or in connection with the preparation for or involvement in investigations conducted by ASIC) as a result of or in connection with the Offer.

6.2 Continuous disclosure

The Company is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. Broadly, these obligations require:

- (a) the preparation of yearly and half-yearly financial statements and a report on the Company's operations during the relevant accounting period together with an audit or review report on those operations by the Company's auditor; and
- (b) the Company to notify ASX immediately of any information (subject to certain exceptions) of which it is or becomes aware which a reasonable person would expect to have a material effect on the price value of its securities. That information is available to the public from ASX.

Information that has already been disclosed to the ASX pursuant to the Company's continuous disclosure obligations is not included in this Prospectus other than that which is considered necessary to make this Prospectus complete.

Copies of documents lodged with ASIC in relation to the Company may be obtained

from, or inspected at, an ASIC office.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a securities exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

The following continuous disclosure documents have been released to ASX by the Company since lodgement of the Company's annual report for the period ending 30 June 2016 and before the lodgement of this Prospectus with ASIC:

Document	Date
AGM Results of Meeting	24 November 2016
AGM Chairman's Address and CEO Presentation	24 November 2016
Appendix 3B	1 November 2016
Appendix 4C – quarterly	31 October 2016
Notice of Annual General Meeting/Proxy Form	25 October 2016
Video of Investor Conference Presentation	21 October 2016
Presentation for Investor Conferences	17 October 2016
Change of Registered Office and Company Secretary Ceasing	14 October 2016
Strong Q3 Growth, Forecast Exceeded	13 October 2016
End of Escrow Period	10 October 2016
Appendix 3B	10 October 2016
Ceasing to be a substantial holder for SOC	05 October 2016
Appendix 4G	30 September 2016

The above documents may be obtained from the Company's website (www.searchparty.com) and ASX's website (www.asx.com.au). The Company's ASX code is 'SP1'.

The Company will provide a copy of the following documents, free of charge, to anyone who requests them from the date of this Prospectus until the Expiry Date:

- (a) the annual financial report for the Company and the audited accounts for The Search Party Ltd for the year ended 30 June 2016;
- (b) the financial report for the half-year ended 31 December 2016 (once it has

been disclosed to the ASX in accordance with the Company's continuous disclosure requirements); and

- (c) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (a) and before the lodgement of this Prospectus with ASIC.

The Company will also provide a copy of this Prospectus free of charge upon request.

6.3 Additional information not previously disclosed to the market

The Company is not withholding any information under the exceptions to continuous disclosure rules in Listing Rule 7.1A. ASX waivers and ASIC relief.

The Company has confirmed that no waivers from the ASX Listing Rules are required in relation to the Offer. The Company is not relying on any specific ASIC relief in order to conduct the Offer.

6.4 Market prices of Shares on ASX

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest closing market sale prices of the Company's quoted Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with ASIC, and the respective dates of those sales were:

	Price	Date
Highest share price	\$0.070	18-21 October 2016
Lowest share price	\$0.042	12 September 2016 21 October 2016

The closing price of Shares on the ASX on 23 November 2016, being the trading day before this Prospectus was lodged with ASIC, was 4.7c which is significantly lower than the Exercise Price of \$0.10.

6.5 Consents

Each of the parties referred to as consenting parties who are named below:

- (a) does not make the Offer;
- (b) has not authorised, and has not caused the issue of this Prospectus;
- (c) has not made any statement in this Prospectus or any statement on which a statement made in this Prospectus is based;
- (d) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this Prospectus; and
- (e) has given and has not, before the lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus in the form and

context in which it is named.

Consenting parties	Role
Advanced Share Registry	Share Registry
Corrs Chambers Westgarth	Legal advisers

6.6 Interests of Directors

Other than as set out below or elsewhere in this Prospectus including section 6.1 in respect of the Underwriter, no:

- (a) Director or proposed Director of the Company;
- (b) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- (c) promoter of the Company,

(together, the **Interested Persons**) holds at the date of this Prospectus or held at any time during the last two years before the date of lodgement of this Prospectus with ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the offer of Bonus Options under the Offer; or
- (f) the offer of Bonus Options.

