



ASX Announcement
27 September 2017

APPENDIX 3B

Following approval of the Board of Directors, the Company has issued 200,000 new shares of common stock, which equates to 5,000,000 CDIs, to certain accredited US investors at a price of US\$25 per share of common stock (equivalent to A\$1.25 per CDI), the same price that the Company issued CDIs under its recently completed placement of 40,000,000 CDIs to institutional investors outside the US.

The table below sets forth the securities of the Company on issue as at 27 September 2017.

Category	Common Stock	CDIs*
Shares	21,389,841	534,746,025
Options (not listed on ASX)	4,580,687	114,517,175
Warrants (not listed on ASX)	234,750	5,868,750

25 CDIs is equivalent to 1 share of common stock.

*Assumes all securities are held in the form of CDIs.

The Company's CDIs bear a "FOR US" designation to prevent CDIs from being traded to US Persons on the ASX. The 200,000 new shares of common stock issued pursuant to the placement, once converted to CDIs, will also bear the "FOR US" restriction. As a result, the "FOR US" restriction will remain in place for all CDIs for a period of 12 months from the date of allotment and issue of the new shares of common stock under the placement.

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, 04/03/13

Name of entity

Updater Inc. (the "Company")

ARBN

609 188 329

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 | Shares of common stock |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 200,000 shares of common stock (equivalent to 5,000,000 CHES Depository Interests (CDIs)) |
| 3 | Principal terms of the +securities (e.g. 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) | 1 share of common stock equals 25 CDIs |

+ See chapter 19 for defined terms.

For personal use only

Appendix 3B
New issue announcement

For personal use only

<p>4 Do the +securities rank equally in all respects from the +issue date with an 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 	<p>Yes, on conversion of the shares of common stock to CDIs, the CDIs will rank equally with the existing class of quoted securities (CDIs)</p>
<p>5 Issue price or consideration</p>	<p>US\$25 per share of common stock (the same price that CDIs were issued to institutional investors under the Company's recent placement of 40,000,000 CDIs)</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Proceeds of the placement will be used to finance the acquisitions by the Company of IGC Software and Asset Controls Inc., fund the rollout of the Company's new insurance division, and increase the Company's working capital to accelerate the sale of business products into additional verticals</p>
<p>6a 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>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>27 March 2017</p>

+ See chapter 19 for defined terms.

6c	Number of +securities issued without security holder approval under rule 7.1	200,000 shares of common stock (equivalent to 5,000,000 CDIs)
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)	Nil
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	<p>Under rule 7.1: 28,461,900 CDIs (equivalent to 1,138,476 shares of common stock)</p> <p>Under rule 7.1A: 42,862,780 CDIs (equivalent to 1,714,511 shares of common stock)</p>
7	<p>+Issue dates</p> <p>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.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	27 September 2017

+ See chapter 19 for defined terms.

For personal use only

Appendix 3B
New issue announcement

For personal use only

	Number	+Class
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	331,714,700* (equivalent to 13,268,588 shares of common stock)
		CDIs* *Assumes all shares of common stock are held in the form of CDIs

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	8,121,253 (equivalent to 203,031,325 CDIs)
	4,580,687 (equivalent to 114,517,175 CDIs)	Shares of common stock Options over common stock
	234,750 (equivalent to 5,868,750 CDIs)	Warrants to buy common stock

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
----	--	-----

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
----	---------------------------------------	-----

12	Is the issue renounceable or non-renounceable?	N/A
----	--	-----

13	Ratio in which the +securities will be offered	N/A
----	--	-----

14	+Class of +securities to which the offer relates	N/A
----	--	-----

+ See chapter 19 for defined terms.

15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A

+ See chapter 19 for defined terms.

For personal use only

Appendix 3B
New issue announcement

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	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements in full through a broker?	N/A
31	How do security holders sell part of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Issue date	N/A

Part 3 - Quotation of securities

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

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

+ See chapter 19 for defined terms.

For personal use only

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought N/A
- 39 +Class of +securities for which quotation is sought N/A
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? N/A
- If the additional +securities do not rank equally, please state:
- 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

+ See chapter 19 for defined terms.

For personal use only

Appendix 3B
New issue announcement

41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another ⁺ security, clearly identify that other ⁺ security)	N/A
----	---	-----

42	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in clause 38)	Number	⁺ Class
		N/A	

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.

+ See chapter 19 for defined terms.

For personal use only

Appendix 3B
New issue announcement

<p>that 12 month period</p> <p>Note:</p> <ul style="list-style-type: none"> • Include only ordinary securities here – other classes of equity securities cannot be added • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items 	<p>15,563 shares of common stock (equivalent to 389,075 CDIs) issued on 4 March 2017 pursuant to exception in rule 7.2</p> <p>17,500 shares of common stock (equivalent to 437,500 CDIs) issued on 8 May 2017 pursuant to exception in rule 7.2</p> <p>Total: 61,118,225 CDIs (assuming all shares are held in the form of CDIs)</p>
<p>Subtract the number of fully paid +ordinary securities cancelled during that 12 month period</p>	<p>Nil</p>
<p>“A”</p>	<p>489,746,025 CDIs (equivalent to 19,589,841 shares of common stock)</p>

+ See chapter 19 for defined terms.

For personal use only

For personal use only

Step 2: Calculate 15% of “A”	
“B”	0.15 [Note: this value cannot be changed]
Multiply “A” by 0.15	73,461,900 CDIs (equivalent to 2,938,476 shares of common stock)
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of + equity securities issued or agreed to be issued in that 12 month period not counting those issued: <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 Note: <ul style="list-style-type: none"> • This applies to equity securities, unless specifically excluded – not just ordinary securities • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items 	40,000,000 CDIs (equivalent to 1,600,000 shares of common stock) 5,000,000 CDIs (equivalent to 200,000 shares of common stock)
“C”	45,000,000 CDIs (equivalent to 1,800,000 shares of common stock)
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 Note: number must be same as shown in Step 2	73,461,900 CDIs (equivalent to 2,938,476 shares of common stock)
Subtract “C” Note: number must be same as shown in Step 3	45,000,000 CDIs (equivalent to 1,800,000 shares of common stock)
Total [“A” x 0.15] – “C”	28,461,900 CDIs (equivalent to 1,138,476 shares of common stock)

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	[Note: this is the remaining placement capacity under rule 7.1]
--	---

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	
<p>“A”</p> <p>Note: number must be same as shown in Step 1 of Part 1</p>	<p>428,627,800 CDIs (equivalent to 17,145,112 shares of common stock)</p>
Step 2: Calculate 10% of “A”	
<p>“D”</p>	<p>0.10</p> <p>Note: this value cannot be changed</p>
Multiply “A” by 0.10	42,862,780 CDIs (equivalent to 1,714,511 shares of common stock)
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A</p> <p>Notes:</p> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • 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 • It may be useful to set out issues of securities on different dates as separate line items 	<p>0</p>
<p>“E”</p>	<p>0</p>
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	

+ See chapter 19 for defined terms.

For personal use only

"A" x 0.10 Note: number must be same as shown in Step 2	42,862,780 CDIs (equivalent to 1,714,511 shares of common stock)
Subtract "E" Note: number must be same as shown in Step 3	0
Total ["A" x 0.10] - "E"	42,862,780 CDIs (equivalent to 1,714,511 shares of common stock) Note: this is the remaining placement capacity under rule 7.1A

+ See chapter 19 for defined terms.

For personal use only