Directors' Relevant Interests in securities

As at the date of this Prospectus, the Directors have the following Relevant Interests in Shares:

Director	Number of Shares	Relevant Interest	Number of other securities
Charles Thomas	3,440,000	0.89%	5,000,000 Options (exercise price \$0.15 expiring 2 August 2018)
Trevor Loewensohn	56,637,384	14.63%	200,000 Performance Rights
Ben Hutt	25,260,999	6.53%	5,409,224 Performance Rights
Paul Bird	715,141	0.18%	400,000 Performance Rights

Directors' remuneration

Directors are entitled to be remunerated by salary or other employment-related benefits in accordance with their employment agreements. The table below sets out the remuneration paid to the Directors for the two financial years prior to the date of this Prospectus and for the current financial year until the date of this Prospectus:

Director	Remuneration paid in 30 June 2015 financial year	Remuneration paid in 30 June 2016 financial year	Remuneration paid in 30 June 2017 financial year to date of Prospectus
Charles Thomas	\$99,988	\$108,708	\$41,667
Trevor Loewensohn	n/a	n/a	\$4,924
Ben Hutt	n/a	n/a	\$105,600
Paul Bird	n/a	n/a	\$15,942

Other transactions with Director related entities

As set out in section 6.1, an entity associated with Trevor Loewensohn will underwrite the exercise of the Bonus Options.

6.7 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- (b) promoter of the Company; or
- (c) an underwriter (but not a sub-underwriter),

holds, or has held within the two years preceding lodgement of this Prospectus with ASIC, any interest in:

- (d) the formation or promotion of the Company; or
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; and
- (f) the Offer,

and no amounts have been paid or agreed to be paid (in cash, Shares, Options or otherwise) and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or

(h) the Offer.

Corrs Chambers Westgarth has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Corrs Chambers Westgarth approximately \$80,000 plus GST and disbursements for these services.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, securities or otherwise) have been paid or agreed to be paid to any expert, promoter or any other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or the Offer.

6.8 Australian taxation implications

Taxation implications will vary depending on the specific circumstances of individual Shareholders. Further, tax rules or their interpretation in relation to equity investments may change following the completion of the Offer. You should obtain your own professional advice before concluding on the particular taxation implications that will apply to you if you participate in the Offer.

The provision of the Bonus Options should not be taxable as an actual or deemed dividend. In particular, the issue of the Options should not be regarded as a 'dividend substitution arrangement' by the Australian Taxation Office.

If the Bonus Options are exercised, Shares will be issued in consideration for payment of the Exercise Price. In this case, the Shares will be taken to have been acquired by the Shareholders at the time those Shares are issued, and the Exercise Price will be included in the cost base for capital gains tax purposes. Where the Options are not exercised and lapse (so no additional Shares are issued) there should be no capital gain or loss consequences in respect of the transactions.

The Directors do not consider that it is appropriate to give Eligible Shareholders advice regarding the taxation consequences of receiving Bonus Options under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of Eligible Shareholders. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Eligible Shareholders. Eligible Shareholders should, therefore, consult their own tax adviser in connection with the taxation implications of the Offer.

There may be tax implications arising from the acquisition of securities, any possible receipt of dividends (both franked and un-franked) and the disposal of securities. All prospective investors should carefully consider these tax implications and if uncertain as to the relevant taxation issues, obtain further advice from a qualified professional adviser. Tax liabilities are the responsibility of each individual investor and we will not be responsible for any tax or related penalties incurred by investors

6.9 Consents to lodgement

Each Director has given, and has not withdrawn, their consent to the issue of this

Prospectus and to its lodgement with ASIC under the Corporations Act.

6.10 Costs of the Offer

Item of expenditure	Cost
ASIC fees	\$2,500
Legal fees	\$80,000
Underwriting fee	\$136,571
Share registry, printing and other	\$17,500
Total	\$236,571

6.11 CHESS

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). ASX Settlement, a wholly-owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and ASX Settlement Operating Rules.

Under CHESS, Shareholders will not receive a certificate but will receive a statement of their holding of Bonus Options or Shares.

If you are broker sponsored, ASX Settlement will send you a CHESS statement in accordance with the timetable set out at the beginning of this Prospectus. The CHESS statement will set out the number of Bonus Options or Shares issued to you under or in connection with this Prospectus, and provide details of your holder identification number and the participant identification number of the sponsor.

If you are registered on the CHESS Company sub-register, your statement will be dispatched by the Share Registry and will contain the number of Bonus Options or Shares issued to you and your security holder reference number.

6.12 Privacy

The Company collects information about each Shareholder provided on an Exercise Notice and Shortfall Application Form for the purposes of processing the form and to administer that Shareholder's security holding in the Company.

By submitting an Application, each Applicant agrees that the Company may use the information provided by an Applicant on the Exercise Notice and Shortfall Application Form for the purposes set out in this Prospectus and may disclose it for those purposes to the Share Registry, the Company's Related Body Corporates, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

The Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate

communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Exercise Notice and Shortfall Application Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that Applicant subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

6.13 Governing law

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

6.14 Further Information

For more information on the Company and its business, please refer to the Company's website (www.searchparty.com) and the Company's ASX announcements (also available on the Company's website and the ASX website (www.asx.com.au)).

If you have any questions about the Offer that are not answered in this Prospectus you should consult your stockbroker, accountant, solicitor or other professional adviser before deciding to invest or call the Company on 02 8001 6294 any time during Business Hours.

7 GLOSSARY

Term	Meaning
\$	Australian dollars.
AEDT	Australian Eastern Daylight Time.
Applicant	An Eligible Shareholder who submits an Application.
Application	An application made by an Eligible Shareholder for Bonus Options and potentially Shortfall Shares in an Exercise Notice and Shortfall Application Form.
ASIC	Australian Securities & Investments Commission.
ASX	ASX Limited, or the market operated by it, as the context requires.
ASX Listing Rules	The official listing rules of ASX.
ASX Settlement	ASX Settlement Pty Limited.
ASX Settlement Operating Rules	The settlement and operating rules of ASX Settlement.
Board	The board of Directors of the Company.
Bonus Options	The unlisted options offered on the basis of, and under the terms of, the Offer, the rights and liabilities of which are summarised in section 5.1.
Business Hours	The hours of 8:30 am to 5:00 pm (AEDT) on a day which is not a Saturday, Sunday or public holiday.
CHESS	The Clearing House Electronic Subregister System operated by ASX Settlement.
Company or Search Party	Search Party Group Ltd ABN 41 139 977 772 and where the context requires, includes its wholly owned subsidiaries.
Constitution	The constitution of the Company as at the date of this Prospectus.
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Eligible Shareholder	The meaning given in section 2.8.

Term	Meaning
Entitlement	The number of Bonus Options for which an Eligible Shareholder is entitled to receive under the Offer, in each case being 1 Bonus Option for every 9.68 Shares held by the Eligible Shareholder on the Record Date.
Exercise Notice and Shortfall Application Form	The form attached to this Prospectus under which an Eligible Shareholder may exercise Bonus Options and apply for Shortfall Shares.
Exercise Price	\$0.10.
Expiry Date	5.00 pm on 28 February 2017.
Holding Statement	The meaning given in section 5.1(e).
Ineligible Shareholders	Shareholders who are registered but to whom the Offer is not being made as set out in section 2.9.
Interested Persons	The meaning given in section 6.6.
Offer	The offer of Bonus Options pursuant to this Prospectus.
Options	An option to acquire a Share.
Platform	The online marketplace owned and operated by the Company offering recruitment services with employer interface with recruiters, data science driven search and ability to hire.
Prospectus	This document, dated 24 November 2016.
Record Date	The date for determining the Entitlement of Shareholders under the Offer, being 5:00 pm (AEDT) on 1 December 2016.
Related Body Corporate	The same meaning as in section 50 of the Corporations Act.
Related Party	The same meaning as in section 228 of the Corporations Act.
Relevant Interest	The same meaning as in section 9 of the Corporations Act.
Share	A fully paid ordinary share in the capital of the Company.
Share Registry	Advanced Share Registry.
Shareholder	The registered holder of a Share.
Shareholding	The Shares held by a Shareholder of the Company.

Term	Meaning
Shortfall Share Issue Price	\$0.10 per Shortfall Share.
Shortfall Shares	Shares to be issued under the Shortfall.
Trading Day	The meaning given in the ASX Listing Rules.
Underwriter	TFLB Pty Ltd ACN 119 290 765 of 32 Plunkett Road, Mosman NSW 2088 or its nominee, an entity associated with Trevor Loewensohn.
US Securities Act	United States Securities Act of 1933, as amended.

Corporate Directory

Board of Directors

Trevor Loewensohn, Chairman

Benjamin Hutt, Managing Director

Charles Thomas, Director

Paul Bird, Director

Company Secretary

Simone Lander

Legal advisers

Corrs Chambers Westgarth

8 Chifley

Level 17, 8-12 Chifley Square

Sydney NSW 2000

Share Registry

Advanced Share Registry

110 Stirling Hwy

Nedlands WA 6009

Telephone: +61 8 9389 8033

Facsimile: +61 8 9262 3723

Registered Office

Level 5, 79 Commonwealth Street

Surry Hills NSW 2010

Telephone: +61 2 8001 6294

Auditors

BDO Audit (WA) Pty Ltd

38 Station Street

Subiaco WA 6008

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Authorisation

This Prospectus is authorised by the Company and lodged with the ASIC pursuant to section 718 of the Corporations Act.

Each Director of the Company has consented to lodgement of this Prospectus with ASIC in accordance with the terms of section 720 of the Corporations Act and has not withdrawn that consent.

This Prospectus is signed by Trevor Loewensohn on 24 November 2016 in accordance with the terms of section 351 of the Corporations Act.

Signed for and on behalf of
Search Party Group Ltd



Trevor Loewensohn
Chairman

EXERCISE NOTICE AND SHORTFALL APPLICATION FORM

SEARCH PARTY GROUP LTD

ABN 41 139 977 772

INCORPORATED IN WESTERN AUSTRALIA

APPLICATION FOR SHARES UPON EXERCISE OF OPTIONS

Name(s) of registered holder(s) of Options _____

Address(s) of registered holder(s) of Options _____

Securityholder Reference Number (S.R.N) / Holder Identification Number (H.I.N) _____

Contact Telephone Number _____

EXERCISE OF BONUS OPTIONS

I/We whose full name(s) and address(es) appear above hereby apply for: _____
In figures In words

Shares and enclose application money of \$0.10 per share \$.....
(amount payable on exercise)

I/We agree to be bound by the Constitution of the Company.

Cheques should be made payable to "**Search Party Group Ltd – Bonus Options**" and crossed "Not Negotiable" and posted to Advanced Share Registry, PO Box 1156, Nedlands, Western Australia 6909.

For direct debit, deposit funds to Search Party Group Ltd BSB: 036-034 A/C: 420761 and use "[your Application name] - BO" as a reference.

APPLICATION FOR SHORTFALL SHARES

I/We whose full name(s) and address(es) appear above apply for: _____
In figures In words

Shortfall Shares and enclose application money of \$0.10 per Shortfall Share \$.....
(amount payable on application)

I/We agree to be bound by the Constitution of the Company.

Cheques should be made payable to "**Search Party Group Ltd – Shortfall Shares**" and crossed "Not Negotiable" and posted to Advanced Share Registry, PO Box 1156, Nedlands, Western Australia 6909.

For direct debit, deposit funds to Search Party Group Ltd BSB: 036-034 A/C: 420761 and use "[your Application name] - SS" as a reference.

Individuals Only - All joint holders must sign

_____ Signature _____ Signature _____ Signature
Date Date Date

Companies Only - Executed in accordance with the Company's Constitution and the Corporations Act

_____ Sole Director and Sole Secretary _____ Date
 _____ Director _____ Date _____ Secretary _____ Date
 _____ Director _____ Date _____ Director _____ Date

Note: If signed under power of attorney, a certified copy of the relevant power of attorney document must be exhibited to the Share Registry. The attorney declares that he/she has had no notice of revocation of the power of attorney.

NOTE: OPTIONS NOT EXERCISED BY 5PM ON 28 FEBRUARY 2017 WILL AUTOMATICALLY EXPIRE